

 Christine E. Kimes
08/18/99 06:37 PM

Extn: 33689

LCSEN

Subject: Brazil: Bonito/Rio Mimosa Watershed: Biodiversity Conservation and Land Degradation
at the Community Level (PO66536)
GEF PDF Block A Request

On behalf of Lars Vidaeus, please find attached a PDF Block A for the above-mentioned project. We would appreciate your comments by August 25, 1999. Thank you.



Bonito mem.doc



Bonito.doc



Bonito Focal Point.do

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OFFICE MEMORANDUM

DATE: August 18, 1999

TO: See Distribution Below

FROM: Lars Vidaeus, GEF Executive Coordinator

EXTENSION: 34188

SUBJECT: **BRAZIL: Biodiversity Conservation and Land Degradation at the Community Level (Bonito/Rio Mimosa Watershed) - PDF Block A Request**

Please find attached a PDF Block A for the above-mentioned project. We would appreciate your comments by August 25, 1999. Thank you.

Distribution for Comments

R. Asenjo, UNDP

A. Djoghla, UNEP (Nairobi)

R. Khanna, UNEP (Washington)

cc (for information only):

Messrs./Mmes: K. King, GEF Program Coordination, (GEFSEC);

M. Gadgil, STAP; M. Griffith, STAP (Nairobi);

Lovejoy, Azevedo, Lituma, Abedin, Kimes (LCSES);

Castro, Esume, Bossard, Towsey (ENV); Ninio (LEGLA).

ENVGC ISC, IRIS 2

BLOCK A PDF

PART I – ELIGIBILITY	
<p>1. Project name:</p> <p><i>Bio-diversity Conservation and Land Degradation at the Community Level(Bonito/ Rio Mimosa watershed)</i></p>	<p>2. GEF Implementing Agency:</p> <p>The World Bank</p>
<p>3. Country or countries in which the project is being implemented:</p> <p>Brazil.</p>	<p>4. Country eligibility:</p> <p><i>Brazil ratified the Convention on Biological Diversity on February 28th, 1994, and meets all other eligibility requirements.</i></p>
<p>5. GEF focal area(s), and/or cross-cutting issues:</p> <p><i>Bio-diversity (land degradation)</i></p>	<p>6. Operational program/Short-term measure:</p> <p><i>OPs 1, 2: promoting the conservation of biological diversity and sustainable land use in environmentally vulnerable areas, and demonstrating how to control land degradation and ameliorate the impacts of land degradation on these ecosystems.</i></p>
<p>7. Project linkage to national priorities, action plans, and programs:</p> <ul style="list-style-type: none"> • Bonito is an area of ecological tension, where agricultural production, bio-diversity conservation, mineral extraction and ecological tourist activities, among others, are in constant conflict. Currently, much of the native forests in the proposed project area have already been removed, mostly for agricultural expansion, but also because of poor land management practices. Landscapes are highly degraded and include poor native and improved pastures, as well as annual and perennial cropping. • Most of the cropped land is fully or partially mechanized, using improved seeds and modern inputs. However, poor soil management and insufficient conservation measures has led to increasing land degradation. Soil structural degradation (compaction, surface sealing, crusting, pulverization, etc.) has resulted in severe erosion, causing a decline in production capacity, and strong river sedimentation and pollution from agrochemical. Therefore, conventional or traditional land management systems are threatening: <ol style="list-style-type: none"> i. <u>The Pantanal marshland and local bio-diversity environment</u>, due to land degradation and severe siltation and agrochemical pollution along the waterways, affecting aquatic fauna and fishery activity in the local rivers, and ultimately the bio-diversity potential of the Pantanal complex. ii. <u>The local economy</u>, not only by reduced yields and decreased economic returns due to land degradation, but also decreased potential for local revenue from eco-tourism, increased rural poverty and out-migration from rural areas. <p>In addition, this poor land management and increased siltation is increasingly impacting:</p> <ol style="list-style-type: none"> iii. <u>The complex formed by Plata, Paraguay and Paraná Rivers</u>, which is the major inland navigation and energy system in South-America, and reduction in the life span of the massive 	

Itaipu Dam.

- Local, state and federal initiatives recognize the importance of changing the agricultural practices of the past towards sustainable land management in the Pantanal lowland and adjacent upland regions. These are:
 - a.* At local level, the **Bonito Rural Development Plan (BRDP)**, prepared and endorsed by the local Municipal Council for Rural Development, in cooperation with local farmer associations and NGOs. This four year plan with a total budget of more than nine million US dollars from local, state and federal sources, includes activities related to health, education, electrification, roads and training of rural population. In addition, specific objectives included the sustainable development of small-scale farmers, such as technical assistance to support sustainable annual crop production and dairy cattle enterprises, and reforestation.
 - b.* At state level, a planned **Management and Conservation of Natural Resources Project (MCNRP)** would implement an improved and integrated strategy for sustainable agricultural development and natural resource conservation at microcatchment level with strong participation of farmer's associations and local communities. This project includes the preparation and implementation of an Integrated Management Plan for Bonito. The proposed Bonito Medium Size Project (MSP) would pilot activities in the upland regions of the Pantanal, generating lessons for the MCNRP project, which is not expected to begin implementation until FY2002.
 - c.* At federal level, the **Integrated Watershed Management Program for the Pantanal and Upper Paraguay River Basin**, proposed by the OAS and The Nature Conservancy, and supported by the Ministry of Environment, Water Resources and Legal Amazon (MMA), would develop an integrated watershed management program to promote economically and environmentally sustainable development in the basin. The project considers the cross-cutting issue of land degradation related to the effects of poor land and water management on soil loss and sediments in the Taquari River Basin. It would also strengthen basin institutions, enhance local capacity of agencies and organizations, and integrate environmental planning into economic development activities in the region.
 - d.* A partnership between the World Bank and the Brazilian Government (PRODETAB), is providing support for the development of a **Decision Support System for Monitoring Environmental Impact of Agricultural Activities** in the upland regions of the Pantanal, with initial activities in the Taquari River Basin, as a complementary action to the above mentioned activities. This project, to be executed in 1999, by EMBRAPA Soils and other partners, will develop a computerized system for monitoring and evaluating the impacts of agricultural land use and management systems in pilot catchment areas. The proposed Bonito Project will take advantage of this system, and have it applied in the proposed pilot watershed.
 - e.* Other related projects have been submitted for GEF support. However, based on consultations with different GEF implementing agencies, it seems that, up to now, there is no other project being implemented in the Brazilian territory for the Pantanal Region or adjacent areas, related or having impact on the proposed Bonito MSP. The only activity supported by GEF-PROBIO in Pantanal and Cerrado Regions was the "**Biome Level Assessment**" held in March 1998 in Brasilia, DF.
 - f.* Finally and most importantly, the Bonito proposal builds on the long term and very successful cooperative program involving EMBRAPA, Fundação MS, Local Rural Union, State and Local Governments, to introduce sustainable land management technologies such as zero-tillage, promote alternative crop production, pasture land rehabilitation, reforestation, etc. One of the main objectives of this program is to reduce environmental degradation while increasing cash flow and reducing poverty in rural economies. It has been very successful in other regions of Brazil, and this experience

will be applied in the Bonito Project.

The proposed **GEF medium size project (MSP)** will promote sustainable rehabilitation, use and management of natural resources (land, water and biological diversity), and control land degradation and concomitantly conserve bio-diversity otherwise threatened by siltation and chemical pollution, reducing downstream sedimentation to the international waters of the Plata, Paraná and Paraguay River Complex. Other global benefits of improved land management and control of the soil degradation will be the increased soil carbon sequestration (mitigating climate change). The proposed GEF project will complement and strengthen local and state government institutions and local and regional NGOs, including farmer associations. It will focus and integrate their efforts in the municipality of Bonito, using the catchment of the Mimoso River as a pilot.

8. GEF national operational focal point and date of country endorsement (by SEAIN / MPO):

GEF national operational focal point is Mr. Washington Aquino de Mendonça, Coordenador Geral de Operações II, Secretaria de Assuntos Internacionais, Coordenação de Financiamentos Bilaterais, Ministry of Planning and Budget.

Submitted: April 5th, 1999

Endorsed: June 4, 1999

9. Project rationale and objectives:

Rationale

- The Pantanal complex is one of the largest and most important wetlands in the world (about 140 000 km²), and it is proclaimed as a national heritage under the Brazilian Federal Constitution. Biological diversity in both the Pantanal and the local upland regions is extremely rich, but wildlife populations are decreasing due, in large part, to the rapid deforestation and land degradation in the uplands, and poor land management practices in agricultural areas.
- Bonito (meaning “gorgeous” or “beautiful”) is one of 83 municipalities of the State of Mato Grosso do Sul, in West-Central Brazil. The Bonito area is representative of much of the upland region of the Pantanal Lowlands. Improving land management in these uplands is key for enhancing the protection of the Pantanal. Uncontrolled erosion in the upland areas causes siltation, pollution of downstream water ways and destruction of aquatic habitat in both upland and Pantanal areas. Similarly, fragmentation of the forest edge and destruction of gallery forests destroys wildlife habitat and migration routes, and impacts on wildlife populations. Community based sustainable land management, including such activities as control of land degradation, farm level land use planning, reforestation of riparian areas (gallery forests), rehabilitation of degraded pastures, etc., would contribute significantly to enhance preservation of bio-diversity in these regions, and serve as a pilot for managing other Pantanal upland areas with a substantial positive impact on globally important ecosystem.
- In addition to the bio-diversity in the Pantanal, the Bonito region itself is rich in bio-diversity, with high conservation and ecological tourism potential to complement local agricultural income, reduce rural poverty, and contribute to the long term economic viability of the area. Maintenance and enhancement of this is key for promoting the ecological tourist industry. Also, the proposed project area is adjacent to one of the last remaining large blocks of native forest, which might be converted into a State Park under the Management and Conservation of Natural Resources Project, after the Integrated Management Plan for Bonito has been completed.
- The area of Bonito is also representative of a complex area in the Brazilian Acid Savanna (Cerrado) Region. This area constitutes an equilibrium among the different morphoclimatic and

phytogeographical regions of South America, and it is typical of the highland regions adjacent to the Pantanal Marshland. The Cerrado is widely considered a top conservation priority at the global level, i.e. WWF Global 2000, WB/WWF, TNC, etc.

- The Bonito area is located in the Bodoquena Mountain Complex and constitutes a unique hydrographic system associated with calcareous rocks (limestone). Subterranean rivers, gutters (escape holes) and springs are part of the important and complex drainage network of the Miranda River, which is one of the dominant catchment areas in the highlands in the Paraguay River Basin. Vegetation is mostly savannas and open forests, associated with dense forests (gallery forests) along springs and rivers, both with rich diversity of fauna and flora. Climate is tropical-humid to sub-humid, with annual rainfall from 1200 to 1700 mm, dry winters of 3 to 4 months, and daily mean temperatures varying from 15 to 20o C. Predominant soils are Latosols (Ferralsols, Oxisols), Podzolic Soils (Acrisols, Ultisols), Regosols (Regosols, Entisols), Rendzines (Leptosols), among others.
- Bonito Municipality has a total area of 4,948 km², and more than 15,000 inhabitants; 27% living in rural areas with more than 700 small and medium size farms (40,4% with less than 100 ha), most of which are not highly successful. In the 1980's, cultivated annual crops occupied 48 000 ha (rice, corn, soybean, common bean, cotton, manioc, etc.), but by 1997, only 12 000 ha were cropped. More than 50% of the total area is covered by natural or cultivated pastures, often degraded, supporting a populations in excess of 350 000 beef cattle.

Goal and Objectives:

The goal of the proposed Medium Size Bonito Project is to promote bio-diversity conservation in the upland regions of the Pantanal by controlling regional land degradation and effecting improved and sustainable land management through community based activities. A concomitant goal, not to be financed by the GEF, is to increase farmer's income through improved crop yields, and enhancement of the ecological tourism related to local bio-diversity. These goals can best be achieved if the proposed strategies and actions are effective in promoting profitable and sustainable farm enterprises. The participation of farmer associations and local NGO's is critical to identify and implement these strategies and actions.

Therefore, the proposed project will promote community based natural resources management to induce sustainable land management technologies including, among others, zero-tillage, cover crops, crop rotation, improved riparian management, including rehabilitation and reconstitution of gallery forests and biological corridors, and rehabilitation of degraded pasture lands, with the objectives of:

- Controlling soil erosion and land degradation
- Enhancing wildlife and aquatic habitat in local, upland regions and in the Pantanal
- Enhancing the economic viability of local farming communities through improved crop production and ecological tourism.

The main objective of the proposed Bonito MSP is **Bio-diversity conservation/preservation**. The activities to be undertaken in the proposed project relate closely to the management of the local Savanna (Cerrado) ecosystem, upland from the Pantanal. However, the wildlife habitats and bio-diversity downstream in the Pantanal marshland area will also be improved and better conserved while rationalizing land use and management, improving soil quality and health, and preserving the important local fauna and flora in the Bonito region. More specifically, to achieve these objectives, the project will:

- Effect a partnership among farmer's associations, local NGOs, municipal authorities and Federal and State research and extensions systems to identify cost effective land management technologies and other interventions required to achieve concomitant goals of increased profitability and bio-diversity conservation;
- Select a pilot watershed in the Bonito municipality representative of the agro-ecological systems of

the upland regions adjacent to the Pantanal marshland;

- Implement the selected technologies through a land use plan developed and negotiated through local community based partnership;
- Instrument the watershed, and develop procedures to monitor the environmental, social and economic impacts of the technologies using the computerized decision support system being developed under the Taquari River basin study

The proposed Bonito project will complement many of the activities already being undertaken in the region through **local, state and federal actions**. Most significantly, it will mobilize and enhance the conservation ethic of local farmer associations and NGO's to community based bio-diversity conservation while achieving increased profitability in rural areas. Local farmers are aware that their current land management leads to considerable natural resource degradation, and that to continue being economically viable, this must be changed. Farmers have organized conservation based associations to start this process. Therefore, the Bonito MSP, provides a unique opportunity to capitalize on these initiatives to achieve better bio-diversity conservation while rehabilitating and reversing the degradation of regions upland to the Pantanal.

10. Expected outcomes:

Expected outcomes from the proposed GEF medium size project are as follows:

At the ecosystem/watershed level:

- Improved wildlife habitats and migration corridors through rehabilitation of gallery forests and riparian areas
- Improved water quality and aquatic habitats through control of land degradation, reduced sedimentation, and reduced chemical pollution from agricultural sources
- Implement watershed management in the Rio Mimosa catchment to monitor the environmental, social and economic impacts of improved land management.
- Development of a computerized rural data base for agricultural land use planning, and a decision support system .

At the farm and institutional level:

- Strengthened partnerships between community associations and government research and extension services to plan, implement, and monitor local land use change and watershed management
- Increased technical capacity and understanding in farmer associations and local NGO's to identify the best practices for the concomitant objectives of improved watershed management and farm level economic return
- Farm level land use plans to identify what and where technological and other interventions should take place in the landscape to best achieve improved economic and environmental land management
- Increased income from controlling land degradation and integrating ecological tourism with farm operations
- Demonstration and training for farmers from surrounding communities

Other Global Outcomes

In addition to the biodiversity/land degradation benefits enumerated above, the following additional global environmental benefits are expected from the MSP program (but are not the justification for the GEF grant):

Soil carbon sequestration and mitigation of climate change, by increasing soil organic matter from technologies such as zero-tillage, use of cover crops to control erosion, legume rotations, etc. Based on data from Colorado State University, the CO₂ mitigation potential for zero-tillage is 15 to 30 Tg/ha/yr in temperate and tropical areas;

Improvement of ecological status of international waterbodies through integrated catchment management to reduce downstream siltation and pollution from agricultural areas, as part of the commitment from the Brazilian government to better management in the Plata River Basin (Argentina, Bolivia, Paraguay, and Uruguay).

11. Planned activities to achieve outcomes:

All activities under the proposed MSP, will be carried out with active participation of local farmer associations and community organizations, and will be as follows:

- Identify hotspots and develop strategies for rehabilitation and management of degraded pastures, including such interventions as improved seeding and fertilization, rotational grazing, etc.
- Select cooperating farms for application of improved technologies, including improved land management for erosion control, rehabilitation of gallery forests, rehabilitation of degraded pastures, etc.
- Identify hotspots and develop strategies and interventions for improved management of riparian areas, including rehabilitation of gallery forests to maintain wildlife corridors, controlled access for cattle to water courses, etc.
- Develop farm level land use and management plans based on the results of the baselines studies and negotiations with individual farmers to identify major existing constraints (hotspots) and appropriate technologies and other interventions (kinds and locations) necessary for improved agricultural management and environmental and habitat management
- Consolidate the establishment of the steering committee, with representation from all stakeholders including farmer associations and the local community. Technical and project operational backstopping will be organized through involvement of EMBRAPA and the State Research and Extension Service.
- Implement strategic sites in the pilot catchment area and monitor soil erosion, runoff and water quality, nutrient flows, chemical contamination, etc., as well as the impacts of rehabilitation of gallery forests, rehabilitation of pastures, etc. on wildlife habitat and conservation
- Input data and results to a computerized, geographic information system (GIS), and use the system to develop indicators of land quality such as agro-biodiversity, land use intensity and land use diversity, land cover, nutrient balance, etc, and use these to project whether the systems are trending toward or away from sustainability;
- Organize awareness programs including pamphlets, brochures, farmer field days, and training courses for local farmers to increase awareness of the interventions and the importance of the program, and create a regional network of farmer associations and local community groups to exchange data about the value and impacts of sustainable land management on bio-diversity conservation and environmental management for the Pantanal, and the opportunities to be gained therefrom.
- Collate the results and assess the geographic and economic potentials of these interventions to achieve improved farm level profitability, ecological tourism potential and impacts of improved land management on bio-diversity conservation in the uplands to the Pantanal and on the Pantanal marshlands.

In addition to the MSP activities listed above, a Research and Development (R&D) program will be

implemented by EMBRAPA in the Ministry of Agriculture and by the Ministry of Environment. This research program will complement the proposed GEF activity and will consist of:

- Develop indicators of land quality through adoption of sustainable land management practices and agroecological systems, such as zero-tillage, crop rotation, cover crops, among others
- Enhance the understanding of the mechanisms of soil carbon sequestration for Cerrado soil
- Evaluate the impacts of soil carbon sequestration for mitigating climate change

12. Stakeholders involved in project:

The project will be developed through a partnership among the Farmer's Association, Municipal Government, Federal University of Mato Grosso do Sul, EMBRAPA Soils, EMBRAPA Western Agriculture, EMBRAPA R&D, EMPRAPA Pantanal, Fundação MS, State Secretariat of Environment, State Secretariat of Agriculture, State Research and Extension Service (EMPAER/MS), among others.

The project will be implemented under the coordination of a steering committee including **local community members**, as well as members designated by EMBRAPA, the State Government, Municipal Government and State extension and research service.

EMBRAPA Soils (EMBRAPA's National Center for Soil Research) will be responsible for **implementing the GEF medium-size project and managing GEF funds**. EMBRAPA Soils will be representing all EMBRAPA's potential (more than 1,500 researchers, laboratories, installations, equipment, etc.) including EMBRAPA's Centers for Pantanal and Western Region Agricultural Research.

List of Acronyms:

EMBRAPA – Brazilian Agricultural Research Corporation

Soils – National Soil Research Center (CNPS)

Western Agriculture – Agricultural Research Center for Western Region (CPAO)

P&D – Research and Development Department (DPD)

Pantanal – Pantanal Region Agricultural Research Center (CPAP)

Fundação MS: Non-Governmental Organization (Foundation) supported by local farmers for agricultural technology research and diffusion in the State of Mato Grosso do Sul, Brazil.

EMPAER/MS –Corporation for Agricultural Research and Rural Extension in the State of Mato Grosso do Sul

PART II – INFORMATION ON BLOCK A PDF ACTIVITIES

13 Activities to be financed by the PDF:

The PDF grant is requested in support to a number of specific activities for the preparation of the Project Brief Document which will be co-financed by EMBRAPA. These activities are described in detail below. They will be mostly carried out by consultants with overall guidance and supervision provided by EMBRAPA soils staff.

The Project Brief Document to be submitted to GEF will be completed through the following activities to be carried out with the active participation of major stakeholders, including researchers, teachers, technical personnel, NGOs and other institutions acting or with interest in the Pantanal Region:

Activity 1. Prepare the baseline study and build local conditions for project preparation and implementation, including:

- establishment of a work team and a steering committee with representatives of all stakeholders, leaded by members of the local community;
- perform a survey and interpretation of scientific and technical data on natural resources to be used as terms of reference for feasibility studies, such as land quality indicators, soil carbon sequestration by land use and management systems and downstream siltation and pollution by the main water courses in the region.
- Perform an extensive inventory from which the impacts of the GEF funded MSP will be assessed, including: 1) existing data on natural resources such as soil, hydrology (surface and groundwater), climate, relief, vegetation, wildlife, and agricultural land use and management systems (type of farming systems, production, cash flow, inputs, use of fertilizers, pesticides, tillage practices, erosion control systems, gallery forests, access to streams, etc.), and, 2) on-going and planned actions throughout the Pantanal Region, financed or not by GEF, so as to integrate in an interdisciplinary way the efforts being developed in different interest fields,;
- Perform a community survey in the area of the Miranda River Watershed and vicinities through application of questionnaires, inquiring about current land resources use and management practices, as well defining the main farming systems operated by farmers in the Miranda Watershed. Survey will also include an assessment of current ecotourism, as a supplement to farm and local rural industries;
- Characterize the Rio Mimoso catchment, at exploratory level, studying ways of monitoring and implementation.

Activity 2: Workshop and visit to the study area with specialists (Government institutions and or Consultants), farmer's association, municipal government, universities, non-government organizations (NGOs), and partnerships to discuss terms of reference for elaborating the Technical Proposal.

Activity 3: Preparation of the Project Brief Document. This Activity will be carried out in two phases:

- A three-day workshop with local community, farmer's associations, municipal, state and federal governmental institutions, local and regional NGOs with different interests in the area, etc. Workshop goals is to expose the proposed project objectives and activities, recollect community and participants views and perceptions about the proposal, and to develop the final draft of the project plan to be presented to GEF for funding; and
- Preparation of the Medium-sized Project Brief document: EMBRAPA Soils will have responsibility for preparing this document, drawing on contributions of the various specialists. The document will include: project description; incremental cost assessment; budget; project implementation plan; information on public involvement; monitoring and evaluating plan; and additional information, as required.

14. Expected outputs and completion dates:

This **Block A PDF** has two main outputs:

1. An extensive overview of local conditions, which will be the baseline of the MSP, including the establishment of a work team and a steering committee, the terms of reference for a survey, a data inventory of natural resources and a community survey. Baseline and local condition studies to be completed three months after receiving the PDF GEF funds.
2. A Medium-sized Project Brief Document, formulated after a workshop, to be completed four months after receiving the funds.

15. Other possible contributors/donors and amounts:

Major stakeholders (EMBRAPA – Soils, Western, R&D, Pantanal, EMPAER-MS, Foundation MS, Ministries – Agriculture and Environment, and Federal University) contribution with the staff team, equipment, materials, facilities and complementary information is valued at US\$25,000.

Local and State Governments will contribute with the logistic for all activities. Local Communities and Farmer's Associations will participate directly in the baseline and local condition studies and workshop.

16. Total budget and information on how costs will be met (including the Block A grant):

<u>Description</u>	<u>Block A PDF</u>	<u>Counterpart</u>	<u>Total (US\$)</u>
Baseline and local condition studies			
<i>Meeting for steering committee establishment</i>	2,000	2,000	4,000
<i>Survey of scientific and technical reviews</i>	2,000	2,000	4,000
<i>Inventory of existing and in acquisition data</i>	4,000	5,000	9,000
<i>Community survey (questionnaires)</i>	4,000	5,000	9,000
Preparation of GEF MS Project			
<i>Three-day workshop(including workshop facilities, transport, housing and food for participants, etc.)</i>	5,000	3,000	8,000
<i>Development of final draft</i>	3,000	3,000	6,000
Personnel			
<i>Project draft coordinator and staff</i>			5,000
<i>Consultants for project formulation</i>	5,000	5,000	5,000
TOTAL (US\$)	25,000	25,000	50,000

PART III – INFORMATION ON THE APPLICANT INSTITUTION

<p>17. Name: EMBRAPA's National Soil Research Center - Embrapa Soils</p>	<p>18. Date of establishment, membership, and leadership: National Soil Research Center was created in 1993, replacing The Soil Survey and Conservation National Service which was created at the same time as Embrapa, in 1975. Leadership: Antônio Ramalho Filho, Ph.D. Employees: 151</p>
<p>19. Mandate/Terms of reference: EMBRAPA Soils is a state company which institutional mission is to provide and implement competitive and sustainable technical solutions concerning land use with preserving purposes.</p>	<p>20. Sources of revenue: Annual resources: US\$ 1,637,000 - Ministry of Agriculture: US\$ 1,333,000 - National Council for Scientific and Technological Development – CNPq: US\$ 30,000 - European Union: US\$ 19,000 - World Bank (Prodetab): US\$ 73,000 - Consultant services: US\$ 91,000 - Ministry of Science and Technology: US\$ 91,000 <i>reference: 1 US\$ = R\$ 1.65</i></p>
<p>21. Recent activities/programs, in particular those relevant to the GEF:</p> <ul style="list-style-type: none"> • A decision support system for monitoring environmental impacts of agricultural activities in the upper Taquari basin as an environmental management tool for the municipalities of the Pantanal eco-region (<i>Project financed by World Bank – Prodetab</i>). • Interactions of organic matter and pedological attributes of Oxisols under no-tillage in the Cerrado region and North of Paraná State (<i>Project financed by Embrapa</i>). • Soil chemical, physical, mineralogical and biological processes as influenced by no-tillage systems in Western Brazil (<i>Project financed by EMBRAPA</i>) • Evaluation of soil chemical, physical and biological processes in no-tillage systems in the Middle-Southern Mato Grosso do Sul State (<i>Project financed by EMBRAPA</i>). • Land use planning – reference for territorial reordering in São Gabriel do Oeste-MS, Brasil (<i>Project financed by EMBRAPA/Brazilian Institute of Geography and Statistics-FIBGE/São Gabriel do Oeste Municipality</i>). 	

PART IV – INFORMATION TO BE COMPLETED BY IMPLEMENTING AGENCY

22. *Project identification number:* PO66536

23. *Implementing Agency contact person:*

Graciela Lituma ,(LCSES) and Christine Kimes (LCSES)

Task Team Leader Global Environment Coordinator

Glituma@worldbank.org Ckimes@worldbank.org

24. *Project linkage to Implementing Agency program(s):*

Conservation and sustainable use of biological diversity are national priorities in Brazil. For example, it was the first country to sign the Convention on Biological Diversity (CBD). In the Amazon, the Government of Brazil (GOB) is committed to expand effective strict protection so as to cover at least 10% (37 million ha) of the biome. To assist achieving these national priorities Bank assistance to Brazil includes projects under implementation and in the pipeline to address (i) protection and conservation of priority ecosystems, and (ii) efficient use and sustainable management of natural resources. The proposed MSP would be fully consistent with these priorities, by providing support for environmental management and protection of one of the finest remaining examples of the upper Pantanal Basin.

The proposed project complements two on-going GEF-funded projects which are linked under the National Program for Biological Diversity (PRONABIO). The National Biodiversity Project and the Brazilian Biodiversity Fund support activities to address national biodiversity priorities identified by the PRONABIO coordinating commission. None of those ongoing projects support activities in the Pantanal Basin.

The proposed project will also complement the activities financed under the National Environmental Program (PNMA/WB), in particular the Conservation Plan of the Upper Paraguay Basin (PCBAP-Pantanal) completed in 1997. There will, however, be no duplication of activities with, the proposed project. Rather, the proposed project will complement and deepen the work carried out under the PCBAP. It will support: (i) the development and implementation of a well-articulated local plan; (ii) activities to address the major causes threatening habitat and biodiversity conservation in the project area; (iii) the promotion of sustainable development activities; and (iv) monitoring and evaluating of socio-economic and environmental variables.

The proposed project would also serve as a basis for the Conservation and Management of Natural Resources Project, which is currently part of the Bank's pipeline for FY2002.



**MINISTÉRIO DO ORÇAMENTO E GESTÃO
SECRETARIA DE ASSUNTOS INTERNACIONAIS**

Ofício nº 211 /SEAIÑ/MOG

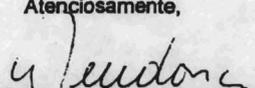
Brasília, 04 de junho de 1999.

Senhor Diretor,

Esta Secretaria recebeu a proposta de "Project Development Facility-A" candidata a ser apoiada financeiramente pelo "Global Environment Facility-GEF": "Addressing Biodiversity Conservation and Land Degradation at the Community Level: Pilot Watershed, Miranda River System", de interesse da "Empresa Brasileira de Pesquisa Agropecuária - EMBRAPA", cuja cópia segue em anexo.

Conforme os procedimentos estabelecidos para "PDFs", este Ponto Focal manifesta o "endorsement".

Atenciosamente,


WASHINGTON AQUINO DE MENDONÇA
Coordenador-Geral de Operações II

Ao Senhor
GOBIND NANKANI
Diretor do Banco Mundial no Brasil
Edifício Corporate Financial Center
Brasília-DF

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