

ANNUAL REPORT 2020



Ian Thompson

Dear readers,

2020 was an unusual year. We welcomed it not knowing that after just a few months, we would experience a global shock to the system caused by Covid-19, highlighting the interconnection between people and nature. A wildlife-borne virus has infected more than 150 million people to date and disrupted business as usual, highlighting our vulnerability and showing us that nature reigns supreme.

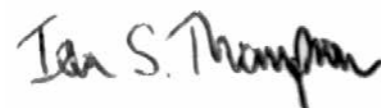
In Brazil, amidst the chaos of the pandemic, we also faced urgent environmental issues, such as the high rates of deforestation and the uncontrolled fires that ravaged the Pantanal and the Amazon region. They devastated critical natural areas, their biodiversity, essential sales activities, and the livelihood of Indigenous Peoples and local populations. All of this took place without the country having a clear plan towards balancing zero-deforestation and expected economic development. Such a precarious state of affairs negatively impacted the country's reputation abroad, imperiling international investments and Brazil's connection to international markets.

We cannot have healthy and prosperous societies if we do not protect the natural systems on which they and economies depend, including their essential services for survival, such as water and food protection and a stable climate. Humanity must move from a scarcity-based exploitation model to a virtuous framework of protecting natural abundance.

This paradigm shift requires a systemic view that resolves key roadblocks on the path to a system that protects natural abundance – environmental conservation and socio-economic growth can coexist as long as there is a sustained approach to environmental protection, social and gender equality, and collaborative work between different sectors of society. And it was in the midst of this uncertain scenario in 2020 that partnerships with state governments, local organizations, committed private companies, academia, indigenous peoples, and local communities paved the way for collaboration that showed that together we could make the changes needed.

It is with great joy that I share with you the notable results that TNC Brasil achieved during the pandemic. The seriousness of the situation and the unfavorable times made the world realize that the destabilization of our home – planet Earth – means our own extinction as a species and shows that we are not only interconnected with the natural world but that we are part of it. This theme has never been so relevant, and people have never been so prepared to take care of what really matters.

Enjoy your reading!



▲
TNC Brazil Executive Director/
Interim LAR RMD

Jennifer L. Morris

Dear Friends :

While it's my first year as CEO of The Nature Conservancy, I've been a longtime admirer of this great organization, coming from a 20-year career at Conservation International. What drew me to TNC was not only its strong reputation for collaborative, science-based global leadership to achieve cutting-edge conservation at scale, but also its local presence.

I came here to learn more about the amazing work we are doing on the ground, and I am inspired by all that you are helping TNC accomplish in Brazil—from using nature-inspired solutions to restore key watersheds around major metropolises and support rural communities living upstream, to developing new technologies and a management tool to support indigenous communities cope with Covid-19. Our efforts to promote sustainable agriculture and cattle ranching using already open areas to drive production to avoid further deforestation are a must do to protect the rich biodiversity and the abundant natural resources of Brazil.

Over the past year, the devastation of the COVID-19 pandemic has underscored the urgency of our conservation mission, bringing into sharp focus the inextricable link between human and planetary health. Science tells us that healthy lands and waters can help reduce the risk of future zoonotic outbreaks, which are partly driven by habitat loss and climate change. Indeed, one of the World Health Organization's top prescriptions for rebuilding a healthier world in the wake of the pandemic is to do more to protect and preserve nature—which underpins our economies and provides us with clean air, fresh water, healthy food, and so much more. As we rebuild our communities and economies, Brazil plays an important role to protect the last remnants of tropical forests and demonstrate it is possible to have a regenerative agriculture without a need of further deforestation.

I hope reading this annual report brings you hope and a sense of achievement. I want you to know that investing in nature, and in TNC, has been well worth it. For despite all of 2020's challenges, your partnership enabled big wins for nature last year. Successes like those in the following pages would not be possible without the passionate commitment of people like you, and I hope that you will continue to stand with us, and to stand up for nature, through 2021 and beyond.

With sincere gratitude,

Jennifer L. Morris
Chief Executive Officer
The Nature Conservancy

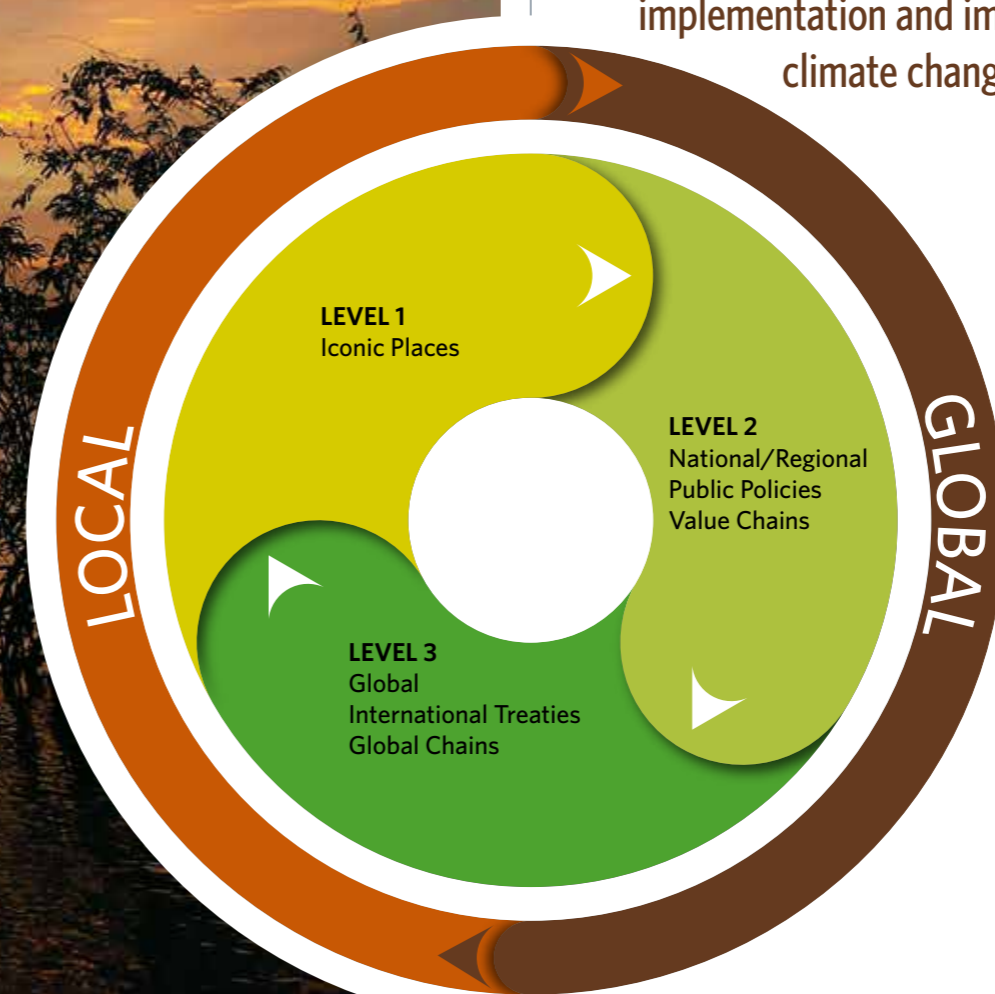


▲
CEO
The Nature Conservancy

Conservation *from Local to Global*

The Nature Conservancy (TNC) is a global conservation organization dedicated to protecting the lands and water from which all life depends. Guided by science, TNC creates innovative local solutions for the main global challenges so that nature and people can thrive together.

Working in more than 70 countries, the organization uses a collaborative approach, involving local communities, governments, the private sector, and civil society. In Brazil, where it has worked for over 30 years, TNC's efforts are focused on solving the complex conservation challenges in the Amazon, Cerrado, and Atlantic Forest through a systemic approach centered on implementation and impact generation for climate change and biodiversity.



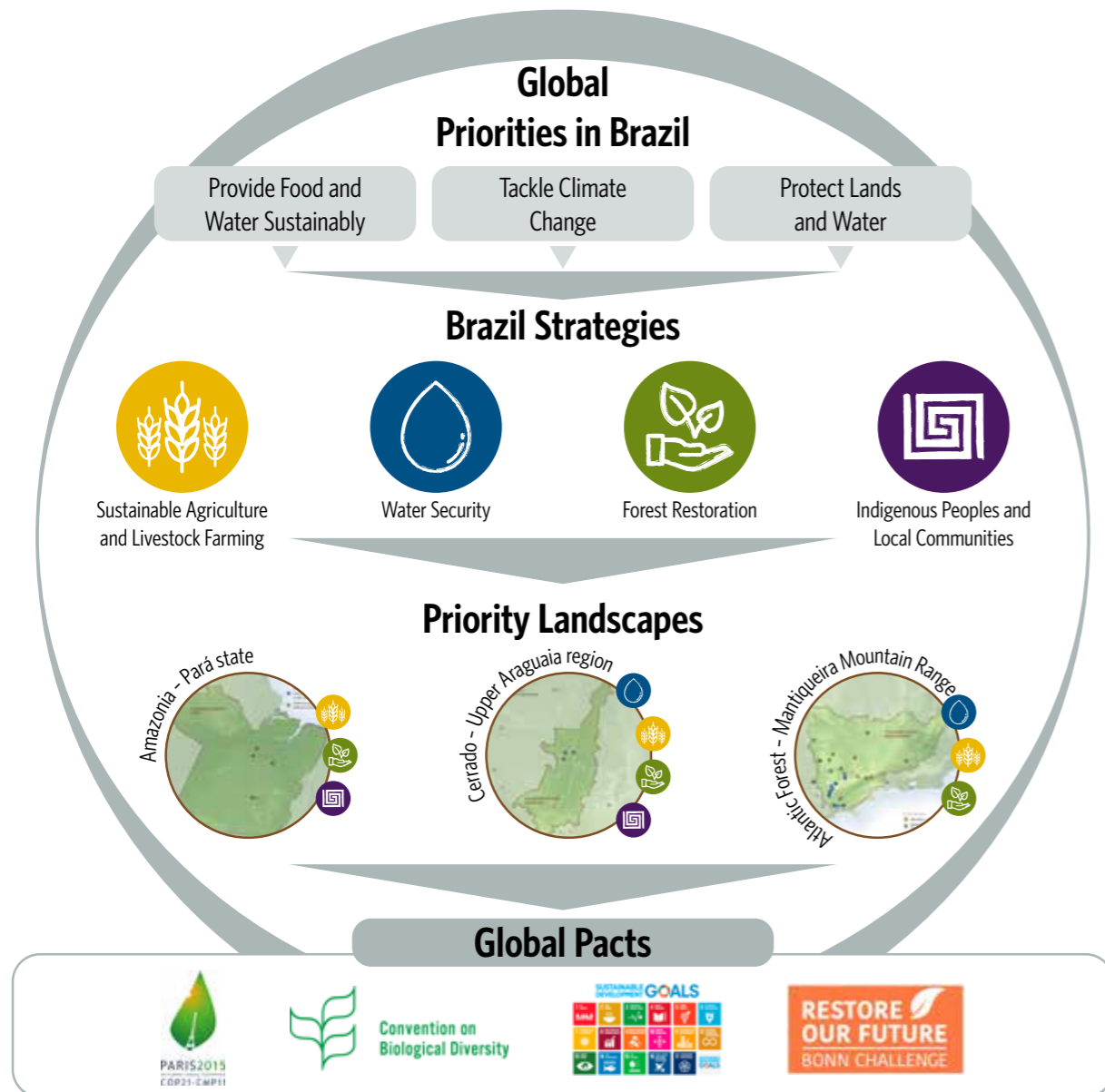
Systemic Change

Focusing on iconic places, TNC works collaboratively with local communities, governments, the private sector, and civil society, using a systemic approach centered on matching the conservation agenda to local socio-economic development.

Systems thinking involves moving from observing events and data to identifying patterns of behavior, mental models, and underlying structures of an

entire system that are not satisfactorily addressing contemporary, chronic problems that demand integrated and sustainable solutions.

Our objective is to contribute to a new, low-carbon economic development model that promotes efficient land use, the conservation of natural resources, protection of human rights, and inclusive income generation for local communities.



Where we work





THE BRAZILIAN Amazon

THE LARGEST TROPICAL FOREST ON EARTH, in its multiple realities, is home to one in ten species in the world and has the greatest socio-diversity on the planet, with more than 300 ethnic groups/Indigenous Peoples, in addition to being a living repository of thousands of tons of carbon. The negative synergies between deforestation, climate change, uncontrolled fires, and agricultural production without environmental parameters pushed the forest ecosystem to its limits. Generating profound changes to complex and persistent problems like those and succeeding in changing the historical paradigm of destructive development demand systemic vision.

Pará State

NO PLACE IN THE AMAZON REGION is more conducive to testing solutions that protect the biome from deforestation than the state of Pará.

With more than 20 years working in the Amazon, TNC was chosen by the state of Pará as the official partner to help in its transition plan to a low-carbon economy and the preparation of its State Policy on Climate Change plan. As a result of this collaboration and the joint work with various stakeholders and funders, the Amazônia Agora State Plan (PEAA in Portuguese) emerged, establishing a sustainable territorial policy and a state environmental compliance and land-tenure program.

In addition to the commitment to contribute to a collaborative approach, we have made efforts to transform traditional production systems, such as agriculture, into regenerative models that use natural resources sustainably. The work also includes implementing high added-value agroforestry systems and territorial and environmental management actions with local communities, peoples, and Indigenous organizations to strengthen the bioeconomy of forest products and contribute to their prosperity.

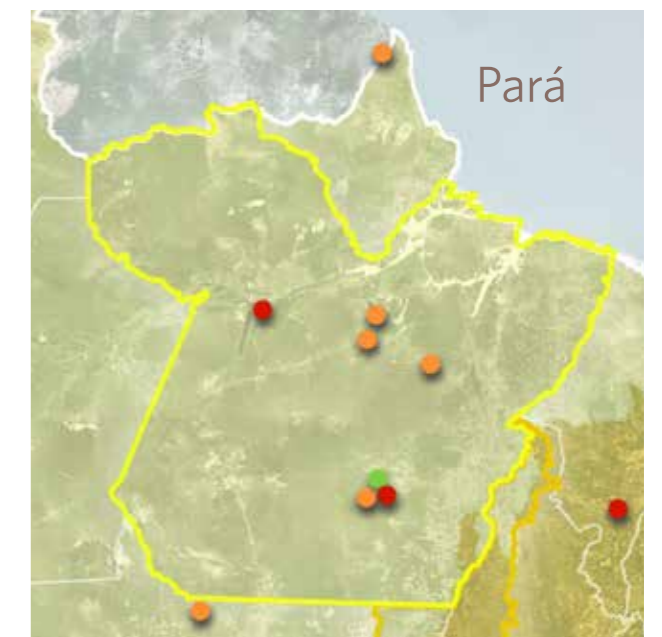
The compatibility between economic production and environmental protection and the promotion of local development are the great challenges for conserving the Amazon and maintaining its ecosystem

Deforestation by 2018
814,000 km² =
20,45 percent loss

services. And they must be addressed while valuing the standing forest, creating prosperous socio-economic and environmental conditions, and reducing poverty through equity and social justice.

Pará Statistics

- Home to **9 percent** of the tropical forests in the world
- Where **46 percent** of the deforestation in the Brazilian Amazon took place in 2020



Pará

Governance and Public Policy

Climate Policy for Pará and the Amazônia Agora Plan

The approval of Decree 9,048/2020, which instituted the State Policy on Climate Change, was a direct result of the committed efforts of the Pará state government team, with technical support from TNC. Contributors to the bill included Indigenous Peoples, Quilombolas¹, traditional communities, research institutes, non-governmental organizations, and the private sector and governmental agencies that together make up the Pará Forum on Climate Change and Adaptation.

Under this new and crucial regulatory framework, the Pará government institutionalized the Amazônia Agora State Plan. The Plan's central objective is to make the state "carbon neutral" by 2036 regarding land and forest use changes since those are responsible for 85 percent of the state emissions. The Plan also establishes reducing deforestation by 37 percent by 2030 and by 43 percent by 2035, based on the emissions average between 2014 and 2018. In addition, it sets the goal of restoring 7.39 million hectares by 2035.

TNC conducted the study "For a strategy of socio-economic development in Pará based on zero deforestation" in partnership with the World Agroforestry (Icraf) to strengthen the Amazônia Agora Plan. The study made general and specific recommendations on several themes: governance and social participation, specific rights for Indigenous Peoples and traditional communities, gender equity and equality, and systems for monitoring and promoting transparency.

Also in 2020, Pará state invited TNC to be part of

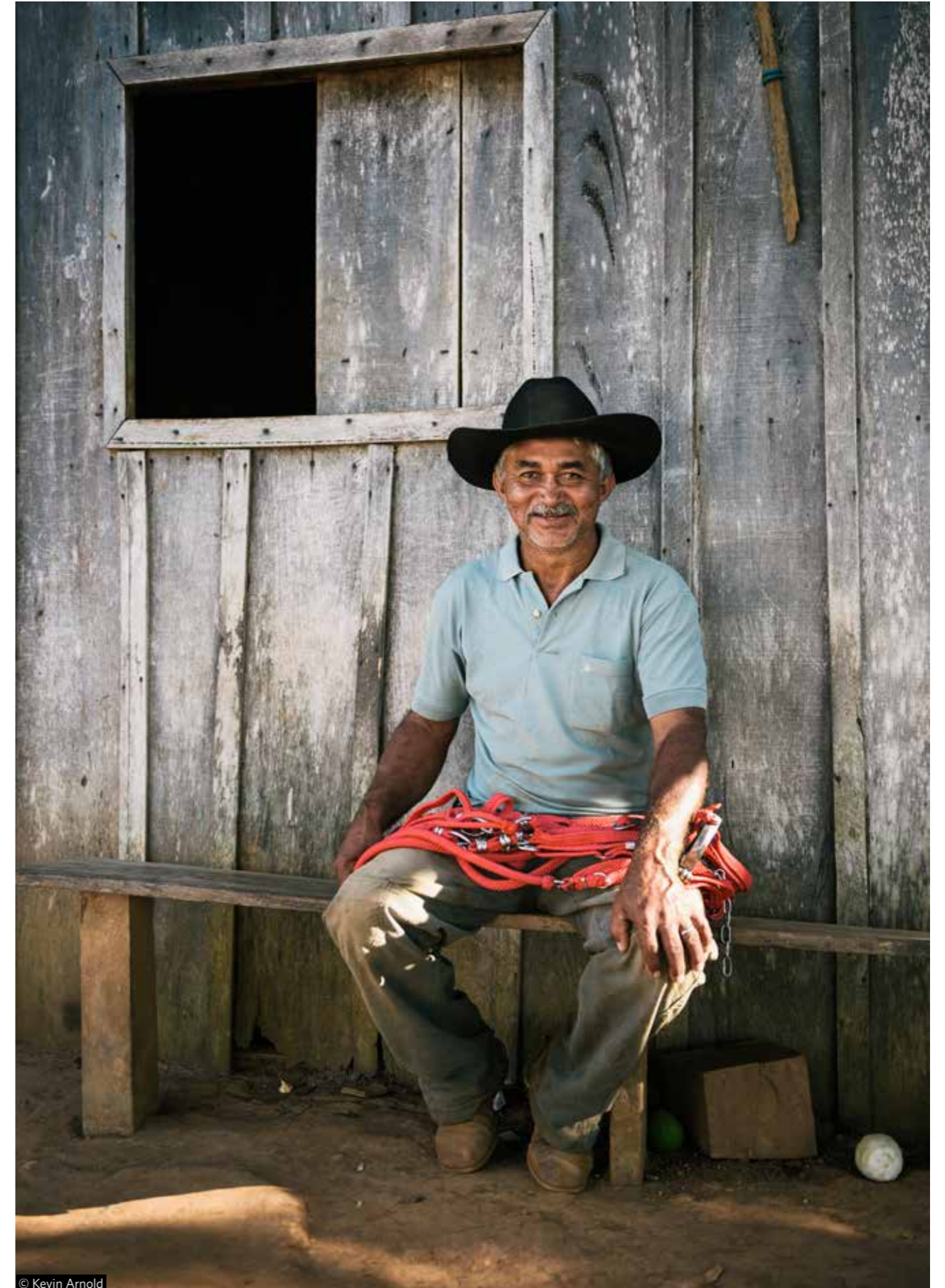


© Erik Lopes/TNC

▲ The signing of the agreement between TNC and the Pará government in February 2020.

the Eastern Amazon Fund Management Committee. That is a financial instrument that, together with an ecosystem of funds, represents an important step in channeling resources to initiatives that contribute to achieving the established goals of the State Policy on Climate Change.

¹ Afro-Brazilians who reside in Quilombos, settlements first established by escaped enslaved people in Brazil before Abolition in 1888. In 2003, Brazil granted Quilombola communities inalienable land rights.



© Kevin Arnold

▲ Luiz Martins Reis Neto, São Felix do Xingu producer.

Sustainable Livestock Farming

Territorial Intelligence Model

The Pará State Agency for Agricultural Development and Fisheries created the “GTA/CAR Working Group,” seeking greater transparency in the livestock chain via effective mechanisms to link the issuance of the Animal Transport Guide (GTA) to rural properties’ lawful entry into the Rural Environmental Registry (CAR). This linkage will enable the identification of direct and indirect suppliers and monitor animal transport during the breeding, rearing, and fattening phases. Additionally, the mechanisms can guide rural properties to the Environmental Compliance Program (PRA) when appropriate.

As an invited member of GTA/CAR Working Group, TNC supported the development and validation of the methodology through tests carried out in São Félix do

Xingu. The municipality has the largest cattle herd in Brazil and one of the highest deforestation rates and GHG emissions, but also millions of hectares of conserved forests in Indigenous Lands and Conservation Units.

TNC tested the model on 1.4 million hectares that accommodate 1.6 million animals and results provided information for establishing priority strategies for the Sustainable Territories Program. By the beginning of 2021, around 830 rural producers representing about 102,000 hectares had expressed interest in the program. Of those, 21,000 hectares had legal reserve and permanent preservation areas² liabilities. So far, 139 producers have already gone through the qualification phase.

2. Legal Reserve (RL) is an area located inside a rural property or possession with the function of ensuring the sustainable economic use of the natural resources in a rural property, assisting the conservation and rehabilitation of ecological processes, and promoting the conservation of biodiversity, as well as the shelter and protection of wild fauna and native flora. A Permanent Preservation Area (APP) is a protected area covered or not by native vegetation, with the environmental function of preserving water resources, the landscape, geological stability and biodiversity, facilitating the gene flow of fauna and flora, protecting the soil, and ensuring the well-being of human populations (The Brazilian Agricultural Research Corporation - Embrapa).



© Christian Rodriguez

Cattle on a rural property in São Félix do Xingu with an area of Permanent Preservation (APP) in the background.



© Rafael Araújo

Deforestation-Free Animal Tracing

TNC HELPED DEVELOP of the Partnerships for Responsible Farming Program (PAR), whose testing phase started in Pará. The program promoted the development and improvement of a traceability and source control tool, the Conecta Platform, and engagement and environmental compliance tools for responsible commercialization in the beef chain. The UK Government supported the program through the Partnership for Forest (P4F), in partnership with Safe Trace and Amigos da Terra Amazônia Brasileira.

This innovative arrangement allowed the integration of data from different sources, such as GTA,

CAR, and PRODES³, making it possible to carry out a socio-environmental analysis of properties in the state. Additionally, it allowed for the control of animal origin throughout the livestock chain, from birth to slaughter. Thus, tracing deforestation-free animal production is essential for directing public and private investments to tackle climate change. The platform is inclusive, and blockchain technology encryption permits data confidentiality and security.

The Pará government will expand the data integration model to a Public-Private Livestock Chain Traceability System.

3 GTA -Animal Transport Guide; CAR -Rural Environmental Registry; PRODES - Program to Calculate Deforestation in the Brazilian Amazon.

Agroforestry- Systems Restoration

Cacau Floresta

Currently, TNC works with 250 family farmers in the municipalities of São Félix do Xingu and Tucumã in Pará. TNC provides remote and in-person technical support for implementing agroforestry systems (SAFs) and promotes good agricultural practices and the restoration of degraded areas. It is in those areas that producers grow cocoa as the main crop along with other agroforestry products.



From the beginning of the project in 2013 to now, it implemented approximately 1,000 hectares of SAF cocoa.

Remote Technical Assistance

TNC CREATED A REMOTE SERVICE CENTER to provide continuity and technical support to project farmers to follow social-distancing protocols due to Covid-19. Women and young people had strong participation. TNC served 180 families via the WhatsApp application and produced 18 videos and 30 cards, and audios. We also carried out a campaign to prevent and control brush and forest fires.

“We were used to having face-to-face training and meetings, and the pandemic created an adverse scenario. Despite the difficulties brought on by the pandemic, we now have access to technology, and we sent videos and photos when we had doubts or technical difficulties. The images allowed the technicians to help us identify weeds or deficiencies in the planting, showing us how to treat or correct the problems we had with crops.”

WESLEY “LIO” MOREIRA - MOREIRA FARM- SÃO FÉLIX DO XINGU - PRODUCER, PARTNER OF THE FOREST COCOA PROJECT

In-person Technical Assistance

IN SEPTEMBER 2020, we resumed our activities in the field to carry out training and technical assistance in each of the rural properties. We also helped farms include more ecological management of those SAFs, reducing the use of fertilizers and chemical pesticides, minimizing the contamination risk to farmers and local soil and waters.

TNC served 150 rural producers and helped them plant 300 hectares of SAF-cocoa. We also developed a transition plan for producing cocoa organically and aided in creating three pesticide-free demonstration units.

Rural producer holding seedling used in his agroforestry efforts in São Félix do Xingu, Pará.



© João Ramid

Ecological Restoration of Environmental Liabilities

TNC SUPPORTED 141 FARMING FAMILIES via the environmental study of their lands and the development of environmental compliance and forest restoration plans carried out on their rural properties. That is a necessary step before PRADA⁴, the environmental compliance project. As part of the Plan, the families agreed to the ecological restoration of 680 hectares of environmental liabilities, mainly in Permanent Preservation Areas.

⁴ PRADA - Degraded Areas Recovery Project.

Facilitating Access to Rural Credit

ACCESS TO RURAL CREDIT is one of the strategic aspects to take SAFs and forest restoration in family farming to scale. In 2020, TNC, in partnership with Coordenada Rural Agro Socioambiental and the Banco da Amazônia, managed to approve 23 SAF and forest restoration rural credit projects, totaling approximately US\$2.2 million in investment and funding.



© Erik Lopes/TNC

Forest Nurseries and Seed Collection

FOREST NURSERIES WITH native species of agroforestry seedlings are critical to implementing our projects. In 2020, TNC supported the expansion of the forest-seedling nursery in the municipality of Tucumã. The supply of seeds is also essential, and that has been one of the biggest blocks to bringing SAFs and ecological restoration to scale in southeastern Pará. To solve the issue, TNC started a local seed-collector nucleus and supported the expansion of seedling production from 60,000 seedlings/year to 140,000 seedlings/year. TNC also produced 12 video classes and trained 60 farmers in seed collection.

Gender Equity in the Countryside

TNC hired a specialized consultancy **TO CREATE EQUITY STRATEGIES** that can help resolve the substantial gender inequality in southeastern Pará. With the help of 30 local producers, the consultancy identified topics of interest and trained technicians, generating more knowledge on the subject and raising awareness. We also produced technical booklets on gender equity in the field, SAFs, recipes for cocoa products and by-products, and a vegetable garden manual.

◀ Rural producer of Forest Cocoa project in harvesting activity in São Félix do Xingu-PA



© Erik Lopes/TNC

“The project’s virtual technical assistance has greatly supplemented the training courses and meetings we had already had. People work in the field during the day and, at night, watch the training on their cell phones. And we can also get news from producers in other places in the WhatsApp groups.”

RAIMUNDO FREIRE - SÃO FÉLIX DO XINGU - PRODUCER, PARTNER OF THE FOREST COCOA PROJECT

Management and Appreciation of the Bioeconomy in Indigenous Lands and Local Communities



© Kamikia Kisedje

▲ Parakanã Indigenous People work on crafts traditional to their communities.



© Luciana Lima

▲ Parakanã Indigenous returning from collecting Brazil nuts in the Apyterewa Indigenous Land.

Economic alternatives/gender

TNC works to implement Indigenous environmental and territorial management plans. Our work fosters and supports economic alternatives, especially for Indigenous women, essential to contributing to income-generation and social well-being of communities.

Trincheira Bacajá Indigenous Land

Xikrin Peoples

TNC has been strengthening the indigenous organization Associação Bebo Xikrin – ABEX in the Trincheira Bacajá Indigenous Land (IL), in partnership with the Xikrin people. ABEX represents the entire IL. TNC has provided technical assistance for resource management and equipment to improve business management. We have hosted meetings, and virtual dialogues with women, strengthened the value chain for non-timber forest products and provided

ongoing training for Indigenous environmental managers, experts in the chestnut chain operating at the five canteens (local management and chestnut sale units). In 2020, the IL signed a partnership agreement with the sustainable bag and backpack company BossaPak, which began using the ecological fabrics painted by the Xikrin women in one of their final products.

“I was chosen by the women of my and other villages to be a leader in managing the babaçu oil chain, in always fighting not only for me but for all the Menire (women).”

KOKOTÉ XIKRIN, INDIGENOUS MANAGER OF THE POTIKÓ VILLAGE MINI PLANT



▪ **Babaçu oil**

- Production Volume: **275 liters**
- Sales: Approximately **US\$2,377**
- Beneficiaries: **57 women/families of 12 IL villages**



▪ **Crafts**

- Production Volume: **779 pieces**, including bags, fanny packs, eco-bags, masks, fabric, canvasses, and other accessories with traditional Xikrin graphics
- Sales: Approximately **US\$ 6,077**
- Beneficiaries: **Five Xikrin families**



▪ **Brazil Nut**

- Production Volume: **40 tons**
- Sales: Approximately **US\$ 27,500**
- Beneficiaries: **179 Indigenous families**

Indigenous Land Apyterewa

Parakanã Peoples

At IL Apyterewa, TNC supports various activities and institutions in implementing the Indigenous territorial and environmental management plan. In partnership with the Terra do Meio Canteen Network and Resex Rio Xingu, the Parakanã women successfully carried out their first experience in sustainable management of natural resources in their

project with babaçu coconut. The Amoreri Association, which coordinates the various communities in the commercialization network, hired an Indigenous manager to provide technical assistance and training in the management, handling and selling non-timber forest products, such as Brazil nuts.

“We’re going to take good care of our craftwork, and we’re going to pass it on to our children so that they won’t stop doing it, and once they grow up, keep doing it. And that is what’s needed so that our children’s children can continue with our work.”

WENATOA PARAKANÃ, INDIGENOUS MANAGER, APYTEREWA VILLAGE.



▪ **Babaçu Coconut Flour**

- Production Volume: **365 kilos** of babaçu almonds
- Sales: Approximately **US\$553**
- Beneficiaries: **50 women/families and six villages**



▪ **Crafts**

- Production Volume: **121 pieces** of jewelry and baskets
- Sales: **R\$ 3.386**
- Beneficiaries: **39 women/families**



▪ **Brazil Nut**

- Production: **6.5 tons**
- Sales: **R\$ 28.908**
- Beneficiaries: **11 villages, 57 families**

Oiapoque Indigenous Lands

Ethnicities: Galibi Kalin'a, Karipuna, Palikur, and Galibi Morworno

Indigenous Women Engaged in Income Generation and Food Security

TNC supported the organizational strengthening of the Association of Indigenous Women Task Force (AMIM) in the Oiapoque Indigenous Lands, enabling the association to carry out four projects in 2020, especially those to fight the pandemic and to strengthen food security in the ILs. The projects valued the knowledge of Indigenous women and offered workshops to 40 women in the villages. Topics were silk screening and sewing, painting, face-mask production,

and the production of t-shirts and bags bearing the graphics of the Oiapoque Indigenous Peoples.



Facebook page with more infos and fotos.

Conservation of the Yellow-Spotted River Turtle

TNC IS AWARE OF HOW IMPORTANT it is to continue supporting the actions of the Oiapoque Indigenous Lands' Indigenous Environmental and Territorial Management Plan. As part of that effort, the Oiapoque Indigenous Peoples' Council of Chiefs, with partner organizations and Indigenous environmental agents, engaged in the project that protects the yellow-spotted river turtle. The effort has been occurring in the region since 2005. Between September and October 2020, and after following all sanitary protocols, project participants, including children, collected 3,000 eggs and released 2,591 yellow-spotted river turtles (*Podocnemis unifilis*). Twelve villages from five ILs participated in the project: Kumarumã, Karibuen, Aruatu, Flamã, Kumenê, Kamuywa, Flecha, Santa Isabel, Taminã, Japiim, Tukay, Uahá.

Production of a Video on the Bioeconomy Products Chain

WE SUPPORTED THE PRODUCTION of a video on the extractivist products chain – Palikur craftwork, produced by the young Indigenous filmmaker Davi Marworno. The film “Anut Gidahankis inikwekviyeneki: Knowledge of the Elders” is available on the Institute for Indigenous Research and Training (Iepé) YouTube channel. It was a selection of the Cine Kurumin – the International Indigenous Film Festival, which exhibits audiovisual productions with Indigenous themes and brings together Indigenous filmmakers from different ethnicities.

Açaí do Oiapoque

TNC SUPPORTED THE PRODUCTION and development of an açai-processing unit in the Oiapoque Training Center for Indigenous Peoples in partnership with Iepá.



Oiapoque Açai

- Production Volume: **54 tons**
- Sales: Approximately **US\$12,666**
- Beneficiaries: **11 villages**



Watch the Video



© Kamikia Kisedje

Security and Territorial Monitoring of Indigenous Lands via Drones

In 2020, TNC provided a training course in drone piloting, mapping, and image interpretation for eight National Indigenous Agency (FUNAI) technicians and coordinators of the Territorial Protection Program for Indigenous Lands of the Middle Xingu, Pará. TNC donated two professional-use drones and additional equipment needed for fieldwork and image processing to enable access to qualified images and data to update ethno-mapping and define the ethno-zoning in the forest products chains. This technology contributes to implementing the Territorial and Environmental Management Plans for Indigenous communities in the region, protecting isolated Indigenous Peoples, and preventing contamination with diseases such as Covid-19.

“This course will greatly contribute to our environmental and territorial monitoring, complementing other tools, helping reduce our team and Indigenous People’s exposure during expeditions. It will help bring us the security to perform our fieldwork and produce and update maps with the Indigenous People. Additionally, we can share the qualified information with the other competent agencies so they can carry out their work.”

ADRIANE CRISTINA BENEDETTI: SPECIALIZED INDIGENIST AT THE CENTER-EAST FUNAI IN PARÁ

Distance Learning and Institutional Strengthening

TNC IMPLEMENTED A DISTANCE LEARNING PLATFORM to train young Indigenous communication professionals, offering technical content, video classes, tutoring, and debate forums. Thirty communication professionals from Pará, Mato Grosso, and Amapá participated in the courses directly from their villages. Was professionals support the development and operation of three networks for Indigenous communication professionals in the three states to enhance the communication between regions and Peoples on managing and protecting Indigenous Lands and rights. The aim is to strengthen dialogue, interaction, awareness, engagement, mobilization, and cooperation for the sustainability of Indigenous Peoples. Check out the Guerreiros Digitais profile on Instagram.



See the piece from Indigenous consultant Cristian Wari'u, one of the people responsible for the training, speaking about the importance of training Indigenous communication professionals.

Xikrin Indigenous Peoples returning from collecting chestnuts in the Trincheira-Bacajá Indigenous Land



© Luciana Lima

The Structure of the Federation of Indigenous Peoples of Pará

TNC CONTRIBUTED TO THE institutional strengthening of the Federation of Indigenous Peoples of Pará (Fepipa), bringing together more than 55 Indigenous Peoples in that state in 52 municipalities in the eight sub-regions of Pará. The activities were:

- Support in the hiring of technical advisors who specialize in administrative, financial, and legal management

- Expansion of the technical capacity to participate in developing and monitoring Pará state policies
- Expansion of communication by developing Fepipa's social networks in WhatsApp, Facebook, and Instagram
- Securing and organizing Fepipa's office in Belém, capital of Pará

Tapajós Riverine Communities

Freshwater Conservation and Fisheries Resources

Community-based Conservation

TNC HAS BEEN WORKING ON THE TAPAJÓS RIVER with ten riverine communities in collaboration with the Federal University of Western Pará (UFOPA), the Lower Amazon Fishers Movement (MOPEBAM), and the Iniciativa Amazônica Institute (INIAMA) supporting their efforts to organize, carry out their territorial governance and community management activities, and manage their use of aquatic resources. The communities are Parauá, Suruacá, Cametá, Apacê, Cauaçu-Epa, Barreiras, Santarenzinho, São Luiz do Tapajós, Pimental, and Buburé.

In 2020, representatives of the fishing colonies in the ten riverside communities started a participatory mapping process to develop a baseline of the fishing conditions in the Tapajós River and their need for training, technical assistance, monitoring of stocks, and techniques for fish processing. The training involved riverine leaders, the presidents of fishing colonies, and MOPEBAM representatives and discussed ways to improve management in the fishing colonies and design projects.

Research and Knowledge

THE PARTNERSHIP BETWEEN UFOPA AND TNC contributed to strengthening research on

the Tapajós River carried out by professors and students at the university and allowed the acquisition of various equipment and supplies, increasing the capacity for analysis and fieldwork.

The research activities aim to assess the level of mercury contamination (due to illegal prospecting) in fish and riverside communities. It also seeks to identify the contamination and situation of turtle populations in the Tapajós River, their use, and local importance; deepen knowledge about the availability of fish stocks and fishing activities and analyze the cyanobacterial blooms in the river and their impact. In the first scientific expedition, preliminary results have identified more than 50 species in the stretch between Itaituba and Santarém, with two potential new fish species not yet classified.



© Rodrigo Spuri/TNC

Peoples Science Network

TOGETHER, TNC, MOPEBAM, and the Nossa Senhora das Graças Municipal School in the Solimões community became part of the Peoples Science Network to protect aquatic biodiversity and answer the question: When and where do fish migrate in the Amazon and what influences those migrations?

Community school volunteers were trained to use the ICTIO application, developed by Cornell University, and help monitor water quality and record fish migration routes in the Tapajós River. The curriculum of riverine youth includes subjects such as biodiversity, water quality, and fish stocks. The Wildlife Conservation Society (WCS) coordinates the initiative throughout the Amazon basin, and the SAPOPEMA (Society for Research and Protection of the Environment) implements it in the Tapajós.

“It is by sharing knowledge with the community that we can change people’s perception of conserving and preserving nature. Education is the main tool so that we can show people that ecosystem and environmental services are fundamental to sustaining our lives over time.”

IRCENIR ANDRADE – PROFESSOR AND RESEARCHER AT THE FEDERAL UNIVERSITY OF WESTERN PARÁ – UFOPA

Access to Water, Fishery Resources, and the Rights of Riverine Communities

TNC ESTABLISHED A PARTNERSHIP with Inovação Amazônica Institute (INIAMA) to analyze the legal framework concerning the right to water, fishing, and its associated resources and how those legal instruments interfere in the lives of riverine populations. The study also evaluated how those tools are applied and the capacity of the Tapajós riverine communities to organize access to and use of those resources considering that the establishment of mega infrastructure works brings significant transformation to the region.

“This project strengthens fisher organizations in the Tapajós, helping bring fishers closer to the Movement. With the ICTIO study, the youth will be able to learn about and study the life of fish, study the waters of the Tapajós River, which is very important for the Movement, for fishers, and the population.”

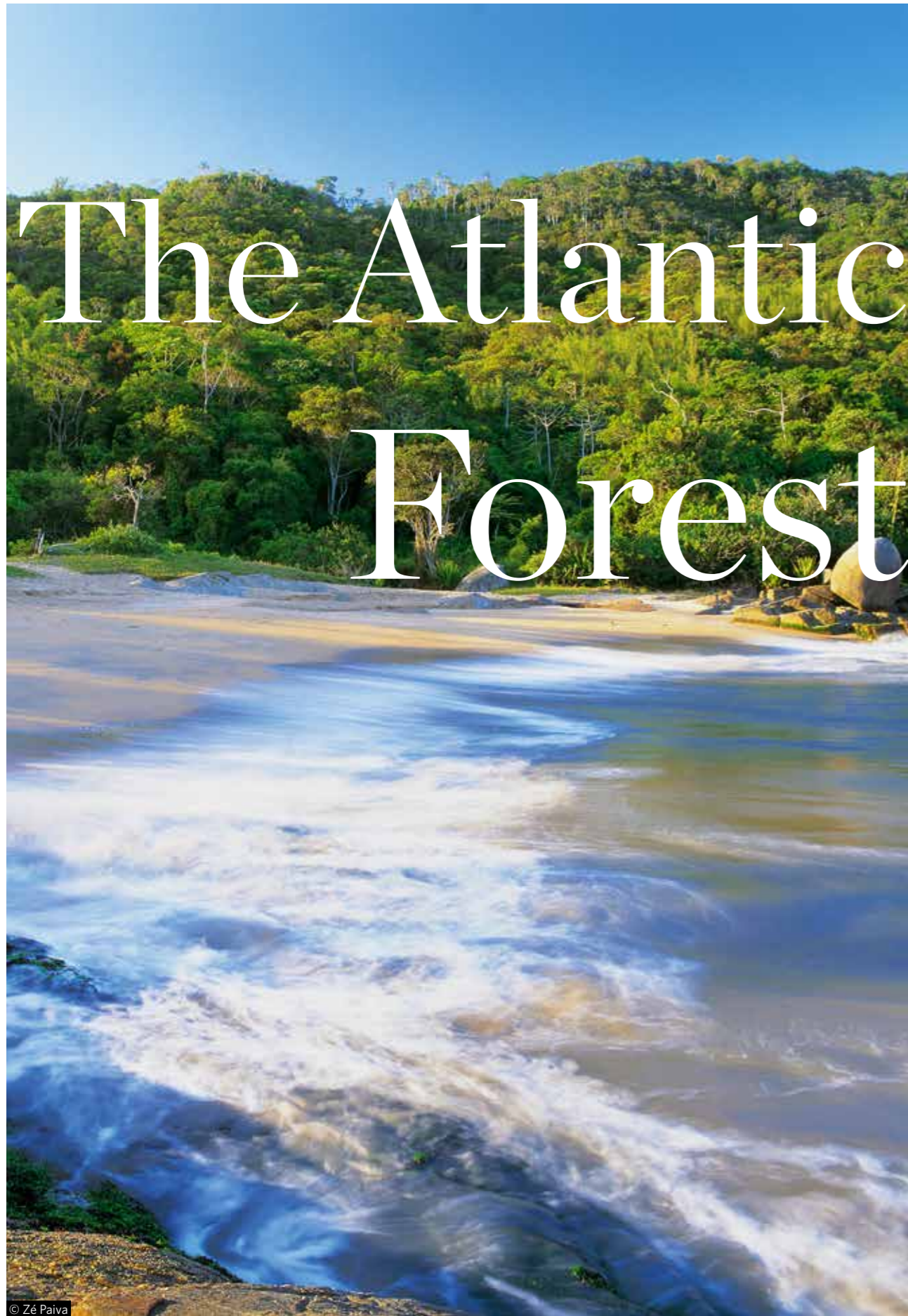
JOSÉ EDINALDO ROCHA DA SILVA – ONE OF THE DIRECTORS OF THE FISHER MOVEMENT OF THE LOWER AMAZON – MOPEBAM



© Rodrigo Spuri/TNC



© Chris Finney/TNC



The Atlantic Forest

The Atlantic Forest is one of the most biodiverse and threatened tropical forests in the world. With a long history of occupation, the vast resources of the Atlantic Forest have fueled for centuries the economy of several coastal states in Brazil, where the majority of the population lives. Those cycles and the intense urbanization that has taken place reduced the forest to 12 percent of its original vegetation. Restoration and environmental conservation actions are critically needed to maintain the viability of the forest and the continued provision of the ecosystem services so necessary for agricultural and water production,

- 70 percent of Brazil's population
- 2/3 of species under threat of extinction
- 12 percent forest remnants

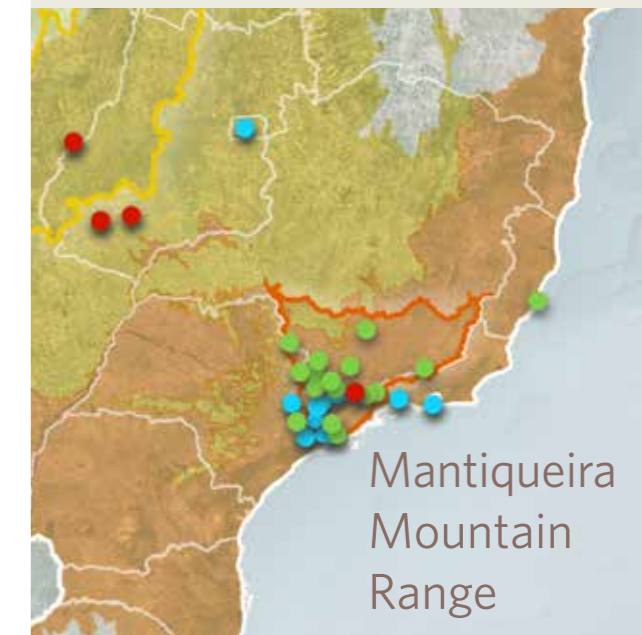
pollination, and climate regulation. TNC chose the Mantiqueira Mountain Range as its priority area of action in the Atlantic Forest to build a solid example of restoration to tackle climate change, thus helping to ensure water security for thousands of people and increasing the income of rural landowners.

The Mantiqueira Mountain Range

The rocky massif was named *Mantiqueira* (*a-manti-kir* in the Tupi language, meaning the mountain that weeps) by the first peoples who inhabited the region because of the large number of springs found there. They are the most important source of water in southeastern Brazil, supplying more than 20 million people. Despite its high ecological importance and considerable history of urbanization, the region has had more than 70 percent of its native vegetation deforested.

TNC, together with various organizations and stakeholders, is developing the Mantiqueira Conservation Program, which covers 425 municipalities in the states of São Paulo, Minas Gerais, and Rio de Janeiro. The program is based on the payments for environmental services (PES) mechanism pioneered by the municipality of Extrema in Minas Gerais state, a project of which TNC has been a partner from the beginning. The Mantiqueira Conservation Program aims to work with decision-makers to channel public and private resources to restore critical areas for water protection.

- Mantiqueira Mountain Range Numbers**
- 425 municipalities
 - 1.5 million hectares for potential restoration



Mantiqueira Mountain Range

Collective Action for Water Security

Rural Producers Engaged in Nature-Based Solutions

In 2020, TNC continued its work in the Mantiqueira Range municipalities, engaging rural landowners in making their properties environmentally compliant, per the Brazilian Forest Code. The goal is to protect the water resources that supply half of the population of greater São Paulo. The program engaged about 200 landowners, 40 of whom received forest restoration plans for their properties that included mapping

environmental assets and liabilities and guidance on the most appropriate techniques to address them. After joining the program, landowners begin receiving technical assistance, inputs, and directions on accessing financing sources.

Developing Municipal Programs for Watershed Conservation and Restoration

MUNICIPAL GOVERNMENTS play a vital role in the development of public policies and rural environmental programs. Those efforts provide payments for environmental services (PES) and inputs such as fences and seedlings, technical assistance, and monitoring to enable territorial management and water security for producers, the local population, and large urban centers. In 2020, we worked with municipalities such as Queluz, Jacareí, Cruzeiro, Pindamonhangaba, Taubaté, and Águas da Prata in São Paulo state, and Caldas, Campestre and Monte Santo de Minas in Minas Gerais to advise them on the implementation of their municipal programs. There are already more than 70 municipalities involved in the Mantiqueira Conservation Program.



© Ian Thompson/TNC

“When I arrived here in 1984, the riverbank was completely deforested, and cattle were grazing right there. Today we see a dense forest near the river, and the water running is much cleaner.”

RUBENS CARBONE IS A PUBLIC EMPLOYEE IN SÃO PAULO
 IN 2007, THE AREA WHERE RUBENS LIVES AT WAS ONE OF THE FIRST TO BENEFIT FROM THE EXTREMA ENVIRONMENTAL AGENCY THROUGH THE CONSERVADOR DAS ÁGUAS PROJECT, SUPPORTED BY THE NATURE CONSERVANCY (TNC).

Diversification of restoration techniques on model farms

TNC HAS LONG USED MODEL FARMS to demonstrate diverse forest restoration techniques, and to empower landowners, local governments and land managers on how to restore degraded areas with species natives. In 2020, TNC re-established the model farms in the

town of Cruzeiro (SP), which had been burned, and community members received on-site training in different restoration methods, in order to monitor how forest species become reestablished.



▲ Planting activity in Salesópolis, São Paulo.

© Felipe Fittipaldi

“The forest restoration demonstration units will generate scientific data that will help rural producers assess the cost-benefit of restoration techniques and define how the resources they use can be more effective and lead to fewer loses.”

SARA CAVALCANTI - ENVIRONMENTAL ENGINEER STUDENT AT IFSULDEMINAS WITH A RESEARCH PROJECT SCHOLARSHIP

Financial Mechanisms that Expand Restoration

Watershed Committee Sets Aside Approximately US\$577,000 to Support Forest Restoration and Conservation and Better management

The traditional forest restoration methods, such as planting the total area, demand high financial investments, making implementing environmental compliance projects in rural properties challenging to the landowner. That difficulty and the urgent demand to restore degraded areas vital to water protection and climate change mitigation caused TNC and partners to work to identify and unlock potential funding sources that can support property owners who want to restore

their properties and make them environmentally compliant. In 2020, as one of the members of the Paraíba do Sul Watershed Committee, TNC demonstrated how important forest restoration is for water security. As a result, the Committee decided to allocate US\$577,000 to restoration projects. TNC also provided the training of local partners so they could submit projects to the Committee, and three of them were approved, totaling 120 hectares.

“My parents have owned the property since 1998, and we have always tried to protect the areas close to springs and streams. A few years ago, we learned that the municipality was part of the Mantiqueira Conservation Program, and we decided to join in restoring other degraded areas as well.”

JONATHAS GALDINO, PRODUTOR RURAL DE CALDAS-MG



©Scott Warren

Scientific Tools and Monitoring System



©Adriano Gambarini

Developing Platforms to Facilitate the Engagement of Rural Producers

TNC invested in updating the Mantiqueira Portal, a restoration management and monitoring tool for programs and projects in the region, adding new functionalities to help the decision-making process. One of the latest tools is the databank listing areas available for restoration, which facilitates the identification and engagement of rural landowners interested in restoring their properties. Municipal technicians will also use the portal as a territorial management tool.

“Fortunately, rural owners have been reaching out to us a lot and have received us well. They feel valued by the technicians’ periodic visits to support the owners’ restoration and sanitation actions and offer agricultural assistance guidance. And this helps them understand the fencing of priority areas for conservation and natural regeneration.”

PRISCILA BUENO - ENVIRONMENTAL SECRETARY, SANTA RITA DE CALDAS, MINAS GERAIS



©Ian Thompson/TNC

Socio-Economic Drivers to Conserve Native Vegetation

WE ARE CONDUCTING, IN PARTNERSHIP with the Pact for the Restoration of the Atlantic Forest, a study on the socio-economic drivers that motivate rural owners in the Atlantic Forest to conserve native vegetation and regenerate new forests on their properties. This study is being developed in the Zona da Mata in Minas Gerais and the southwestern region of Espírito Santo. The goal is to create a financial mechanism that motivates rural producers to ensure that natural regeneration

happens and evolves until it becomes a forest that will not be cleared for other land uses. As of December 2020, TNC and the Pact had interviewed more than 130 rural producers for the first stage of the study. Partial results show that Payment for Environmental Services (PES) programs are one of the main economic mechanisms that help encourage owners to maintain the regeneration of new forests in the Atlantic forest.

Building Capacity and Strengthening the Forest Restoration Chain

Restoration Capacity-Building

IN PARTNERSHIP WITH THE São Paulo State Agency for Infrastructure and the Environment, TNC developed online, month-long training for 250 technicians to carry out the ecological restoration of native vegetation. Also, in partnership with WRI and CEPAN⁵, TNC trained 29 employees from several municipalities in the Mantiqueira Range on developing forest restoration projects and funding proposals. In March 2020, five

projects from municipal governments and partner institutions applied to the Fehidro⁶ call for proposals as a result of the training held for the Paraíba Valley Restoration Stakeholders, and thanks to the partnership between institutions and regional rural owners. The projects total 110 hectares of native vegetation, with a leveraging of approximately US\$711,000.

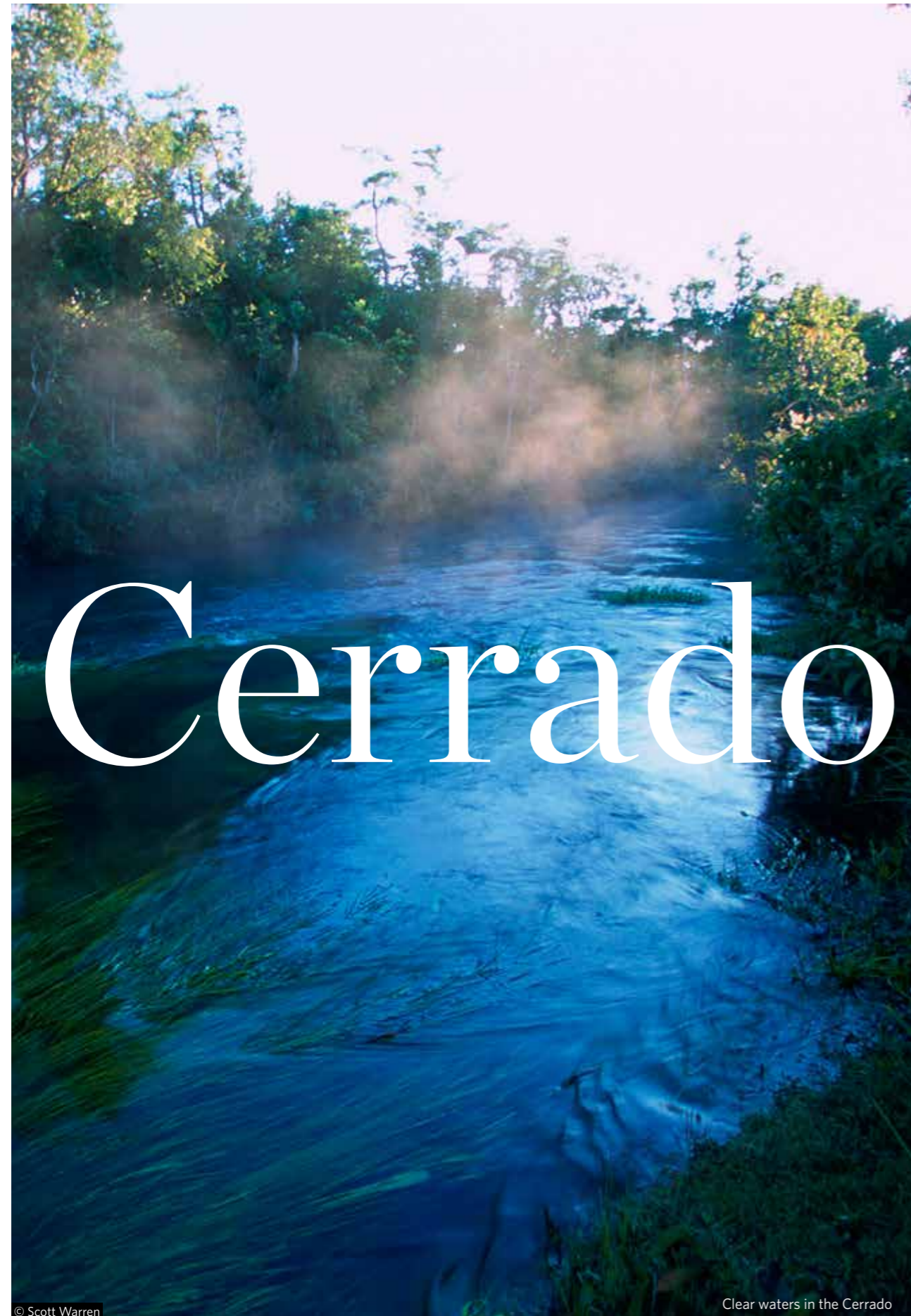
Support for the Creation of the Paraíba Valley Agroforestry Network

THROUGHOUT 2020, TNC worked to formalize the creation of the Vale do Paraíba Agroforestry Network, an association of people who promote knowledge about agroforestry systems to restore the Atlantic Forest to scale. The network focuses on developing participatory research and projects and partnerships that help small rural properties join the fair-trade market, which values forest products, such as seeds and native fruits. The creation of the network increased the volume of collected seeds and, thus, the number of species used. In total, 29 native seed species were included in the project.

“One needs to wait around 20 years between planting and having a mature forest with good timber and heartwood for sawmills. In the meantime, producers need to find other ways to earn income from their land. That’s when we learned about the agroforestry system and began adding annual crops, such as corn, bananas, cassava, and fruit trees, to areas already planted.”

PATRICK ASSUMPÇÃO, RURAL PRODUCER

⁵ WRI - World Resources Institute; CEPAN - Environmental Research Center of the Northeast.
⁶ FEHIDRO - State Water Resources Fund.



Cerrado

© Scott Warren

Clear waters in the Cerrado

Approximately the size of Mexico and occupying a quarter of the Brazilian territory, the Cerrado is known as the country's water reservoir. That stems from the region's concentration of some of Brazil's main springs and some of the most important tributaries of the three largest river basins in South America (the Amazon, Paraguay, and São Francisco). Rich in fauna, flora, and cultural diversity, the Cerrado is home to around 216 Indigenous Lands (ILs) from 83 different ethnic groups, 44 Quilombola territories, and various traditional communities. The Brazilian Savannah is also one of the largest beef and grain production centers globally: Currently, 41 percent of its area is occupied by those activities, which are expected to expand.

In the Cerrado, the pasture area suitable for planting soybeans (18.5 million hectares) is sufficient

for supplying more than twice the expansion foreseen by the National Supply Company (Conab) by 2030 (7.3 million hectares). At the same time, livestock farming is a low-productivity activity but with significant potential for intensification. Sustainable intensification

- Home to the springs of the **Amazon, Paraguay, and São Francisco rivers**
- **216 Indigenous Lands**
- One of the world's largest centers for **agriculture and livestock activities**

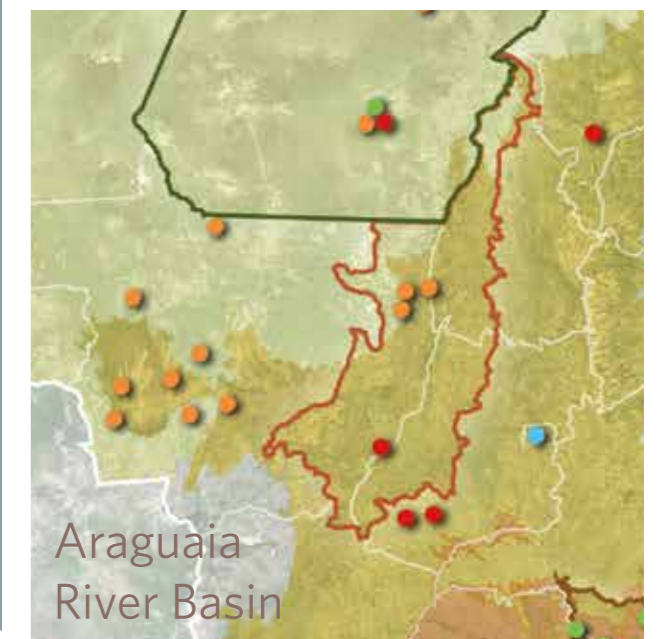
of livestock farming generates increased productivity and profitability since it frees up land. When combined with the expansion of soy crops in open areas, it is a strategic element to achieve deforestation-free value chains.

The Araguaia River Basin

Considering the scale of the environmental challenges in the Cerrado, TNC adopted a systemic approach, focusing on priority areas and the integration of multiple technological, financial, territorial management, and best agricultural practices solutions. TNC chose the portion of the Araguaia River basin that covers Mato Grosso, Goiás, and Tocantins as a priority territory and focused its efforts to disseminate sustainable livestock intensification in the municipality of Barra do Garças. Those efforts involve restoring degraded pastures and optimizing land use, preventing further deforestation, and strengthening territorial governance in the transition to regenerative agriculture in the region.

TNC has also developed environmental and territorial management actions with the Xavante Peoples, implementing the Indigenous Territories Subprogram – Program for the Reduction of Emissions from Deforestation and Degradation, REDD+ Early Movers Mato Grosso. It involves support for

communities' economic initiatives, forest restoration, capacity building, and institutional strengthening of Indigenous organizations.



Araguaia River Basin

Territorial Governance in Barra do Garças

TNC, supported by the IDH – Sustainable Trade Initiative, supported implementing and strengthening the PCI Program in the municipality of Barra do Garças, one of the leading production centers in the Araguaia Valley region in the state of Mato Grosso. TNC partnered with the municipal and state governments. After the approval of Municipal Law 4,156, which made the creation of the program, the council, and the management fund official, Municipal Decree No. 4,381 was published in 2020, regulating the law and the building of a tool to monitor the progress of PCI-BG indicators and targets.

The program aims to recover around 9,000 hectares

of permanent preservation areas (APPs), 100,000 hectares of crop-livestock-forest integration, and implement payments for environmental services (PSA) programs. In 2020, TNC carried out three virtual training sessions on the Agroideal Territorial Intelligence System and the monitoring of sustainable projects for 42 people related to the program. Another significant result was the approval of a project worth nearly US\$191 as part of the REM⁷ Program's public call for proposals in the state of Mato Grosso to promote Bee Agroforestry Systems in small rural properties. TNC supported the partners in creating the proposal and obtaining the final approval for the project.

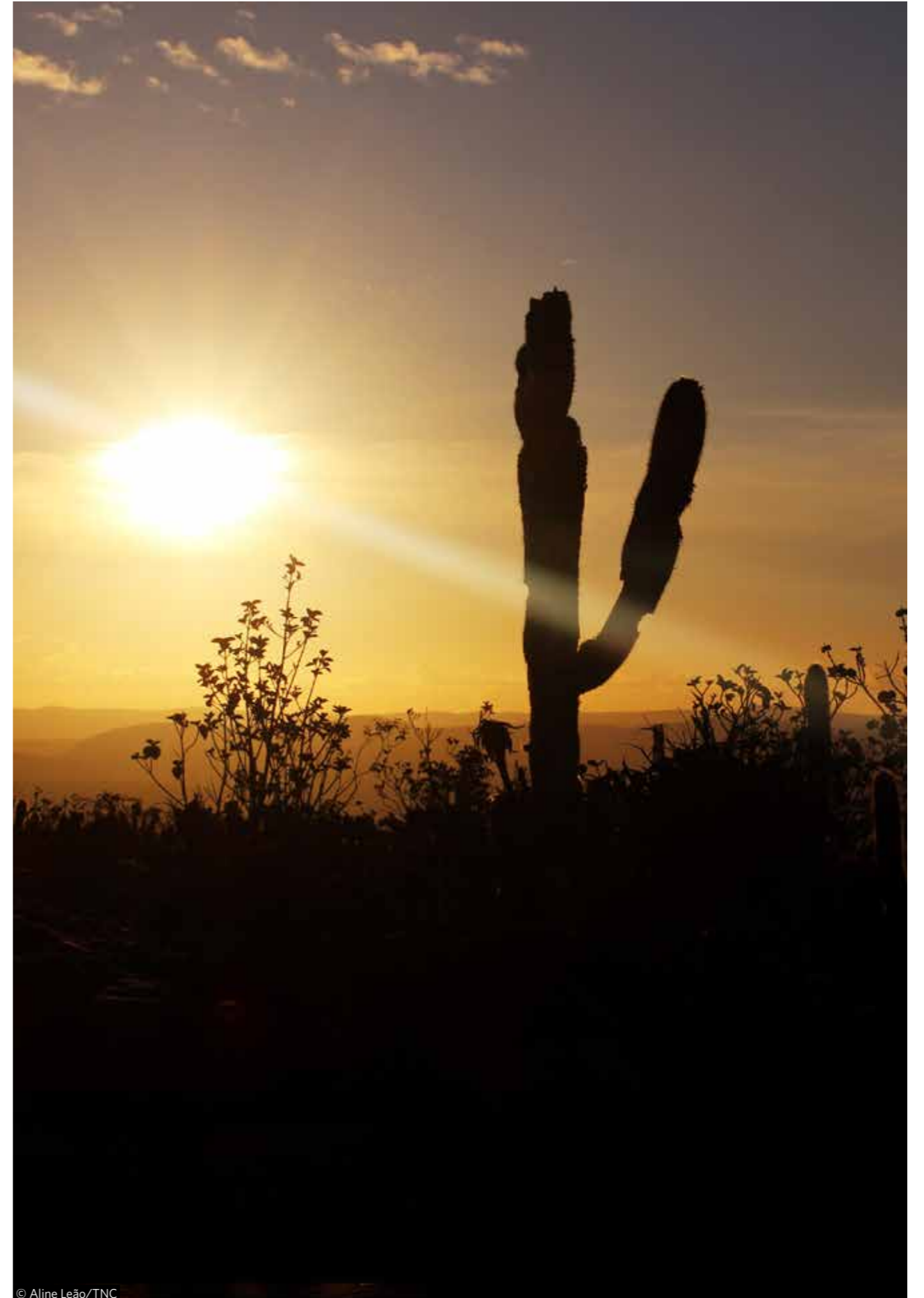
Sustainable Finance Mechanisms

TNC CREATED THE ENVIRONMENTAL CONDUCT GUIDE to assist decision-makers on the financing of deforestation-free soy production. The guide includes the requirements for offering green credit lines to rural producers to help ensure that funded projects are more sustainable. The publication also provides a control panel for identifying priority regions for soy expansion without deforestation and a carbon calculator that estimates expected deforestation and the associated avoided emissions for each municipality in the Cerrado. Historically, agricultural credit directly influences the disposition of

Brazilian land use and can be decisive in implementing sustainable production, especially in the expansion of soy production in the Cerrado.



Website:
**Environmental Conduct Guide for
Soybean Loans and Investments in
the Cerrado**



© Aline Leão/TNC

⁷ The Global REDD Early Movers (REM) Program is an initiative that rewards nations committed to reducing CO₂ emissions through forest conservation actions. It is made possible by the governments of Germany and the United Kingdom.

Expansion of Agricultural Production in Opened Lands

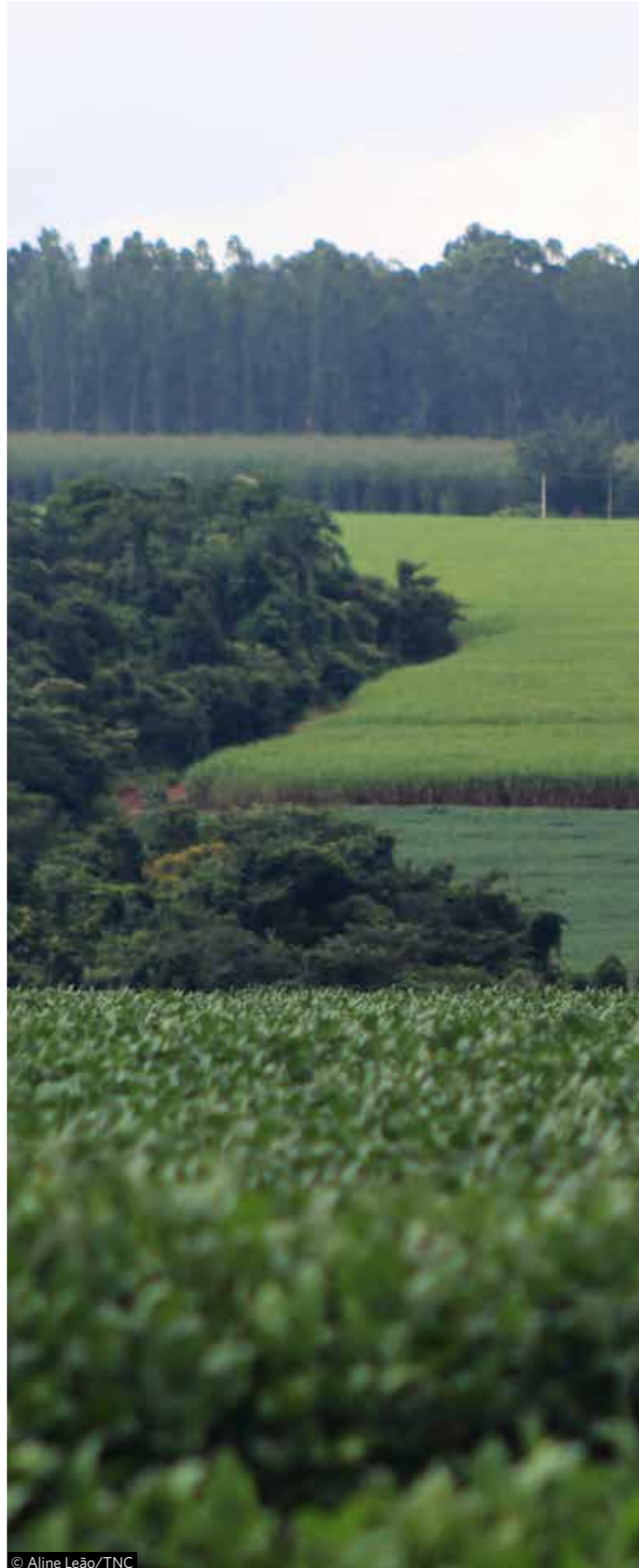
UNDER THE REVERTE PROJECT, an initiative of TNC in partnership with Syngenta, the parts signed agreements in 2020 with Embrapa and the North Export Corridor Research Support Foundation (FAPCEN) in the state of Maranhão. The goal is to carry out a survey and analysis of the main production systems and good practices adopted in the focus regions of the Reverte project. The project will launch a guide in 2021 based on a broad consolidation of research already carried out by Embrapa and FAPCEN in a survey of more than 40 rural producers. The publication will have guidelines and recommendations for rural producers on expanding sustainable agricultural production in degraded pastureland in the Cerrado biome, focusing on soil recovery and regenerative agricultural practices.

Good Agricultural Practices and Riparian Forest Restoration

TNC AND AMAGGI have collaborated for over ten years and have renewed their partnership to promote the benefits of good agricultural practices and the restoration of riparian forests. Those efforts increase the resilience of rural properties and encourage the expansion of soy production and associated crops in already open areas as an alternative to deforestation. As part of this partnership, the parts carried out a landscape analysis in Mato Grosso municipalities in 2020 to identify areas at higher risk of deforestation and with potential for agricultural expansion. The goal was to support a more sustainable agricultural landscape.

TNC and the Tropical Forest Alliance

TNC HAS HOSTED the Tropical Forest Alliance (TFA) network in Latin America since 2016. As a result, it has consolidated itself as a strategic partner of sectoral and jurisdictional actions catalyzed by TFA in Brazil around deforestation-free soy, beef, and cocoa chains, and jurisdictional activities in the states of Pará and Mato Grosso.



© Aline Leão/TNC



© Aline Leão/TNC

Fomenting Regenerative Agriculture and the Recovery of Degraded Land

IN 2020, TNC SIGNED a partnership with the Walmart Foundation to promote the adoption of regenerative agricultural practices in the Araguaia territory to improve productivity and recover degraded soils. Those actions can enhance conservation in the Cerrado and protect its rich biodiversity. The project focuses on

working in rural properties that produce beef in Barra do Garças and in the surrounding region to provide specialized technical assistance and identify bottlenecks and opportunities for improvement. Additionally, TNC will carry out actions with the Mato Grosso government to promote traceability in sustainable beef production.

Territorial and Environmental Management Plan (PGTA) with the Xavante and Paresi Peoples

PROTECTION OF LAND INHABITED by indigenous and traditional peoples and communities is among the main conservation strategies in the Cerrado, as those territories are among the main protected areas with remnant vegetation. Almost 10 percent of the Cerrado

is inhabited and protected by those communities: 4.1 percent of the territory are Indigenous Lands, and 5.6 percent of the region are protected areas for sustainable use, most of them inhabited by traditional and local communities.



© Aline Leão/TNC

Fire Prevention, Firefighting, and Restoration Territorial Management

IN PARTNERSHIP WITH Operation Native Amazon – OPAN and IBAMA’s PREVFOGO Program, TNC supported the maintenance of the structure that houses the forest seedling nursery and the acquisition of tools and equipment for the Indigenous fire brigade. The brigade’s purpose is to manage and prevent fires and work in the forest restoration of the Marawatsede IL of the Xavante People in the Araguaia basin. Those efforts are essential to the reforestation strategy, food security, and the maintenance of landscapes in the villages as

specified in their Territorial and Environmental Management Plan (PGTA). In 2020, the partnership planted 3,000 seedlings, and the nursery has a total of about 16,000 seedlings growing for the next planting season. Regarding fire prevention, TNC studied the fire dynamics in the Marawatsede IL and surrounding areas to strengthen Xavante monitoring, including observing satellite images from the National Institute for Space Research (INPE).

Seedling nursery at TI Marāiwatsédé.



© Marcelo Okimoto-OPAN

Supporting the Xavante Peoples in the Fight Against the Covid-19 Pandemic

TNC, THE FEDERATION OF INDIGENOUS PEOPLES of Mato Grosso (FEPOIMT), OPAN, and the Center-North region Bank Workers Union carried out the S.O.S. XAVANTE - A'uwe Itsari - a campaign to address the negative effects of the Covid-19 pandemic on the Xavante Indigenous Peoples. The results were remarkable in financial, goods, and services donations totaling over US\$792,000. The campaign created Primary Health Care Units near the

Xavante villages, ensuring better care for patients who presented with symptoms, allowing health workers to direct only severe cases to the municipalities. Part of the resources was used in actions to prevent infection and guarantee food security so that families did not have to leave their communities and could maintain social distance.

Strengthening the Juruena Basin Wazaré and Halitinã Indigenous Associations

IN 2020, TNC SUPPORTED THE STRENGTHENING of the Wazaré and Halitinã Indigenous associations and Paresi People leaders and communities to implement community-based tourist activities as an income alternative. Those efforts were part of the Territorial and Environmental Management Plan (PGTA). The Paresi developed a tourist expedition proposal with a package of integrated

tours involving six experimental tourist centers. TNC trained the Paresi Indigenous managers of the tourist centers to act as guides on the trails and to accompany tourists who wish to experience a typical meal in the villages, organized and prepared by Indigenous women. The Regional and General Coordination of FUNAI's Ethno-development unit monitored the entire process.



© Giovanni Vera/OPAN



© Erik Lopes/TNC

Wazaré Village Tourist Center Visitation Plan

THE WAZARÉ VILLAGE CONSOLIDATED a visitation plan containing all internal rules of the Paresi PGTA and defined by the community, in compliance with FUNAI's Normative Instruction 03/2015 that regulates tourist activities on Indigenous Lands, including Covid-19 protocols. It became a groundbreaking tool of the Paresi PGTA for carrying out economic efforts that value traditional activities (language, rituals, and appreciation of natural beauty associated with Paresi cosmology). The Plan will guide the implementation of all tourist proposals in the Paresi territory, including those conducted jointly with other institutions (companies, government agencies, and NGOs) in the tourist chain.

Supporting Xavante Women's Initiatives

IN 2020, TNC SUPPORTED THE SEED COLLECTION WORK OF 48 Xavante women from the Marãiwatsédé central village in the Cerrado. Our support consisted of helping them organize to collect, count, weigh and prepare orders for seeds, whose sale generates income for their families and the community in the villages. Also in 2020, TNC supported the production of the short film Pi'õ rómnhama'ubumrõi'wa - Xavante Women Seed Collectors. Directed by OPAN and Danielle Bertolini, the film shows the work of women seed collectors. The short was chosen as the best resistance short film by the official jury of the 19th Latin American University and Independent Audiovisual Exhibition (Maua).

◀ Chief Rony Paresi in the Wazaré village.



Watch the video

Restaura Brasil

265 million trees
restored with our partners
by December 2020

A Mobilization Campaign

In 2020, Restaura Brasil turned two and celebrated all the forest restoration efforts that TNC has undertaken in the country since 2001: The restoration of more than 265 million trees in the Amazon, Cerrado, and Atlantic Forest. That result was only possible because TNC partnered with dozens of public and private institutions and other NGOs. We would like to give special mention to the Espírito Santo state government, the municipality of Extrema, and Suzano Papel e

Celulose. We continue to pursue our global goal of restoring 1 billion new trees by 2030. Join us, and let's move forward with that work and help the planet, especially during the Decade of Ecosystem Restoration that begins in 2021!



© Felipe Fittipaldi



© Scott Warren

From Seeds to Forest

NATURE-BASED SOLUTIONS, such as the conservation and restoration of forests and ecosystems, represent more than one-third of the actions needed for humanity to tackle climate change. The restoration of degraded areas can occur via several techniques, depending on various external factors, including soil conditions, proximity to forest remnants, the presence of a local seed bank, and the history of use and occupation of the area—monitoring and carrying out proper maintenance to ensure that the restoration is successful, along with selecting the most appropriate techniques, are fundamental.

TNC signed a cooperation agreement with the Atlantic Forest Restoration Pact to develop a new protocol to guide and facilitate restoration monitoring through remote sensing and the measurement of ecological and socio-economic indicators. As part of the agreement, TNC is developing an application that collects and analyzes field data from areas undergoing restoration and preparing a study on natural regeneration socio-economic trends in the Mantiqueira Range. The analysis will also address ways to engage rural producers in restoring their properties.

Restoration Techniques Used

- Total-Area Seed planting
- Natural Regeneration
- Forest Enrichment
- Forest Densification
- Direct Seedling (muvuca)
- Agroforestry Systems - SAF

Taking Restoration to Scale

OVER THE LAST TWO DECADES, developing and implementing forest restoration projects allowed TNC to realize that to take forest restoration to scale, it needs to act in three main areas: a) engagement of rural producers so that they become interested in restoring part of their properties; b) bringing in resources to pay for the restoration on the ground, and; c) develop the restoration chain (seeds, seedlings, services, monitoring, and training).

As part of that effort, TNC intensified its work with networks and collectives to give scale to those critical lines of action, including with the Climate Coalition, Forest and Agriculture, Pact for the Restoration of the Atlantic Forest, Alliance for the Restoration of the Amazon, and the Brazilian Society for Ecological Restoration. We developed important work and task forces that culminated in large restoration projects and innovative public policies, such as the National Policy on Payments for Environmental Services (Law nº 14.119 of January 13, 2021).

Transparency Regarding Areas Undergoing Restoration

SHOWING WHERE AND HOW RESTORED AREAS are faring is of utmost importance. TNC registers all the locations in which it operates in a spatial-database web system that allows and facilitates the management and monitoring of projects, providing accurate information about the restored sites. That tool is very useful for managing our projects, but it also contributed to developing the Restoration Observatory with the Climate, Forest, and Agriculture Coalition and several partners. The Observatory is a digital platform that integrates available data on restoration throughout Brazil, allowing the country to follow its restoration goals as agreed in national and international commitments.

Restaura Brasil Supporters

IN 2020, THE RESTAURA BRASIL CAMPAIGN developed important partnerships. TV channel **CANAL OFF** joined the campaign to strengthen its sustainability actions and promote the restoration of our natural habitats. The channel contributed to the planting of 1,000 seedlings and promoted our efforts on their digital platforms, programming, and through their spokespersons involved with the theme. The first action between our two brands is part of the series “How to Change the World Without Leaving Home,” available on Canal OFF’s YouTube channel and in the International Day of Forests video. The development of the action is a partnership between Canal OFF and Globo’s Social Value and Operations and Environmental Management areas.



© Steve Niedorf

“Sustainability is in Canal OFF’s DNA, and our operations have increasingly made efforts in this area. With TNC, we will create campaigns on important dates to encourage society to contribute to the environment. We are just beginning a promising partnership.”

HELENA DAIBERT - BRAND AND COMMUNICATION MANAGER AT CANAL OFF

THE COMPANIES RAIADROGASIL AND DOCUSIGN also support the campaign and have contributed to the restoration of 22,400 trees in the Atlantic Forest’s Mantiqueira region.

To start restoring those degraded areas and bring the forests back, TNC selected four municipalities in the Mantiqueira Range: Jacareí, Queluz, and Águas da Prata in São Paulo, and Caldas in Minas Gerais. The

municipal governments and other local institutions are TNC partners in the implementation actions, aiming to help rural producers make their properties compliant with Brazil’s Forest Code. The municipalities play a vital role in protecting the water resources of large cities such as São Paulo, Rio de Janeiro, São José dos Campos, Campinas, and many others municipalities.

“The partnership with TNC reinforces our commitment to reducing our company’s operations’ environmental impact. It also contributes to strengthening the Digital Coupon program, which avoids printing invoices and sends them to customers’ email to engage them in the positive efforts for a healthier planet.”

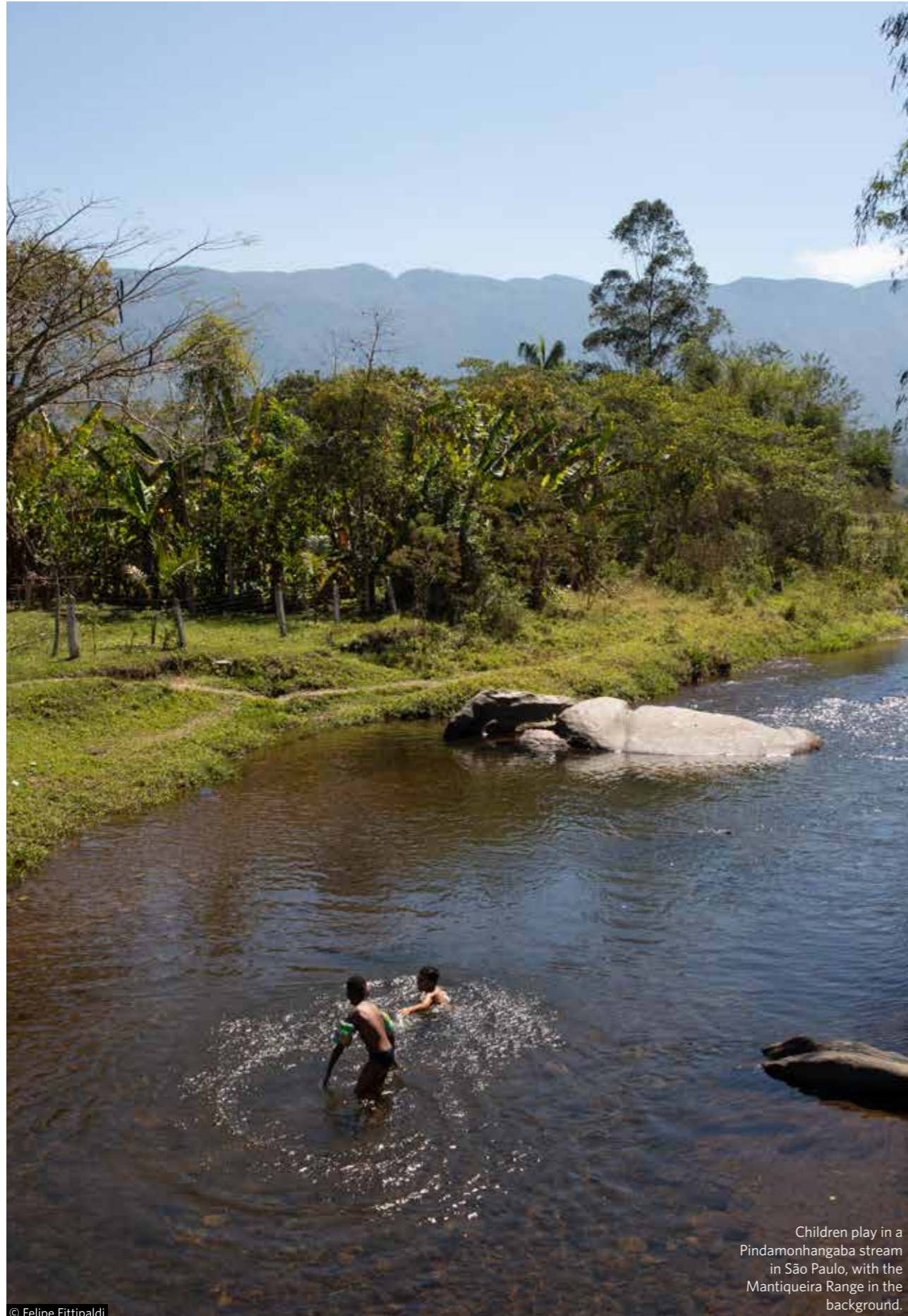
JOÃO CARLOS REDONDO, RAIADROGASIL SUSTAINABILITY DIRECTOR

“By helping hundreds of millions of people around the world to replace more than 20 billion sheets of paper through digital processes, we have enabled companies to move away from paper and processes that involve a printed document’s course through the entire chain. We are happy to partner with TNC because that has allowed us to help restore degraded areas in our forests.”

GUSTAVO BRANT, DOCUSIGN LATIN AMERICAN VICE-PRESIDENTE OF SALES



©Scott Warren



Children play in a Pindamonhangaba stream in São Paulo, with the Mantiqueira Range in the background.

© Felipe Fittipaldi

Five Years of the Green-Blue Water Coalition

The Green-Blue Water Coalition entered its fifth year demonstrating how a collective platform is a meaningful way to carry out actions that increase water availability for thousands of people. Created in 2015, the Coalition is a TNC initiative in collaboration with the private sector and key stakeholders, such as municipalities, the National Water Agency, watershed committees, water companies and regulatory agencies, civil society organizations, teaching and research institutions, and rural producers and unions. Together, they represent the strength of this Coalition. The objective is to join efforts in ensuring water security in important Brazilian metropolitan regions under risk of water shortage and where the implementation of nature-based solutions can generate a more significant impact.

The Coalition operates in São Paulo, Rio de Janeiro, Belo Horizonte, Curitiba, Brasília, and Camboriú, and in collaboration with the Espírito Santo government through the Reflorestar Program. The Coalition signed 78 partnership and ten cooperation agreements with public and private institutions in Brazil.



COALIZÃO
Cidades
pela água

From the Countryside to the City: Rural Producers and Communities Help Ensure Water Security in Brazil

RURAL PROPERTY OWNERS can also be “water producers” – without his engagement, no municipal basin conservation program will succeed, nor will a strategic plan with nature-based solutions be of great value. All Coalition partners have a fundamental understanding of that fact. Therefore, rural producers’ engagement is crucial. To enable their engagement and implement the appropriate actions and to promote institutional arrangements and governance mechanisms, TNC has developed

By 2020

- **3,924 families** that live by streams will benefit
- **124,000 hectares** will have been restored, conserved, or be under better agricultural practices
- **US\$3.7 million** in PES payments

financial mechanisms such as the PSA for water security in conjunction with key actors in an area of influence greater than 50 Brazilian municipalities. In addition, TNC seeks environmental compensation mechanisms that can be directed to those priority areas in agreement with rural landowners, local resources, public calls for proposals such as those by ANA, and investments by the Basin Committees and Agencies, in addition to resources from companies.



© Felipe Fittipaldi



© Devan King/TNC

Innovative Mechanisms and Strengthening of Public Water Governance Policies

PUBLIC POLICIES AND THE CREATION of legal frameworks are fundamental to developing and implementing large-scale water protection projects. TNC has developed and applied several of those mechanisms with its partners, as described below.

- Establishment of 20 PES municipal policies
- Unprecedented inclusion in developing a tariff review methodology for water and sanitation investment to protect water sources in São Paulo state. The process will be defined throughout 2021.
- Support for the restoration of 22,000 hectares by the São Paulo state’s Nascentes Program. TNC contributed to its creation and its early implementation.
- Admission as a member of the Advisory Board of the Peixe Vivo Basin Agency, the “executive arm”

of the river basin committees of the Rio das Velhas that supplies the Belo Horizonte Metropolitan Region the São Francisco River. The agency provides technical support for restoration, conservation, and best practices implementation to increase water security.

- Support for developing the Water Governance Monitoring Protocol by the Brazil Water Observatory (OGA), an independent platform of institutions and researchers. Its main objective is to generate, systematize, analyze, and disseminate information on water governance practices by the stakeholders and institutions that make up the National and State Water Resources Systems in Brazil (<https://observatoriodasaguas.org/>).

In 2020, TNC, in collaboration with ARSESP – the São Paulo State Sanitation and Energy Regulatory Agency - and Sabesp – the São Paulo State Basic Sanitation Company, developed an analysis of the ecosystem benefits of forest conservation in the Cantareira System. We also developed a legal analysis of the sanitation law, demonstrating the benefits that nature-based solutions bring to the protection of water sources and water security.

Water Availability Beyond Factory Walls

THE LINK BETWEEN THE 11 COMPANIES that make up the Green-Blue Water Coalition elevated the projects that TNC and partners already carried out in several basins to a higher level. The group created a pre-competitive collective action that was a win-win for all participants involved in the water protection agenda. If factories were already monitoring the quality and use of water resources, the challenge migrated outside their walls: it became urgent to protect the water-producing sources and the basins as well. Efforts include measuring the services natural ecosystems provide, such as filtering rainwater, and monitoring results via specific tools,

protocols, and expertise, in addition to all restoration, conservation, and best agricultural practices actions.

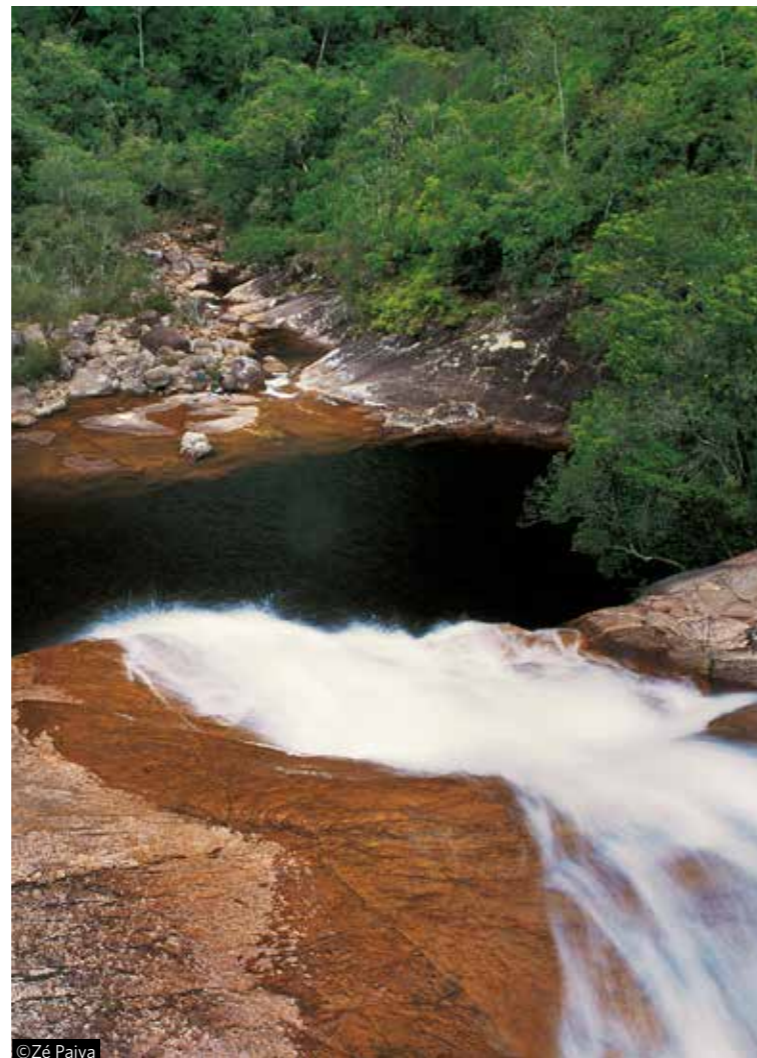
By 2020

- Raising **US\$4.5 million** from the private sector
- Leveraging **US\$45 million**
- Participation of **13 Coalition members** in the Project Management Units

More than Just Water, Social and Environmental Benefits Too

THE BENEFITS OF nature-based SOLUTIONS are not restricted to increasing water security. They also include measures to adapt to climate change, increase biodiversity, promote social and gender inclusion, income generation, and a better quality of life in rural and urban settings. In the municipality of Rio Claro, in the Guandu basin, which accounts for 80 percent of the supply to the Rio de Janeiro Metropolitan Region, the Coalition worked in partnership with the Water and Forest Producer Program led by the Guandu Basin Committee.

- Participation of the Quilombola Community in Project activities
- **63 bird species** mapped in the restored forest – 91 percent increase compared to the 2013 study
- **Creation of a bird-watching center**, training courses, and production of a species guide



©Zé Paiva

Science and Technology Protecting Water and People

- TNC is currently implementing the Municipal Environmental Portal (PAM) in São Paulo, Rio de Janeiro, and the Federal District. The PAM is a web platform with a spatial database that facilitates municipalities' territorial and environmental management and the engagement of rural producers in water projects.
- TNC contributed to the shared development of the Alto Descoberto basin strategic plan. The basin covers 44,500 hectares and is responsible for supplying approximately 60% of Brasília's water.



© Felipe Fittipaldi

▲ Extrema municipality employees in Minas Gerais checking restoration areas of the Water Producer project

"Toucans now come to eat on my porch. We also have agoutis, coatis, armadillos, and ocelots. A few months ago, a neighbor's calf died. A jaguar ate it!"

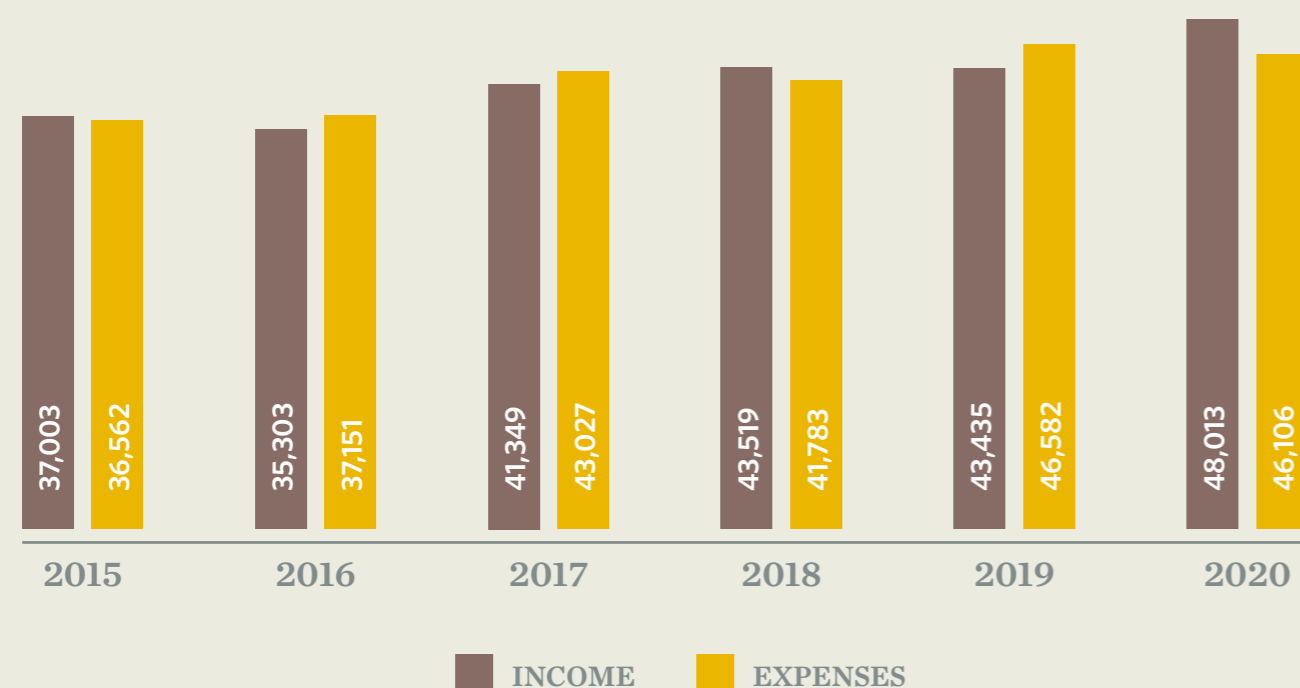
BENEDITO LEITE, QUILOMBOLA RESIDENT OF RIO CLARO'S RURAL AREA

Transparency

We carry out our work with a deep commitment to responsibility, seeking to use every amount donated to TNC carefully considering effectiveness and efficiency through a solid corporate governance structure.

Our financial statements⁷ are audited by Verdus Auditores Independentes, presenting an unqualified opinion that the information is adequate.

Annual evolution of results (in thousands of reais)

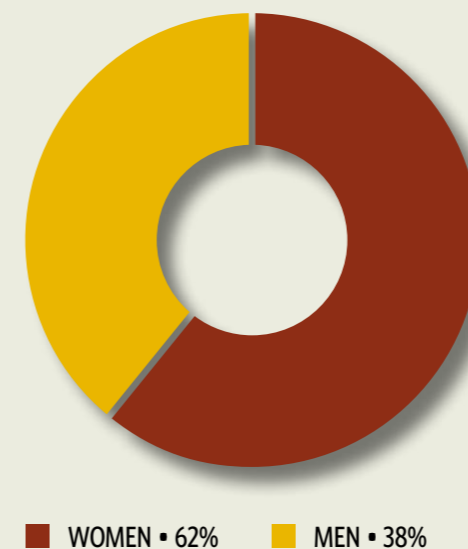


⁷ The financial information is the main audited data of the Environmental Conservation Institute - The Nature Conservancy of Brazil. The results of the conservation work presented in this annual activity report may include outcomes from working partnerships between TNC in Brazil and other entities of the organization in the Latin American region and globally.

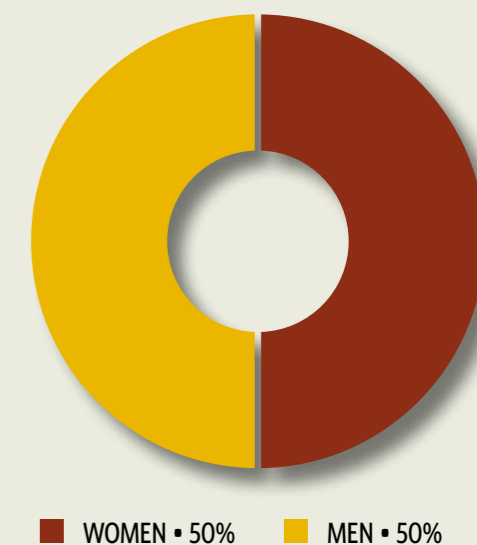
Our Team

82 employees in Brazil

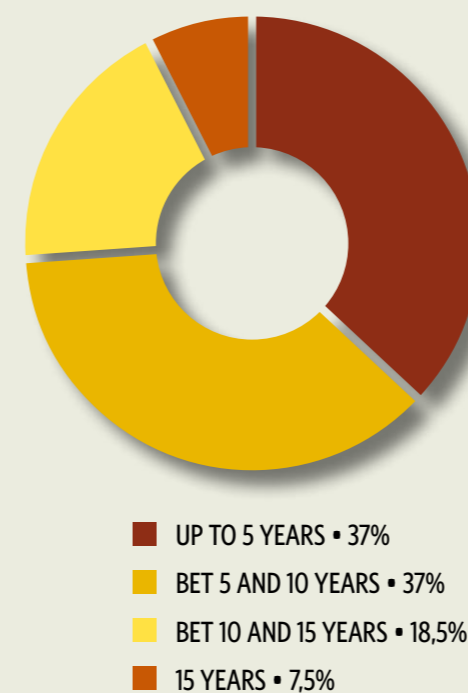
GENDER



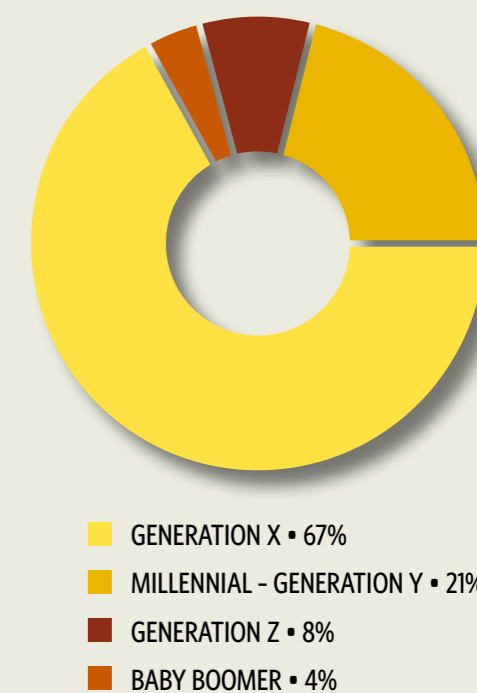
Leadership Positions



Years At Tnc



Generation





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The Nature
Conservancy 
Brasil