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USAID/PERU PRO-BOSQUES

FINAL REPORT

SEPTEMBER 25, 2018–MARCH 24, 2024

MARCH 2024

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DISCLAIMER

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ACKNOWLEDGEMENTS

The **United States Agency for International Development (USAID)** *Securing a Sustainable, Inclusive, and Profitable Forest Sector* Activity (Pro-Bosques), implemented by Tetra Tech, recognizes and sincerely thanks all our Peruvian partners and stakeholders, each of whom contributed to this Activity's success and helped address the many complex issues facing the forestry sector in the Peruvian Amazon.

Tetra Tech first thanks our client, USAID in Peru and its various technical and contract staff who supported and provided oversight to Pro-Bosques during the five-and-a-half years of implementation. In particular, we recognize our two Contracting Officer's Representatives—Marisel Allende and Lucas Benites—each of whom dedicated considerable time, expertise, guidance, and technical support to the Activity. We are also grateful to the **Norwegian Agency for Development Cooperation (Norad)**, for placing its trust and additional resources in Pro-Bosques, enabling the expansion of the forest governance objective and our operations with the third regional office in Madre de Dios.

None of the major milestones achieved during Pro-Bosques would have been possible without the effort, dedication, collaboration, and outstanding performance of the 55 Peruvian staff and additional consultants. We recognize the exceptional leadership of Chief of Party Dr. Hector Cisneros, Deputy Chief of Party Roxana Ramos (and later Jose Luis Orbegoso), Director of Administration and Finance Fabiola Garces, and the Component Leaders who managed the technical and operational efforts tirelessly throughout the Activity's life. The Pro-Bosques in-country technical and administrative teams in Lima and in the three field offices should all be very proud of their efforts and the sacrifices they deployed to make this Activity a success. We also recognize the guidance and support of the home office Project Manager Jason Girard and Deputy Project Manager Ariana Frascatore, who together guided Pro-Bosques' technical and operational implementation from start-up through closure. We similarly recognize the entire Tetra Tech home office backstop team for the support provided during the life of the Activity.

We also acknowledge the critical role that our local partners played in Pro-Bosques' numerous achievements and positive impacts: CEDIA, which led field implementation and engagement with Indigenous communities in the Loreto Region; ProPurús who led implementation and engagement with Indigenous communities in the Ucayali Region; and HiB Latino America who provided tailored technical assistance to forestry enterprises and training centers engaged in primary and secondary timber transformation across the Peruvian Amazon.

Finally, Pro-Bosques wishes to acknowledge its deep gratitude for the Government of Peru (GOP) and the many stakeholders for their partnership and coordination in supporting Pro-Bosques' three objectives. Above all, we acknowledge our principal GOP counterpart, the Peruvian Forest and Wildlife Service, for their collaborative spirit and dedication to improving forest governance and promoting sustainable forest management. The Center for Technological Innovation Forestal network and too many forestry enterprises and associations to mention were instrumental in achieving the successes of Pro-Bosques' Private Sector Engagement Component. Lastly, Pro-Bosques acknowledges the contributions of the 16 participating Indigenous communities in Loreto and Ucayali, their Indigenous organizations, and AIDSEP and CONAP, the Indigenous federations with whom ProBosques worked hand-in-hand to deepen Indigenous inclusion in the forestry sector and to ensure adoption of the Indigenous Forestry Agenda.

Tetra Tech and its partners, together with the GOP, private sector, and Indigenous stakeholders, demonstrated that improved forest governance, strengthened private sector engagement, and greater Indigenous inclusion in the forestry sector in the Peruvian Amazon is achievable.

FOREWORD—CHIEF OF PARTY

The following pages of the Pro-Bosque Final Report showcase what happens when the Peruvian government, development partners, private sector, civil society organizations, and local Indigenous communities collaborate to reduce deforestation, conserve biodiversity, mitigate climate change, and promote sustainable forest-based livelihoods within and for the Peruvian Amazon.

Through this report, Pro-Bosques shares the legacy of its achievements. Although there is still much to do to ensure long-term conservation of Peru's forests, there are many notable results that all involved with Pro-Bosques can be proud of. Together we have demonstrated how to modernize forest governance by improving networked forest monitoring, data management, and public sector funding for forests; engage the private sector to increase the competitiveness of Peruvian forestry sector enterprises from forest to market; and empower Indigenous communities and their organizations by strengthening their resource rights and linkages to sustainable forest value chains.

At the heart of Pro-Bosques is partnerships via direct engagement with our stakeholders: the Forest and Wildlife Service and regional government forest authorities, the Forestry and Wildlife Resource Oversight Agency, forestry sector enterprises, associations, and the Center for Technological Innovation Forestal network Forestry network, and Indigenous communities and their organizations. Through their commitments and tireless efforts, each of them has embarked on a unique path leading toward conservation of the Peruvian Amazon and the sustainable and equitable use of its forest resources.

We are very pleased to share the USAID Pro-Bosques final report. On behalf of the entire USAID Pro-Bosques team, please accept our sincere gratitude for your support, insights, and dedication over the past five-and-a-half years. We are confident that the good work will continue.



Dr. Hector Cisneros
Chief of Party
USAID Pro-Bosques

TABLE OF CONTENTS

ACKNOWLEDGEMENTS	iv
FOREWORD—CHIEF OF PARTY	v
TABLE OF CONTENTS	vi
ACRONYMS.....	vii
1. ACTIVITY OVERVIEW	1
2. MAIN IMPACTS & STAKEHOLDERS.....	3
2.1 PRO-BOSQUES STAKEHOLDERS	4
3. FOREST GOVERNANCE	5
3.1 MAIN ACHIEVEMENTS.....	5
3.2 MC-SNIFFS INFORMATION TECHNOLOGY (IT) DEVELOPMENT	7
3.3 REGULATORY FRAMEWORK	10
3.4 STRENGTHENED INSTITUTIONAL MANAGEMENT.....	11
3.5 INTEROPERABILITY	12
3.6 OTHER SNIFFS MODULES	12
3.7 PLANNING AND PUBLIC BUDGETING	13
4. PRIVATE SECTOR ENGAGEMENT	15
4.1 OBJECTIVE 2 MAIN ACHIEVEMENTS	15
4.2 STRENGTHENING THE CITE FORESTRY NETWORK AND SMEs.....	17
4.3 FOREST FINANCING FOR SMALL FOREST PRODUCERS.....	20
4.4 PROMOTING PUBLIC AND PRIVATE MARKETS FOR FOREST PRODUCTS	24
4.5 LOCAL FORESTS	25
5. INDIGENOUS EMPOWERMENT	27
5.1 MAIN ACHIEVEMENTS.....	27
5.2 INDIGENOUS LAND RIGHTS AND TENURE SECURITY	28
5.3 COMMUNITY CONTROL AND OVERSIGHT.....	30
5.4 COMMUNITY FOREST MANAGEMENT	31
5.5 INDIGENOUS FOREST AGENDA	35
6. CROSSCUTTING THEMES.....	37
6.1 ASSOCIATION OF SMALL PRODUCERS.....	37
6.2 GENDER AND SOCIAL INCLUSION	38
6.3 PRIVATE SECTOR ENGAGEMENT	40
7. LESSONS LEARNED	42
7.1 LESSONS LEARNED FROM THE ACTIVITY’S COMPONENTS	42
7.2 LESSONS LEARNED IN THE ACTIVITY IMPLEMENTATION PROCESS.....	45
8. RECOMMENDATIONS.....	46
8.1 SPECIFIC RECOMMENDATIONS ORGANIZED BY COMPONENT	46
8.2 FUTURE ACTIVITY DESIGN AND IMPLEMENTATION.....	47
ANNEXES	A-1

ACRONYMS

ACR	Regional Conservation Area
AFIMAD	Madre de Dios Indigenous Forestry Association
AIDSEP	Inter-Ethnic Association for the Development of the Peruvian Amazon
AIMPA	Padre Abad Wood Industry Association
APEXRU	Association of Small Harvesters and Reforesters of Ucayali
ARAU	Ucayali Regional Environment Authority
ARFFS	Regional Forestry and Wildlife Authority
ASCART	Association of the Brazil Nut Tambopata National Reserve and Bahuaja Sonene National Park
ASMUSECO	Señor de Coylloriti Furniture Association
CFM	Community Forest Management
CITE	Center for Technological Innovation
CONAP	Peruvian Confederation of Amazon Nations
CTP	Primary Transformation Centers
CVC	Community Control and Oversight
DEMA	Management Declaration
DICAPI	Peruvian Navy's Port Authority and Coast Guard Department
ER-GTF	Application for Issuing and registering the Forest Transportation Guide
FECONALICM	Federation of Indigenous Communities of Imiría Lake and Chauya
FECORITAYB	Tapiche and Blanco River Communities Organization
GEOSERFOR	Geoportal of SERFOR's Spatial Data Infrastructure
GERFOR	Loreto Forest and Wildlife Development Management
GESI	Gender Equality and Social Inclusion
GOP	Government of Peru
GTF	Forest Transport Guide
HACCP	Hazard Analysis and Critical Control Points
IDE	Spatial Data Infrastructure
IDER	Regional Spatial Data Infrastructures
IEICFM	Index of Indigenous Empowerment for Community Forest Management
INACAL	National Quality Institute
INIA	National Agricultural Research Institute
IOARR	Investment on optimization, marginal expansion, replacement, and rehabilitation
IT	Information Technology
ITP	Peruvian Technological Institute for Production
LO-CTP	Operations Log Book for Primary Transformation Center
LO-TH	Operations Log Book for Forest Titles

M	Million
MC-SNIFFS	Control Module of the National Forest and Wildlife Information System
MP-SNIFFS	Promotion and Competitiveness Module of the National Forest and Wildlife Information System
MEF	Ministry of Economy and Finance
MIDAGRI	Ministry of Agricultural and Irrigation Development
MINAM	Ministry of Environment
MINCUL	Ministry of Culture
MSE	Micro and Small Enterprise
MSME	Micro, Small and Medium Enterprises
MT	Metric Tons
Norad	Norwegian Agency for Development Cooperation
NTFP	Non-timber Forest Product(s)
OLV	Local Oversight Organizations
ORPIO	Eastern Indigenous Peoples Regional Organization (Loreto)
OSINFOR	Forestry and Wildlife Resource Oversight Agency
PGMF	General Forest Management Plan
PIDE	State Interoperability Platform
PNAEQW	Qali Warma School Meals Program
PNTP	Peruvian Technical Standards Project
PO	Operative plan
Pro-Bosques	USAID Securing a Sustainable, Inclusive, and Profitable Forest Sector Activity
PROMAPE	Fishery Management Program
RAFFS	Updated Records of Forest and Wildlife Information
RDE	Resolution by Executive Director
RONAP	Association of Amazonian Brazil Nut Collectors of the Madre de Dios Region
SERFOR	Peruvian Forest and Wildlife Service
SIADO-R	Digital Archive Information System (Region)
SIR	SERFOR's Information and Registration System
SNIFFS	National Forest and Wildlife Management Information System
TH	Forest Titles
USAID	United States Agency for International Development
USFS	United States Forest Service

1. ACTIVITY OVERVIEW

Table 1. USAID Pro-Bosques Activity overview

Project Name	USAID Pro-Bosques Activity
Program Start & End Date	September 25, 2018–March 24, 2024
Name of Prime Implementing Partner	Tetra Tech
Contract Number	72052718C00002
Award Ceiling	\$25,046,696
Subcontractors	Holz-industrieberatung (HiB) Latinoamérica, ProPurús, Centro para el Desarrollo del Indígena Amazónico (CEDIA)
Major Counterpart Organizations	Government of Peru (GOP) - National Forest and Wildlife Service (SERFOR), Ministry of Agriculture, and Ministry of Environment
Geographic Coverage	Peruvian Amazon Region: Ucayali, Loreto and Madre de Dios

On September 25, 2018, the United States Agency for International Development (USAID) awarded Tetra Tech the five-year contract to implement the **USAID Securing a Sustainable, Profitable, and Inclusive Forest Sector in Peru Activity (USAID Pro-Bosques)**. The USAID Activity supported the strengthening of Peru’s forestry sector, focusing on improving forest governance through forest control and monitoring tools; promoting private sector engagement through sustainable forest management and improved business practices; and fostering market inclusiveness by increasing the participation of Indigenous and other forest-dependent communities in forest value chains. In May 2020, USAID modified the Pro-Bosques’ contract allowing for its expansion with additional funding from the Norwegian Agency for Development (Norad). The expanded activities aligned fully with the broader objectives that Pro-Bosques was implementing and contributed directly to its expected results and indicators. The Activity’s overall goal was to provide the pillars for sustainability, legality, inclusivity, and profitability that are necessary to support and modernize Peru’s forestry sector.

The USAID Pro-Bosques Activity strengthened monitoring and enforcement in the forestry sector by implementing use of the National Forest and Wildlife Management Information System (SNIFFS), including initial implementation of the Control Module (MC-SNIFFS) in the Peruvian Amazon region. Working in collaboration with the private sector, Tetra Tech supports forest title holders—including concession holders and Indigenous communities, as well as forest enterprises, processing centers, and exporters—to improve their forest management plans, reduce waste, and increase performance throughout the forest value chains. Tetra Tech also works closely with local Indigenous organizations to expand and scale community control and oversight of forest resources to strengthen Indigenous rights and improve forest-based livelihoods. Combined, these efforts reduce illegal logging and modernize Peru’s forestry sector by:

- Strengthening monitoring and enforcement in the forestry sector to increase legal timber for international and domestic use (Objective 1);
- Improving private sector engagement in forestry sector activities through the increased efficiency in the use and transformation of forest resources, working to reduce deforestation rates and illegal logging (Objective 2); and
- Empowering Indigenous communities and strengthening their rights and resources through sustainable forest management (Objective 3).

The USAID Pro-Bosques Final Activity Report summarizes the strategy, implementation processes, outcomes, and results of Pro-Bosques’ effort to strengthen and modernize the Peruvian forestry sector over its entire period of performance from September 25, 2018 through March 24, 2024, and concludes by sharing valuable lessons learned and recommendations for next steps.



Component 1. Forest Governance

Geographic coverage: Peruvian
Amazon region



Component 2. Private Sector Engagement

Geographical coverage: Loreto,
Ucayali, and Madre de Dios



Component 3. Indigenous Empowerment

Geographical coverage: Loreto, Ucayali,
and nationwide through the National
Forestry Agenda

2. MAIN IMPACTS & STAKEHOLDERS



USD 24 MILLION LEVERAGED TO IMPROVE FOREST MANAGEMENT



440,000 HECTARES WITH IMPROVED NATURAL RESOURCE MANAGEMENT



25 MILLION CO2 EQUIVALENT AVOIDED IN GREENHOUSE GAS EMISSIONS THROUGH STRENGTHENED CONTROL AND OVERSIGHT



2,873 PEOPLE TRAINED IN MC-SNIFFS, FOREST COMPETITIVENESS, AND INDIGENOUS EMPOWERMENT



308 SMALL AND MEDIUM-SIZED ENTERPRISES APPLY BEST FOREST MANAGEMENT PRACTICES



16 INDIGENOUS COMMUNITIES IMPROVE THEIR LEGAL LAND RIGHTS & TENURE SECURITY



31 COMMUNITY FOREST MANAGEMENT INITIATIVES ORGANIZED, TRAINED, AND EQUIPPED IN LORETO AND UCAYALI

2.1 PRO-BOSQUES STAKEHOLDERS

To achieve its objectives of strengthening forest governance, growing private sector engagement, and fostering Indigenous inclusion in the forestry sector, the USAID Pro-Bosques Activity centered its implementation around an inclusive partnering approach involving a variety of stakeholders ranging from Government of Peru (GOP) entities to forestry enterprises to Indigenous organizations. Each of the Activity's stakeholders have an interest in the forestry sector and a role to play in the successful management of a sustainable forest industry. The boxes below outline the stakeholders the Activity has engaged with over its five and a half years of implementation.



PUBLIC SECTOR

- Peruvian National Forest and Wildlife Service (SERFOR)
- Loreto Forest and Wildlife Development Management (GERFOR)
- Ucayali Regional Forest and Wildlife Management (GRFFS-U)
- Madre de Dios Regional Government (GOREMAD)
- Forestry and Wildlife Resource Oversight Agency (OSINFOR)
- Ministry of Economy and Finance (MEF)
- Technological Institute of Production (ITP) and its CITE Forestal network



PRIVATE SECTOR

- Forest concessions in Loreto, Ucayali, and Madre de Dios
- Sawmills and other timber transformation centers in Loreto, Ucayali, and Madre de Dios
- Forest sector enterprises and small producer associations
- Brazil nut producers, processing plants and associations
- Forest stewards (*regentes*) in the Amazon



INDIGENOUS PEOPLES

- 16 Indigenous communities in Loreto and Ucayali
- Eastern Indigenous Peoples Regional Organization (ORPIO) in Loreto
- Tapiche and Blanco River Communities Organization (FECORITAYB) in Loreto
- Federation of Indigenous Communities of Imiría Lake and Chauya (FECONALICM) in Ucayali
- Inter-ethnic Association for the Development of the Peruvian Amazon (AIDESEP)
- Peruvian Confederation of Amazon Nations (CONAP)



PHOTO: JOINT TRIALS OF THE *GESTIONA FORESTAL* PLATFORM, WITH THE PARTICIPATION OF THE REGIONAL AUTHORITIES OF LORETO, UCAYALI, AND MADRE DE DIOS, STEWARDS AND SERFOR
PHOTO CREDIT: SERFOR

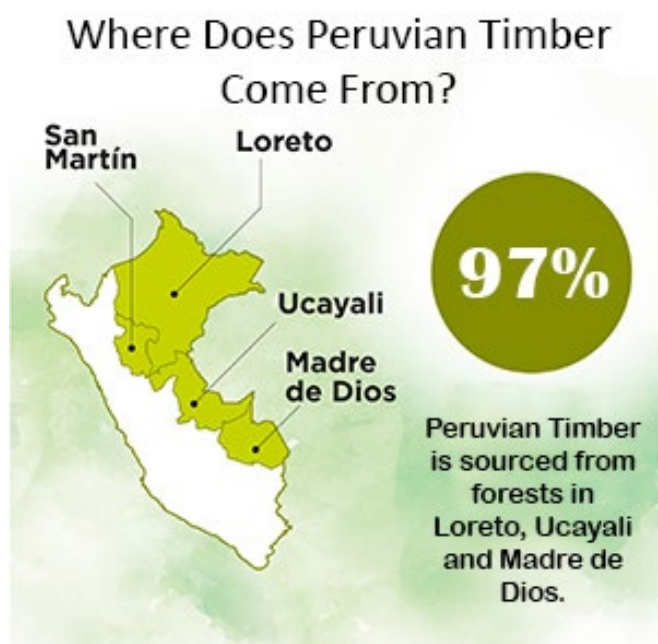
3. FOREST GOVERNANCE

Peru has the sixth largest area of natural forests in the world, with vast swathes of timber-producing rainforests located mainly in the Peruvian Amazon regions. Informality, illegality, and limited competitiveness hampers sustainable management of this high-value resource, which jeopardizes the economic sustainability and conservation of the ecosystems that maintain the forests. To promote competitiveness and sustainability in the timber value chain, it is essential to strengthen public and private forest management and improve data management in the forest administration of the timber value chain to ensure the verification of the legal origin of the timber. Modern forest management promotes data systems to strengthen the control of timber production to guarantee its legal origin. The MC-SNIFFS provides this function in Peru, which operates through SERFOR's *Gestiona Forestal* platform.

Throughout its implementation, Pro-Bosques provided technical assistance to SERFOR, OSINFOR, and regional forest authorities to develop and implement the MC-SNIFFS. This assistance included developing the regulatory function of forest management procedures, managing and accessing public budget, improving the management of data on timber licenses, and strengthening interoperability with other government systems.

3.1 MAIN ACHIEVEMENTS

The SNIFFS Control Module (also known as *Gestiona Forestal*) ensures compliance with provisions of the Public Management Modernization Law and is key to improving Peru's public administration. It will improve the quality of public services, reduce corruption, and increase citizens' trust in the government. It also encourages legal trade, traceability, legal origin, and the sustainable use of forest resources, and promotes transparency and efficiency in granting forest titles.



**USD 12 M LEVERAGED TO
IMPROVE FOREST
MANAGEMENT**

**52% OF FOREST
MANAGEMENT DOCUMENTS
REGISTERED AND DIGITIZED
FOR SERFOR**

**MC-SNIFFS SYSTEM
ONLINE AND LIVE FOR
FOREST CONCESSIONS**

**2 ADDITIONAL SNIFFS
MODULES DEVELOPED AND
STRENGTHENED**

**27 GOP REGULATIONS
DEVELOPED AND LINKED TO
MC-SNIFFS**

**325 PUBLIC USERS AND
FOREST STEWARDS TRAINED
IN MC-SNIFFS**

**4 AGENCIES WITH
ENHANCED CAPACITY FOR
USING MC-SNIFFS**

**98% REGISTRATION OF
CURRENT FOREST
MANAGEMENT PLANS**



3.2 MC-SNIFFS INFORMATION TECHNOLOGY (IT) DEVELOPMENT

The MC-SNIFFS is a system for managing data on forest titles that the GOP grants to private stakeholders and communities allowing their sustainable use of resources in natural forests. The module supports timber traceability and verification of legal sourcing, as it addresses the seven procedures involved in forest management—from granting the forest license marketing and selling the timber.

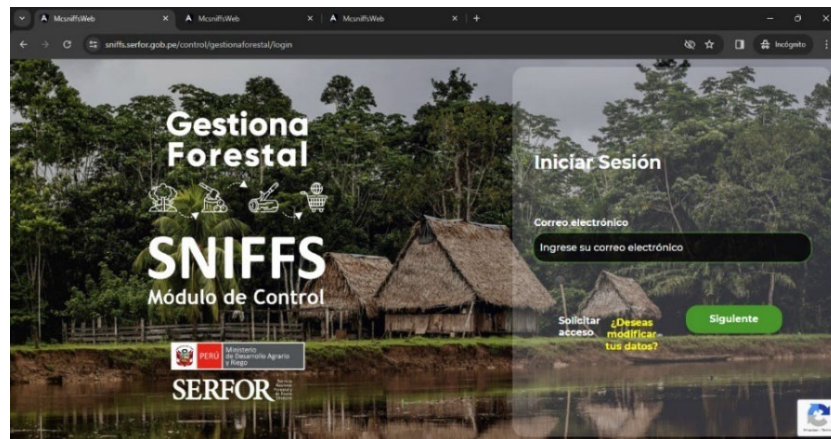


PHOTO: GESTIONA FORESTAL PLATFORM IN PRODUCTION

Pro-Bosques' original directive was to provide technical assistance to the GOP to implement the existing MC-SNIFFS IT system, which SERFOR had already designed and developed. However, in coordination with SERFOR, Pro-Bosques carried out a rigorous external technical evaluation of the system and concluded that, given the modifications necessary for it to be fully operational, it would be more efficient to develop a new comprehensive system. One of the main reasons for this was passage of the Forest and Wildlife Law (Law No. 29763) on October 1, 2015, which approved the following: i) Forest Management Regulations, ii) Wildlife Management Regulations, iii) Forest Plantations and Agroforestry Systems Management Regulations, and iv) Regulations for Forest and Wildlife Management in Indigenous and Peasant Communities.

As a preliminary step to IT development, Pro-Bosques supported the MC-SNIFFS conceptual design and process mapping update. The Activity team held workshops for co-creating the design and definition of functions with users from the Regional Forestry and Wildlife Authority (ARFFS) in Loreto, Ucayali, Madre de Dios, San Martín, and several Forest and Wildlife Technical Administrations.

Pro-Bosques built on the achievements of previous activities to develop MC-SNIFFS procedures for the different types of forest titles. These procedural documents are technically rigorous and drafted based on an analysis of the current legal framework, proposals for improvement, aligned activities, and an analysis of impacts on other functions.

On behalf of SERFOR, Pro-Bosques developed official procedures and/or procedural documents for the following types of forest titles:

- Forest Concession for Timber Management (Abbreviated Procedure): High-Level/Large Scale;
- Concession for Non-Timber Forest Products (NTFPs) (Direct Concession): Medium Level/Medium Scale, Low Level/Small Scale;
- Forest Timber Harvesting Permit in Indigenous and Peasant Communities: High Level/Large Scale, Moderate Level/Medium Scale, Low Level/Small Scale;
- Forest Timber Harvesting Permits on Private Land: Moderate Level/Medium Scale, Low Level/Small Scale;
- Local Forest: High Level/Large Scale; and
- Functional documents of MC-SNIFFS processes four to seven with a forest management focus.

MC-SNIFFS (*Gestiona Forestal* platform) is now available online and ready to use¹ for forest timber concessions² and integrates with the existing IT applications (apps) for the Forest Title Operations Logbook (LO-TH), for the Issuing and Registering Forest Transport Guides (ER-GTF), and for the Primary Transformation Centers Operations Logbook (LO-CTP), which together complete the timber value chain. The Pro-Bosques-led integration secures the data flow between the management of these forest titles, forest planning, and the main functions related to forest management, transport, and product transformation.

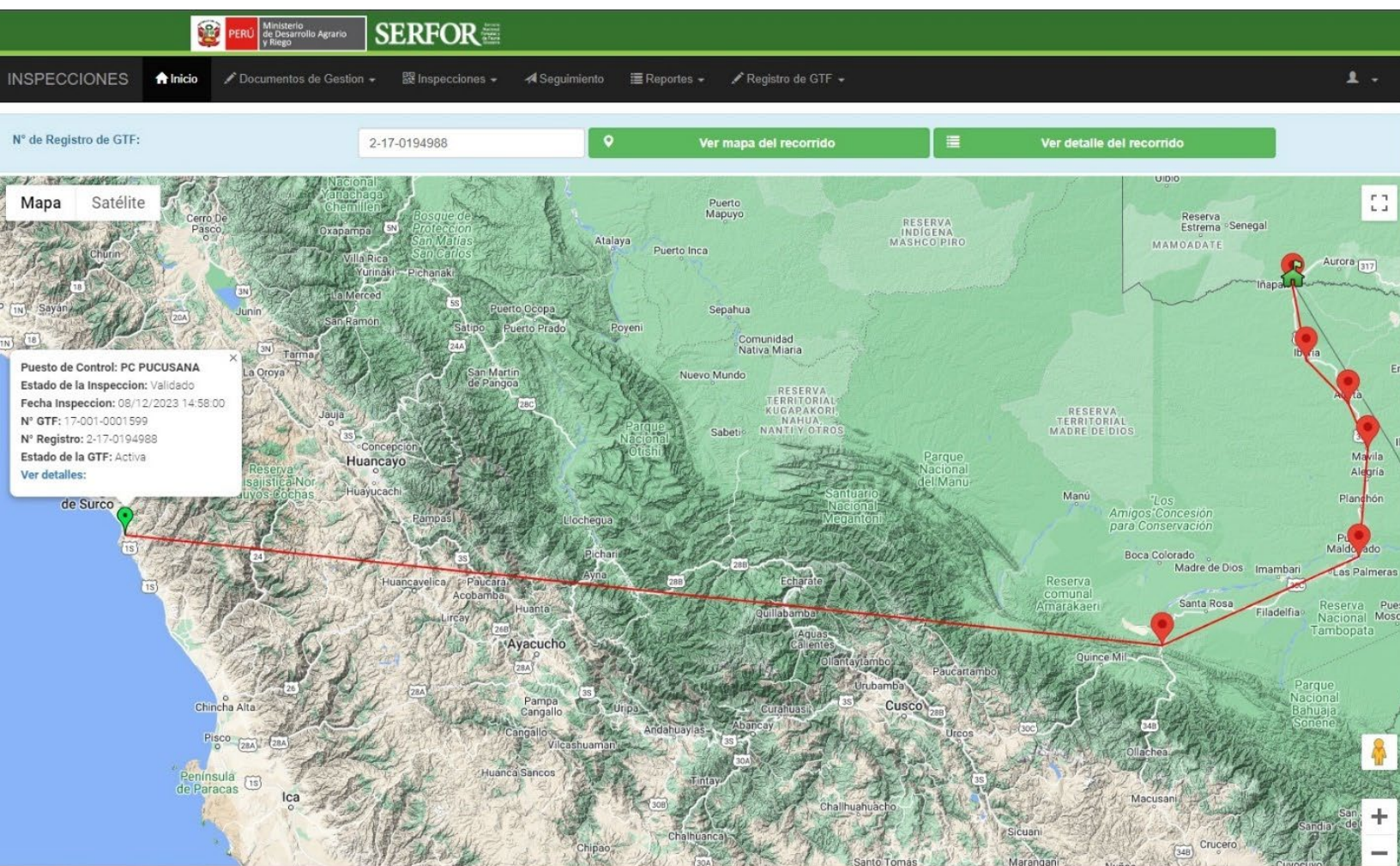
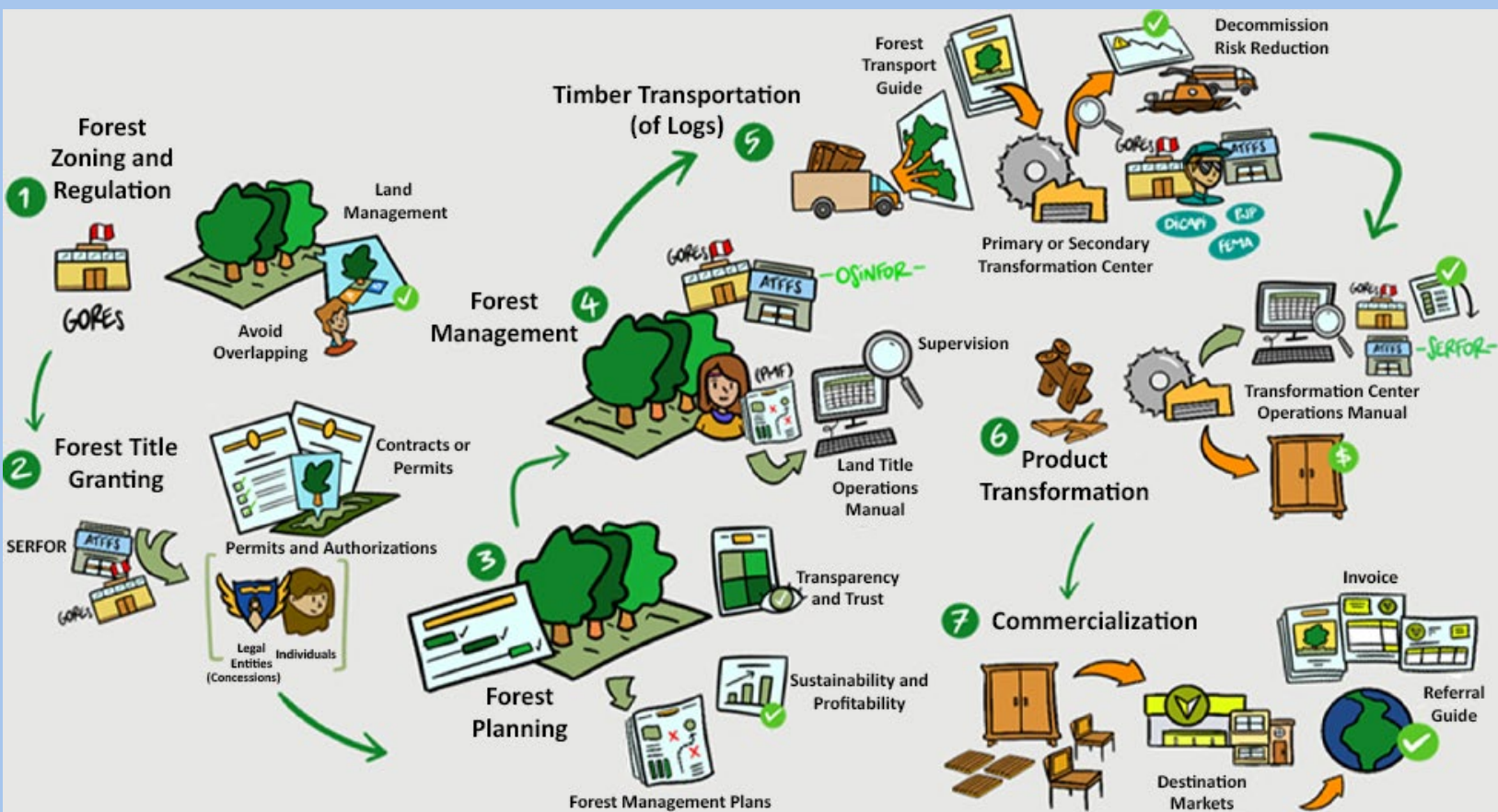


PHOTO: THE INSPECTIONS APPLICATION IS PART OF THE MC-SNIFFS IT PLATFORM (*GESTIONA FORESTAL*). IT MONITORS THE CERTIFIED TRANSPORT OF LEGALLY SOURCED TIMBER THROUGH THE GOP'S NETWORK OF FORESTRY CONTROL POSTS.

¹ The MC-SNIFFS team comprised five computer engineers, twelve software developers, seven forest specialists, two quality control analysts, and one systems documenter.

² SERFOR's MC-SNIFFS website: <https://sniffs.serfor.gob.pe/control/>

Box 1. The Seven Processes of the MC-SNIFFS



THE MC-SNIFFS ROADMAP FOLLOWS THE TIMBER SOURCING AND PRODUCTION PROCESS FROM START TO FINISH – FROM FOREST TO MARKET. BY MAINTAINING CAREFUL MONITORING OF PERUVIAN TIMBER FROM ITS ORIGIN, STARTING WITH LAND MANAGEMENT AND TITLING, THE CONTROL MODULE INCREASES TRACEABILITY AND ALLOWS CONFIRMATION OF LEGAL SOURCING.

Benefits of the MC SNIFFS

- ✓ Makes forest administration more efficient and transparent.
- ✓ Helps verify the legal origin of timber.
- ✓ Provides timely and comprehensive data to forest authorities and interoperability with other GOP information systems.
- ✓ Boosts the prestige of Peruvian timber in markets and improves marketability.
- ✓ Reduces risk of timber confiscation.
- ✓ Supports sustainably harvested forests.
- ✓ Creates more development opportunities.
- ✓ Enables timber tracing from source to marketing.
- ✓ Increases buyer confidence.
- ✓ Expands access to new markets and higher profits.
- ✓ Facilitates, speeds, and strengthens user confidence in verification and control.

3.3 REGULATORY FRAMEWORK

Peru has made significant progress in the forestry sector due the Forest Law (Law No. 29736) and its four related regulations, which establish general guidelines for the forestry sector. However, it was imperative to develop in-depth, specific procedures for agencies to coordinate on complementary actions to promote the sustainable use and development of resources, and their control and traceability. Pro-Bosques provided technical assistance to SERFOR as the regulatory authority and to the regional forest authorities as direct managers of the forest heritage in developing 27 key forest governance policy instruments (Table 2) that link directly to the implementation of MC-SNIFFS. These instruments enable the authorities to offer forest resources users and managers important services, providing them with certainty and transparency.

Table 2. Pro-Bosques-supported regulatory instruments linked to the MC-SNIFFS

N°	REGULATIONS
1	Directive on suspension of rights and obligations of license holders
2	Guidelines for evaluating and approving forest management plans
3	Directive for approval of assignment of contractual position in forestry concession contracts and assignment in use contracts
4	Directive for granting discounts on harvesting rights fees through systems for promoting forest timber titles
5	Manual on conducting initial inventories in primary transformation centers
6	Protocol for registering forest transport guides and issuing the electronic registration certificate in the MC-SNIFFS app
7	Technical evaluation of the draft methodological guide for determining performance coefficients
8	Draft guidelines for the control and supervision of primary transformation centers, warehouses, collection sites and centers for marketing forest specimens, products, and by-products
9	Draft guidelines for authorizing for the establishment of Primary Transformation Centers (CTPs), warehouses, and collection sites and centers for marketing products in their natural state or with primary transformation
10	Guidelines for audits and verifications of forest exporters and/or producers
11	Legal analysis of local forests granted under Law 27308 (Peru's former Forest Law)
12	Directive for granting permits for the import, export, and re-export of forest specimens, products, and by-products
13	Guidelines for granting permits for the import, export, and re-export of forest specimens, products, and by-products
14	Guidelines for applying criteria for reformulating forest management plans for timber purposes
15	Basic and comprehensive training course for forest and wildlife controllers
16	Technical inputs to regulatory development for defining primary transformation, secondary transformation, and related activities
17	Analysis and rationale for determining strategic check points (SCPs) nationwide
18	Protocol for forest timber control in river transport
19	Guidelines approving discounts on harvesting rights fees for promotional schemes
20	Planning and budgeting guide for additional requests for forest authorities
21	Protocol for forest timber control in land control and update in line with the new LO-CTP format
22	Updated formats of "Operations Logbook of primary transformation centers for forest timber products and by-products"
23	Updated practical guide for implementing and using the LO-CTP
24	Draft update of the guide for verifying initial forest inventories
25	Draft update of the guide for initial log inventory taking at the CTPs
26	Draft update of the format of the forest transport guide (GTF), in line with the new LO-CTP format

N°	REGULATIONS
27	Information sheet on "Levels, service and quality standards to complement the information of the Public Service for the Control and Oversight of the Timber Chain" for the GOP's INVIERTE.PE public investment framework

3.4 STRENGTHENED INSTITUTIONAL MANAGEMENT

To consolidate the data on the forest titles, which are essential for operating the MC-SNIFFS, Pro-Bosques assisted the regional authorities of Loreto, Madre de Dios, San Martin, and Ucayali in the registry and digital systematization of forest license data in SERFOR's database—"Updated Forest and Wildlife Data Records (RAFFS)"—as well as in their regional databases. SERFOR has continued systematizing data on forest titles and primary transformation centers to upload to the MC-SNIFFS platform. With Pro-Bosques support, SERFOR has now systematized and recorded the data in its databases (ER-GTH and Information and Registration System [SIR]) and has begun data migration to the MC-SNIFFS database. Table 3 shows the progress below.

Table 3. Progress in data systematization

	ACTION	TOTAL	% OF PROGRESS
Data systematization for progressive implementation of the MC-SNIFFS	Forest title record (TH)	2,708	52%
	Record of forest management plans in force	2,708	98%
	TH geographic information system data record	2,708	26%
	Forest transport guides (GTF) register	GTF for the 2,708 TH	30%

Pro-Bosques also assisted SERFOR in integrating its central database with OSINFOR's digital archive information system (called SIADO-R [regional]), providing it with digitized information on management plans in real time. The data that regional authorities upload to SIADO-R automatically feeds the central SERFOR database so that any of its platforms can use it. Through this integration, over 62,000 documents were migrated to date.

Now that the MC-SNIFFS platform is available to users nationwide, Pro-Bosques provided training to companies in Madre de Dios, with emphases on the formulation of the General Forest Management Plan (PGMF) and Operational Plan (PO). The training is being given in stages and will continue in Loreto and Ucayali.

In addition, with support from Pro-Bosques, SERFOR has been providing training in the LO-TH, ER-GTF, and LO-CTP apps, which complement the platform. Table 4 shows progress with the latter.

Table 4. Progress in training conducted in the MC-SNIFFS for community forest management

ARFFS	NO. REGIONAL FOREST/WILDLIFE MANAGEMENT PROFESSIONALS	NO. OF STEWARDS	TH			CTP		
			TOTAL	NO. TRAINED IN LO-TH	% Trained	TOTAL	NO. TRAINED IN LO-CTP	TOTAL
LORETO	83	5	291	19	7	39	22	56
MADRE DE DIOS	98	11	60	24	40	57	27	47
UCAYALI	92	22	132	25	19	46	5	11
SAN MARTÍN	10	4				37	2	5
TOTAL	283	42	483	68	14	179	56	31

3.5 INTEROPERABILITY

There has been significant progress made in the interoperability between the MC-SNIFFS and other state systems. GEOSERFOR³, the Geoportal of the SERFOR's spatial data infrastructure (IDE) now has web services for interoperability with the MC-SNIFFS, and SERFOR has access to web services that provide access to data from OSINFOR's systems. SERFOR can now access the State Interoperability Platform (PIDE)⁴ and some key systems of the Ministry of Culture (MINCUL), Ministry of Environment (MINAM), and Ministry of Agriculture and Irrigation Development (MIDAGRI). SERFOR also signed an interoperability protocol with the Defense Ministry's Port Authority and Coast Guard Department (DICAPI).

In addition, Pro-Bosques identified gaps in the geospatial data of the regional spatial data infrastructures (IDER) of Loreto, Ucayali, and Madre de Dios. The Activity provided technical assistance to implement mechanisms for full interoperability with GEOSERFOR and to close the identified gaps. Table 5 shows advances in interoperability.

Table 5. Interoperability protocols for geographic data exchange

GEOESPATIAL DATA	INTERAGENCY EXCHANGE	STATUS
Protocol for exchanging geographic data through database interoperability	SERFOR-MINAM (SERNANP and GEOBOSQUES)	Signed
	SERFOR-MIDAGRI (DGAAA)	Signed
	SERFOR-MIDAGRI (DIGESPACR)	Signed
	SERFOR- INGEMMET Cadastral basis of GEOCATMIN	Signed
Interoperability protocol for data exchange between GEOSERFOR and IDER Loreto	GEOSERFOR and the IDER Loreto	Signed
Interoperability protocol for data exchange between GEOSERFOR and IDER Ucayali	GEOSERFOR and the IDER Ucayali	Signed
Interoperability protocol for data exchange between GEOSERFOR and IDER Madre de Dios	GEOSERFOR and the IDER Madre de Dios	Underway
Protocols between MIDAGRI and MINCUL, for exchanging data required by the MC-SNIFFS	MIDAGRI – MINCUL	Underway
Protocol for data exchange between SERFOR and the Peruvian Navy's Port Authorities and Coast Guard Department	SERFOR – DICAPI	Signed

Pro-Bosques' interoperability support provided an additional database at the service of the forestry sector, which generates value and strengthens sustainability for long-term SNIFFS implementation.

3.6 OTHER SNIFFS MODULES

National Forest and Wildlife System Cadaster Module

Within the SNIFFS, this module provides integrated, standardized, and quality geospatial data, in line with the normative technical instruments established in SERFOR's IDE, as part of the state modernization policy and government agencies' obligation to share information and geographic data obtained in their jurisdiction.

³ <https://geo.serfor.gob.pe/geoserfor/>

⁴ PIDE is the national interoperability platform, which includes National Superintendency of Customs and Tax Administration, Nation Public Records Superintendency, and the National Identification Registry.

Pro-Bosques provided technical assistance to develop the conceptual design of the SNIFFS Cadaster Module. This technical assistance established the parameters for SERFOR's GEOSERFOR, and was the basis for strengthening the Cadaster Module, including the development of the functional modules and the enhancement of the current GEOSERFOR system. Pro-Bosques' technical assistance contributed to strengthening GEOSERFOR and it is now interoperable with the MC-SNIFFS, regional geospatial systems, and other agencies' systems, receiving and sharing fundamental data to strengthen their work.

Promotion and Competitiveness Module

The purpose of the SNIFFS Promotion and Competitiveness Module (MP-SNIFFS) is to provide information to encourage economically viable, formal, socially beneficial, and inclusive forest products and businesses in both domestic and foreign markets.

Pro-Bosques assisted SERFOR to develop and implement the platform for recognition of good practices for the legal timber trade. SERFOR presented the first completed version officially at Expo Amazónica 2023. It was a popular exhibition, recognizing good practices of the market and various stakeholders and giving concise data from SERFOR, OSINFOR, and the Forest Stewardship Council via the platform's interoperability capabilities. The platform is part of the MP-SNIFFS and disseminates information on suppliers (forest titles, forest plantations, and primary and secondary transformation centers) that developed initiatives that qualify as good practices⁵.

3.7 PLANNING AND PUBLIC BUDGETING

A major constraint to improving forest management is the public budget, especially in regional forest departments. These projects often do not receive appropriate attention from regional governments or the Ministry of Economy and Finance (MEF) due to poor planning and a lack of recognition of the results to achieve. Therefore, in 2019, Pro-Bosques provided technical assistance to Loreto for planning their Forest and Wildlife Development Management (GERFOR) activities and applying to the MEF with an additional budget request. The Loreto regional authority secured PEN 3.6M⁶ (\$940,000⁷) for the first time, 90 percent more than the budget obtained by the Madre de Dios regional authority and 29 percent more than that of the Ucayali regional authority. In 2021⁸ and 2022⁹, the regional governments of Loreto, Ucayali, and Madre de Dios obtained an additional annual budget of PEN 17.4M (\$4.5M) and PEN 16.5M (\$4.3M). Pro-Bosques carried out this work in conjunction with the USAID/US Forest Service (USFS) Forest Program, and not only requested a larger budget but also gave practical training for officials, creating a critical mass to carry out such planning and management in the future.

In 2019, Pro-Bosques also assisted SERFOR in drafting an OIARR¹⁰ to buy key hardware and software for the administration and central maintenance of the MC-SNIFFS IT system with PEN 4.2M (\$1.09M) of public funds. Pro-Bosques went on to assist SERFOR's Planning and Budgeting Office in drafting a "Guide

⁵ Best practices included in the first version of the platform: Use of the MC-SNIFFS Electronic Book of Operations of Forest Licenses (LO-TH); Use of the MC-SNIFFS Electronic Book of Operations of Primary Transformation Centers (LO-CTP); "Very Good" rating in the report of forest licenses supervised by OSINFOR; voluntary forest certification.

⁶ DS N° 276-2029-EF, <https://www.gob.pe/institucion/mef/normas-legales/292438-276-2019-ef>

⁷ To provide an approximate US dollar (\$US) equivalent amount from PEN (Peruvian Soles), an exchange rate of 3.85 PEN to 1 USD was used, found at <https://www.google.com/finance/quote/USD-PEN> on Feb. 19, 2024.

⁸ <https://busquedas.elperuano.pe/normaslegales/autorizan-transferencia-de-partidas-en-el-presupuesto-del-se-decreto-supremo-n-346-2021-ef-2020163-2/>

⁹ <https://busquedas.elperuano.pe/normaslegales/autoriza-transferencia-de-partidas-a-favor-de-diversos-gobie-decreto-supremo-n-032-2022-ef-2046688-2/>

¹⁰ OIARR stands for "Investments for optimization, marginal expansion, replacement and upgrading of the Peruvian public investment system" (INVIERTE.PE); they are the GOP's process for requesting public funding for new investments.

for the Planning and Formulation of Additional Requests," approved by SERFOR's General Manager through RGG N° D000020-MIDAGRI-SERFOR-GG¹¹. Using this tool as a reference, Pro-Bosques trained 30 SERFOR staff members tasked with accompanying institutional planning in SERFOR's departments.

In addition, with Pro-Bosques' support, the GOP has now defined by law 51 strategic checkpoints as mandatory transit points for anyone transporting timber in Peru. This official definition is a fundamental milestone that contributes to more and better public investment and budget for human resources, connectivity, equipment, and infrastructure by both SERFOR and the regional forest authorities. These strategically located mandatory transit points are key to decentralized implementation of the MC-SNIFFS.

Pro-Bosques also helped draft the "MC-SNIFFS Implementation Plan," (contract deliverable that served as the basis for Supreme Decree N°024-2023-EF¹², approved and signed by Peru's president. It also enabled the MEF to transfer PEN 4.9M for SERFOR to implement the MC-SNIFFS and the LO-TH, LO-CTP and ER-GTF apps.

Finally, Pro-Bosques provided SERFOR with technical assistance to develop two important instruments that could trigger funding for MC-SNIFFS use in Peru: i) the updated "MC-SNIFFS Implementation Plan 2023-2027," which outlines the programming and budget required to implement the MC-SNIFFS from 2024 to 2027, and ii) the document "Public incentive mechanism to strengthen forest management and control in the Peruvian Amazon using the MC-SNIFFS." This is based on Directive N° 0006-2020-EF/50.01, which regulates the formulation, signing, execution, and follow-up of MEF budget support agreements, and which will allow the Loreto, Madre Dios, and Ucayali regional forest authorities to have a larger budget, and will also establish use of the MC-SNIFFS definitively nationwide.



¹¹ <https://cdn.www.gob.pe › RGG-000020-2022-GGP>

¹² "Supreme Decree that Authorizes Transfer of Items in the Public Sector Budget for Fiscal Year 2023 for Various National Government Offices and Issues Other Provisions."



4. PRIVATE SECTOR ENGAGEMENT

Consumption of Peruvian timber occurs mostly within the country,¹³ and estimates are less than 10 percent is exported, in part because export markets are increasingly concerned that the timber should be sourced legally. The main export destinations are¹⁴ China (37%), Mexico (20%), USA (17%), Dominican Republic (6%) and Europe (7%). Export volumes have fallen in recent years.

Peru still has over 73 million hectares of forest, 94 percent of it located in the Amazon. Peru's timber value chain starts largely in that region, but informality and illegality hamper it greatly. The value chain lacks competitiveness, which jeopardizes the sustainability and impact of the economic activity, and the conservation of the Amazonian forests. It is essential to engage the private business sector involved in the various links of the timber value chain, and the private sector is a critical player in promoting sustainable changes in the forestry sector.

4.1 OBJECTIVE 2 MAIN ACHIEVEMENTS

Below is Pro-Bosques' principal achievements in strengthening private sector engagement and improving competitiveness in the Peruvian forestry sector. The assistance Pro-Bosques provided in support of Objective 2 mainly:

- a. Assisted forest titleholders and forest sawmills in Loreto and Ucayali increase sustainability, legality, inclusivity, and profitability in the forestry sector; and
- b. Assisted forest products enterprises and associations in Loreto, Ucayali, and Madre de Dios to access new markets to secure the sustainability and profitability of forest activities.

¹³ Construction and service sectors influence domestic demand, specifically the demand for pallets and sawn timber. In public procurement, the education sector provides major for school desks and furniture.

¹⁴ CITEMaderas. 2018. The Timber Industry: Identification of barriers and opportunities for domestic trade of responsible timber products, from sustainable and legal sources, in MSMEs in Peru;" PROMPERÚ. 2018. "Global timber panorama of the Peruvian exportable supply."

**\$14M OF INCREASED
FUNDING MOBILIZED FOR
FOREST COMPETITIVENESS**

**308 FOREST ENTERPRISES
SUPPORTED WITH BEST
MANAGEMENT PRACTICES**

**32 NEW FOREST PRODUCTS
ADDED TO THE GOP'S
PUBLIC PROCUREMENT
CATALOG**

**FIVE LEGALLY ESTABLISHED
TECHNICAL STANDARDS FOR
SOLID WOOD DOORS**

**44% OF TIMBER
TRANSFORMATION CENTERS
APPLY BEST MANAGEMENT
PRACTICES**

**FOUR LOCAL FORESTS
ESTABLISHED AND MANAGED
BY MUNICIPALITIES**

**THREE PUBLIC AGENCIES
INCLUDE CRITERIA FOR THE
USE OF LEGALLY SOURCED
WOOD IN PUBLIC CONTRACTS**



4.2 STRENGTHENING THE CITE FORESTRY NETWORK AND THE SMALL AND MEDIUM ENTERPRISES (SMES)

The GOP's CITES were one of the Pro-Bosques Activity's valued partners. By working with and through the CITES, Pro-Bosques improved the technical and administrative capacities of forest enterprises at the production level and strengthened the coordination between the CITES and the private sector. This strategy contributes to the long-term sustainability of Objective 2 interventions as it leverages the Activity's technical reach by ensuring that forest enterprises can continue to receive effective technical support after Pro-Bosques ends. Through the technical assistance provided to and through the CITES, Pro-Bosques ensured that forest enterprises complied with technical standards, best management practices, and quality standards, which in turn enabled them to develop better quality products and take advantage of market opportunities nationwide.

4.2.1 INSTITUTIONAL STRENGTHENING OF THE CITE FORESTRY NETWORK IN ITS FOREST ACTIVITIES

Pro-Bosques' technical assistance enabled CITEforestal Maynas to expand its services in the production chain and improve the operation of the forest management area. CITEforestal Maynas provides technology transfer to companies in Loreto in forest harvesting planning (including remote sensing tools), low-impact logging, and forest operations monitoring. Using this experience, Pro-Bosques published a guide for intermediate-technology forest planning and harvesting¹⁵.

Pro-Bosques worked with CITEforestal Pucallpa to develop and implement three labor competency standards and their respective evaluation instruments within the framework of the labor competency certification regulated by the Ministry of Labor and Employment Promotion (MTPE)¹⁶. The standards approved were i) Labor Competency Standard for Wood Cubicator, ii) Labor Competency Standard for Cutting Operations, and iii) Labor Competency Standard for Commercial Log Splitting and Cutting. As a result, CITEforestal Pucallpa is recognized as a center for the evaluation and certification of these labor competencies. The CITEproductivo in Madre de Dios replicated this experience to provide training to the operators of the Tahuamanu license holders. Pro-Bosques also completed the technical formulation for the IOARR: "*Replacement of equipment for the remote sensing laboratory of the Center for Productive Innovation and Forest Technology Transfer Pucallpa (CITEforestal Pucallpa)*" needed to renew its equipment. This new investment totaled PEN 2.3M, or approximately \$600,000.

Pro-Bosques also developed the "Itinerant Modules" initiative with the CITEproductivo Madre de Dios, formulating three processes for the CITE to use for Brazil nut concessions: i) administrative requirements for timber harvesting, ii) harvesting planning using mobile technology, and iii) timber traceability in Brazil nut concessions.

4.2.2 INSTITUTIONAL STRENGTHENING OF THE CITE FORESTAL MADERA NETWORK IN ITS TIMBER PROCESSING LINE

Through the CITES, Pro-Bosques has improved sawmilling and timber processing in the primary transformation industries of Ucayali, Loreto, and Madre de Dios, mainly in band saw and circular saw sharpening and stelling, and machine operation and maintenance. In addition, Pro-Bosques provided training in the use of technological tools to improve the design of finished products (doors and furniture), promoting innovation in the design of secondary transformation products. The Activity also

¹⁵ CITEforestal Maynas. 2023. Guide for forest timber planning and harvesting using intermediate technology (portable winch). Available at: https://docs.google.com/forms/d/e/1FAIpQLSephbVJNztzEx7nmXPv_tK1UPCECWD4WHVFct0_Kmhl7fra0w/alreadyresponded

¹⁶ <https://www2.trabajo.gob.pe/el-ministerio-2/sector-empleo/dir-gen-form-cap-lab/normalizacion-y-certificacion/certificacion-de-competencias/>

provided assistance in wood finishing, developing eight techniques at both the CITEforestal Pucallpa and the CITEproductivo Madre de Dios, and implemented the laboratory quality management system for CITEmadera in line with ISO 17025. The National Quality Institute (INACAL) renewed the laboratory's accreditation, which is very important for the timber technology sector, because CITEmadera is the only public entity nationwide that has a laboratory accredited by INACAL to conduct tests and trials for timber products.

Pro-Bosques developed a virtual forum for the training course "Best Practices in the Semi-serial Production of Solid Wood Doors." The course includes a detailed best practices guide.

Box 2. CITEForestal timber processing

Five Peruvian technical standards projects (PNTPs) for solid wood doors were developed using validated solid wood door product tests as input, where 48 doors were manufactured in the regions of Loreto, Ucayali, and Madre de Dios in coordination with the CITEForestal Madera Network. The five PNTPs have been reviewed by the INACAL Timber Sub-Committee.

Other Pro-Bosques Objective 2 achievements with the CITES include:

- The Loreto region now has a baseline on the current conditions of the supply of artificial timber-drying services. With this information, CITEforestal Maynas will improve the quality of the artificial wood-drying process in the region.
- Ucayali, through CITEforestal Pucallpa, now has the most modern sharpening workshop in the country and has trained its personnel in the proper operation of the new sharpening equipment, and in techniques to strengthen timber sawmilling. Pro-Bosques has also provided technical assistance to CITEforestal Pucallpa to complete a professionalization program for middle management in the forest industry, which will provide important ongoing training for traceability management in the value chain.
- Madre de Dios has a baseline of primary and secondary transformation forest companies. The study has served as input for designing CITEproductivo's new technical assistance lines.
- Pro-Bosques assisted CITEmadera with technology transfer for installing drying kilns for small producers. This experience is based on the earlier pilot project conducted at CITEforestal Pucallpa. Four CITEmadera technicians trained in this stage.
- Pro-Bosques designed and implemented a roadmap for incorporating a wider range of timber species (especially underutilized Catahua and Huimba species, which reduces pressure on other high demand threatened hardwood timber species) from Madre de Dios' forest titles into the market for the semi-serial production of solid wood doors. The CITEproductivo de Madre de Dios, the regional forest authority, and the Regional Economic Development Departments of the Madre de Dios regional government have made progress in developing technologies for the semi-serial production of these species: i) developing three prototypes of furniture with Tambopata micro and small enterprises (MSEs) and two prototypes of doors, and ii) beginning the process to design at least four wood-drying programs for the prioritized forest species.

4.2.3 CAPACITY-BUILDING OF TIMBER AND BRAZIL NUT FOREST MSEs

Pro-Bosques worked with CITEmadera to design and implement the Trainer Training Program for the Semi-serial Manufacture of Solid Wood Doors. At least six technicians from CITEforestal Maynas, CITEforestal Pucallpa, and CITEproductivo Madre de Dios were able to attend, two per region. They in turn provided this capacity building through workshops to additional forest enterprises. The technicians trained an additional 19 people in Loreto, at least eight MSEs in Ucayali, and 20 people in Madre de Dios.

Pro-Bosques and CITEForestal Pucallpa provided technical assistance to eight MSEs in flywheel rectification in sawmills (primary transformation centers).

In Loreto, with Pro-Bosques' assistance, the CITEforestal Maynas implemented its remote sensing laboratory. Seventy representatives of the private business sector received training in useful data systems for planning forest management and harvesting.

Through the "Itinerant Modules" initiative (technical visits to producers in the field), 14 members of the Association of Organic Collectors of the Amazonian Nut of Peru (RONAP), who harvest timber NTFP concessions, and improve production management and compliance with the law.

4.2.4 TECHNICAL ASSISTANCE TO THE CITE FORESTAL MADERA NETWORK FOR THE MODERNIZATION OF INFRASTRUCTURE WITH PUBLIC INVESTMENT

Pro-Bosques has generated investment within the CITE forestry network by formulating and implementing an IOARR for improving specific laboratories of these government agencies attached to the Technological Institute of Production (ITP), with an investment of PEN 3.5M (\$910,000). This investment will provide CITEforestal Pucallpa with new electric welding equipment, sharpening and stelling equipment, and the refurbishment of the sharpening plant infrastructure.

Pro-Bosques has also formulated a new IOARR for the "Replacement of equipment for the remote sensing laboratory of the Center for Productive Innovation and Forest Technology Transfer Pucallpa (CITEforestal Pucallpa)" for an investment of PEN 1.3M (\$340,000). The IOARR is now registered with the GOP's Investment Bank.

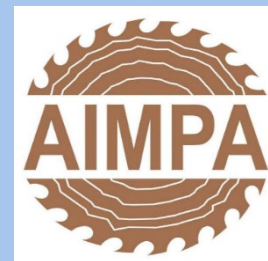
Box 3. Industrial Timber Association of Padre Abad

Pro-Bosques carried out a comprehensive competitiveness strengthening activity with the small producers' organization, the Industrial Timber Association of Padre Abad (AIMPA), to implement the local forest through the timber transformation and market linkages phases. The Activity provided training to beneficiaries on key issues such as technical procedures, legislation, infractions and how to avoid them, and penalties.

Pro-Bosques also provided training on the use of the forest operations book, the primary transformation center operations book, and on filling out forest transport guides, which are basic instruments for forest management.

Pro-Bosques also supported AIMPA's first and second timber harvests during the extraction process, and trained personnel in the field with the participation of local GOP forest authorities GERFFS, SERFOR, and OSINFOR. Pro-Bosques provided ongoing technical assistance provided to supervise and strengthen the traceability aspects of local forest harvesting. Pro-Bosques also developed and implemented a business plan to improve the process of using wood to manufacture doors—in turn securing investment from PROCOMPITE¹⁷ of over PEN 270,000 (approximately \$70,000), training 10 of AIMPA's MSEs in the semi-serial production of solid wood doors, developing four models. They also worked on wooden furniture, and Pro-Bosques provided training in finishing techniques.

To better position AIMPA's products, Pro-Bosques registered AIMPA's collective trademark, requesting it for production of carved wooden trunks, furniture, frames, wooden boxes, plates, cups, spoons, and toys—all made of legally sourced wood from the new local forest. Finally, Pro-Bosques assisted AIMPA in participating in the Expo Amazónica 2022 in Amazonas, its first foray into trade fairs. AIMPA sold all of the products it offered at the fair, and made a profit of over PEN 4,000.



¹⁷ A GOP investment program for co-financing proposals and business plans of productive projects, with the objective of improving the competitiveness of value chains through development, adaptation, improvements, and/or technology transfer.



4.3 FOREST FINANCING FOR SMALL FOREST PRODUCERS

For forest financing, Pro-Bosques promoted public investment to improve the infrastructure of the CITE Forestal Network, loans through the AGROPERU Fund, the development of business plans in the framework of PROCOMPITE, and public investment in the GOREs through the IOARRs.

4.3.1 IMPLEMENTATION OF THE AGROPERU FUND FOR SMALL FOREST PRODUCERS

In 2021, the GOP restructured the AGROPERU Fund¹⁸ expanding the scope to small timber and non-timber products. Previously only crop and stock farmers were eligible for credit. Utilizing the AGROPERU Fund mechanism, Pro-Bosques worked with SERFOR to develop the *Direct Financing Program for Non-Timber Forest Production Chains* in Madre de Dios for PEN 13.4M (\$3.5M), prioritizing the *aguaje*, Brazil nut, *shiringa*, and *ungurahui* production chains. This financing facilitated access to funds for communities and value chains traditionally excluded from the national financial system, such as the small forest producers. Pro-Bosques alerted producers to the call and assisted interested forest producers in applying through their associations, especially in the Brazil nut value chain. This effort led to a first tranche of financing of PEN 2.1M (\$550,000) in individual credits, benefiting 105 producers, 44 percent of whom are women—with additional lending opportunities to come from this new mechanism. Pro-Bosques promoted women’s participation, among other strategies, through greater credit for working capital in comparison with loans for men. It is also noteworthy that the initial first loans went to producers in Indigenous communities (four loans).

AGROPERU Fund’s Technical Committee recognized the experience in Madre de Dios, and SERFOR developed guidelines to prioritize the Direct Financing Program for Non-Timber Forest Production Chains nationwide. As a result, there were 14 NTFP value chains of native Amazon products prioritized at the national level: *Aguaje*, *Carob*, *Bamboo*, *Bijao*, *Camu camu*, *Brazil nut*, *Chambira*, *Huasai*, *Metohuayo*, *Sangre de grado*, *Shiringa*, *Tara*, *Cat’s Claw*, and *Ungurahui*. The impact of the experience of Madre de Dios led producer associations to ask the forest authority to carry out a decentralized participatory process with the regions of Cajamarca, Loreto, San Martín, Ucayali, Lambayeque, and Piura. The program was approved¹⁹ with the same characteristics as the Madre de Dios program and with an additional 10 percent of financing for women producers, to promote women’s participation and empowerment.

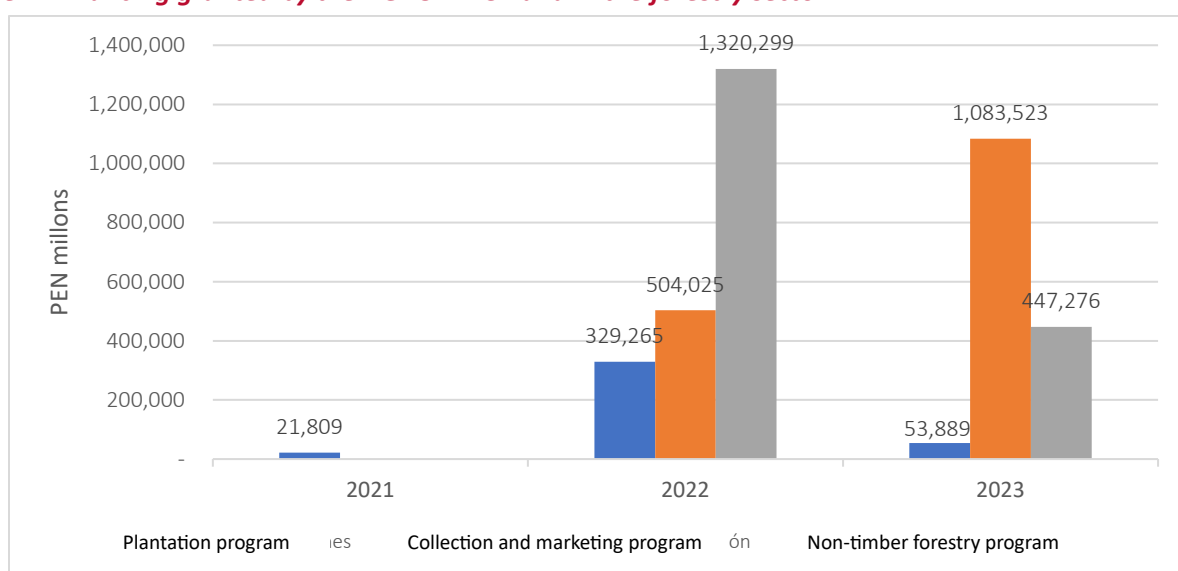
¹⁸ D.S. N°010-2021-MIDAGRI

¹⁹ Approved by Act of Extraordinary Session No. 05-2022-MIDAGRI-FA/CD of the Board of Directors of the AGROPERU Fund



With the incorporation of small forest producers, Pro-Bosques evaluated other fund programs in which associations and non-timber forest producers could participate. In coordination with SERFOR, Pro-Bosques aided Brazil nut producer associations in Madre de Dios to apply for financing under the Direct Financing Program for the Collection, Transformation, and Marketing of Agricultural Products, resulting in five loans in three associations for PEN 1.5M²⁰ (\$390,000), benefiting 234 producers, 25 percent of whom are women.

Figure 1. Financing granted by the AGROPERU Fund in the forestry sector



Source: Pro-Bosques with information from AGROBANCO (updated to June 2023)

²⁰ Official AGROBANCO figures updated to May 30, 2023.

To date, there are four financing programs available to organized small forest producers, three of which have been implemented by producers with Pro-Bosques' support (Table 6), the exception being the Forest Plantation Program.

Table 6. AGROPERU Fund guidelines available for small forest producers

N°	DIRECT FINANCING PROGRAM	PROGRAM DESCRIPTION
1	For Collection, Transformation, and Marketing Agricultural Products	Financing working capital to organizations of small producers for collection and marketing activities, or for the collection, transformation, and marketing of their members' agricultural products. Payment over 12 months. APR of 3.5 %. Applies to all forest product chains.
2	For Non-Timber Forest Production Value Chains in Madre de Dios	For small non-timber forest producers. Credits of up to PEN 30,000 per producer. Up to 6 months to repay the loan. APR of 3.5 %. Finances Brazil nut, <i>shiringa</i> , <i>aguaje</i> and <i>ungurahui</i> chains.
3	For the Non-Timber Forest Production Chains prioritized at national level	For small non-timber forest producers. Credits of up to PEN 30,000 per producer. Up to 6 months to repay the loan. APR of 3.5%. 14 value chains are now financed: <i>aguaje</i> , carob, bamboo, <i>bijao</i> , <i>camu camu</i> , Brazil nut, <i>chambira</i> , <i>husai</i> , <i>metohuayo</i> , <i>sangre de grado</i> , <i>shiringa</i> , <i>tara</i> , Cat's Claw and <i>ungurahui</i> .

Source: Pro-Bosques, based on Agroperú Fund data

4.3.2 IMPLEMENTING FOREST PRODUCTION CHAINS THROUGH PROCOMPITE AND MANAGING BUSINESS PLANS

Pro-Bosques provided technical assistance to the Regional Economic Development Departments of the Loreto and Ucayali regional governments to incorporate the forest timber production chain into PROCOMPITE. In the Ucayali region, the priority was the wood furniture value chain, and for the first time, competitions opened for business plans for primary and secondary wood transformation.

Generally, the regional governments select business plans that represent the greatest diversity of the prioritized production chains (10 production chains in Loreto and 21 in Ucayali)²¹. With technical assistance from Pro-Bosques, PROCOMPITE selected four business plans for the timber production chain. One in Ucayali and one in (Loreto in 2020 and 2021, and one in Ucayali in 2022, committing a non-reimbursable financing amount for the forest timber sector of PEN 779,805 (\$200,000) and a counterpart contribution from the organizations of PEN 360,295 (\$94,000).

Table 7. Organized economic agents that are PROCOMPITE winners

FOREST ENTERPRISE	BUSINESS PLAN	PROGRESS /ACHIEVEMENTS
Padre Abad Timber Industrial Association (AIMPA) (Ucayali)	Improving timber harvesting for manufacturing doors.	Significant improvement of its production processes, moving from artisanal production to semi-serialized production, with the installation of intermediate technology equipment and machinery for the production of solid wood doors and other wood products. Entry into more competitive markets.
IMD Solutions S.A.C. (Ucayali)	Improving production and quality of reclaimed wood shelves.	Implementing intermediate technology to produce panels using waste from the production of profiled wood products (including flooring, decking, friezes, and tiles) for the furniture and furnishings market, reducing waste from the primary and secondary transformation industry.

²¹ PROCOMPITE database: <https://esiprocompite.produce.gob.pe/siprocompite.web/Consultas/Default.aspx>

FOREST ENTERPRISE	BUSINESS PLAN	PROGRESS /ACHIEVEMENTS
Cámara Forestal Amazónica Loreto (Loreto)	Implementing a semi-industrial production plant for solid wood doors for the construction sector.	Implementation is underway.

Source: Loreto and Ucayali Regional Governments

The Madre de Dios region included the timber and Brazil nut production chains. In coordination with the Economic Development Department, Pro-Bosques supported the execution of all the winning business plans and the acquisition of goods for four business plans linked to the timber and Brazil nut chains, promoting the execution of the PEN 2.21M (\$575,000) investment.

Table 8. Execution of PROCOMPITE business plans in Madre de Dios

FOREST ENTERPRISE	BUSINESS PLAN
Señor de Coylloriti Furniture Association (ASMUSECO)	Improving Infrastructure for Wood Furniture Marketing and Quality
Association of Amazonian Brazil Nut Collectors of the Madre de Dios Region (RONAP)	Improving the Competitiveness of the Amazon Brazil Nut Value Chain with a Sustainable Use Perspective
Los Sauces Villarenas Investments S.A.C.	Implementing and refurbishing the clean area of the Brazil nut transformation plant
Association of the Brazil Nut Tambopata National Reserve and Bahuaja Sonene National Park (Los Pioneros - ASCART)	Implementing a sanitary standard for using the Hazard Analysis and Critical Control Points (HACCP) system in a Brazil nut transformation plant

To implement this, Pro-Bosques provided technical assistance to the Madre de Dios Economic Development Department for managing the implementation of PROCOMPITE, for approval of the infrastructure required in the business plans, and for the supply area.

4.3.3 PUBLIC INVESTMENT DEVELOPMENT THROUGH REGIONAL GOVERNMENTS

Pro-Bosques has promoted public investment in the Loreto and Ucayali regional governments to cover gaps in the implementation of school furniture for pre-school, primary, and secondary education, replacing these materials through IOARRs, drafted by both regional governments' Social Development Departments, and involving their respective Regional Education Departments.

In Loreto, Pro-Bosques estimated the furniture gap in the three school levels (preschool, primary, and secondary), and found that 46,342 units of school furniture needed replacement, with an estimated investment of PEN 22M (\$5.7M). It also established an execution route and technical information for making the furniture. The regional government is currently looking at how to implement these technical files.

In Ucayali, Pro-Bosques also formulated three IOARRs, one per educational level, establishing an initial investment of PEN 23.7M (\$6,160,000) to replace 34,420 units (chairs and tables).

Table 9. Ucayali regional government IOARR investment amount

INVESTMENT NAME	PROGRESS
Acquisition of classroom furniture, in 153 pre-schools across the region	A total of 8,124 chairs and 2,031 tables delivered to warehouse (total 10,155 pieces of furniture) of the pre-school IOARR, 100% distributed to the schools. To date, there is an accumulated investment progress of 83.6% (PEN 2,858,480) ²²

²² Accessed July 27. Available at: <https://ofi5.mef.gob.pe/inviertews/Repseguim/ResumF12B?codigo=2513642>

INVESTMENT NAME	PROGRESS
Acquisition of classroom furniture in 75 secondary schools across the region	A total of 4,631 school modules were delivered to 75 secondary schools. To date, there is an accumulated investment progress of 83.5% (PEN 3,030,728) ²³
Acquisition of classroom furniture in 306 primary schools across the region	The regional government has committed to purchase 55,516 school units (chairs and tables). Manufacture pending.

Source: MEF (2023)

4.4 PROMOTING PUBLIC AND PRIVATE MARKETS FOR FOREST PRODUCTS

4.4.1 PUBLIC PROCUREMENT OF BRAZIL NUT

Brazil nuts are the first product of Amazonian biodiversity that the *Qali Warma* School Meals Program (PNAEQW) will include in the diet of Peruvian preschool children. This milestone shows the way to continue including more forest products in public procurement, and it will have a direct and positive impact on all links in the chain, especially on the Brazil nut harvesters who at present find it hard to sell Brazil nuts.

Box 4. Local access to Brazil nuts

With the incorporation of Brazil nuts in the *Qali Warma* Program, the student population will have access to a culturally relevant superfood of regional origin, boosting the local economy and promoting the sustainable use of forests.

This effort is the result of coordination between government organizations, like CITEproductivo Madre de Dios, and private entities, which have been key to meeting the detailed requirements established.

The *Qali Warma* program issued its conformity with the results of the acceptability test of the *Dehydrated plantain with Brazil nut flour mixture*, and has included it in the foodstuffs technical specifications project bank²⁴, an important market signal for industry and the public. The technical



²³ Accessed July 27. Available at: <https://ofi5.mef.gob.pe/inviertews/Repseguim/ResumF12B?codigo=2514399>

²⁴ link: <https://info.qaliwarma.gob.pe/banco-de-proyectos-de-especificaciones-tecnicas-dealimentos/>

specifications will remain in the project category in the *Qali Warma*'s portal. At present, the catalog of foodstuffs technical specifications²⁵ will include the proposal.

When incorporated in the technical specifications catalog²⁶, *Qali Warma* can program procurement for 41,866 schoolchildren, which means up to 22 MT of Brazil nuts (the equivalent of over PEN 1M or \$260,000). This volume of Brazil nuts is part of the 21 percent of production that the GOP does not export, and the opening of the new market in public procurement is a key opportunity for this value chain, based on sustainable forest management. In *Qali Warma*'s southern macro region, there is an additional potential beneficiary population of up to 630,000 schoolchildren which could offer significant additional market opportunities for Brazil nut producers.

4.4.2 PUBLIC PROCUREMENT OF TIMBER

Pro-Bosques fostered action geared to incorporating more timber products in the government procurement system as an alternative for MSEs in the timber value chain to access greater market opportunities locally and regionally. As a result, three government agencies include criteria for using legal timber in public procurement in line with the law: *Perú Compras* and the Loreto and Ucayali regional governments.

With the Ucayali, Loreto, and Madre de Dios regional governments and CITE Forestal Network in the lead, SERFOR, forestry companies, and their regional associations focused their efforts on adding value, increasing technological reconversion, and using a wider range of timber species. Similarly, Pro-Bosques provided public entities with assistance to incorporate legality criteria in procurement processes.

The *Perú Compras* electronic public procurement catalog for the first time included 32 timber products in 2022 (*Perú Compras* Framework Agreement IM-CE-2022-27)²⁷. This is an important milestone to boost the public market for legal wood products and NTFPs, offering goods to 1,700 GOP agencies nationwide. Previously no wood products were available to this important market. As of January 2024, GOP agencies have purchased wood products and NTFPs totaling PEN 32M (\$8.32M)²⁸.

Pro-Bosques developed also developed the IOARR public funding proposals for the acquisition of school furniture in Ucayali (PEN 23M), Loreto (PEN 22M) and Madre de Dios (PEN 8.6M - \$2.25M), based on a thorough identification of the school furniture gap in schools in these regions. The Ucayali regional government made a public purchase of PEN 7.05M (\$1.83) of 100 percent wooden school furniture from 38 regional companies, including the Indigenous enterprise Nii Biri.

As a complement to this assistance, Pro-Bosques published the *Guide to public procurement of legally sourced timber for Loreto regional government departments*—a manual for purchasing legal timber and contains i) a guide for suppliers (timber suppliers), and ii) a guide for buyers (government agencies). These guides lead the user through the public procurement process of timber using due diligence.

4.5 LOCAL FORESTS

Smallholder access to forest resources is key to improving legality, competitiveness, and forest governance in the Peruvian Amazon. Accordingly, Pro-Bosques provided technical assistance to municipalities, forest authorities, and small producers to establish and manage local forests in Ucayali and Loreto, resulting in the official establishment of four local forests in the Ucayali and Loreto regions through technical assistance to SERFOR. Similarly, Pro-Bosques assisted SERFOR and forest authorities to

²⁵ <https://info.qaliwarma.gob.pe/pubweb/catalogo-esp-tec/index.php>

²⁶ <https://info.qaliwarma.gob.pe/pubweb/catalogo-esp-tec/index.php>

²⁷ <https://www.perucompras.gob.pe/acuerdos-marco/convocatoria-de-nuevos-catalogos-electronicos.php>

²⁸ <https://www.perucompras.gob.pe/observatorio/indicadores-acuerdos-marco.php>

develop evidence and technical proposals to optimize the regulatory and management framework for small forest producers.

Table 10. Local forests established

LOCAL FOREST	STATUS
Asociación de Industriales de la Madera de Padre Abad (AIMPA) N° UCA-250301/BL-2020-001 26 beneficiaries 7,000 hectares Timber harvesting	Local forest officially established on February 19, 2020 (RDE N° 029-2020-MINAGRI-SERFOR-DE). This has an approved three-year PGMF and PO and already had two harvests (2021 and 2022). AIMPA is planning the third harvest in partnership with another forest company. Pro-Bosques provided specialized technical assistance for establishing and managing the local forest (forest management planning and management and timber traceability in forest and industry), managing the alliance with Padre Abad Municipality, supporting the association's business management, and implementing a new semi-serial door production line in its industrial plant.
Alto Shambillo N° UCA-250307/BL-2022-002 25 beneficiaries 498.27 hectares. NTFP harvesting	Local forest established on November 8, 2022 (RDE N° D000261-2022-MIDAGRI-SERFOR-DE). The Padre Abad Provincial Municipality will provide them with a forest agent to assist in planning and managing their Management Declaration (DEMA) for harvesting non-timber products. Pro-Bosques provided technical assistance to establish the local forest officially, and to establish alliances with the local municipality as a permanent technical assistance entity going forward.
Alto Ineca N° UCA-250301/BL-2023-001 17 beneficiaries 1,569.91 hectares Timber harvesting and silvopastoral systems to recover degraded areas	Local forest established on April 21, 2023 (RDE N° D000103-2023-MIDAGRI-SERFOR-DE). Alto Ineca has their own forest agent and are developing their Intermediate Forest Management Plan, in coordination with the Padre Abad Municipality. Pro-Bosques provided technical assistance for the official establishment process, and to manage the partnership with the municipality and define a roadmap for planning and implementing management of the area. Pro-Bosques also provided an internship at AIMPA—identified as a reference initiative for this local forest.
Asociación de Pequeños Extractores y Reforestadores de Ucayali (APEXRU) N° UCA-250104/BL-2022-003 17 beneficiaries 7,921.19 hectares Aprovechamiento de Madera	Local forest established on December 17, 2022 (RDE N° D000303-2022-MIDAGRI-SERFOR-DE). APEXRU is coordinating with the Masisea District Municipality to develop their PGMF and PO. To do so, the association hired its own forest agent. Pro-Bosques provided this small producer organization with specialized technical assistance in local forest management, forest management planning, and partnership management with the local municipality.

Finally, Pro-Bosques published two books that highlight the situation of small forest producers and proposed a series of regulatory and policy measures for strengthening the competitiveness and inclusion of this group of stakeholders in the Peruvian forestry sector. The books are permanently available in SERFOR's digital repository²⁹.

²⁹ 1) *Evaluation and identification of feasible and sustainable management models of local forests* and 2) *Definition and description of small- and medium-scale extractors and forest producers of the timber value chain, to define and implement policies for forest promotion and governance in Peru*.



5. INDIGENOUS EMPOWERMENT

At the local level, Pro-Bosques worked mainly in two landscapes: a) the Tapiche and Blanco River basins (Requena province, Loreto Region), with 12 participating Indigenous communities; and b) the Tamaya River basin in the Coronel Portillo province (in the Imiría Regional Conservation Area [ACR], Ucayali Region) with four participating Indigenous communities. In both areas, Pro-Bosques provided three lines of technical assistance to promote synergic action for Indigenous empowerment: community development management, control and oversight of the community territory and its resources, and community forest management (CFM) as an economic opportunity.

Despite the enormous differences between these two areas of intervention, Pro-Bosques identified common needs in these communities, including technical training, equipment, infrastructure, and technical assistance.

This project has been very useful for us for community strengthening and the importance of formalization. There has been good support, they have known how to listen and get our opinion. We agreed with this from the start; we are very grateful to USAID for the training and guidance for the aguaje DEMAs and the support in fishing. We have had a lot of support, we are recognized. The pandemic didn't let us move ahead further, as far as we wanted. The productive groups are better organized. We recognize the work they have done. Oversight and resource management. With the knowledge we have been given, we will try to develop further. The strengthening you've given to FECORITAYB is a great help to the community.

Jaime Murayari, España-Río Blanco Indigenous community chief

5.1 MAIN ACHIEVEMENTS

Capacity strengthening includes timber and non-timber resource management, fishery resources management, plus training in administrative management to undertake other activities such as crafts

and tourism. Pro-Bosques also uses ecosystem, gender, intercultural, territorial, and human rights based approaches.

**16 UPDATED LIFE PLANS
COVER MAIN CFM
ACTIVITIES PRIORITIZED**

**31 CFM INITIATIVES
ORGANIZED, TRAINED, AND
EQUIPPED IN LORETO AND
UCAYALI**

**15 INDIGENOUS
COMMUNITY OVERSIGHT
COMMITTEES RECOGNIZED
BY THE STATE**

**121 RECOGNIZED AND
ACCREDITED STEWARDS
HAVE PATROLLING
EQUIPMENT**

**INDIGENOUS FOREST AGENDA
DEVELOPED, DISSEMINATED
AND BEING IMPLEMENTED**

**2 CVC STRATEGIC PLANS
IMPLEMENTED WITH THE
LORETO AND UCAYALI
AUTHORITIES**

**16 INDIGENOUS
COMMUNITIES IMPROVE
THEIR LEGAL LAND RIGHTS
OVER 281,000 HECTARES**

**44% OF WOMEN HAVE
ACCESS TO CREDIT IN NON-
TIMBER RESOURCES
FINANCING**



5.2 INDIGENEOUS LAND RIGHTS AND TENURE SECURITY

5.2.1 LIFE PLANS AND TERRITORIAL LAND RIGHTS

By managing their own development, empowered Indigenous communities can channel their priorities through internal organization and community life planning. This enables them to contact various levels of government, the private sector, organized civil society, and others, to find opportunities to address these priority needs, including management of the forest and its resources.

Pro-Bosques supported a whole process of preparation and implementation of life plans with 16 Indigenous communities from four Indigenous Peoples to promote CFM activities for development: Kapanawa, Kichwua, Wampis, and Shipibo-Conibo peoples, whose territorial security and well-being increased markedly. Around 300,000 hectares of Indigenous community territories secured stronger tenure security in Loreto and Ucayali.

The life plan is a legally recognized planning and implementation document that reflects a comprehensive vision of the life of the Indigenous community, in line with their autonomy and environmental, territorial, social, economic, political, and cultural aspects. The intrinsic value of life plans for the interaction of Indigenous communities with people from outside the community is indisputable. The life plans are the first link for identifying which type of action is acceptable and best represents the feelings of the people in the Indigenous communities.



5.3 COMMUNITY CONTROL AND OVERSIGHT

To help Indigenous organizations broaden, expand, and operationalize community control and oversight within Indigenous territories, Pro-Bosques established memoranda of understanding with the Inter-Ethnic Association for the Development of the Peruvian Amazon (AIDESEP) and the Peruvian Confederation of Amazon Nations (CONAP) and then worked directly with the Ucayali regional chapter of AIDESEP (ORAU), the Eastern Indigenous Peoples Regional Organization (ORPIO), the Tapiche and Blanco River Communities Organization (FECORITAYB) and the Federation of Indigenous Communities of Imiría Lake and Chauya - Masisea (FECONALICM). Pro-Bosques fostered the conditions necessary for the exercise of community oversight and control and its connection with the state system by developing over 120 joint patrols composed of the authorities in charge³⁰ of the control and oversight of natural resources and the Indigenous communities.

As a result of Pro-Bosques' efforts, the GOP legally-recognized a total of 121 community watchpersons, 103 in Loreto and 18 in Ucayali³¹. Also in Ucayali, the Regional Government's Environmental Authority (ARAU) recognized for the first time three local oversight organizations (OLV) under the Natural Protected Areas Law.

In addition, 15 Indigenous communities have organized their own community control and oversight (CVC) committees, which the GOP recognizes. Pro-Bosques provided all CVC committees with training, technical assistance, and equipment to perform their duties (clothing and personal protective gear, recording and communication systems, and boats and motors for patrols).

Pro-Bosques also supported FECORITAYB to establish partnerships and manage public investment for the sustainability of the CVC and CFM. FECORITAYB formed the Forest Ombudsman's Office, which is now operational, and implemented its first annual work plan in coordination with ORPIO and the Loreto forestry authority. As a result of the inter-institutional synergy, the forest stewards of the 12 Indigenous communities in Loreto achieved permanent state accreditation and recognition, thus reducing the administrative barriers faced by Indigenous peoples' CVC initiatives in Peru. Table 11 shows CVC progress.

Table 11. Management progress in the CVCs of Loreto and Ucayali

CVC INITIATIVE	MANAGEMENT PROGRESS
Loreto	
• 12 Indigenous communities have state-recognized CVC committees • 103 stewards recognized and accredited (88 men and 15 women)	• One hundred and eight patrols established throughout the control and oversight network in the Tapiche and Blanco River basins • Four pedagogical training modules developed, which are in use and will the regional forestry authority will use • An Interaction Protocol developed and applied between the Indigenous community, FECORITAYB, and the Loreto forest authority for the CVC committees' patrol report
Ucayali	
Three Indigenous communities (Buenos Aires, Nuevo Loreto, and Junín Pablo) have local oversight organizations and 18 recognized community	• Nine joint patrols with ARAU personnel established in community territories, patrolling the sectors under greatest threat (Chauya, Resaca Marañón, Imiría, Chaquicocha, Putaya, and the limit of the Perla del Imiría hamlet) • Four training patrols established to strengthen OLV capabilities

³⁰ In Loreto it is the GERFOR and in Ucayali it is the Regional Environmental Authority of the Ucayali ARAU.

³¹ As forest stewards in Loreto and as members of the OLV of the Imiría Regional Conservation Area (ACR Imiría) in Ucayali.

CVC INITIATIVE	MANAGEMENT PROGRESS
watchmen (14 men and 4 women)	- One experience exchange internship for OLV leaders and community chiefs at the ACR "Comunal Tamshiyacu Tahuayo" in Loreto; 14 people (11 men and 3 women) participated - Pro-Bosques trained 81 men and 26 women, representatives of the OLVs of the Nuevo Loreto, Buenos Aires, and Junín Pablo Indigenous communities, and the community authorities and community of the Caimito Indigenous community

5.4 COMMUNITY FOREST MANAGEMENT

5.4.1 IMPLEMENTATION OF COMMUNITY FOREST MANAGEMENT ACTIVITIES BASED ON LIFE PLANS

Sixteen communities in the two geographical areas covered in Loreto and Ucayali have made progress in their CFM activities with 31 initiatives, including *aguaje* palm management, ornamental fish and direct consumption fishing, chelonian restocking, crafts, and forest enrichment in *bijao* agroecosystems. All these activities responded to life plan priorities.

LORETO

a. *Aguaje* Palm Management

Aguaje palm fruit harvest has continued in the traditional way, felling palm trees to supply mainly regional and local markets, and without formal productive activity or production records. Pro-Bosques provided technical assistance in seven communities by drafting management plans for 1,701 hectares of *aguaje* palm forests and training 92 community members (59 men and 33 women) in sustainable harvesting (without felling palm trees), global positioning system (GPS) management, cost estimation, production records, and marketing.

Pro-Bosques equipped the *aguaje* growers' groups with "monkey" climbing equipment and protection for palm fruit harvesting activities. For marketing, Pro-Bosques developed agreements to supply local *aguaje* traders and to supply a Korean company. The Activity channeled this through the *Aguaje* Program of the Loreto regional government's Environmental Department.

b. Fishing

Direct consumption fishing. Traditionally fishing was conducted in an unregulated way without management plans to determine quotas or specify zones of use. Individuals carried out the project in lagoons (*cochas*) and creeks, although on certain occasions the family would work together for the day.

Ornamental fish. The situation was similar for the *Osteoglossum bicirrhosum* "*Arahuana*" species. Fishermen were informal and poorly organized and had no management practices to reduce the high number of fish lost in the catching and marketing stages.

Pro-Bosques formed and formalized six associations of artisanal fishermen and processors, three of which already existed, and strengthened their technical capacities and equipment conditions with motorboats, and a small cold chain system that allows member fishermen to market the surplus fish from the bodies of water near their community territories, improving conservation. Pro-Bosques provided assistance in updating and implementing fishery management programs (PROMAPE) and monitoring minimum catch-size regulations and seasonal fishing closure for these fish species.

For marketing purposes, Pro-Bosques promoted two commercial agreements and a letter of intent which the Activity reached with aquariums in Iquitos. For marketing ornamental fish, this is a first step in formalizing the commercial relationship for the sustainable sale of ornamental fish in the Blanco River

basin. For direct consumption fishing, progress occurred in identifying wholesale fish buyers and signing a letter of intent to purchase. For one of the communities, Nueva Esperanza, this could be the first commercial experience of member fishermen in the community supplying a product outside their community despite the great distance from the centers of consumption.

c. Sustainable Turtle Management

The collection of *taricaya* turtle eggs is a common activity on the beaches of the Amazonian rivers, as they are a food in high demand among regional and local communities. Given the pressure for harvesting *taricaya* eggs, it was a challenge to encourage the communities to restock the *taricaya* population.

Pro-Bosques provided training to four organizations of the Nuevo Capanhua, Lobo Santa Rocino, Curinga, and Frontera Indigenous communities on the Blanco River: to determine the *taricaya* population, to collect and re-nest *taricaya* eggs on semi-natural beaches built in each community, and to record information on nest management sheets. As a result, the organizations with Pro-Bosques assistance, released 14,984 turtle hatchlings of the *taricaya* species and 365 hatchlings of the *charapa* species in the middle and upper basin of the Blanco River, built four semi-natural beaches in four communities on the Blanco River, and trained 52 community members in four communities in the Blanco River basin.

To ensure the continuity and replication of this activity, Pro-Bosques promoted a letter of understanding between FECORITAYB and directors of the protected areas of Sierra del Divisor National Park and Matsés National Reserve, involving the oversight and control committees and staff from both protected areas.



UCAYALI

a. *Aguafe* palm tree sustainable management

Initial evaluations of the life plans and interviews with community leaders of ACR Imiría showed a history of some community members traditionally harvesting *aguafe* palm fruit to sell in the Pucallpa market.

Pro-Bosques' efforts to carry out forest inventories and management plans for this species were complemented by the ProPurús project, which is also operating this activity as a value-added economic

opportunity in two communities, Junín Pablo and Nuevo Loreto, Together, the two communities have approximately 57 hectares of *aguaje* palm.

Pro-Bosques drafted two management plans for the *Aguaje* (*Mauritia flexuosa*), *Ungurahui* (*Oenocarpus bataua*) and *Huasaí* (*Euterpe precatoria*) palm trees, which the ARAU approved; and formally registered two palm tree management committees from both communities in the Nation Public Records Superintendency and the National Superintendency of Customs and Tax Administration. Pro-Bosques provided them with climbing and protection equipment for harvesting palm fruit. Regarding marketing support, Pro-Bosques secured the ARAU authorities' approval of the certificates of origin of the palm fruit, which certifies its legal origin, and established a marketing agreement with a local company that makes and sells ice cream.

b. Fishing

Fishing for direct consumption is an important economic activity for providing food in the communities and other villages of ACR Imiría, and for supplying fish to markets in Pucallpa. Fishing has involved clashes between foreign fishing fleets with commercial cargo capacity vessels and the local communities, who did not participate in the commercial fishing value chain, because they failed to comply with sector regulations and because there was a lack of finance for the equipment required to form part of the fishing fleet. Fishing also occurred illegally, and there was no data on fishermen or on the species and volumes harvested.



Pro-Bosques promoted and supported formulation of the Fishing Management Program for this zone, to organize fishing and ensure conservation, geared to making fishing profitable and improving the quality of life of the Indigenous communities and riverside hamlets.

Pro-Bosques helped support four community Fishing and Artisanal Processors Associations, and provided them with boats and fishing equipment and strengthened their technical capacities through training events and internships in advanced fishing experiences in Loreto and the Selva Central.

Pro-Bosques directly assisted in drafting a PROMAPE for ACR Imiría, which authorizes its implementation for the four community associations and four non-Indigenous regional associations. A number of local authorities and research organizations contributed to this process: i) a scientific assessment of fishery resources ii) the formation of a multidisciplinary legal technical team³² that worked on drafting the PROMAPE, iii) a social diagnostic and description of the activity in the ACR, and iii) the design and implementation of a technical training program in sustainable fisheries management.

³² Regional Director's Resolution N°447-2021-GRU-DIREPRO

c. Handicrafts

Pro-Bosques provided technical assistance to FECONALICM to implement the plan to strengthen handicrafts in five Indigenous communities of Imiría ACR in Ucayali. Five handicraft committees were organized, with over 130 people engaged in this activity in the Indigenous communities of Junín Pablo (Inin Bena Association), Caimito (Sanken Nomabo Association), Buenos Aires (Bawan Rama Association), Nuevo Loreto (Chonon Biri Association), and Nueva Yarina (Neten Jabe Association). Pro-Bosques provided them with materials and equipment (15 sewing machines).

Pro-Bosques succeeded in registering 125 craftswomen in the National Registry of Peruvian Artisans, with no expiry date, which will secure more government response with training opportunities and access to fairs, for example.

Pro-Bosques developed a training program in textile handicrafts mainly for women; a training of trainers program in textile handicraft production and bio-jewelry, with different levels, in alliance with CITE Artesanía Ucayali; a workshop on leadership and gender equality; and training in business management. The Activity assisted establishment of the IMIRIA Collective Brand, registered in National Institute for the Defense of Competition and Protection of Intellectual Property, which identifies the Indigenous handicrafts products of the Imiría landscape and highlights their cultural origin and biodiversity. The Pro-Bosques team created a video exemplifying the achievements of the artisans that received training through the program³³.



d. Natural forest enrichment

The ACR Imiría communities continue to harvest timber sustainably, but the authorities restricted the activity because this is a protected area. This was one reason it was necessary to search for feasible alternatives in the area's master plan.

Pro-Bosques identified the opportunity to enrich forest areas already cleared in the community territories, which could produce timber of high commercial value in the future, and combine this with

³³ https://youtu.be/Gq-S0poOok4?si=ph_DfZQhWZuPZysj

agroforestry systems as shade trees for the cultivation of *bijao* (*Calathea lutea*) leaves, a species in great demand in regional markets for traditional dishes, which Pro-Bosques assisted for its commercialization.

This initiative began with the installation of 10 hectares, using 1,930 forest species seedlings. The three communities of Junín Pablo, Nuevo Loreto, and Buenos Aires took part, and park rangers attended prior training activities carried out on visits to demonstration areas in research stations (INIA) and nurseries in Ucayali. Unfortunately, Pro-Bosques had to scale back the goals due to a drop in interest of some of the families and due to the presence of a similar activity operated by the ARAU Public Investment Project, which aimed to reforest 210 hectares and offered economic incentives to the participants. In addition, several community members migrated temporarily to take jobs outside the ACR.

The forest enrichment focused on the Nuevo Loreto community over an area of 3 hectares, with the six families who had the most interest, aiming to adapt the area to a group of seven forest timber species. Pro-Bosques trained the community, acquired quality seedlings from an accredited nursery in Ucayali, and started definitive installation in the plots of land of the families of the Nuevo Loreto community.

Regarding marketing *bijao* leaves, three *bijao* leaf producers who belong to the Nuevo Loreto ICs marketed 1,620 rolls of *bijao* (the equivalent of 40,500 leaves) at the wholesale market of Pucallpa on the festival of St. John, making a profit of PEN 16,200. This proves that the activity is profitable and there is potential in developing it.



5.5 INDIGENOUS FOREST AGENDA

Pro-Bosques conducted an analysis of Indigenous community participation in the timber value chain and in the forestry sector, used it as the basis for formulating and managing an Indigenous Forest Agenda through technical assistance to the national Indigenous organizations AIDSEP and CONAP, and secured the creation of a Community Forest Management Unit³⁴ in SERFOR. Pro-Bosques had already shown that Indigenous communities were the largest suppliers of timber nationally, even more so than forest

³⁴ General Management Resolution No D000048-2022-MIDAGRI-SERFOR-GG, de 21/12/2022

concessions. The CFM Unit's functions include coordinating with other SERFOR departments to accomplish its responsibilities for promoting the participation of Indigenous and peasant communities in forest and wildlife agencies, link up capacity-building activities, coordinate with regional forest and wildlife authorities, and develop CFM programs and projects.

With the agreements signed (both by Pro-Bosques and SERFOR) with AIDESEP and CONAP, Pro-Bosques organized events to analyze and discuss proposals for various Indigenous Forest Agenda measures. The main results achieved include:

- AIDESEP presented SERFOR with a substantiated proposal for regulatory measures to ensure that the joint and several liability of third parties (generally companies) in the harvesting of community forests is effective. AIDESEP and CONAP issued a joint public statement highlighting the urgency and importance of the state's response to the measures prioritized in the Indigenous Forest Agenda³⁵. SERFOR, AIDESEP, and CONAP continue to work together to make regulatory development possible for the Indigenous communities that already participate in the timber value chain, publicizing and protecting their rights.
- AIDESEP and CONAP presented SERFOR and OSINFOR with proposals to improve the "Directive for the compensation of fines through the mechanism of rainforest conservation in Indigenous and peasant communities." The updated regulation³⁶ includes these.
- Pro-Bosques also assisted AIDESEP in developing a Free Public Forest Agent Proposal for Indigenous Communities, submitted by AIDESEP to SERFOR.

Box 5. Index of Indigenous Empowerment for Community Forest Management (IEICFM)

This tool measures and monitors the empowerment of Amazonian Indigenous communities in CFM, strengthening Indigenous rights and improving livelihoods in their territories based on the sustainable use of natural resources. Written with a rights, gender, and intercultural approach, IEICFM includes aspects of community territorial security, community management, and use of natural resources. Each aspect comprises verifiable criteria, classified according to its respective levels of progress. Pro-Bosques measured activities at the start and end in the 15 Indigenous communities (Loreto and Ucayali). Ten communities had significantly higher levels of empowerment.

The indicators that show the greatest progress are those related to *Communal Territory*, mainly the formation and formalization of groups, and training and financing for community control and oversight activities. The gender indicators have evolved positively, particularly the one referring to the inclusion of women in training. The greatest achievements in *Community Management* have been formalization of the legal status of the communities and number of community management tools in use. Finally, in *Community Forest Management*, the level of compliance with technical and legal regulations and the inclusion of women in training events and management groups progressed most.

On average, the Indigenous communities have achieved a positive percentage variation of 53.1 percent against their baseline values. Thirteen of the fifteen Indigenous communities increased their IEICFM. The Indigenous communities with the greatest progress are Nueva Esperanza (207.1%) and Barrio Bajo Santa Elena (150%), which have obtained their property titles. On the other hand, the Activity observed negative percentage variations in Nuevo Capanahua (-21.3%) and Frontera (-13.5%), related to collateral effects of their disaffiliation from MINAM's National Forest Conservation Program, because their resources for community oversight, community strengthening, and productive initiatives shrank.

³⁵ <https://aidesep.org.pe/noticias/declaracion-de-las-organizaciones-indigenas-de-los-pueblos-amazonicos-sobre-la-agenda-forestal-indigena/>

³⁶ <https://busquedas.elperuano.pe/dispositivo/NL/2138804-1>



6. CROSSCUTTING THEMES

6.1 ASSOCIATION OF SMALL PRODUCERS

Pro-Bosques placed special emphasis on the participation of small forest producer MSEs, first and second timber processing, and associations of small producers of Brazil nut. One important milestone was the competitiveness support Pro-Bosques provided to the Indigenous community Tres Islas in Madre de Dios and the Association of Indigenous Forestry of Madre de Dios (AFIMAD). The community and this association were the first to secure financing from the AGROPERU Fund for harvesting forest products. Table 12 shows Pro-Bosques' intervention with small producer associations.

Table 12. Associations of small producers of Brazil nuts assisted by Pro-Bosques

N°	ENTITY / ORGANIZATION	DESCRIPTION	N° OF MEMBERS	TECHNICAL ASISTANCE
1	FEPROCAMD (Federation of Brazil Nut Producers of Madre de Dios)	FEPROCAMD is a federation of Brazil nut growers in Madre de Dios, made up of 15 associations. It gives its members technical advice for their Brazil concessions.	400	Supports its producers with access to the AGROPERU Fund financing. Training provided through itinerant modules in conjunction with the CITEproductivo Madre de Dios.
2	RONAP (Association of Amazonian Brazil Nut Collectors)	RONAP is an association of Brazil nut collectors who harvest their products and process them through maquila services with Fast Trade, which is HACCP certified. It is certified organic.	40	Supports access to AGROPERU Fund financing for its producers, and access as an association. Training is provided through itinerant modules in conjunction with the CITEproductivo Madre de Dios. Support for implementing PROCOMPITE.

N°	ENTITY / ORGANIZATION	DESCRIPTION	N° OF MEMBERS	TECHNICAL ASISTANCE
3	AFIMAD (Madre de Dios Indigenous Forest Association)	AFIMAD is an association of Indigenous communities that harvest non-timber products (Brazil nuts) and have a maquila service agreement with the Fast Trade plant. The company is certified organic.	120	Supports access to AGROPERU Fund financing for its producers, and access as an association.
4	ASCART (Association of the Brazil Nut Tambopata National Reserve)	ASCART is an association of Brazil nut growers in the Tambopata National Reserve and Baguaja Sonene National Park, with a primary transformation plant without HACCP certification.	41	Supports access to AGROPERU Fund financing for their producers, and access as an association. Supports implementation of PROCOMPITE
5	Producers for Forest Conservation (PROCOBOS)	PROCOBOS is an association of MSEs which manufacture Brazil nuts. Seventy percent of its members are women.	10	Supports market promotion such as participation in trade fairs (including Expo Amazónica 2022), business roundtables, collective branding etc.

For timber, AIMPA provides the most significant support. AIMPA has 36 members, each of which represents an MSE. Pro-Bosques has also provided technical assistance to other associations in Loreto, such as *Asociación de Empresas Fabricantes de Muebles de Madera y Afines de Loreto* (10 producers) and the *Cámara Forestal Amazónica* (17 producers). In Madre de Dios, Pro-Bosques provided support to carpenters from the *Asociación de Muebleria Señor de Coylloriti* (40 producers). Pro-Bosques provided training to all these producers in timber transformation best practices and in the promotion of PROCOMPITE financing.

6.2 GENDER AND SOCIAL INCLUSION

In all Pro-Bosques' technical assistance, it has especially emphasized promoting greater involvement of women, reminding counterparts such as producer associations, MSEs, SERFOR, the CITE Forestal Madera Network, and regional governments that the Activity prioritized this group, and permanently sensitizing them on the importance of women's participation. In regions such as Madre de Dios, women from producer associations such as ASMUSECO, RONAP, PROCOBOS, ASCART, AFIMAD have played a more proactive and leadership role. However, in the regions of Ucayali and Loreto, Pro-Bosques needed to work harder on the issue.

Pro-Bosques provided technical assistance for access to credit in the line of financing for NTFPs in Madre de Dios. As of May 2023, 105 producers, 44 percent of whom are women, received financing for 1.7M PEN (\$440,000) in individual loans. AGROBANCO's monitoring shows that women perform well in managing and repaying their loans. This progress has been possible thanks to the publicity and training activities carried out directly in the field with the producers. Specifically for women, Pro-Bosques conducted a more personalized follow-up with AGROBANCO and secured access to credit for all those women who initially were not eligible for credit due to debts acquired by their ex-partners with whom they no longer have any relationship.

Pro-Bosques gave technical assistance to SERFOR to promote another mechanism, the AGROPERU Fund's "Direct Financing Program for the Collection, Transformation and Marketing of Agricultural Products," for Brazil nut producer associations in Madre de Dios. Three associations received five loans for 1.5M PEN (\$390,000), benefiting 234 producers, 25 percent of whom are women.

Pro-Bosques provided SERFOR with technical assistance to develop the national program for NTFPs, as part of the AGROPERU Fund, for 14 production chains and included an additional incentive for small

women producers. This incentive grants financing of an additional 10 percent of the total amount of the business plan.

For markets and trade links, Pro-Bosques provided technical assistance to the PROCOBOS association in Madre de Dios, made up mainly of women, who now have their collective brand and have strengthened their commercial capacities by participating in Expo Amazónica 2022 and in two trade missions in Lima, where they connected with four organic stores. As a result of these missions supported by Pro-Bosques, their revenues in the last quarter to July 2023 totaled PEN 25,000 (\$6,500), and they have commercial commitments for permanent purchases due to the reception of their products in Lima.

Pro-Bosques' strategy promoted the inclusion of Indigenous communities in CFM in public administration. This strategy bases recognition of life plans as a development management tool, and strengthens it with actions corresponding to the components and measures prioritized in the Indigenous Community Forest Agenda, which national and regional Indigenous organizations have adopted and promoted.

Through application of its gender and social inclusion strategy (GESI)³⁷, Pro-Bosques promoted the participation of vulnerable communities in all its activities, achieving an increase in Indigenous women's participation, mainly in community control and oversight groups (Table 13) and in decision-making at community assemblies (Table 14).

It is also important to highlight (i) the election of women as the heads of two Indigenous communities as shown in the table "Variation in the role of women on the board of directors," and (ii) the increase in the number of CFM groups led by women.

Table 13. Variation in the proportion of women in the community territory oversight and control groups. (2019-2022)

Nº	INDIGENOUS COMMUNITY	%	
		2019	2022
1	Nueva Esperanza del Río Tapiche	10	27
2	Frontera - Río Blanco	25	5
3	España - Río Blanco	14	30
4	Curinga del Río Blanco	N. A.	29
5	Lobo Santa Rocino	N. A.	50
6	Nuevo Capanahua	0	0
7	Palmera del Tapiche	N. A.	5
8	Barrio Bajo Santa Elena	N. A.	30
9	Wicungo	21	24
10	Monte Alegre	N. A.	50
11	Nuestra Señora de Fátima	N. A.	0
12	Bellavista	N. A.	22
13	Junín Pablo	0	7
14	Nuevo Loreto	25	33
15	Buenos Aires	0	27

Table 14. Variation in the role of women on the Board of Directors (2019-2022)

Nº	INDIGENOUS COMMUNITY	YEAR	
		2019	2022
1	Nueva Esperanza del Río Tapiche	Treasurer, Member	Secretary of social and environmental affairs, Member
2	Frontera - Río Blanco	Secretary, Treasurer	Member

³⁷ The USAID Pro-Bosques GESI Strategy can be found at the following link:
https://pdf.usaid.gov/pdf_docs/792c83db54ed428e85a7611066ebd7d3.pdf

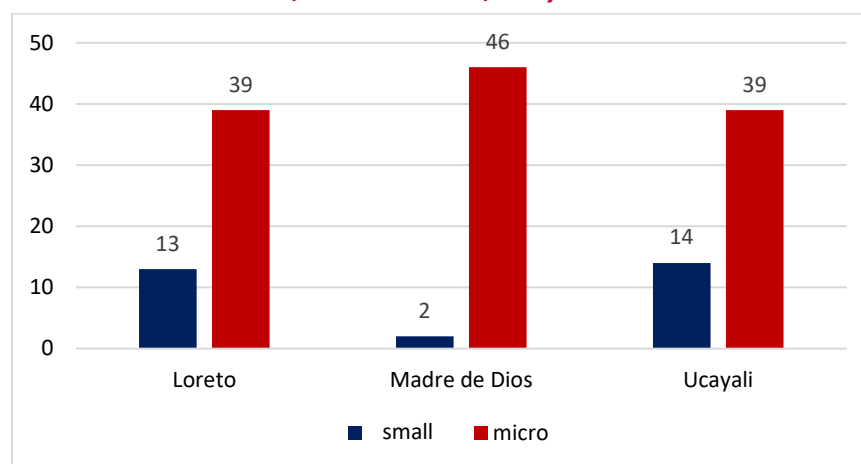
Nº	INDIGENOUS COMMUNITY	YEAR	
		2019	2022
3	España - Río Blanco	Treasurer, Member	Treasurer, Member, Production secretary
4	Curinga del Río Blanco	None	Head, Member
5	Lobo Santa Rocino	Member 1	Secretary, Treasurer
6	Nuevo Capanahua	Treasurer, Member 1, Member 2	Member 1, Member 2
7	Palmera del Tapiche	Member	Member
8	Barrio Bajo Santa Elena	Treasurer	Treasurer, Secretary of social and environmental affairs
9	Wicungo	Treasurer	Auditor
10	Monte Alegre	Secretary, Treasurer	Treasurer
11	Nuestra Señora de Fátima	Treasurer	Treasurer
12	Bellavista	Deputy head, secretary, Member	Head, Treasurer y Member 2
13	Junín Pablo	None	Treasurer
14	Nuevo Loreto	Member	Treasurer
15	Buenos Aires	Treasurer	Treasurer

Pro-Bosques' strategy for women's participation in CFM led to increases in indicators both for formation of productive groups and training events, as reflected in the specific measurement and comparison included in the IEICFM between 2019 and 2022. Thus, of the 15 Indigenous communities measured in the two years, women's participation in nine increased, remained unchanged in four, and fell in two.

6.3 PRIVATE SECTOR ENGAGEMENT

In the competitiveness component, for the private sector linked to the forest, primary transformation industry, and manufacturing or secondary transformation, Pro-Bosques gave priority to direct technical assistance to MSEs, through the CITE Forestal Madera Network, either to individuals or an association, with a scope of 153 MSEs (Figure 2) in the three Activity target regions.

Figure 2. Technical Assistance in Loreto, Madre de Dios, Ucayali



In the Madre de Dios region, Pro-Bosques provided technical assistance to organized Brazil nut producers from the RONAP, AFIMAD, ASCART, FEPROCAMD, and PROCOBOS associations, and to small companies that collect and/or process the nuts (Table 15) and link to these associations.

Table 15. Companies that have received technical assistance for the Brazil nut value chain

ENTITY / ORGANIZATION	DESCRIPTION	N° OF WORKERS	TECHNICAL ASSISTANCE
BKN FOODS EIRL	Food processing company that supplies the <i>Qali Warma</i> program	15	Technical assistance in the technical standard for Brazil nut and processes for implementing new <i>Qali Warma</i> products
LOS SAUCES VILLARENAS SAC	Brazil nut processing company. Winner of PROCOMPITE 2020	10	Implementing PROCOMPITE
DIALCA SAC	Food processing company that supplies the <i>Qali Warma</i> program	15	Technical assistance in the technical standard for Brazil nut; support in processes for implementing new <i>Qali Warma</i> products





7. LESSONS LEARNED

Identifying and reflecting on the lessons learned from projects within the framework of public policies and their planning instruments is a valuable exercise that allows the Activity to analyze the experiences of different stakeholders and the results they have achieved, as well as their eventual impact. It is important to know what was done, how it was done, and what it resulted in, to deliver conclusions and recommendations for future interventions or projects. For this purpose, late in Year 5 Pro-Bosques commissioned a specialized and thorough study³⁸ that identified and described 95 lessons learned. From this Pro-Bosques Lessons Learned study, the team developed specific and actionable recommendations, which follow in Section 8.

Political instability, the pandemic, economic changes that affected the timber value chain, institutional crises in several Indigenous communities, insufficient institutional budgets, and unforeseen changes in regional forest authorities characterized the early years of the Activity. A central feature that emerges when examining the contextual changes that occurred during this year and a half, and the Activity's response, is the critical importance of adaptive management, which allowed the Pro-Bosques team to make needed adjustments together with its counterparts.

7.1 LESSONS LEARNED FROM THE ACTIVITY'S COMPONENTS

Pro-Bosques interventions resulted in a variety of important achievements. Activity stakeholders who contributed to this study identified copious achievements in Components 1 and 2 regarding specific products, such as tools, equipment, capacities, and regulatory instruments, and training and technical assistance that pave the way to scale results up. They also recognize how the Activity's achievements contribute to agency functions and interagency coordination to align authorities and mandates.

When consulted on which aspects of the Activity worked best, the stakeholders pointed to Pro-Bosques' technical assistance, the support staff Pro-Bosques provided so counterparts could carry out activities and training events, and engage the participation of several agencies in joint work. In Component 3, they highlighted the in-depth analysis of community problems and community-strengthening strategies as

³⁸ Sabogal, Cesar and Roger Tarazona. USAID Pro-Bosques Identification and Description of Lessons Learned. https://pdf.usaid.gov/pdf_docs/568cd90e1a134764b0103270abe4a638.pdf

aspects of the Activity that worked well. Regarding what did not work optimally, stakeholders noted the initial hiring of a local software development company for the IT development of the MC-SNIFFS (to which Pro-Bosques adapted by hiring its own team of in-house developers); and the limited availability in the national labor market of trained personnel for this development. Stakeholders also questioned the weak participation or effectiveness of some agencies, such as the GOREs and SERFOR, in some activities, and expressed concern about the continuity within the agencies (particularly the GOREs) of Pro-Bosques-led activities or procedures once the Activity ends.

Some examples of Pro-Bosques' key accomplishments, lessons learned, and legacy are as follows:

- The MC-SNIFFS requires support to identify the demand for data and services by the main stakeholders and to anticipate needed supply of data and service; advice for developing process mapping, supporting the organization of working groups between the public and private sector; hiring specialists to form an "in house" team; strengthening the counterparts to justify their budgetary needs with evidence and good proposals; and contracting various deliverables³⁹.
- A comprehensive approach to managing the MC-SNIFFS beyond IT development is essential. It should include information related to forest titles such as the required national and regional regulatory standards and protocols, the collection and organization of data for the system, interoperability information agreements and protocols between participating agencies, and long-term planning including detailed budgets to ensure financing, among others.
- The Best Practices Platform for Legal Timber Trade requires ongoing advice and technical assistance in convening public, private, and civil institutions and stakeholders to improve the regulatory framework for traceability; supporting the greater involvement of regional authorities, such as including traceability mechanisms in school furniture procurement requirements; using evidence to implement operational improvements in the books of operations in the regions; and contracting and developing deliverables⁴⁰.
- The CITEs Forestales network will continue to need support in formulating their development plans, coordination with forest authorities, implementation of remote-sensing laboratories and certification of wood anatomy laboratories, improvement of wood processing technology, economic operational planning in forest management, training in labor skills, and in connecting up producers/MSEs with the market.
- It is important to strengthen management and technical capacities, including developing and operating a virtual platform for continuous training; hiring specialists, including support for the implementation of the *Innóvate* Project on wood finishes; and contracting deliverables and publications⁴¹.
- To continue to develop effective market mechanisms through public procurement and strengthen commercialization and marketing capacities for MSEs of the timber and Brazil nut productive chains, there must be support for associations with differentiation and diversification strategies based on the knowledge of market and consumer niches. Other strategies include the identification of potential public purchasing demand that could be met through the

³⁹ For example, the MC-SNIFFS user training plan, and the report on the implementation of interoperability mechanisms between the MC-SNIFFS with the OSINFOR Management Information System (SIGO 3.0).

⁴⁰ For example, the Private Sector Landscape Analysis or the report on internal traceability implemented in forest license holders and sawmills.

⁴¹ For example, the public investment projects package for national and subnational forest agencies submitted for approval to INVIERTE.PE, for the sustainability of forest governance and industry, or the manual of basic actions for timber inventories in primary transformation centers.

local/regional supply of timber goods, and technical assistance to government agencies for access to the public budget.

- Similarly, to empower the Madre de Dios CITE Productivo on Brazil nut issues, there must be support for the creation of commercial opportunities for the women of the PROCOBOS association and contracting various deliverables and publications⁴², by strengthening the CITEs Forestales on key issues for industry (productivity, standardization, traceability, market).
- Regarding the participation of small forest producers and their business initiatives in public competitive funds, there must be support for specialists to participate in competitive funds, productive or technological support, strengthening of the subnational management capacities of the PROCOMPITE Fund, and assistance to forest producers for accessing and managing this type of financing.
- Continuous legal and technical advice to AIMPA and publications⁴³ can strengthen small forest producers' legal access to the forest, as well as their administrative, commercial, and financial management.
- The control and monitoring of community territory and resources requires coordinated work with counterparts and Indigenous organizations, direct accompaniment of the selected communities, supporting them in developing their training plans and life plans, and in creating and operating community forest and control and oversight committees. Together with OSINFOR, Pro-Bosques worked to produce solid evidence to review and adjust the regulations on community forest harvesting and develop concrete proposals for effectively applying joint and separate liability, and contributed to the development of deliverables and publications⁴⁴.
- Development and formalization of the Indigenous Forest Agenda and establishment of local forests can occur by promoting round tables and agreements with national, regional, and local entities to work on the issues presented in the respective agendas, providing technical support to organizations and municipalities, and implementing deliverables and drafting publications⁴⁵.
- Promoting communities' business initiatives requires advice and technical support to counterparts, connections with other companies and agencies, strategic alliances with organizations present in the target areas, training events, support in searching for markets that recognize and value sustainable products of legal community origin; and collaboration with regional offices, including forest, development, culture and fishing departments, with an integration approach and a strategy for developing solid relationships of trust;⁴⁶.

⁴² For example, a baseline of legal timber supply in Peru, including technical, social, and commercial aspects, *Más madera: Incentives from the public market to strengthen a sustainable and competitive forestry activity*, or *Súper castaña: A competitive and sustainable food*.

⁴³ For example, Inclusion for the prosperity of small timber producers and better management of the forests of the Peruvian Amazon, and AIMPA: History of a collective dream, challenges, and achievements obtained by the Padre Abad Wood Industry Association (AIMPA) in Ucayali.

⁴⁴ For example, the community control and oversight plan developed for the Loreto and Ucayali local and regional governments or the community forest control and oversight manual and various methodological guides, booklets and manuals.

⁴⁵ For example, the IEICFM, the Progress and Challenges of the Indigenous Forest Agenda, Process and results for the establishment and management of local forests by municipalities in Ucayali (Padre Abad and Masisea) and Loreto (Ucayali).

⁴⁶ For example, Participation of Indigenous Communities in the Timber Value Chain and the Forest Sector in the Peruvian Amazon.

7.2 LESSONS LEARNED IN THE ACTIVITY IMPLEMENTATION PROCESS

- It is essential to promote a collaborative and coordinated approach between SERFOR, regional governments, and international development support. Coordinating with the government and other relevant actors, rather than imposing goals and agreements from outside, is equally essential. Likewise, when working at the national, regional, and local levels, it is crucial to build bridges between different stakeholders and find opportunities for collaboration.
- Changes in laws, mechanisms, and government instruments must occur to enhance the impact and sustainability of Activity results. Pro-Bosques made every effort to identify the specific sustainability mechanism for each line of action, as the search for lasting impact was a visible part of the Activity's intervention strategy.
- It is necessary to produce evidence, both for adaptive management of the Activity intervention strategy and to provide inputs for interagency coordination and decision-making. Quality information helps parties agree on decisions and define the best strategies.
- Sufficient flexibility on the part of the Activity was key to interacting with regional counterparts. The capacity for dialogue and team building are critical skills in this context. It is important that interventions align with a strategic approach and to clearly define the approach from the outset to avoid clashes and ensure that all parties work toward a common goal. For this Activity, it was key to define a strategy and roadmap for working with partners, and to formalize the work via a Memorandum of Understanding to ensure respect for certain working conditions.
- When working with the GOREs, donor support should seek the active participation of professionals, considering the high turnover of personnel that may occur. Capacity building should be continuous and even repetitive to ensure the commitment to jointly defined activities and the institutional sustainability of achievements.
- It is necessary to work systematically on synergy and complementarity with other USAID projects. This aspect should be present from the Activity development onward to ensure a coordinated and aligned effort to define joint interventions with authorities. It is also important to consider the information, experiences, and lessons learned from previous development projects.



8. RECOMMENDATIONS

8.1 SPECIFIC RECOMMENDATIONS ORGANIZED BY COMPONENT

Component 1 – Forest Governance

- Improving process mapping should be the fundamental basis on which SERFOR and the regional authorities develop their technical standards, protocols, and guidelines, along with a comprehensive and priority-based approach for gradually implementing the MC-SNIFFS.
- SERFOR and regional authorities must develop lessons learned and guides to project how the SNIFFS modules should operate in certain scenarios to avoid repeated mistakes. Updating the system is key to sustainability and SERFOR must maintain the necessary resources within its budget.
- Regional governments' technical, planning, and finance units must coordinate to share expertise when drafting requests for additional budget. They must also, as possible, reduce turnover of trained personnel to ensure that budgeting standards and procedures are maintained, which will in turn increase the likelihood of budgets being approved.

Component 2 – Private Sector Engagement

- The ITP should formulate a development plan for the CITEs that sets short- and medium-term goals for increasing resources that will allow them to consolidate and expand their services to a greater number of beneficiaries. This will also strengthen the CITE Forestales in key areas of the forest value chain, such as productivity, standardization, traceability, and the market.
- The CITEs should continue, reinforce, and expand their work with MSEs and SMEs at the national level, as part of the work of SERFOR and the GOREs.
- The CITEs should strengthen partnerships among MSEs and foster greater coordination between forestry sector and industrial sector companies, with the end goal of facilitating and expanding financing for these companies.
- Forestry sector government agencies must accelerate their adoption of best practices and lessons learned from the participation of Peru Compras to pool efforts, forge strategic alliances,

optimize public resources, and promote the participation of Peru's small and medium-sized entrepreneurs.

- The *Qali Warma* initiative should market products based on the sustainable use of Peruvian biodiversity and promote Peruvian gastronomy nationally and internationally, in order to strengthen sustainability and increase public and private demand nationwide.

Component 3 – Indigenous Empowerment

- National and regional governments must carry out a strategic analysis of the MRCVFFS (Regional Roundtable for Control and Oversight of Forests and Wildlife) experience based on the activities implemented in Madre de Dios, Loreto, and Ucayali.
- SERFOR should lead a review of the National Forest Control and Oversight System to identify ways to reactivate and integrate excluded stakeholders into the control and oversight of the forest heritage.
- It is essential that the control and oversight bodies at the community, local, regional, and national levels have institutional legitimacy and that Indigenous organizations recognize them through alliances or agreements to support their work.
- With the support of forest authorities, SERFOR should create monitoring, control, and oversight committees in the communities to address problems related to deforestation and drug trafficking. SERFOR should also foster more effective coordination and direct communication with communities to identify and address specific problems, as well as take on the task of unifying the control and oversight committees in the communities so that agencies coordinate with each other and with the communities to avoid conflict.
- Progress made regarding joint and several liability for forest harvesting by third parties in communities must be consolidated through political follow-up, and SERFOR must support and promote the proposals developed for their implementation.
- The institutionalization of CFM in government agencies, such as the CFM Operational Unit and the Public Forest Agents pilot, should be established as a SERFOR procedure with its own budget or with the support of international cooperation.

8.2 FUTURE ACTIVITY DESIGN AND IMPLEMENTATION

- Future forestry projects should promote a collaborative and coordinated approach between SERFOR, regional governments, and international donors. Increased coordination between stakeholders may provide opportunities for collaboration at the national, regional, and local levels.
- Projects should act as catalysts to demonstrate how to overcome lack of coordination and communication between government agencies by involving stakeholders, finding joint solutions, and building trust. They should also conduct baselines with quality information, so that the parties can agree on decisions and define the best strategies.
- Projects must have sufficient flexibility to interact with regional counterparts, ensuring that interventions align with a strategic approach (defined from the outset). They must work at the local and subnational levels, involve a wide range of stakeholders, and seek opportunities for collaboration to develop, where possible, joint medium-term agendas to strengthen permanent systems, mechanisms, and institutions.
- Within the framework of the Forest and Wildlife Law and its regulations, the GOREs should draft their own guidelines for implementing the regulations in the territory through their practical experience, thus facilitating cooperation between projects.

- Design projects with similar scales of intervention in all their components, with special attention to possible synergies between components and work levels.
- As a practice for future forest projects, it will be important to coordinate the intervention of agencies (mainly USAID, United Nations Development Programme, *Deutsche Gesellschaft für Internationale Zusammenarbeit*, and the European Union) to maximize impact and avoid competition or duplication. In addition, projects—especially those focused on or with components on forest governance—should explicitly seek greater coordination.
- Promote a culture of reflection and learning in GOP projects and agencies to ensure they internalize and incorporate lessons learned.
- Use the legacy of the Pro-Bosques Activity to advance and consolidate the fundamental procedures for a more sustainable, competitive, and inclusive sector. It is the task of government agencies to assume this responsibility in the face of the numerous expectations that forest users expect from their authorities.
- The design of donor-funded development assistance must be sustainable over time. Projects with ambitious objectives and unrealistic execution deadlines cannot guarantee completion of the activities the administrative authorities manage, or alternatively that the projects will guarantee the completion of activities offered and/or requested by GOP agencies.
- USAID's work as a forest program should be more comprehensive and continuous. It needs to work on greater synergy and coordination with other USAID projects. This should be part of the Activity design and procurement, to ensure more coordinated and aligned work to define joint interventions with the various authorities. It is also important to keep record of information, experiences, and lessons learned resulting from previous cooperation projects, particularly the USAID-USFS/PSI and Peru Forests projects, to build on previous achievements and lessons.
- One final recommendation that emerges from the rich work experience of Pro-Bosques and its partners is that forestry sector government agencies should clearly define and operationalize a forest development plan that responds in a coordinated and efficient manner to the demands of users in all areas. One implication of the current deficiency is that donor-funded projects must create a roadmap to outline their activities and then adapt to circumstances.

ANNEXES

Annex 1. Performance indicators

Annex 2. List of Key Stakeholders

Annex 3. Deliverables and Materials Produced

Annex 4. Selected Communications Products

Annex 5. Success Stories

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