



**PROJECT DEVELOPMENT FACILITY  
REQUEST FOR PDF BLOCK A**

**AGENCY'S PROJECT ID:** P091659

**GEFSEC PROJECT ID:**

**COUNTRY:** Argentina, Brazil, Paraguay & Uruguay

**COUNTRY ELIGIBILITY:** **Argentina.** Date of ratification of the Convention of Biological Diversity (CBD): 6 October 1994

**Brazil.** Date of ratification of the CBD: 3 February 1994

**Paraguay.** Date of ratification of the CBD: 14 December 1993.

**Uruguay.** Date of ratification of the CBD: 11 May 1993.

**PROJECT TITLE:** Integrated Management and Conservation of Key Grasslands in "Mercosur" Countries of the Southern Cone of South America

**GEF AGENCY:** World Bank

**OTHER EXECUTING AGENCY(IES):** Birdlife International

**DURATION:** three years

**GEF FOCAL AREA(S):** Biodiversity

**GEF OPERATIONAL PROGRAM(S):** This Project is consistent with the guidelines of Operational Program No. 1: Arid and semi – arid zone ecosystems, and No. 13: Conservation and sustainable use of biological diversity important to agriculture. The Project focuses on managed ecosystems and biological habitats that provide a broad range of goods and services important to human development and the global environment, as well as on maintaining diverse farming systems and conserving biodiversity in agricultural landscapes.

**GEF STRATEGIC PRIORITY(IES):** **BD-2) Mainstreaming Biodiversity in Production**

**Landscapes and Sectors.** This Project will provide the means to mainstream biodiversity conservation within those grassland-based production systems in key biodiversity areas facing the most critical threats.

**ESTIMATED STARTING DATE:** March 1, 2006

<b>FINANCING PLAN (US\$)</b>	
<b>GEF PROJECT (MSP)</b>	<b>965,000.00</b>
PDF A	25,000.00
<b><i>Sub-Total GEF</i></b>	
<b>CO-FINANCING</b>	
GEF Agency	
National Contribution	
In Cash ()	250,000.00
In Kind ()	400,000.00
Others	
<b><i>Sub-Total Co-financing:</i></b>	
<b><i>Total PDF Financing:</i></b>	

## RECORD OF ENDORSEMENT ON BEHALF OF THE GOVERNMENT:

*(Enter Name, Position, Ministry)*

*Date: (Month, day, year)*

Argentina: Juan Carlos Garaguso, Director of  
International Cooperation, Ministry of Foreign  
Affairs

April 4, 2005

Brazil: Carlos Eduardo Lampert Costa, Secretary of  
International Affairs, Ministry of Planning

December 8, 2004

Paraguay: Alfredo Molinas, Minister, Environment  
Secretariat

October 4, 2004

Uruguay: Luis Santos, National Director of  
Environment, Ministry of Housing, Territorial  
Planning and Environment

December 30, 2004

This proposal has been prepared in accordance with GEF policies and procedures and meets the standards of the GEF Project Review Criteria for PDF Block A approval.

Steve Gorman

Executive Coordinator

Date: (Month, Day, Year)

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### PART I: PROJECT INFORMATION

#### 1. PROJECT LINKAGE TO NATIONAL PRIORITIES, ACTION PLANS AND PROGRAMS

For the first time, the four grassland ecoregions constituting the trans - boundary ecosystem-complex shared between Argentina, Brazil, Paraguay and Uruguay, will be recognized within a project context as a single conservation and sustainable development planning unit, and thereby comprise the first major habitat type to be addressed as a shared conservation issue within the “Mercosur” countries. Though the term “Mercosur” is used only for the designation of the countries, it is expected that Mercosur would play a role given the importance of environmental issues in the regional agenda. Through the project intervention, positive impacts for biodiversity are expected, in particular through: a) **innovative financing** by means of **mainstreaming biodiversity** into the rural landscape; b) **representation** of many globally important and threatened sites and ecosystems, thus reflecting the CBD’s early emphasis on *in situ* conservation; c) **capacity building** within the trans - boundary region; d) strong **stakeholder participation** in planning and implementation phases; e) inclusion of **cross-cutting issues** between the production and conservation sectors in the trans - boundary area; and finally, f) addressing **science and technology** issues applied to decision making.

Active participation of government agencies in all four countries is essential for the long-term success of this initiative. The activities related to land-use planning, site conservation, certification of produce, and incentives to landowners need active government participation including legal framework and enforcement to be effective and sustainable. Through the proposed project intervention, governmental participation will be sought in capacity-and constituency-building, staff training, awareness raising and the provision of operational

support in the sustainable management of grasslands ecosystem. Some governmental agencies that will be key stakeholders are:

- INTA (National Institute for Agriculture Technology, Argentina) with remarkable facilities for communication and education,
- SAYDS – CB (Secretariat of Environment and Sustainable Development – Biodiversity Coordination, National authority for CBD, CITES, Ramsar, Argentina),
- SAGPyA – DG (Secretariat of Agriculture, Livestock, Fisheries and Food – Livestock Directorate, Argentina (which leads a national strategy for livestock industry development),
- MMA (Ministry of Environment, Brazil),
- IBAMA (National Institute for the Environment, Brazil),
- The governments of Rio Grande do Sul, Brazil,
- Local governments in all four participating countries,
- DINAMA (National Directorate for the Environment, Uruguay),
- SEAM (Secretariat for the Environment, Paraguay), and
- Yacyreta (an Argentinean-Paraguayan bi-national entity producing electricity on the Parana River)

In addition to the government agencies indicated above, private land owners in participating areas of the four countries are also key stakeholders in this project.

The focus of individual partners of the project executing organization extends far beyond birds to conservation and sustainable management of key ecosystems (see Part III below). Current civil society efforts in the biome are scarce. A vision on how to advance the conservation of these grasslands in the short and medium term was initiated with a workshop in Southern Brazil. The project also complements the WWF agenda for the Southern Grasslands and the Pampas Initiative by the Nature Conservancy for 2005.

This Project is also linked to the National Biodiversity Strategies and Action Plans of the four countries (NBSAPs) in which emphasis was given to: a) addressing root causes of biodiversity loss, b) strengthening the sectoral linkage to the economy, c) funding patterns, and d) seriously addressing project sustainability. The project will also complement GEF-funded projects at the sub-national level in Brazil (Rio Grande do Sul) and Uruguay, in addition to the trans - boundary Guarani Aquifer project, which is being implemented by the governments of Brazil, Paraguay, Uruguay and Argentina. This Project will increase the capacity of these countries to address the conservation of natural resources in trans - boundary ecosystems, thus enhancing the potential for cooperation with governments and national and international NGOs on related issues.

### **Argentina**

The Project will help in the implementation of the National Biodiversity Strategy (NBS) that was approved in 2003. Strategic objectives of the NBS that the project will focus on within the grassland region include: (III.2) minimizing the loss of biodiversity in agro-ecosystems, (V.1) bio-regional planning and (VI.2) protected areas, (VII.4) threatened species conservation, (XIV.1) communication, education and training, and (XV.3) economic incentives for conservation. This Project also has a strong linkage with the national policy for livestock production, as it will help in the feasibility assessment for certified and/or organic meat production and commercialization. In relation to livestock, the project will collaborate with the new National Institute for Beef Promotion, a dependency of the Secretariat of Agriculture, Livestock, Fisheries and Food, established in 2003.

## **Brazil**

The Project will support the implementation of the National Biodiversity Policy (NBP, decree N° 4339 22/08/02). The NBP's objectives are to promote the integration of biodiversity conservation with sustainable use, the fair sharing of benefits generated from the use of natural resources, genetic materials and associated traditional knowledge. The current project will address the following components of the NBP: a) biodiversity knowledge, b) biodiversity conservation, c) sustainable use of biodiversity, d) monitoring, evaluation, prevention and mitigation of impacts on biodiversity, e) education, public awareness, information and dissemination on biodiversity, and f) public policy integration and international cooperation. The Government of the State of Rio Grande do Sul is developing a proposal for GEF funding, through the World Bank. While that government - lead project has some similar interests, this Project is mainly driven by civil society - based organizations (NGOs). This Project will take advantage of the capacity built by the Rio Grande project to develop cooperative efforts for biodiversity conservation.

## **Paraguay**

The Government of Paraguay has assigned a high priority to the conservation and sustainable use of its rich biodiversity. The Protected Areas Law, passed in 1993, created the National System of Protected Areas (SINASIP). Its objective is the protection of biodiversity through conservation of the country's representative ecosystems. SINASIP includes a system of private reserves. The NBSAP has recently been launched

## **Uruguay**

The National Protected Areas law, which was approved in 2000, is currently being implemented by the Ministry of Housing, Land Planning and the Environment. Similarly, implementation of the National Biodiversity Strategy, which was developed during 1998-1999 (by the project GEF/PNUD URU/96/G31), is also underway. The proposed Project will be fundamental in ensuring that the globally most significant grassland areas are incorporated within these initiatives. At the same time, the Ministry of Tourism is promoting the development of bird watching tourism, through an investment in infrastructure and the training of local guides at key sites. Nature tourism (e.g., bird watching) is one of the alternative uses this project intends to assess and promote. The Uruguayan Government is developing the "PRENADER" project for integrated ecosystem and natural resources management that will be submitted to the GEF with the World Bank as the implementing agency. The present initiative will take advantage of the capacity that the PRENADER project will build at the governmental level, in order to develop cooperative efforts for biodiversity conservation.

## **2. PROJECT RATIONALE AND OBJECTIVES**

The Southern Grassland complex is located in the confluence of two major phyto-geographic domains: Amazonia and Chaco. Broadly speaking and under natural conditions, these ecoregions' habitats are dominated by grasslands, interspersed with a mosaic of other habitats, especially marshes, spiny woodland ("espinal"), gallery forest, and in some cases large bodies of standing water ("esteros"). This ecoregion is one of the few "savanna" ecosystems in the world, and is very important from a global representativeness perspective<sup>1</sup>. For this reason, these authors consider this ecoregion to be "bio-regionally outstanding" (refer to Appendix A: Map of the Southern Cone Grasslands).

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<sup>1</sup> Dinerstein, E, D. Olson, D. Graham, A. Webster, S. Primm, M. Bookfinder, and G. Ledec. 1995. A Conservation Assessment of the Terrestrial Ecoregions of Latin America and the Caribbean. World Bank/ World Wildlife Fund. Washington, DC. 129 Pp.

Four ecoregions comprise the highest priority grasslands for conservation within the Southern Cone (and in South America as a whole). These are the Semi-arid Pampas, the Humid Pampas, the Uruguayan Savanna/ Brazilian “Campos Sulinos”, and the Southern Cone Mesopotamian grasslands. The Semi-arid and Humid Pampas ecoregions cover the Argentine provinces of Buenos Aires and parts of Córdoba, Santa Fe, La Pampa and San Luis, while the Uruguayan Savanna covers the whole of Uruguay and southern Rio Grande do Sul, Brazil<sup>2</sup>. The Mesopotamian Grasslands are centered on the floodplain of the lower Uruguay river in the Argentine provinces of Entre Ríos and Corrientes, but also extend into adjacent areas of Paraguay, primarily in the departments of Misiones and Itapúa<sup>3</sup>. The four ecoregions are closely related in biogeographic terms, and have strong economic and cultural affinities that influence land-use. Several authors have suggested that the whole area constitutes one biome (i.e. the “Río de la Plata Grasslands”<sup>4</sup>) and we hereafter treat it as one “ecoregion-complex” (referred to in this document as the “Southern Cone Grasslands”).

The Southern Cone Grasslands harbor more globally threatened species than any other grassland area in the Neotropics (18 species), including three bird species restricted to the Argentine Mesopotamian grassland Endemic Bird Area<sup>2</sup>. It also holds a unique assemblage of specialized resident and migratory grassland birds, such as rheas, tinamous, raptors and passerines<sup>5,6</sup>. The grasslands have for many millennia served as critical staging areas for Nearctic migrants (and some raptors and passerine species), many depending on the wetlands and upland native grasslands for over 6 months of the year. A number of other plant and animal species are endemic to the area, including several small rodents, and a genus of freshwater snail now considered Extinct in the Wild<sup>7</sup>. Overall biodiversity levels are high. For example, the Uruguayan Savanna holds over 400 species of annual and perennial grasses<sup>1</sup>. Populations of large vertebrates, many of them considered globally threatened or near-threatened, such as the South American Tapir *Tapirus terrestris*, Marsh Deer *Blastocerus dichotomus*, Pampas Deer *Ozotoceros bezoarticus celer*, Puma *Puma concolor*, Geoffroy’s Cat *Oncifelis geoffroyi* and Maned Wolf *Chrysocyon brachyurus*, are increasingly fragmented and locally threatened. The Southern Cone Grasslands encompass just over one million km<sup>2</sup>, most of which is under private ownership (e.g. 97% in Paraguay).

The Southern Cone Grasslands have one of the oldest histories of colonization, development and exploitation of any region in South America. Furthermore, in both Uruguay and Argentina they are the most developed part of each country, and contribute significantly to each country’s GNP<sup>8</sup>. Several land uses dominate, although these vary from country to country. Since colonial times, the traditional use of the grasslands has been cattle ranching, although this pattern started to change in the final decades of the 19<sup>th</sup> century. Since then, the production landscape has evolved into a complex mosaic that includes other important land-uses such as annual and perennial crops, planted pastures, tree plantations, amongst other. In the 20<sup>th</sup> century, urban expansion, industrial developments and hydroelectric dams further compounded the human induced impact on natural grasslands. Within the agricultural sector

<sup>2</sup> WWF (2001).

<sup>3</sup> Guyra Paraguay (2003) Programa de Identificación de Áreas Importantes para el Chopi Sa’yju *Xanthopsar flavus* y la Cachirla Dorada *Anthus nattereri* en la zona de influencia del Embalse Yacyretá. Informe Final Entidad Binacional Yacyretá.

<sup>4</sup> Soriano, A. Ed. (1991) Río de la Plata Grasslands. Pp 367-407 in Coupland R.T. (Ed.) *Natural Grasslands: Introduction and Western Hemisphere*. Amsterdam:Elsevier.

<sup>5</sup> Stotz *et al.* (1996).

<sup>6</sup> Vickery *et al.* (1999).

<sup>7</sup> IUCN (2003) IUCN 2003 Red List [www.redlist.org](http://www.redlist.org)

<sup>8</sup> The Pampas are responsible for more than 90% of the agricultural production of Argentina, the main export industry of the country.

in recent decades, there has been a marked trend towards agricultural expansion and intensification, including a significant growth of annual crops such as soybean, and a marked increase in the use of agrochemical products.

In Rio Grande do Sul, Brazil, the land-use mosaic is now: 16% agriculture, 15% planted pastures, 11% tree plantations, and 11% natural grasslands<sup>9</sup>. In Uruguay, the figures are: 9% agriculture, 7.3% planted pastures, 4% tree plantations, and 71% natural fields (mostly savanna)<sup>10</sup>. In 1988, land-use in the Argentine Pampas region was: 25% agriculture, 12% planted pastures, 0.2% tree plantations, and 36% natural pastures<sup>11</sup>. However, recent reports indicate a 35% increase in the area of Pampas cultivated with cereals and soybean during the period 1993–2003 (resulting in a 63% increase in production<sup>12</sup>). This expansion of cultivated land has been at the expense of the natural grassland. The Argentine Mesopotamian Savanna has been less developed for agriculture but is undergoing rapid afforestation with exotic trees. Afforestation increased by 65% between 1988 and 1998, resulting in more than 200,000 ha,<sup>4,13</sup> of plantations in Corrientes and Misiones provinces. Although land-use data is not currently available for the Paraguayan grasslands, virtually all grassland areas are believed to have been altered by human activities<sup>14</sup>. The predominant land-use is cattle ranching on both natural grasslands and planted pastures, but soybean and rice cultivation have increased markedly in recent years.

The Argentinean portion of the grassland complex supports a population of c.20 million inhabitants, including two of the main urban areas of the country (Greater Buenos Aires and Rosario). Rio Grande do Sul has 3.5 million people, of which 1.2 million live in the city of Porto Alegre, with the remainder in rural areas. Uruguay has 3.4 million inhabitants<sup>15</sup>. Although the population living in the Paraguayan grasslands is relatively low, it does include the country's third largest city, Encarnación.

Protected areas in the Southern Cone Grasslands are few and totally insufficient to maintain the integrity of this ecosystem. In Rio Grande do Sul, there are only four reserves protecting grassland habitats (Parque Estadual de Itapoã, Refugio de Vida Silvestre Banhado dos Pachecos, Parque Estadual do Espinilho, Reserva Biológica São Nonato). The protected areas system in Uruguay represents 1.4% of the land area, but the extent of protected grassland is much less. The most important grassland reserve in Uruguay is Potrerillo de Santa Teresa Biological Station, with 715 ha officially protected. However, many of Uruguay's high priority grassland sites are unprotected. Less than 1% of temperate and subtropical grasslands are formally protected in Argentina. There are no National Parks containing significant Pampas ecosystems. A government initiative to establish a National Park in the Semi-arid Pampas ecoregion is still ongoing (after a considerable time). Just two legally recognized protected areas occur with the Paraguayan grasslands: the 30,000 ha Yabebyry Wildlife Refuge and the 8,345 ha Isla Yacyretá Wildlife Refuge. However, Yabebyry lies at the intersection of the Humid Chaco and Mesopotamian grassland ecoregions, and most of the area corresponds to Humid Chaco habitats. Furthermore, Yabebyry exists only as a park on paper, and is entirely privately-owned. While the Yacyretá Wildlife Refuge benefits from

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<sup>9</sup> IBGE (1996) Data for Rio Grande do Sul.

<sup>10</sup> MGAP – DIEA (2000) Censo General Agropecuario, Uruguay.

<sup>11</sup> INDEC (1988) Censo Nacional Agropecuario, Argentina.

<sup>12</sup> INDEC (2001) Encuesta Nacional Agropecuaria, Argentina.

<sup>13</sup> SAGPyA (undated) Inventario Nacional de Plantaciones Forestales, Argentina.

<sup>14</sup> Clay, R.P., Capper, D.R., Mazar Barnett, J., Burfield, I.J., Esquivel, E.Z., Fariña, R., Kennedy, C.P., Perrens, M. and Pople, R.G. (1998) White-winged Nightjars *Caprimulgus candicans* and cerrado conservation: the key findings of Project Aguara Ñu 1997. *Cotinga* 9: 52-56.

<sup>15</sup> INE (undated) Instituto Nacional de Estadísticas, Uruguay.

more effective protection, its natural resources are under constant pressure from more than 80 families who live in an adjacent 4,000 ha of the total 12,000 ha remaining of the Isla Yacyretá.

The original savanna ecosystem has been heavily altered by livestock production and with it; the natural features of the landscape have most likely changed substantially. This alteration has had an impact at two levels:

- a) **localized effects**, which include a change in the composition of species (primarily grasses) due both to invasive exotic species, such as introduced grasses, and to the selective effects of grazing which favors certain species over others and thus alters the natural competitive forces (in addition, grazing causes soil compaction, which also distorts the ecological forces present in the absence of grazing); and
- b) **ecological effects**, which are larger-scale changes resulting from the alteration (due to range management practices) of flooding patterns, fire cycles, and natural successional cycles, which in turn create a savanna ecosystem different from its original natural condition, with the consequent change in species composition and dominance patterns.

Other threats include:

- Widespread land-use and land-cover changes are the most important pressures to biodiversity in the Southern Cone Grasslands. The consequence of such habitat reduction has been the loss of specialized biodiversity. Two probable global extinctions (Eskimo Curlew *Numenius borealis* and Glaucous Macaw *Anodorhynchus glaucus*) and several local extinctions in parts of the ecoregion-complex have been documented (for example Saffron-cowled Blackbird *Xanthopsar flavus*, and a number of large mammals, including Jaguar *Panthera onca*). Many local populations of broadly distributed species have also been extirpated, probably affecting the overall genetic variability of those life forms<sup>16</sup>.
- There are no effective national or regional land-use plans at the landscape scale that could help prevent further permanent land cover changes affecting the remaining biodiversity.
- Related to the previous problem is the lack of adequate representative legally protected areas.
- The array of species that potentially could co-exist with modern agriculture is threatened by some undesired consequences of uncontrolled and poorly planned intensification. For example, the massive mortality of migratory raptors (Swainson's Hawk *Buteo swainsoni* in particular) and resident doves caused by pesticide misuse in central Argentina<sup>17</sup>.
- Scientific information on the most important sites for biodiversity in the Southern Cone Grasslands is widely scattered and/or unavailable, although there are efforts (e.g. the BirdLife International IBA Program) to fulfill the need for a comprehensive catalogue of globally important sites.
- There is a lack of commitment among policy- and decision-makers towards grassland conservation and sustainable use issues, and a lack of awareness among the public in general.

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<sup>16</sup> Krapovickas, S. and Di Giacomo, A. (1998) Parks Magazine, IUCN.

<sup>17</sup> Iolster and Krapovickas (1999).

Though the grassland ecosystem is spread across four national boundaries and have faced intense pressure and threat, the strategy for its protection is different in each country. Sustainable management of this globally important ecosystem would benefit from uniformization in each country's strategy within a regional context. In addition, by supporting a regional approach, the project would create a mechanism for effective sharing of lessons learned. Furthermore, the regional rather than individual country projects would be more cost effective. The details of transboundary ecosystem management and transboundary cooperation activities will be developed during project preparation

**The Project goal** is to develop a regional coordination mechanism that will contribute to the long-term maintenance and enhancement of the ecological integrity of the trans - boundary Southern Cone Grasslands in Argentina, Brazil, Paraguay and Uruguay.

**The Project purpose** is to promote improved ecosystem management in priority grassland areas, through sustainable and low-impact uses that maintain and enhance the biodiversity value of the grassland ecosystems, and improve the economic and social development of landowners and rural communities. Through the activities herein prioritized, the Project will seek to:

- Establish a transboundary coordination mechanism that will facilitate the mainstreaming of biodiversity within the grassland production systems of the region;
- Develop local know-how, knowledge and capacity to manage production landscapes at a regional level without the loss of biodiversity.
- Support demonstration projects focusing on grassland conservation with high replication value.

### **Baseline scenario**

BirdLife International, through its national partners and regional secretariat, is developing part of this initiative, in order to identify and conserve key sites for biodiversity in the Southern Cone Grasslands region. Once a directory of key sites is published in the four countries, other co-financed activities will begin, such as the preparation of a regional strategy for site conservation, and the development of site-focused conservation activities (advocacy, outreach, land acquisition, habitat restoration, establishment of local Site Support Groups [SSGs], monitoring, etc.). In the absence of GEF Alternative, the Baseline Scenario will mainly provide technical information about the key biodiversity areas in the grasslands, without addressing the causes of the long term threats to this unique ecosystem.

### **GEF Alternative**

Under the baseline scenario, technical information about priority sites will be obtained while the current land – use trends will continue to threaten key biodiversity areas. Without mainstreaming biodiversity and a regional planning effort, or establishing any coordinated management mechanisms for key sites in the four countries, effective management of this unique ecosystem and the biodiversity it supports will not be achieved. Under the Baseline scenario, the outcomes of the planned activities would not be sustainable, and would not take into consideration the biodiversity conservation. Under GEF Alternative and with GEF incremental co-financing, site conservation will be practiced in the project area over the project period (3 years). Furthermore, incremental GEF co-financing would be catalyst in harnessing regional efforts to have a coordinated mechanism to the management of one of the globally important ecosystems. Detailed analyses of the baseline and GEF alternative scenario will be carried out during project preparation. However, GEF contribution will be used to develop necessary tools to mainstream



biodiversity conservation in a productive rural landscape, and to implement and evaluate these tools through pilot projects. The tools in question include: a “Best Management Practices” manual for natural grasslands, an assessment of the potential for ecotourism in the grasslands, and a feasibility study of “grassland-friendly” certification schemes for livestock production.

### **Sustainability**

This regional approach to the rural landscape in the Southern Grasslands region will help promote and foster new ways of incorporating biodiversity concerns into ongoing practices without changing the productive context. This includes creating a regional coordinating body, compiling, analyzing, and distributing regionally based information, and introducing new biodiversity sensitive practices that help conserve and sustainably use biodiversity in the agricultural landscape. It would also ensure public participation as a means for developing products from the rural sector, promoting the identification and development of new marketing and business opportunities for more diversified production systems (including eco-friendly produce), and creating a “sense of local ownership” in the conservation of grassland biodiversity. Through the delivery of training courses, the transfer of technological skills and knowledge, and the implementation of pilot initiatives, the proposed project will help strengthen human capacity to successfully develop solutions to minimize the impacts of agro-silvo-pastoral activities on the biodiversity in native grasslands. Therefore, by creating the necessary regional coordination mechanism, raising awareness, and providing tools and manuals for use by private land owners and local governments, the project intervention would promote sustainable management of grassland ecosystem. Furthermore, the proposed project will also look at the legal options for creating initiatives that promote the maintenance of grasslands in their natural state; relying on and adapting successful initiatives developed in other parts of Latin America and elsewhere (see section 4.8 below). The incremental costs for mainstreaming biodiversity into the rural landscape will be covered by the GEF.

### **Lessons learnt and replicability**

The project will build on and utilize the experience of BirdLife International in implementing IBAs (Important Bird Areas) and other GEF supported projects for conserving key biodiversity sites. The relevant lessons learnt are mainly related to stakeholder involvement in preparation and implementation of project activities; grass-roots community commitment building, successful information and outreach campaigns, and, most importantly, preparation of comprehensive, integrated, and modern management plans for various land and resource uses. Furthermore, the project is expected to benefit from lessons learned from other GEF financed grassland projects in the Slovak Republic (IBRD/GEF) and South Africa (UNDP/GEF). The project task team had initial consultation with the South African National Biodiversity Institute which is executing the South Africa National Grassland Initiative (UNDP/GEF) to identify opportunities for collaboration and mechanisms to share lessons. The potential for replicating the outcomes of this project elsewhere within the Southern Grasslands and the neighboring eco-regions is also high. The project area covers the most important biodiversity spots within the Southern Grassland Eco-region in the four countries and is representative of Southern Cone Grasslands landscape and its problems in biodiversity conservation. The project will demonstrate and build the capacity in the partners to plan and develop a broader regional approach for the conservation of the eco-region. Lessons learned from other projects will be applied in this initiative, and a mechanism will be developed to ensure coordination with other on-going projects (especially those funded by the GEF). Furthermore, a mechanism to replicate lessons from this project will be developed during project preparation.

### **3. EXPECTED OUTCOMES**

1. Trans - boundary coordination mechanism established, engaging relevant sectors of civil society, to implement joint conservation activities in the Southern Cone Grasslands among Uruguay, Argentina, Paraguay and Brazil. The mechanism will facilitate ongoing regional conservation initiatives within the context of Mercosur.
2. Key sites for biodiversity conservation within the Southern Cone Grasslands identified, documented and the information widely disseminated.
3. Key sites incorporated within national and regional conservation agendas, through a strong advocacy campaign at all levels (local, national, and regional).
4. Regional strategy for the conservation of key grassland sites developed with broad stakeholder participation including governments, academic institutions and the conservation community of the four countries.
5. Feasibility assessments produced on economic incentives, certification and diversification of production with other sustainable activities, such as ecotourism.
6. Landscape level land-use plans developed through participatory mechanisms with key stakeholders in each country, and followed up through the implementation of one integrated management pilot project in all four countries.
7. "Best Practices Manual" for grassland management and conservation produced and distributed to all key stakeholders
8. Strategy and mechanism set in place to ensure sustainability for the conservation and management of key grasslands sites.
9. All key stakeholders aware of the value, benefits and threats related to native grasslands.
10. Project carefully monitored and evaluated throughout life of the Project and beyond.

It is expected that the project outcomes, including identification of key sites, land use planning, assessment of economic incentives and Best Practices Manual will provide the necessary tools for private sector, and central, local and provincial governments to adopt environmentally sound policies and programs.

### **4. PLANNED OUTPUTS TO ACHIEVE OUTCOMES**

#### *1. Civil Society Coordinating Group*

Representatives from each country will be invited to form a “coordinating group” to oversee the coordination of the Project and ensure its results are shared amongst the various stakeholders in the grasslands complex. This “coordinating group” will meet regularly to take decisions on relevant issues concerning the Project and will provide follow-up once the initial phase of the Project is successfully completed. The coordination group will not only bring civil societies from the four countries together but also bring the governments and private sector into the discussion on the improved management of grasslands ecosystems.

#### *2. Key sites identified, documented and the information disseminated*

A regional database of Important Bird Areas will be compiled and serve as the basis for identifying key biodiversity areas in the grasslands complex. This information will be analyzed, published and disseminated (digitally and hard copy) to key stakeholders in the region. Advice for database management will be required as in – kind contribution from National Audubon Society and the US Geological Survey.

#### *3. Key sites on conservation agendas*

The incorporation of priority grassland sites within national and regional agendas for conservation and development will be achieved through successful campaigning of local and

national governments as well as organizations and institutions supporting development in the region. The Regional Network will help advance this through a coordinated approach, advocating for the importance of grassland sites regionally and globally.

#### *4. Regional strategy*

Based on the identification and assessment of key biodiversity areas, a *Grasslands Conservation Strategy* will be elaborated. The active participation of key stakeholders will help ensure the Strategy represents their interests and inputs. One meeting amongst the stakeholders will help to finalize the Strategy and secure its endorsement. Proceedings from this meeting will be published and disseminated.

#### *5. Piloting of On-the-ground conservation*

On-the-ground conservation will be piloted at least in four locations (one in each participating countries). The result will contribute to the development of the best practice manual (see output 8 below). Though the pilots would be small in relation to the total area of the ecosystem, they would be sufficiently large and representative (i.e. a group of farms, a microcatchment or even the entire territory of a municipality) to allow for the implementation, for validation purposes, of specific conservation practices and/or packages. Manuals would be prepared based on the results of these activities.

#### *6. Feasibility assessment on economic incentives, diversification, etc.*

A feasibility assessment of current certification schemes and the potential market for certified products will be completed. Based on this, technical assistance to governments will be given to assist in both the understanding of this management tool and where feasible, the establishment of a certification system. A regional workshop will help to increase awareness by key stakeholders on economic incentives for conservation. Technical support will be provided for local producers. An assessment of potential markets for ecotourism will also be completed and provide recommendations for how to promote the region's biodiversity to this sector.

#### *7. Land-use planning at the landscape level*

A land-use planning process will be implemented in at least one priority grassland site in each of the four countries. This will be carried out using a participatory process to ensure local stakeholders are engaged and empowered. These plans will integrate sustainable use with grassland conservation, taking as models the successful results of the various conservation "Joint Venture" initiatives of North America. The US Fish and Wildlife Service and the USDA Forest Service are going to provide in-kind support during this stage of project implementation, by means of expert advice. According to the results of the planning processes, pilot projects on integrated management and conservation will be supported in all four countries.

#### *8. "Best Practices Manual" for grassland management and conservation produced*

A "Best Practices Manual" will be published and distributed to land managers that will summarize the best available information on grasslands management. This information will be gathered through research and the hosting of an international workshop.

#### *9. Ensuring sustainability*

Sustainability will be created through the development of a regional "Coordinating Committee" (described in #1) and through the development and implementation of a long-term business plan for grasslands conservation. The Business Plan will outline a strategy for ensuring the Project's sustainability through: acquiring additional co-financing secured as part of a long-term funding strategy; establishing a regional coordinating body and/ or a regional network of institutions working at key grassland sites, capable and interested in continuing to advance regional grassland

conservation issues; building on-the-ground capacity to integrate practices that conserve grassland areas; designating key grasslands sites as conservation units (e.g., parks, stations, private reserves, easements, etc.); and developing sufficient capacity in the Project stakeholders to provide training and share experiences regarding the management of key grassland sites. National Audubon Society and the US Fish and Wildlife Service (through the Neotropical Migratory Bird Conservation Act fund) are showing interest in providing co – financing funds for grassland conservation and restoration in the Southern Cone.

#### *10. Key stakeholders aware*

This initiative will increase awareness of the issues affecting grasslands through the establishment of a regional network of civil society stakeholders who will not only oversee the management of the Project but also ensure the integration and dissemination of relevant information to key stakeholders in the region. Brochures, web pages, events, media and press coverage will also help deliver information to the public.

#### *11. Management and coordination*

Regular monitoring and evaluations will be completed to assess the success of the Project and identify any changes to its management and implementation. A results based management approach will be used to assess Project advancements.

### **5. STAKEHOLDERS INVOLVED IN PROJECT**

People and institutions at all levels are indispensable stakeholders in the Project, including policy- and decision-makers, local community members, small- and medium-sized farmers, and the academic and NGO sectors. All of these stakeholders will be involved in the Project's implementation, through widespread information dissemination and participatory processes, including consultations and diagnoses. Stakeholder involvement is planned in such a way as to enhance ownership and accountability, thereby leading to improved performance and impact. From the very beginning, the Project will consider the economic needs of the people and communities involved, and will build partnerships among the Project executing agency and stakeholders. Furthermore, it will make appropriate use of the skills, experiences, and knowledge of local communities and groups, the private sector and non-governmental organizations (NGOs) in the design, implementation, and evaluation of Project activities. Representatives of relevant stakeholder groups will be incorporated within the Project coordination mechanisms. Local groups will play a key role in Project oversight, will support the coordination and maintenance of institutional networks, and will be primary contact points and collaborators with other stakeholders. The multiple networks of Project beneficiaries will be key to the widespread dissemination of the Project's outputs and outcomes. The Project will demonstrate that broad stakeholder participation is fundamental in the co-management of natural resources, especially within key biodiversity areas and where the capacity of public sector agencies is limited. The stakeholders involved comprise a broad spectrum of those instrumental in generating national and regional policies on natural resources management in general, and on biodiversity conservation in particular. Stakeholders involved in this project have already been identified and classified.

## PART II: INFORMATION ON BLOCK A ACTIVITIES

### 6. EXPECTED OUTCOMES/COSTS AND COMPLETION DATES OF THE PDF A

Completion date of the MSP Brief will be December 15, 2005.

Development of the proposal (Block A contribution)

Activities	GEF	Matching funds	Total
Consultancies	17,000	24,000	41,000
Workshops and consultations	6,000	6,000	12,000
Operational costs	2,000	5,000	7,000
<b>Totals</b>	<b>25,000</b>	<b>35,000</b>	<b>60,000</b>

The Block-A request will help finance the elaboration of the MSP Brief, including the following preparation activities:

1. Technical and pre-feasibility studies which will include gathering the information available and making it compatible for the four countries involved. Some of these include:
  - a) Analysis of existing policies, programs and institutions: It will provide better understanding about each country's policies and programs that affected the ecosystem and provide recommendations for policy and regulatory adjustments. Furthermore, it provides information and recommendation to resolve transboundary issues that affect sustainable management of the ecosystem.
  - b) Social assessment of Project beneficiaries. Stakeholders will be identified following standard World Bank methodology.
  - c) Analysis of baseline: Baseline data will be collected and analyzed to identify pilot sites and needs to develop a Grassland Conservation Strategy.
  - d) Diagnose current incentive schemes and market potentials for certified products to be shared nationally and at the regional level as part of the baseline.
  - e) Diagnose state-of-the-art and needs to develop a land-use planning process nationally and regionally.
2. Consultations. Two types of consultations will take place: a) Consultations with potential beneficiaries in the field, via visits and meetings, and b) Technical consultations with other local NGOs and academic institutions via workshops and presentations.
3. Project design and preparation of MSP Project Brief through participatory mechanisms, in order to establish sustainable alliances with national and regional institutions. This activity will demand several meetings and at least one regional workshop.
4. Design of the monitoring and evaluation system via international and local consultancies.
5. Coordination. Hosted in Aves Argentinas, a general coordinator with thematic coordinators and national and international assistance will manage the Project preparation process.

### 7. OTHER POSSIBLE CONTRIBUTORS/DONORS AND AMOUNTS

BirdLife International Americas Office, by means of a donation from the Olewine family through National Audubon Society, USA (USD 35,000).

### PART III: INFORMATION ON THE APPLICANT INSTITUTION

1: Name: BirdLife International	2. Type: international not - for – profit, civil conservation organization
3. Date of Establishment: 1994. Membership: more than 2,5 million people (combined membership of partner organizations). Leadership: BLI is a federation of independent NGOs present in more than 100 countries, encompassing in its total a professional staff of 4,000 and more than 1 million ha of land owned or managed for nature conservation. It's the listing authority of IUCN for the Red List of Threatened Birds.	4. Sources of Revenue: fees from partner organizations and individual members. Donations from individuals, corporations or foundations. Project grants from national governments, and from international cooperation or development agencies

#### 5. Mandate/Terms of Reference:

The Project is proposed by BirdLife International's Americas Secretariat based in Ecuador, and will be implemented by the national BirdLife Partner organizations in Argentina, Paraguay and Uruguay, and by the BirdLife International country program in Brazil. Project oversight will be provided by the BirdLife Secretariat based in Quito. The four BirdLife International members in the region agreed that the coordination office of the project will be hosted by Aves Argentinas / AOP, in Buenos Aires.

The focus of individual partners of the project executing organization extends far beyond birds to conservation and sustainable management of key ecosystems. As such, the partner organizations frequently implement projects with a much broader focus than birds. To cite a few examples, Guyra Paraguay is currently leading a Darwin Initiative-funded project conducting botanical surveys in the Humid Chaco (with an overall goal to develop mechanisms for private landowner participation in the CBD), and both Guyra Paraguay and Aves Argentinas recently partnered with the Nature Conservancy and over ten other organizations to conduct an ecological assessment of the Gran Chaco.

The BirdLife International partnership is working closely with the Conservation International and PlantLife International to identify Key Biodiversity Areas (KBAs) throughout the world. The KBAs framework builds on 25 years of IBA experience through the BirdLife partnership, and considers all taxonomic groups for which data exist in the identification of priority sites. As IBAs form a subset of KBAs, they can be used as a starting point for national- and regional-level gap analyses and conservation action. Once the IBA inventory for the Southern Cone Grasslands has been completed, the project partners will seek to expand this to a complete inventory of KBAs. BirdLife International and Conservation International have taken a similar stepped approach to KBA identification in the Tropical Andes.

**BirdLife International** is a world-wide Partnership of national conservation organizations working in more than 100 countries and who, together, are the leading authority on the status of birds, their habitats and the issues and problems affecting biodiversity in general. In the Americas, BirdLife International is a registered not-for-profit international conservation

organization in Ecuador and the United States. At the ecoregional level, BirdLife International in the Americas focuses on the conservation of four globally threatened ecosystems: the Southern Cone Grasslands, the Tumbesian Region of Ecuador and Peru, the Atlantic Forests, and the Dry Forests of the Caribbean. The head of BirdLife International's Americas program is Ian J. Davidson, based at its Americas Secretariat office in Quito, Ecuador: Vicente Cárdenas E5-75, Piso 3, Quito, Ecuador, Tel: +593 (0) 2 245 3645; Fax: +593 (0) 2 227 7059; E-mail ([ian.davidson@birdlife.org.ec](mailto:ian.davidson@birdlife.org.ec)).

The Quito Office of BirdLife International will coordinate the contacts with several institutions that provide support for this project, as National Audubon, US Fish and Wildlife Service, USDA Forest Service and the US Geological Survey. The Americas-based Secretariat of BirdLife International will execute this Project in partnership with its member organizations:

### **Aves Argentinas**

Aves Argentinas (AA) was first established in 1916 as the Asociación Ornitológica del Plata. Its mission is the conservation of wild birds and their habitats. The main activities include the promotion of scientific research in ornithology, and the development of projects related to the conservation of species, habitats and sites. Since 1995, AA has been working with grassland birds as indicators of environmental health, addressing such issues as threatened species, identification of key biodiversity sites, pesticide use, and advocacy in grassland related policy issues. The organization has an active program on environmental education that aims to transmit the value of biodiversity to people. Aves Argentinas is also engaged in private land management in one key site in the Chaco Savanna: El Bagual Private Reserve. It has 13 permanent staff and 800 members. Aves Argentinas is directed by Andres Bosso, 25 de Mayo 749, piso 2, oficina 6 (C 1002 ABO), Buenos Aires, Argentina, Tel: +54 11 4312 1015, ext. 104, E-mail [bosso@avesargentinas.org.ar](mailto:bosso@avesargentinas.org.ar)

### **BirdLife Brazil Program**

BirdLife International launched its Brazil Program in 2000. Since then, the program has established and implemented agreements with local and federal governments (IBAMA-Brasília, IBAMA-Alagoas, Fundação Zoobotânica do Rio Grande do Sul) and national non-government organizations (Sociedade Nordestina de Ecologia, Instituto de Estudos Sócio-ambientais do Sul da Bahia) to conduct projects in some of the most important threatened areas in the Atlantic Forest region. BirdLife manages three projects in collaboration with local organizations at Murici (Alagoas), Serra das Lontras and Boa Nova (both in Bahia). There are two full-time and one part-time staff employed by the Brazil Program, whose work is coordinated from the BirdLife International Americas office in Ecuador. The Brazil program manager is Jaqueline M. Goerck, Alameda Grécia, 297, 06474-010, São Paulo – Brazil, Tel: 55-11-3815-2862, E-mail [birdlifebrasil@uol.com.br](mailto:birdlifebrasil@uol.com.br).

### **Guyra Paraguay**

Guyra Paraguay is a leading Paraguayan non-profit, non-governmental organization whose mission is “to lead, promote and coordinate progress towards the conservation and sustainable use of biodiversity, with a special focus on birds, through advocacy, research, public awareness and active community participation”. It was created in 1997 by a group of Paraguayan citizens concerned for the future of the country's natural resources. Guyra Paraguay has been actively engaged in the identification of key biodiversity areas throughout the country and is working towards securing those sites of global importance, including several in the grasslands ecoregion. Guyra Paraguay is also a member of IUCN and a partner organization of TNC. The organization works closely with the Canadian Nature Federation, Conservation International, Ducks Unlimited, WWF and others. Its staff consists of more than 25 professionals of diverse disciplines

related to the sector, including biologists, herpetologists, ornithologists, and environmental educators. Guyra Paraguay's executive director is Alberto Yanosky, Cnel. Rafael Franco 381, Asunción – Paraguay, Tel: 595-21-227777, E-mail [ayanosky@guyra.org.py](mailto:ayanosky@guyra.org.py).

### **Aves Uruguay**

Aves Uruguay is the BirdLife International representative in Uruguay. It is a non-profit, non-governmental organization, whose mission is to work for the conservation of Uruguay's birds and their habitats within the context of sustainable development. Aves Uruguay's maximum authority is the assembly of members, who elect a seven-member board of directors. Aves Uruguay has been actively engaged in the identification and most recently, the conservation of key grassland sites through ecotourism and awareness building activities. The organization has a full-time salaried staff of two, but receives the support of numerous volunteers who work at all levels of the institution. The President is Agustín Carriquiry, Canelones 1164, Montevideo, Uruguay. Tel.: 00598 2 508 64 98, E-mail [gupeca@adinet.com.uy](mailto:gupeca@adinet.com.uy).

#### **6. Recent Activities/Programs, in particular those relevant to GEF.**

Recent Activities/Programs of these agencies are listed above including their non-bird conservation related activities.

In addition to their own activities and lessons, the project will seek lessons from others including GEF cofinanced grasslands initiatives in Mongolia, Slovak Republic and South Africa (see Lessons Learned section above). These initiatives will provide valuable lessons in developing the proposed project. Furthermore, other projects in the southern cone countries (see section below) would also complement the proposed project.

## **PART IV: INFORMATION TO BE COMPLETED BY THE IMPLEMENTING AGENCY**

#### **7. Project Linkage to Implementing Agency program(s)**

The project is consistent with the World Bank country CASs for each of the countries. The project will contribute to the country CASs in promoting sustainable management of natural resources. Furthermore, the project will complement some of the on going and planned World Bank/GEF operations in these countries including Argentina Biodiversity, Argentina Forestry, Brazil Parana Biodiversity, Brazil Rio Grande del Sul, Paraguay Biodiversity, Uruguay Natural Resources Management and Regional Guarani Aquifer projects. The proposed project would use lessons learned from these projects and seek synergies to avoid any duplication.