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**Support to an Indian Research Center
Evaluation of the activities of first phase and analysis of the project
proposal for the second phase**

Final report

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Background

The 1988 constitution provided significant gains for Indian rights by expanding the concept of Indian land, which now encompasses not only tribal settlements but also the contiguous areas needed to sustain the tribes' physical and cultural integrity.

Furthermore, the rights of indigenous peoples to land has gained growing public support in Brazil due to increased recognition of their role as responsible stewards of the land. In response, since 1988 the federal government has taken an active role in demarcating Indian lands, which together constitute over one tenth of Brazil's total area.

While the legal rights of tribal groups have been strengthened, their land remains vulnerable to encroachment and long-term environmental degradation. And despite critical support from a wide range of civic organizations, academics and activists alike concur that, in the near future, Indians themselves must assume an increasing role in defending their land, not only through legal actions to retain it but through efforts on-the-ground to restore it. There is also a great need among indigenous communities to develop ways of generating income without upsetting or undermining their culture and ecological balance of their reserves. They need the income to provide them with Western goods and services they have become dependent on.

To meet these challenges, in 1989 the Nucleus for Indigenous Culture launched the Indian Research Center. The Research Center' first activity was a training program for Indian youths in the field of law and resource management. This training program was set up at the Research Center' 10-hectare facility near the city of Goiania in central Brazil. Under the visionary leadership of indigenous leader Ailton Krenak and with considerable help of University professor Wanderlei de Castro, the Center established close ties with the nearby Catholic University of Goias, which had taken the unprecedented decision of accepting five Indian students as candidates in its four-year undergraduate law program without requiring them to pass the formal examination for admission into Brazilian universities (Vestibular), which acts as a powerful impediment to racial minorities and poor people. Furthermore, the University had allowed seven Indian students to take formal course-work in subjects related to natural resource management. The rest of these students' two-year training program would be carried out under the orientation of visiting specialists at the Center. The students specializing in natural resource management would be encouraged to develop pilot projects in their home villages. The training program described above received most of its funding, in total US\$ 190.000, from the Ford Foundation.

To strengthen village ties, the Research Center established research and development activities at a Xavante village in Mato Grosso, funded by the Inter-American Foundation and the World Wildlife Fund.

Part One: Evaluation of the first phase

The specific objectives of the first phase

All of the above was in place, when the Indian Research Center received funding from the European Community. The EC agreed to fund the following activities of the Indian Research Center. This listing has been taken from the specific objectives mentioned in Annex. I "Terms of Reference" of the contract between the European Commission and the Nucleus of Indigenous Culture. .

- Support to the training program through the improvement of infra-structure (housing, water-supply, etc.) and the payment of salaries for professors and "tutors". This would allow the six law and seven biology students, at that moment in the third year, to finish their studies and for approximately another 40 Indian youth to begin studies in 1992.
- To implement tree pilot project on forest regeneration and management with the Xavante (Cerrado), Suruí (Amazon rainforest) and Krenak (Atlantic forest) indigenous communities.
- To provide research and advice to settlers, particularly those of the Bela Vista community in Pará state, on the regeneration of degraded areas and the building of community cohesion.
- To record and monitor the general environmental quality of indigenous areas (deforestation rate, burnings, etc.) of the students' communities and the regeneration areas (Suruí, Tikuna, Krenak, Yanomami and Xavante).
- To house indigenous students and community leaders courses and offer them workshops .
- To develop techniques for identification and organic control of pests in areas which have been devastated or on which crops are being cultivated.
- To develop techniques of raising native animals and fish in semi-captivity to repopulate devastated regions.
- To develop and transfer techniques for commercial cultivation and use of certain native fruits and plants
- To research methods of processing, distribution and sale of native foods locally, nationally and internationally

- To ensure that the work and the principles of the Research Center are known and recognized internationally, especially to bodies concerned with Rainforest policy and conservation

Results, Evaluation and Insights

The original proposal has suffered greatly from constant reformations. This, plus the vague, evasive and sometimes even misleading reporting make it a puzzle to establish what results really have been obtained. As an example of misleading reporting the following; in the first interim report it is mentioned that 30.000 seedlings were being prepared for planting in the Xavante reserve of Pimentel Barbosa. In reality only about 50 trees have been planted.

My findings and impressions follow below. I came to them after having visited the Community Pilot Programs that are being implemented together with the Ashaninka community of the Amonia River, the Xavante community of Pimentel Barbosa and the Krenak community at the Rio Doce, long conversations with staff and consultants of the Indian Research Center and other organizations that provide support to Indian communities or with whom the Research Center states to collaborate namely; Comissão Pro-Índio (Acre), União das Nações Indígenas, (Acre), CEDI (São Paulo) and Conselho Nacional dos Seringueiros.

Education and Training component

Unfortunately, this component fell far short of its objective for a number of reasons. Dr. Anderson, program officer of the Ford Foundation, who provided most of the funding for this component, mentions the following reasons for this to happen in his internal evaluation report for the Ford Foundation, that he passed on to me.

"First, a new rector at the Catholic University decided to reverse his predecessor's admission of the five Indian law students, after they had been enrolled in the University for over a year.

Second, the training program in resource management appears to have been seriously flawed. In contrast to the law students, those Indians specializing in resource management were not subjected to prior academic screening, and at least some were barely capable of reading. Although Dr. Anderson, strongly insisted on hiring a resident natural resource specialist to provide orientation for the students, the specialist finally contracted spent most of his time conducting research on Game animals with the Xavante Indians in Mato Grosso. As a result, the seven students were poorly selected and inadequately trained.

Third, the Nucleus for Indigenous Culture underwent a series of institutional crises during 1991-92, undermining its capacity to administer the diverse activities at the Center. The Nucleus' president, Ailton Krenak, assumed excessive commitments both within Brazil and internationally, which diverted his attention from the Center. As a result, the Center and its activities came increasingly under the control of University professor Wanderlei de Castro, an enthusiastic supporter of indigenous causes but with little technical understanding of Indian rights or resource management. In 1991, Krenak's attention to the Center was further diverted as the legitimacy of his indigenous origins came increasingly under question by other Indian leaders in Brazil"

Differences of opinion made that Wanderlei de Castro left the Indian Research Center at the end of 1992. The small farm 20 kilometers away from the center of Goiania, where the students lived and infrastructure was created for breeding animals, fish farming, nurseries for native tree species, laboratories, library, experimental kitchen and an area for fruit processing, was closed down and put up for sale at the end of 1992. With this decision the Indian Research Center made an definite end to one of its original objective, to provide formal training to young Indians. None of the approximately 40 Indian youths for which training in management of natural resources was originally planned in the European Community financed project, ever started the program. Nearly all funds that were used to upgrade the infra-structure of the small farm near Goiania, should be considered wasted.

At the time of the evaluation mission only 2 of the 6 Indians, namely Carlos Krenak and Jamiro Xavante, that finished their studies in natural resources management, were still actively involved in the activities of the Research Center.

After the closing down of the Research Center' farm near Goiania, it was decided to decentralize the Center' activities. To do this, experimental work, training activities and development projects would be carried out with different Indian communities. The second interim report of the Indian Research Center, dated October 1992 announced that the Centers' activities would be carried out at the following four sites:

- The rubber tapper and indigenous communities of Upper Jurua river, in the state of Acre
- The Xavante community at Pimentel Barbosa, in the state of Mato Grosso
- The Krenak community of the Rio Doce valley, in the state of Minas Gerais
- The Tukano community of the Rio Negro, in the state of Amazonas

By the time the evaluation was carried out, activities in only three of the four sites were presented. For reasons not explained to me no work was carried with the Tukano community. The same is true for the Surui Pilot Community Project that was presented in the original project proposal as being one of the three selected sites where the Research Center would together with the community implement a Pilot Community Development Project.

Activities in the Upper Jurua region, Acre

The research Center established a regional office in Cruzeiro do Sul from where its activities in the Upper Jurua river valley were coordinated. By the time this evaluator arrived in Cruzeiro do Sul, the office was closed down. The reasons Mr. Krenak gave me for this are; a) that the office had not been doing its coordination job and provided very little support to the activities of the Research Center b) that the young indigenous leaders that had been running the office, Biraci Brasil (Jawanawa) and Sian Kaxinawa, had gotten themselves too heavily involved in the local gossip scene, causing the Research Center a lot of problems and c) that the expenses of the office were very high. All infra-structure (Toyota truck, fax and computers) of the regional office are either being sent back to São Paulo or sold.

The main activity of the Research Center in this region, has been the research on essential oils that is being carried out in close collaboration with the Ashaninka community of the Amônia River. From approximately 50 plants species that the Ashaninka traditionally use as fragrances, essences were extracted using a small distillation column. These samples have been offered for further testing to the US based cosmetics firm Aveda. The main effort of the research has been on finding out if extracting Copaiba oil could form an interesting source of income for the Ashaninka community. An experiment was set up in which oil was extracted on a regular basis from 55 Copaiba trees. In total 15 liters of oil were extracted during the almost one year the experiment went on. So far so good, the problem is that the scientist involved in the research was convinced that one liter of Copaiba oil had a value of US\$ 800 while in reality its FOB price is only about US\$ 3 a liter. In other words, 15 liters of Copaiba oil are worth US\$ 45 and not US\$ 12,000, This makes extracting Copaiba oil not the interesting development alternative, originally believed.

Generally speaking I find the research on essences, oils, resins and fragrances, which the Research Center is carrying out together with the Ashaninka community of the Amonia river a good attempt to find alternative to generate income. The research will gain a lot in efficiency if a number of experienced consultants could be involved in the project. This would prevent spending so much time and resources on dead end tracks as the above mentioned Copaiba experiment.

Contrary to what is mentioned in the interim and final reports of the Research Center, assessing the population levels of game animals and the analysis of the hunting practices of the various indigenous communities that live in the Upper Jurua region, has not yet started. Only reconnaissance trips were made by wildlife biologist Frans Leeuwenberg. During these trips he collected some preliminary data and got himself an idea of the number of collaborators, assistants, means of transport and other facilities that are needed to carry out the job.

The Xavante Community Development Component

The Indian Research Center has been working together with the Xavante community at Pimentel Barbosa since the Center's creation in 1989. Two main lines of activities, assessment of population levels of game animals and the potential of native fruit trees for processing and commercialization, should have been developed in close collaboration with the Xavante community.

The work of assessing populations of game animals and analysis of the hunting practices of the Xavante started in 1991. This project received funding from World Wildlife Fund¹. The work made clear that the Xavante were hunting too much in the area around their village, while under-utilizing or not using at all, other parts of their territory. It also showed that the game animal population, Tapir, Marsh Deer, Pampus Deer, White Lipped Peccaries, Collared Peccaries and Giant Anteater are under very high hunting pressure. Furthermore, on top of the number of animals that are killed and captured, approximately another 25% is severely wounded but manages to escape. The majority of them die from their injuries, shortly after they have been wounded. The Xavante population captures yearly an average of 12.000 kilos of clean meat, or 17.000 kilos (live weight) of game in their reserve. At this moment their hunting is not sustainable. The wild-life biologist proposed the following measures to improve the Xavantes hunting practices and increase the population of game animals:

- To spread out the hunting more evenly over the entire Xavante territory. This was made possible through financial assistance of the Dutch Embassy that allowed a trail to be constructed that opens up parts of the Xavante territory, until then inaccessible for hunting.
- A two year ban on hunting in the area around the village was agreed upon by the community in 1992.
- It was explained to the Xavantes that a ban on killing female Tapirs would greatly increase the Tapir population. Unfortunately this advice has not been accepted, as yet, by the community.
- Another issue being discussed is to change the use of rifles to double barrel shotguns (the type of weapons used for hunting everywhere else in the world). This would greatly reduce the percentage of deadly wounded animals.

In my opinion this is the only project carried out in close collaboration with an indigenous community, of the Research Center, that has been almost fully carried out as planned and came up with a lot of useful results.

¹ US\$ 53,400 for an Ethno zoological analysis and Fauna Management in the Xavante reserve at Pimentel Barbosa

With funds from the European Community, a fruit processing plant is being constructed at the town of Nova Xavantina. According to Civil Engineer Edson Nishi, who is responsible for the design and construction of the fruit processing plant, so far US\$ 100.000 have been invested in the factory. This includes money spent on the remodeling of the headquarters of the Xavante Association, a Cultural Center and a guest house destined to put up consultants. The idea is to process native fruits of the Cerrado such as, Baru, Jatoba, Murici, Araticum, Buriti, Macauba and Pique. To my great surprise nobody involved in this fruit processing enterprise showed to have any idea on how this factory would be functioning.

The factory is located about 300 kilometers south of the Xavante reserve of Pimentel Barbosa. This distance combined with the terrible state of the roads, make it virtually impossible that it will be economically viable to transport fruits from the Xavante reserve to the factory to be processed. Therefore it is planned that most fruits will be purchased from other Xavante reservation that are situated closer to Nova Xavantina and from small farmers living nearby the factory. Unfortunately nobody involved in the project has even the slightest idea how much fruit is available from these different sources and what price would stimulate other Xavante communities or small farmers to start collecting the fruits the factory plans to process.

Despite that interim and final reports mention that during the period '91 till '93, work was carried out on fruit processing, packaging and marketing, the members of the Xavante association and staff of the Research Center have no idea on how to process, package or market the fruits and what machinery is available for doing this.

Furthermore, the layout of the factory is such that it will need considerable modifications before it can handle the processing of a reasonable amount of fruits. Future modifications are made almost impossible because, the terrain on which the factory has been built is fully occupied by the guest house for consultants, office of the Xavante association and Cultural Center. This also leaves no space to store wastes.

The construction of the fruit processing plant, without first having carried out a feasibility study of any kind, might prove to be a disastrous and even dangerous experience. The expectations of the Xavante community at Pimentel Barbosa, that their fruit processing factory will provide them with a reliable source of income, allowing them to fulfill their needs of goods and services from western society, are very high. As things stand, now this dream will turn into a nightmare very soon.

The Krenak Community Development Component

The principle activity carried out by the Research Center with the Krenak community is the breeding in captivity of two wild pig species, the White-Lipped Peccary, *Tayassu pecari* and the Collared Peccary, *Tayassu tajacu*. The breeding of these two pig species was first carried out at the Research Center's small farm near Goiania. When this was closed down the animals and the moveable infrastructure were transferred to

the Krenak reservation in Minas Gerais . I was informed that during this transfer a high percentage of the animals died. At the moment there are only female collared peccaries at the Krenak site, because all males died during transport.

While I can understand that teaching indigenous student in management of natural resources, breeding of wild animals is useful as part of their "practical work" , I find the transfer of this activity to the 100 hectare reservation of the Krenak community, wrongly prioritized and timed for the following reasons:

- The Krenak reservation is only 100 hectares in size, at this moment. In this small reservation live approximately 100 people. When I arrived all complained that the harvest of subsistence crops (rice, beans and corn) had failed because of lack of rains. I was informed that this happens all the time (two out of three years). A look around showed me that all the farmers in the region practice irrigated agriculture to overcome the problem of lack of rain. To set up irrigated agriculture seems to me an activity with a much higher priority than the breeding of wild pig species. I got the impression that everybody agreed with me when I suggested this during my visit to the Krenak reservation.
- The Krenak gained the legal case at the "Supreme Court" that will eventually allow them to reintegrate the entire 4000 hectare of their territory. It will take some time - and nobody knows how much - before the small farmers will finally leave the Krenak territory. Furthermore almost all of the territory is deforested. Before any animals can be released some kind of forest covers will have to be established in at least part of the Krenak reservation. This also takes time. Therefore it will take at least 10 to 15 years before any of the wild pigs can be released.

The reasons mentioned above make me suggest to wait another 10 years before setting up a breeding program of wild animals, that has as its main objective to restock the Krenak territory with game animals.

Recently the two young Krenak technicians that work with the Research Center started to set up a tree nursery. The Krenak community will start to grow seedlings of native tree species that eventually will be used to reforest large parts of their territory.

Specific objective that were never reached

The following specific objective mentioned in the project proposal were never reached.

- To provide research and advice to settlers, particularly those of the Bela Vista community in Pará state, on the regeneration of degraded areas and the building of community cohesion.

- To record and monitor the general environmental quality of indigenous areas (deforestation rate, burnings, etc.) of the students' communities and the regeneration areas (Surui, Tikuna, Krenak, Yanomami and Xavante)
- To develop techniques for identification and organic control of pests in areas which have been devastated and which are being cultivated
- To develop and transfer techniques for commercial cultivation and use of certain native fruits and plants
- To research methods of processing, distribution and sale of native foods locally, nationally and internationally

The level of Community participation

The three Indian communities that I visited, have a substantial participation in the implementation of the projects. Other organizations that support Indian communities have a favorable opinion about the work of the Research Center. Most of them would like to search for ways that will make closer collaboration in the future possible. In the Upper-Jurua region, no joint work with the rubber tappers has been taking place, except for some mutual visits and joint participation in public events. This is due to the enormous mess (inadequate use of funds, internal disputes, etc.) the rubber tapper organizations, the National Council of Rubber tappers and Association of Rubber tappers of the Extractive Reserve Alta Jurua, got themselves involved in. Until they have solved their problems any collaboration with the Rubber tappers will be impossible. I am afraid that this will take quite some time and might even never happen.

The internal evaluation report

The internal evaluation report prepared by Dr. Laymert Garcia dos Santos, is in my opinion more a piece of Public Relations, that explains the philosophy behind the work of the Indian Research Center, than a serious effort to evaluate the Center' activities and impacts. This is a shame because the Center could use some serious internal evaluation of its activities.

Part Two, Analysis of the second phase proposal²

How well does the Proposal addresses the development needs of the Indigenous communities

As mentioned in the Background to this document, there is a great need among indigenous communities to develop ways of generating income without upsetting or undermining their culture and the ecological balance of their reserves. The other great need is for communities to develop means of defending their land, not only through legal actions, but also through efforts on-the-ground to restore it. The Indian Research Center is one of the few Non Governmental Organizations in Brazil, that tries to address these needs. Unfortunately not in the most effective way.

How adequate are the Specific objectives of the proposal for the next phase to fulfill the development needs of indigenous communities

Generally speaking I find the specific objectives that were presented for the various programs not very appropriate. Most are vague, trendy or evasive. After reading them you still don't have a clear idea what activities the Indian Research Center is going to carry out. Moreover quite a few are copied from the first phase proposal. For example, I simple cannot understand why on earth they present "to provide research and advice to settlers on the regeneration of degraded areas and the building of community cohesion" again as an specific objective (project proposal, pag.12 ,point 10). In the previous phase of the project, the Research Center has shown itself unable to make this happen. I could go on for pages on the specific objectives. They range from unrealistic (to clean up the pollution of the Doce River) to vague and trendy (to provide a center for documentation and inventory of traditional knowledge and products, thereby establishing an inventory of indigenous patrimony).

Participation of the communities and of the Research Center' staff in the design of the project.

The participation of both the communities and the Center' scientifically trained staff members, in the elaboration of the phase II project proposal has been insignificant. Only the main line of action of the community projects has been discussed with the leadership of the different indigenous communities. Staff members of the Research Center were not even consulted on most aspects of the program components, for who's implementation they will be responsible.

² The Indian Research Center submitted recently a revised budget for their proposal, of which they sent me a copy. This new budget reflects some of the advice and recommendations I gave them during the two days of meetings I had with the Center' staff in São Paulo.

The Indian Research Center' Management and Staff

The Indian Research Center is in fact a one man show. It is Mr. Krenak that takes all the decisions. Mr. Krenak has great communication skills and a good strategic vision of what is needed. It was Krenak that recognized, as one of the first in Brazil, that tribal groups not only need legal rights to their territory but also need to develop ways of managing their land and in many cases restore it. This motivated him to create the Indian Research Center. Mr. Krenak is a dominant figure, unfortunately not very good at listening to other people. This makes him a difficult person to work with, which is the main reasons why it is hard for the Research Center to attract experienced and talented scientists. His difficult attitude and character also makes collaboration with other organizations difficult.

Of the three full time scientists, only the wildlife biologist has considerable research experience, the other two only recently finished their undergraduate degrees and the job at the research center is their first one.

Furthermore, Mr. Krenak has shown little success so far in implementing and administrating development projects. His type of administration can be characterized as a lot of inspiration and improvisation but very little structured planning and keeping his promises.

For the successful implementation of the Community Development Projects it is necessary to involve more experienced personnel in the team, either as consultants or as permanent staff members. It would also not be a bad idea to contract a specialist in natural resource management with more then 10 years of experience in development projects, to assist Mr. Krenak in the day to day running of the Research Center.

Potential negative environmental impacts of the proposed activities

The main environmental impact of the project will be its contribution to the release of carbon dioxide caused by the frequent air-travel, 69 trips a year, of Indian Research Center staff members and collaborators.

Conclusions and Recommendations

It is not up to me to decided whether or not the European Commission continues to fund the Indian Research Center. If it is decided to continue the funding, I strongly recommend that the proposal is completely reformulated. In doing so the following should be taken into account :

In the present proposal far to much funds are allocated to what I call support activities. I am of the opinion that the core activities of this proposal are those that take place in the

territories of the indigenous communities, the Fauna Program, the Integrated Management Programs of the Xavante and Krenak communities and the Upper Juruá Macro region. According to the latest version of the budget, the European Commission will invest ECU 709,732 in the 4 "core" programs and spent ECU 1,005,138 on support activities. This doesn't make any sense to me. It even leaves me with the impression that the community programs serve to justify the activities of the São Paulo headquarters, and not the other way round. These are the reasons, I like to suggest to fix a maximum amount of 15 % of the "field expenses" that can be spent on support activities such as maintaining an office in São Paulo, PR work, workshops, seminars, expositions, lobbying in Brussels, publications, administration, translation, communication, etc. I propose that the Community development components will form the core of the activities that will receive financing by the European Commission.

Staff and Management

It will be necessary to contract an experienced specialist, in community development based on sustainable use of natural resources with extensive management experience, as the technical director of the Indian Resource Center. Without contracting this key person I am afraid that very little of what I recommendation, will have any chance to be implemented.

The present professional staff of the Indian Research Center has very little experience. To overcome this problem I suggest that most of the activities that I propose, be carried out through consultancy contracts. The technical director will have an important role in elaborating the necessary "Terms of Reference" and selection of the consultants. He will also have to provide guidance to the Research Center's permanent staff members.

Community involvement

To greatly improve the involvement of the indigenous communities in the implementation of the project, I propose that they will be effectively involved in managing the implementation of their community project. For this purpose I propose to included an overhead of 10% of the implementation cost of each community development project.

Suggested duration of the project

I suggest that the second phase will have a duration of 3 years. This will be the minimum time needed to accomplish the proposed activities, given the difficult access to the reservations, the enormous distances between them and the relative inexperience of both the indigenous communities participating in the project and Indian Research Center staff members, in implementing development projects.

Suggested basic concept for activities of second phase

Indigenous community development projects are still a very new thing in Brazil, I have tried to design a sort of basic concept that can be applied and tested with all the participating communities. This will allow for a greater and easier exchange of ideas and findings among the indigenous communities that participate in the project and will hopefully be of use in transferring, in the future, the lessons learned, to the many indigenous communities that currently do not participate in the project.

I propose that the project finances activities, in all four participating communities, that cover the following areas:

- *Natural resources mapping & management plan*

In all Indian reserves, surveys will be carried out to establish what is the current natural resources base of the indigenous community. It will provide the bases to make a management plan for sustainable use of the natural resources. The survey will also provide information on the degree of ecosystem degradation that already has occurred.

Under this heading I also included activities that should lead to Fauna management and control of present hunting and fishing practices.

In the case of the Krenak community development project, I included trials on reforestation, that will be needed to restore their almost entirely deforested reservation.

- *Study to assess the present and future economic needs of the indigenous community*

These studies will provide answers to the question, what the indigenous populations needs in terms of goods and services of the "white society" for which it has to pay. What are the aspirations of the community. Will the amount of money needed at present grow in the future, etc.

- *Income generating components*

Under this heading activities have been grouped that have the potential to satisfy the current and future needs for cash, necessary to satisfy the community's needs and aspirations for goods and services of the western society.

- *On the job training of community members*

This will allow indigenous community members to get on the job training and prepare them for continuing the activities once financing by the project has ceased.

Listing with suggested activities and their estimated costs

I present a listing of possible activities and their estimated cost, in Annex I. The specific objectives, activities and expected results of each of the community programs, Xavante, Krenak and Ashaninka will have to be presented in much greater detail by the Indian Research Center. A detailed budget will have to be worked out in close collaboration with the participating indigenous communities and Indian Research Center staff.

Observations on the presented listing of suggested activities

No funds for the fruit processing plant of the Xavante should be liberated until the feasibility study shows that this plant has the potential of becoming economically viable. The same is valid for fund destined to set up the necessary infra-structure that will allow the Ashaninka indian to start a commercialization program of seeds of timber trees.

For reasons provided in the first part of this report, I suggest that the breeding of wild pig species in the Krenak reservation will not be financially supported.

Evaluation & monitoring of the second phase

The very low level of performance of the first phase of the project, makes it very desirable to closely monitor the implementation of the second phase. This will require considerable staff time at both the EC delegation in Brasilia and in Brussels. I suggest that even before the second phase starts it will be announced that a mid-term evaluation will be carried out and that if the project continues to show the low performance levels of the first phase, cancelation of the contract will be considered.

ANNEX 1

LISTING OF SUGGESTED ACTIVITIES AND THEIR ESTIMATED COSTS

	Estimate in ECU
XAVANTE	
<u>Natural resources mapping & management plan</u>	
Vegetation map & resource use	40.000,00
Management & Controle of vegetation burnings	25.000,00
Management of Fauna and improvement of hunting practices	70.000,00
<i>Sub-Total Natural resources mapping & management</i>	135.000,00
 <u>Study to assess economic needs of the indian community</u>	
<i>Sub-Total assessment of economic needs</i>	15.000,00
 <u>Income generating component (Fruit processing)</u>	
Feasibility study	30.000,00
Modifications of existing fruit processing plant	20.000,00
Purchase of fruit processing and packaging equipment	50.000,00
Increase in cold storage space (to 30 tons)	35.000,00
Working Capital	40.000,00
Salaries for management and operators during 2 years	70.000,00
<i>Sub-Total for Fruit processing</i>	245.000,00
 <u>On the job training of members of the indigenous population</u>	
Monitoring & controle of vegetation burnings	7.000,00
Management of Fauna and hunting controle	7.000,00
Fruit processing & Sales	7.000,00
<i>Sub-total on the job training</i>	21.000,00
 <u>Coordination and administration of component by Xavante community (10% of total)</u>	
<i>Sub-total Coordination and administration</i>	41.600,00
TOTAL XAVANTE COMMUNITY DEVELOPMENT COMPONENT	457.600,00
 UPPER JURUA REGION	
 ASHANINKA COMMUNITIES AT THE AMONIA AND BREU RIVERS	
<u>Natural Resources mapping & management plan</u>	
Vegetation map & present resources use	40.000,00
Management of Fauna and improvement of hunting and fishing practices	80.000,00
<i>Sub-Total Natural resources mapping & management</i>	120.000,00
 <u>Study to assess economic needs of the Ashaninka community</u>	
<i>Sub-total assessment of economic needs</i>	15.000,00
 <u>Income generating activities</u>	
Feasibility study for commercialization of seeds of timber species with economic value	8.000,00
Infra-structure for comercialization of seeds (storage, packaging, etc.)	40.000,00
Extraction and testing of essences	80.000,00
<i>Sub-total income generating activites</i>	128.000,00
 <u>On the job training of Ashaninka community members</u>	

Forest inventory and natural resources mapping	7.000,00
Monotoring of Fauna and hunting presure	7.000,00
Collecting and commercilization of seeds	7.000,00
Extraction of essential oils	7.000,00
<i>Sub-total on the job training</i>	28.000,00

<u>Coordination and administration of component by Ashaninka community (10% of total)</u>	
<i>Sub-total Coordination and administration</i>	29.100,00
TOTAL ASHANINKA COMMUNITY DEVELOPMENT COMPONENT	320.100,00

OTHER INDIGENOUS COMMUNITY PROJECT IN UPPER JURUA REGION

**FINANCED BY
GOV. AUSTRIA**

KRENAK

<u>Natural Resources mapping & management plan</u>	
Vegetation map & present resources use	30.000,00
Reforestation trials	20.000,00
<i>Sub-Total Natural resources mapping & management</i>	50.000,00

<u>Study to assess economic needs of the Krenak community</u>	8.000,00
<i>Sub-total assessment of economic needs</i>	8.000,00

<u>Income generating activities</u>	
Irrigated agriculture	60.000,00
Planting of fruit trees mainly for subsistance	5.000,00
<i>Sub-total income generating activites</i>	65.000,00

<u>Improvement of basic infra-structure in the Krenak reservation</u>	
Ferry on Rio Doce	10.000,00
<i>Sub-total improvement of infra-structure</i>	10.000,00

<u>On the job training of Krenak community members</u>	
Natural resources mapping	7.000,00
Irrigated agriculture and fruit tree cultivation	7.000,00
<i>Sub-total on the job training</i>	14.000,00

<u>Coordination and administration of component by Krenak community (10% of total)</u>	
<i>Sub-total Coordination and administration</i>	14.700,00
TOTAL KRENAK COMMUNITY DEVELOPMENT COMPONENT	161.700,00

TOTAL COMMUNITY DEVELOPMENT COMPONENTS	939.400,00
CENTRAL COORDINATION (SÃO PAULO OFFICE & STAFF SALARIES) 20 %	187.880,00
INDEPENDANT MID-TERM AND FINAL EVALUATIONS	25.000,00
TOTAL PROJECT	1.152.280,00