Project Information Document/Integrated Safeguards Data Sheet (PID/ISDS)

Concept Stage | Date Prepared/Updated: 29-Aug-2017 | Report No: PIDISDSC22424
BASIC INFORMATION

A. Basic Project Data

<table>
<thead>
<tr>
<th>Country</th>
<th>Project ID</th>
<th>Parent Project ID (if any)</th>
<th>Project Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mexico</td>
<td>P164055</td>
<td></td>
<td>Energy for Sustainable Agricultural Development (P164055)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Region</th>
<th>Estimated Appraisal Date</th>
<th>Estimated Board Date</th>
<th>Practice Area (Lead)</th>
</tr>
</thead>
<tbody>
<tr>
<td>LATIN AMERICA AND CARIBBEAN</td>
<td>Dec 04, 2017</td>
<td>Mar 20, 2018</td>
<td>Agriculture</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Financing Instrument</th>
<th>Borrower(s)</th>
<th>Implementing Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Project Financing</td>
<td>United Mexican States</td>
<td>Secretariat of Energy, Shared Risk Trust (FIRCO)</td>
</tr>
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</table>

- Proposed Development Objective(s)
  - Promote the adoption of renewable energy and energy efficiency technologies among agricultural producers.

- Financing (in USD Million)

<table>
<thead>
<tr>
<th>Financing Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>International Bank for Reconstruction and Development</td>
<td>50.00</td>
</tr>
<tr>
<td>LOCAL: BENEFICIARIES</td>
<td>50.00</td>
</tr>
<tr>
<td><strong>Total Project Cost</strong></td>
<td><strong>100.00</strong></td>
</tr>
</tbody>
</table>

- Environmental Assessment Category: B-Partial Assessment

- Concept Review Decision
  - Track II - The review did authorize the preparation to continue

Other Decision (as needed)

A. Country Context

Mexico’s economy continues to expand at a steady though moderate rate of growth. The increase in Mexico’s Gross Domestic Product (GDP) over the past three years, 2014-2016, at an annual average of 2.4 percent was slightly below the annual average growth posted during the previous two decades, 1994-2013, of 2.6 percent. The non-oil economy expanded between 2014 and 2016 at the same average annual rate of 2.8 percent as
observed over the previous two decades. Yet, these rates of growth are only about half of the average growth observed in emerging market economies (5.3 percent between 1994 and 2016).

Economic performance has been resilient in view of external shocks experienced in the past few years. Mexico’s economy endured several external shocks in the last two years including a sharp drop in oil prices with average oil prices down by 50-60 percent, an additional reduction in the volume of oil and gas production by 6 percent annually, international financial market volatility related to a normalization of monetary policy in advanced economies, and, more recently, uncertainty over the future of the United States (US). Mexico trade relation. Sensible monetary and fiscal policy responses to these shocks within an overall sound macroeconomic policy framework including a flexible exchange rate, an inflation-targeting monetary policy framework and a fiscal rule that ensures moderate public sector deficits, maintained macroeconomic stability in recent years.

Moderate economic growth over recent years has hampered significant poverty reduction and improvements in shared prosperity. Driven by income poverty, the official poverty rate has stagnated: the same percentage of the population (46 percent) lived in poverty in 2010 as in 2014. The extreme poverty rate has declined from 11.3 percent in 2010 to 9.5 percent in 2014. Income inequality is high and stagnant in Mexico; the Gini coefficient declined only slightly from 0.51 in 2010 to 0.50 in 2014. Poverty is particularly concentrated in few states. In 2014, more than 40 percent of the poor were concentrated in only five of the thirty-two states: Chiapas, State of Mexico, Oaxaca, Puebla and Veracruz.

In this context, the Government of Mexico has initiated a process of consolidation of social assistance and support programs, including in agriculture and rural development, to improve efficiency and effectiveness for poverty reduction, promote productivity and leverage economies of scale. Agriculture and rural development programs have represented between 0.5 percent and 2 percent of Mexico’s budget over the past decade, similar to the 0.8 percent to 2.4 percent observed in other Organization of Economic Cooperation and Development (OECD) countries, and much less than other segments of the Mexican economy (7 percent for housing and urban development or 3 percent for education, for example). Spending in the sector has increased in nominal terms but remains constant over time, as a percentage of the budget.

B. Sectoral and Institutional Context

Mexico’s energy sector has been of strategic importance to the economy and is also an important driver of economic growth. Mexico is a major oil exporter, with crude oil production being an important source of foreign exchange earnings and an important contributor to fiscal revenues. However, starting in 2004, oil production, as well as oil reserves, started to decline. This gave rise to increasing pressures on Government fiscal policy. It also started to focus attention on the need to diversify the country’s energy resources away from oil towards an increased use of natural gas and the development of the country’s renewable energy potential.¹

¹ [www.iea.org/countries/non-membercountries/mexico/](http://www.iea.org/countries/non-membercountries/mexico/)
Agriculture continues to be an important sector in the economy, accounting for around 13 percent of Mexico’s GDP, when considering the forward and backward linkages created through primary production, post-harvest agro-industrial processes and food production. The sector employs on average 13 percent of the formal labor force in the country, with important regional differences. Almost a quarter of Mexico’s population (representing more than 24 million people) lives in rural areas and depend on agriculture for their livelihoods (45 percent of the employed rural labor force works in the primary sector). Rural poverty rate (61.6 percent) is far higher than the urban rate (40.6 percent), with rural poverty perpetuated by the low productivity of labor in the agricultural sector among other structural factors. Agricultural land represents 55 percent of the total land area of Mexico (or close to 112 million hectares of arable land) with 5.5 million agricultural units devoted mostly to the production of cereals such as maize, wheat and sorghum. Agriculture, along with energy, is one of the primary contributing factors to Green House Gas (GHG) emissions in the country.

Mexico’s GHG emissions in 2012 were 663 million metric tonnes of carbon dioxide (CO2) equivalent (MtCO2e), making the country the 13th largest emitter globally. At the same time, per capita emissions in Mexico are lower than the world average and significantly lower than those by other members of the OECD. Mexico is, however, committed to GHG emissions reductions as demonstrated by its Intended Nationally Determined Contribution (INDC), submitted to the United Nations Framework Convention on Climate Change in March 2015. Mexico’s INDC sets an ambitious GHG emission reduction target of 22 percent by 2030 with respect to a Business as Usual (BAU) trajectory, increasing to 36 percent, subject to international financial and technological support. These targets are in line with Mexico’s 2013 National Climate Change Strategy. With the energy and agriculture sectors being important contributors to GHG emissions, this project will have an import role to play towards achieving Mexico’s target.

According to the Secretary of Energy (SENER) National Energy Balance, the agricultural sector is the third largest in terms of its growth in demand for energy, after the automotive and the mining sectors. For this reason, to achieve national targets, it becomes crucial to consider renewable energy and energy efficiency resources within the sector. The increasing incremental costs of fossil fuels has implications in the Mexican food system. Increasing fuel costs augment the costs of production, which is then reflected in the cost of food to end consumers, as well as in the national inflation index. While the share of energy expenditures within the total cost of production may be low, these costs affect the liquidity and growth of agribusinesses and is a limiting factor to investment in modernization of processes or the expansion of production capacity.

Energy subsidies in Mexico, both for electricity and for fossil fuels, are a major concern. These subsidies do not promote a sustainable use of natural resources, hinder technology innovation, cause market distortions, and represent a heavy burden on public finances. In addition, water in a major concern in Mexico. Of the 188 most important aquifers in the country, 80 are over-exploited. Annual water demand of around 80 billion cubic meters (bcm) is significantly greater than Mexico’s sustainable supply of around 67 bcm, with the deficit met through unsustainable withdrawals. This is exacerbated by the agriculture sector in two ways: a) the low rate of compliance with the national water law (Ley de Aguas Nacionales), which regulates the perforation of wells

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Footnotes:
and specifies the quantity of water that can be drawn from each; and b) the national energy subsidy for electricity to pump water for agriculture, as specified under the Energy for Rural Areas Law (Ley de Energía para el Campo 6).

C. Relationship to CPF
The proposed project is consistent with the World Bank Group’s Performance and Learning Review (PLR) of the Mexico Country Partnership Strategy (2014-2019) (Report No. 104752). One of the strategic pillars highlighted by the PLR is “Unleashing Productivity (Pillar 1)” in order to foster new enterprise creation and upgrade infrastructure for increased competitiveness. One of the seven strategic objectives highlighted by the PLR is to “improved investment climate in target states and select infrastructure development for productive purposes (Objective 2, under Pillar 1).” The proposed project directly addresses this thematic area through introducing innovative and cutting-edge energy infrastructure within agribusinesses to decrease the costs of production and increase competitiveness.

The Mexican National Development Plan (NDP) 2013-2018 seeks to increase national prosperity by improving productivity in a number of areas, including the promotion and strengthening of entrepreneurship and small and medium-size businesses, promotion of investments and competitiveness of the agriculture sector, and engagement in sustainable development and clean energy. The project will help support these actions through investments in clean energy investments in the agriculture sector, helping to build a sustainable, low emissions agriculture sector and energy security for the future, while at the same time lowering production costs of agribusinesses and helping the sector to grow.

The project also contributes to one of the five goals in Mexico’s National Climate Change Strategy (i.e. reduce energy intensity through efficiency and responsible consumption) and is aligned with other international initiatives promoted by the Government of Mexico, such as the Paris Agreement and the UN Sustainable Development goals.

PROPOSED PDO/RESULTS

A. Proposed Development Objective(s)
Promote the adoption of renewable energy and energy efficiency technologies among agricultural producers.

B. Key Results
The results of the proposed Project will be measured through the following set of indicators:
1. Farmers adopting renewable energy / energy efficiency technology
2. Generation capacity of energy constructed or rehabilitated – Corporate Indicator
3. Net greenhouse gas emissions – Corporate Indicator

6 http://www.diputados.gob.mx/LeyesBiblio/pdf/246.pdf
Project beneficiaries

The project will operate at a national scale, and the sub-projects will be demand-driven. The project will support 3,500 Rural Production Units, defined as legally constituted agribusinesses, farmers’ associations or farmers’ cooperatives, from any state in the country that meet minimum eligibility criteria. The project will use the Food and Agriculture Organization of the United Nations (FAO) / Secretary of Agriculture, Livestock, Fisheries, Rural Development and Food (SAGARPA) definition of Rural Production Units (see Figure 1) to define the scale of target producers for each level of investment.

Figure 1: FAO/SAGARPA Definition of Rural Economic Units in Mexico

Rural Economic Units (REU) by Stratus in Mexico

PROJECT CONTEXT

A. Concept

1. Description

The overall goal of this project is to support Rural Production Units to invest in and adopt renewable energy and energy efficiency technologies. This is expected to lead to the reduction of costs of agricultural production and improving operational efficiencies of agricultural units, decreasing the demand from the agricultural sector on the national grid, reducing the national subsidies to the energy sector, reducing aquifer over-exploitation, and diminishing GHG emissions from agriculture and energy, thereby contributing to the achievement of Mexico’s Clean Energy and INDC targets. The project components support this objective through 1) investments in renewable energy and energy efficiency technologies, and accompanying technical assistance to ensure their use and sustainability, and 2) investments in pilots to identify and test promising new technologies. The combination of these factors will aim to reduce production costs for agribusinesses in
the short-term, but also to ensure the sustainability of the sector and reduce the fiscal burden on the government in the long-term, while demonstrating the potential benefits of the Agriculture-Energy nexus that could later be realized at a larger scale.

The proposed project will have a national focus. During preparation, the team will work together with partners to specify areas with concentrations of small farmers that could particularly benefit from the project, as well as with other programs in SAGARPA, to target agribusinesses currently benefitting from electricity subsidies for water pumping. The project will also expand the mechanism used under the current Sustainable Rural Development (SRD) project to target smaller agribusinesses for national level open calls for agribusinesses to present proposals and prepare subprojects.


The objective of this component is to provide rural production units, and specifically small and medium agribusinesses, with support for renewable energy and energy efficiency technologies through matching grants. Because small agribusinesses have different needs than larger ones, both in terms of technologies and in terms of technical assistance and financial needs, this component will be divided into four sub-components, based on the target beneficiary of each subcomponent. The first will focus on providing more efficient water pumps to offset energy subsidies to beneficiaries currently receiving subsidies, the second will focus producers in Segment 2 (FAO/SAGARPA) who are currently participating in the Special Program for Food Security (PESA) program, the third will focus on small producers and producer cooperatives without access to credit (Segment 3-4 FAO/SAGARPA), and the fourth will focus on established agribusinesses with access to credit (Segment 5 FAO/SAGARPA). All investments will be made through matching grant mechanisms where beneficiaries (depending on their Segment, as defined in above in Figure 1: SAGARPA/FAO Definition of Mexican Economic Units) will contribute between 20% (for the smallest) and 80% (for the largest) of the cost of the investment, and the project will provide the other portion of investment. All sub-projects will be supported by project technical assistance and capacity building to develop and implement business plans, including any energy diagnostics where necessary. This component will also use the vast networks of the Shared Risk Trust (FIRCO) field staff to undertake the promotional events and information dissemination workshops necessary to generate demand for the supported technologies within the target beneficiary groups.


This component will build on the lessons learned of the SRD project in supporting successful pilots to determine the viability of new types of technology, including pyrolysis, solar thermal for greenhouses and its application. The pilots implemented under SRD pilots were very useful in determining the potential for new technologies. The component proposes to examine the feasibility of promising new technologies, pilot them, and then evaluate them for the Mexican context. Those technologies that prove viability for agribusinesses in Mexico, will be passed onto Component 1 and the list of potential farmer investments to be supported by the project. Pilots under this component will begin in the first year of the project, allowing any viable technologies to be scaled under Component 1 in the fourth and fifth year of the project.
Component 3: Project Management, Monitoring and Evaluation.

This component will finance project operations through support to the SENER and FIRCO teams for the implementation of the project. Resources will be used to develop a) a monitoring and evaluation system for the project, including new indicators for tracking gender and Monitoring, Validation and Reporting (MVR) system for GHG emissions; and b) finance a baseline evaluation and a final impact evaluation. In addition, it will pay for capacity building workshops, staff training activities and a final project workshop.

Gender considerations:
In Mexico, a large number of producers are women, especially in areas where men have migrated and left women behind to run the farm. This project will focus on proving clean, reliable and low-cost energy to producers, producer groups and agribusinesses throughout the country and through such, will benefit women small farmers as it will men. The project will pay special attention to developing specific gender indicators to track progress and impact, specifically on women. Within the Monitoring and Evaluation system created for the project, the project will undertake specific studies to examine the participation of women in the energy agenda and the associated impact on households and livelihoods.

Climate and Disaster Risk:
The Climate Risk Screening Report established that exposure to the current and future climate and geographical hazards will pose a moderate risk to the project. As mentioned previously, Mexico is exposed to a number of climate hazards, including earthquakes, cyclones, hurricanes and droughts. Given this context, project activities will be designed to explicitly address these vulnerabilities—by providing diversified livelihood alternatives to enhance adaptation and resilience, reduce over dependence on natural resources, and mitigate GHG emissions from agriculture, and other land use.

SAFEGUARDS

A. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

Project will provide support to sub-projects for investments in: (a) autonomous photovoltaic systems and interconnected to the grid; (b) biodigesters; (c) solar thermal systems; (d) energy efficient technologies; and (e) efficient water pumps, among others. Project beneficiaries will be dependent on the type of technology and will be carefully selected through a national screening process to ensure they meet all project requirements and safeguards. An exclusionary list will be prepared to screen out sub-projects that would have required the triggering of OPs 4.09 or 4.12. Sub-projects will target small to medium size agribusinesses with a matching grant of 30-80%. All proposed actions will reduce Green House Gas (GHG) emissions, move towards a more sustainable production, reduce production costs, avoid either pollution or polluting farm waste and have positive economic returns to beneficiaries.

According to proposed investments, potential adverse environmental impacts are expected to be limited. However, a checklist for proposed projects would analyze the real environmental impacts of proposed technologies.

This proposed project aims to scale-up successful projects of FIRCO/SAGARPA and SENER in terms of project’s coverage,
enhancing impact and development effectiveness. The proposed project is demand-driven, and spans the entire country, increased coverage will mainly translate in the scaling-up of the most successful technologies supported to date to a larger number of beneficiaries. In the conceptual development, the actions of the Federal Government to promote the use of renewable energies and the efficient use of energy will give special emphasis to the promotion and attention of projects generated in the South and Southeast regions. In this region, there is significant potential for the development of these activities and where there have been few support proposals received in recent years with the previous projects.

The actions of the project will target the population engaged in agricultural, livestock, fishery, aquaculture activities, and that meet the requirements established by SENER. Particular attention will be given to small and medium-sized economic units, as well as to women.

**B. Borrower’s Institutional Capacity for Safeguard Policies**

FIRCO and SAGARPA, as well as SENER have been engaged with World Bank safeguards as required through the implementation of different projects. As such, these institutions are well qualified to comply with the Bank's safeguard policies. The implementation of environmental safeguards in previous and current projects have created a national capacity for the implementation of environmental monitoring and improvement of environmental management, which will provide value added to the project under development. This will bring the best of both governmental institutions, and the synergies needed to reach the productive and user sectors. This will help to promote the use of energy efficient practices and renewable energy systems in the agricultural sector, in order to (1) boost productivity and competitiveness; (2) reduce dependence on electricity subsistence, and; (3) contribute to the reduction of greenhouse gas emissions greenhouse effect.

**C. Environmental and Social Safeguards Specialists on the Team**

Dora Patricia Andrade, Environmental Safeguards Specialist
Arelia Jacive Lopez Castaneda, Social Safeguards Specialist

**D. Policies that might apply**

<table>
<thead>
<tr>
<th>Safeguard Policies</th>
<th>Triggered?</th>
<th>Explanation (Optional)</th>
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</thead>
<tbody>
<tr>
<td>Environmental Assessment OP/BP 4.01</td>
<td>Yes</td>
<td>Based on the EA, and the national scope of the project, an Environmental and Social Management Framework (ESMF) will be prepared. The ESMF will include procedures for specific EA or EMPs (depending on the scope and potential impacts indicated by screening) during the project implementation and specific procedures will be included in the Project Operational Manual (POM). The Bank will provide careful supervision of sub-projects and ensure fulfillment of Bank safeguards. The project is one of national scope, with a special focus on the south and southeastern Mexico, and sub-projects in natural protected areas are excluded, as</td>
</tr>
</tbody>
</table>
well as areas with dense and abundant forests of high biological vulnerability. This would also be verified for each particular sub-project considered for funding.

No significant negative environmental impacts from project activities are envisaged for the majority of subprojects. Overwhelmingly, sub-projects will be oriented towards positive economic impacts as a result of its technical and financial support to investment in both improved energy-efficiency in selected agri-businesses, and the project is expected to have significant positive environmental impacts. However, to date, the project is expecting to support the installation of between 500-1,000 energy efficient water pumps. With these pumps, there is the potential for increased irrigation and possible increased water use (up to the national allowable water quota.) These impacts will be carefully examined in the ESMF and the project’s financial / economic analysis. Underlying project activities, it is also expected that improved capacity for environmental management by both private and public sector will result in additional positive impacts on the environment in general.

<table>
<thead>
<tr>
<th>Natural Habitats OP/BP 4.04</th>
<th>Yes</th>
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<tbody>
<tr>
<td><strong>This policy is triggered given the need to consider the program’s potential impacts (positive and negative) on natural habitats from investments in the agricultural sector, which may lead to increased irrigation. While the objective is to invest in renewable energy and energy efficiency technologies, this may trigger changes in the irrigated areas of the sub-projects. Aspects of the project that promote energy efficiency could also trigger a consequential increase in irrigated area, with the possibility of expanding agricultural production on natural habitats.</strong></td>
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<tr>
<th>Forests OP/BP 4.36</th>
<th>No</th>
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<tbody>
<tr>
<td><strong>No forests or forest land will be involved in this project. This safeguard is therefore not activated.</strong></td>
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<thead>
<tr>
<th>Pest Management OP 4.09</th>
<th>No</th>
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<tbody>
<tr>
<td><strong>As this project promotes the adoption of energy efficiency and/or emission-reduction technologies in existing agri-businesses, and not direct agricultural production (which could include pest management practices), this safeguard will not apply to this project.</strong></td>
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<thead>
<tr>
<th>Physical Cultural Resources OP/BP 4.11</th>
<th>Yes</th>
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<tr>
<td><strong>Sub-projects are expected to involve the expansion and/or upgrading of existing agri-businesses, thus no major construction work is expected to take place with</strong></td>
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</tbody>
</table>
project financing. The assessment of this project indicated that it is highly unlikely that any activity may have any negative or positive impact on objects, sites, structures, natural features or landscapes with archeological, paleontological, historical or any other aspect of cultural significance. However, given the cultural history in Mexico, this safeguard will be triggered in the very unlikely instance that a cultural resource be discovered unexpectedly on the site of a sub-project. A chance finds procedure will be prepared and included in the ESMF.

The project will operate at a national scale, for this reason this Policy is triggered given that indigenous people are present in the Project's area of influence and could benefit from Project activities.

During Project preparation, a Social Assessment will be carried out to identify any potential positive and negative impacts on indigenous groups. An Indigenous People Planning Framework (IPPF) will be developed by the client in coordination with the Bank, to review the eligibility rules, and identify eventual barriers of access to the project by indigenous people. This framework will propose measures to amplify the positive impacts on indigenous people and help to mitigate any possible negative impacts. The social assessment and the IPP will also provide guidelines to improve outreach and consultation with indigenous beneficiaries, particularly the producers under level S2. (e.g. language provisions, participatory approaches, design and construction techniques).

The IPPF will establish actions and strategies to include the social recommendations in accordance with Social Safeguards in the studies developed under Component 2, to be sure that the pilots include analysis to identify potential positive and negative aspects. The IPPF will identify the social criteria to include in the Monitoring and Evaluation of the project (Component 3).

Physical relocation or land acquisition will not be required for project activities. All of the sub-projects to be financed under this operation will be carried out on private land, owned by the ultimate beneficiaries. Since the project will be investing in solar, solar thermal, biodigesters, energy efficiency technologies

<table>
<thead>
<tr>
<th>Indigenous Peoples OP/BP 4.10</th>
<th>Yes</th>
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<tbody>
<tr>
<td>Involuntary Resettlement OP/BP 4.12</td>
<td>No</td>
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</tbody>
</table>

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<tr>
<th>Indigenous Peoples OP/BP 4.10</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Involuntary Resettlement OP/BP 4.12</td>
<td>No</td>
</tr>
</tbody>
</table>
and water pumps, located either on roofs or small plots of owned land, there is no risk of displacement or land acquisition. The team will prepare an exclusion list screening out any installations in places where informal occupants or tenants may be planting crops or trees, have temporary businesses such as kiosks, or any other conditions that would trigger OP 4.12.

<table>
<thead>
<tr>
<th>Safety of Dams OP/BP 4.37</th>
<th>No</th>
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<tbody>
<tr>
<td>No dams will be constructed or rehabilitated in this project. Given the scope of the project (to invest in renewable energy and energy efficiency technologies), there will be no activities that impact major waterways or dams. Although sub-projects will support some energy efficient water pumps, these will replace existing inefficient pumps with no impact on dams or waterways. This safeguard is therefore not activated.</td>
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<thead>
<tr>
<th>Projects on International Waterways OP/BP 7.50</th>
<th>No</th>
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<tbody>
<tr>
<td>Given that the majority of investments will be in solar panels, biodigesters and energy efficiency technologies, there are no actions in international waterways. Although the project plans to invest in between 500-1,000 energy efficiency / renewable energy water-pumps, these pumps will replace existing low-efficiency or diesel pumps, with no perforation of additional boreholes. In addition, the project will be collaborating with the Ministry of Environment (SEMARNAT) and the associated commission for water (CONAGUA) to determine the location of beneficiaries. CONAGUA has all of the national aquifers mapped, and the project will disallow any subprojects proposing to work on internationally shared aquifers. Outside of the energy efficient pumps, no additional project activities will impact water or irrigation.</td>
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<table>
<thead>
<tr>
<th>Projects in Disputed Areas OP/BP 7.60</th>
<th>No</th>
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</thead>
<tbody>
<tr>
<td>There are no areas in dispute in the territory proposed for project interventions. This safeguard is therefore not activated.</td>
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**E. Safeguard Preparation Plan**

Tentative target date for preparing the Appraisal Stage PID/ISDS

Nov 15, 2017
Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing should be specified in the Appraisal Stage PID/ISDS

The proposed project is classified as Environmental Category B – Partial Assessment. In conformity with Bank policy, the client will have to prepare an ESMF and an IPPF of the proposed project. With the information provided in the concept note, we envisage that this project has environmental dimensions, which need to be analyzed in the context of, site specificities and if any, impacts are manageable.

By the nature of demand-driven sub-projects funding, any potential impacts would be included in the in-depth screening process, which would take place to ensure their compliance with Bank safeguard standards. Nevertheless, the financing will be utilized for relatively small/medium sized projects, this project is not expected to have significant environmental impacts. The project will prepare an exclusionary list, which will screen out projects with significant adverse impacts, or those projects that would require the triggering of OPs 4.09 or 4.12. The ESMF and the IPPF will be publicly disclosed both on the Bank’s and the client’s websites.

CONTACT POINT

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Senior Agriculture Economist

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