

**PROJECT INFORMATION DOCUMENT / INTEGRATED SAFEGUARDS DATA  
SHEET (PID/ISDS)  
CONCEPT STAGE**

Report No.:PIDISDSC21334

**Date Prepared/Updated:** 07-Jul-2017

**I. BASIC INFORMATION**

**A. Basic Project Data**

<b>Country:</b>	Mexico	<b>Project ID:</b>	P162749
		<b>Parent Project ID (if any):</b>	
<b>Project Name:</b>	Mexico REDD+ Emission Reductions Program (P162749)		
<b>Region</b>	LATIN AMERICA AND CARIBBEAN		
<b>Estimated Appraisal Date:</b>	02-Oct-2017	<b>Estimated Board Date:</b>	20-Dec-2017
<b>Practice Area (Lead):</b>	Environment & Natural Resources	<b>Financing Instrument:</b>	
<b>Borrower(s)</b>	Secretarí a de Hacienda y Crédito Público		
<b>Implementing Agency</b>	Comisión Nacional Forestal		
<b>Financing (in USD Million)</b>			
<b>Financing Source</b>			<b>Amount</b>
Borrower			0.00
Carbon Fund			60.00
Total Project Cost			60.00
<b>Environmental Category:</b>	B-Partial Assessment		
<b>Is this a Repeater project?</b>	No		

**B. Introduction and Context**

**Country Context**

Mexico is an upper middle-income country, a member of the OECD and the G20, and has one of the highest per capita incomes in Latin America. Mexico is an open economy with trade agreements with more than 40 countries. It has maintained solid macroeconomic stability in times of crisis and financial sector resilience. Mexico's innovations in social policy have been a matter of global learning. Yet, despite its significant economic and social improvements, stagnant productivity and insufficient inclusiveness are the critical causes of persistent poverty, inequality, and regional disparities within Mexico.

Natural resource capital, including forests, protected areas, agricultural lands, energy, and minerals, is an important contributor to Mexico's wealth. Natural resources support economic activities representing at least 11% of Mexico's GDP. They are an important source of jobs and support the livelihoods of millions of people, including rural populations. Environmental degradation and depletion of natural resources in Mexico have an economic cost equivalent to roughly 6.3% of GDP. Environmental degradation includes air and water pollution, soil degradation, and solid waste. In most cases, these costs are primarily borne by vulnerable groups, including young children, the elderly, and the rural poor. As Mexico grows and industrializes, demands on common property natural resources such as water and forests is also expected to rise.

Mexico ranks 12th in the world and is one of the largest contributors of carbon dioxide (CO<sub>2</sub>) emissions in Latin America. Mexico's high vulnerability to climate change is anticipated to exacerbate the country's development challenges. World Bank studies estimate that climate change could slow down the pace of poverty reduction by 2.4 percentage points by 2030, meaning an extra 2.9 million people would remain in poverty. The consequences of climate change will vary across social groups and throughout the country's territory, depending on factors such as exposure to hazards and climatic variability, sensitivity, and adaptive capacity. Poor and indigenous groups who depend on climate-sensitive sources of income could suffer the most significant impacts.

### **Sectoral and Institutional Context**

Forests are central to the livelihoods of millions of people in Mexico. With a total of 66.4 million hectares covering around one third of its land area, forests represent an essential source of employment, income and livelihood for some 12 million people in Mexico. It is estimated that between 65 - 80% of these forests belong to approximately 9,000 agrarian communities, including indigenous peoples and ejidos, a unique and legally recognized collective land ownership system. In addition to their important economic and social roles, Mexico's forests are also of high ecological value, containing some of the highest levels of biological diversity in the world.

Despite their strategic social and environmental contribution to Mexico's economy, forests continue to be under pressure, with a national annual average deforestation rate of 440,000 ha during the 1990-2010 period. Deforestation is mostly driven by the conversion of forests to more profitable land uses, such as agriculture and livestock. Other important regional drivers include tourism, mining and urban expansion. The degradation of primary forests also represents a significant source of GHG emissions and is largely due to the high rate of timber and fuelwood extraction, as well as forest fires and agricultural encroachment (particularly related to livestock). While the rate of forest loss at the national level has decreased over the last decade (FAO, 2015), these trends could be reverted if the necessary measures are not taken.

Over the past decade, forests have become a national priority for Mexico. The National Forestry Commission (CONAFOR) was established in 2001 to assist communities and small private landowners in sustainably managing forest resources. CONAFOR operates a range of thematic, community-based incentive programs. The scope of these programs increased rapidly since 2001. To date, as many as 4,000 communities have participated in the demand-driven programs operated by CONAFOR for sustainable forest management and Payment for Environmental Services (PES), while a number of forest communities have managed to develop successful commercial community forestry enterprises based on timber and non-timber products. Some of these are among the world's most advanced examples of commercial community forestry enterprises.

Mexico has become a global leader in climate change issues and particularly on the Reducing Emissions from Deforestation and Forest Degradation (REDD+) mechanism. The community forestry

approach developed by the Government of Mexico (GoM) constitutes a central piece of its social development and poverty alleviation strategies in forested regions, and is a cornerstone of Mexico's REDD+ strategy. Mexico's Vision for REDD+ was presented at the 16th Conference of the Parties (CoP) to the UNFCCC in Cancun and includes goals for zero net emissions from land use change and important reductions in forest degradation rates by 2020. Over the past few years, CONAFOR has led the preparation of the National Strategy on REDD+ through a highly participatory process that is recognized as a best practice in the REDD+ community. The REDD+ Strategy emphasizes the importance of a cross-sectoral approach linking forests with agriculture and other public policies, and is essential for reaching Mexico's climate targets as forestry and land-use change are the country's third-highest source of GHG emissions, and rank second in their potential to reduce emissions. In its recently submitted Nationally Determined Contribution (NDC), Mexico reaffirmed the important role of forestry and land use for its mitigation and adaptation targets, committing to reach a rate of 0% deforestation by 2030.

Mexico recognizes that deforestation and degradation factors are frequently outside of the forest sector and that the most effective way to face these factors is through a territorial, cross-sectoral and sustainable rural development approach. Significant investment is required to achieve climate and rural development targets in forest landscapes. At the same time, public investments in the rural sector are noteworthy and can cover many of the investment needs of climate and forest smart interventions. However, most of these public programs and investments are not well aligned for achieving these targets in a coordinated manner, and in a way that reduces adverse impacts of agricultural programs on forests. An effective promotion of low-carbon rural development with ambitious REDD+ results calls for an unprecedented policy and institutional alignment to coordinate and secure integrated multi-sectoral actions at different scales, particularly at local level, to promote synergies especially between agriculture and forest financing programs. The GoM has shown a clear interest in piloting effective landscape management mechanisms capable of aligning the often competing incentives, policies and programs among different sectors to address local drivers of deforestation and degradation, by promoting a sustainable rural development approach in the complex forest landscapes of Mexico.

#### **Relationship to CAS/CPS/CPF**

The proposed ER Program is aligned with Mexico's Country Partnership Strategy (CPS), which covers fiscal years 2014-2019. The CPS outlines four strategic themes, notably promoting green and inclusive growth, including by reducing the footprint of growth and using natural resources in an optimal way. The CPS acknowledges not only the costs of land and forest degradation, but the importance of forests as an essential source of employment, income, and livelihood.

The proposed ER Program is also aligned with the World Bank's corporate commitments on Forests and Climate Change. In particular, the WBG Forest Action Plan for FY16-20 (FAP) identifies Mexico as one of the key countries to deploy REDD+ performance-based payments towards a low-carbon rural development trajectory. Many activities of Mexico's ER Program would directly support several interventions under the FAP Focus Areas (Sustainable Forestry and Forest Smart Interventions) and Cross-Cutting Themes (Climate Change and Resilience, Rights and Participation, Institutions and Governance). In addition, the ER Program is aligned with the WBG Climate Change Action Plan's top-level priorities on Supporting Transformational Policies and Institutions, by translating Mexico's NDC into climate policies and investment plans into actions; and on Scaling Up Climate Action by mobilizing REDD+ financing to support a large-scale, multi-sectoral program in the climate-smart land use, water and food security high-impact area.

### **C. Proposed Development Objective(s)**

#### **Development Objective(s)**

The proposed Development Objective is to pay for verified Emission Reductions related to reduced deforestation and forest degradation (ER payments) and to distribute ER payments in accordance with the agreed benefit-sharing mechanism in selected States in Mexico.

### **Key Results**

Project achievements would be measured against (i) ER payments for the equivalent of XXX millions tons of CO2 [to be defined] transferred to the receiving institution; and (ii) ER payments distributed in accordance with the agreed benefit-sharing mechanism.

### **D. Concept Description**

The proposed ER-Program aims to put into practice Mexico's territorial approach to Sustainable Rural Development (SDR) by transforming the way rural landscapes are managed, through enhanced integration and coordination of public interventions across different sectors (and particularly agriculture, livestock and forests). Such territorial approach is the backbone of the national REDD+ strategy prepared by Mexico over the past two years (and as described in the "REDD+ Intervention Model" document).

This territorial approach would be operationalized through Investment Plans , that represent an innovative management instrument aiming at aligning the offer from the various national Programs (mostly from CONAFOR and SAGARPA, but also from other entities ) and deploying an integral package of sustainable rural investments to address the underlying causes of deforestation and forest degradation.

As part of the preparation of the ER-Program, eleven Investment Plans have been prepared for each one of the intervention areas. These intervention areas are distributed as follows: Four in Jalisco: i) Ayuquila Lower River Basin; ii) Coahuayana River Basin; iii) Sierra Occidental and Costa; and iv) Costa Sur. Four in Chiapas: i) Istmo-Costa; ii) Zoque-Mezcalapa; iii) Frailesca, and iv) Lacandona Jungle. One in Quintana Roo (South) and one in Yucatán, as well as the central part of Campeche.

These plans compile a number of specific land management activities ("generic activities") that have been identified to address the underlying causes of deforestation and forest degradation in each Intervention Area (see list below). These activities were selected through a joint planning and participatory process with local communities. Overall, all activities can be summarized within the following 10 "Sustainable land-use activities" categories:

- 1 Improved cropping systems
- 2 Sustainable cattle ranching
- 3 Sustainable forest management
- 4 Restoration and rehabilitation of coffee plantations
- 5 Apiculture development
- 6 Productive reconversion
- 7 Productive projects to increase revenues
- 8 Strengthening local governance
- 9 Payment for environmental services
- 10 Strengthening regulatory instruments

In addition to the generic activities, complementary activities have also been identified to create an enabling environment to scale up the adoption of generic activities (such as access to credit, training, market access). These complementary activities have been identified for each one of the intervention areas, however, they have not been included in the Investment Plans as their financing still needs to be secured (from public and private sources).

Institutional arrangements: The ER-Program would entail strong coordination at different levels (federal, state and municipal level).

- At the federal level: Coordination at the federal level would ensure a better alignment of the different public programs towards a coordinated and integrated approach for sustainable rural development. Over the past few months, CONAFOR has fostered coordination with key public entities involved in sustainable rural development that are materializing in Memorandum of Understanding (MoU) and Collaboration Agreements (CA). In particular, CONAFOR and SAGARPA have prepared a MoU that describes the modalities of collaboration to support the REDD+ Strategy in general and the implementation of the ER-Program. CONAFOR also has active CA with CDI and CONABIO.
- At the State-level: The State Governments would play a key role in the implementation of the Investment Plans and particularly the coordination of the public subsidies from various programs. Agreements would be signed between the CONAFOR and the State Governments for the implementation of the ER-Program.
- At the Municipal-level: Municipal Governments would coordinate the “demand” side for the ER-Program, with the support of the Territorial Development Agents or Agentes de Desarrollo Territorial (ADT).

The ADT is a key actor to ensure smooth coordination between the different levels and particularly between the municipal and the state levels. It is responsible for liaising and reaching agreements with local communities and municipalities on low carbon investments to be promoted at the local level: these agreements should support the municipalities’ development plans and planning instruments. The ADT also coordinates inter-institutional and cross-sectoral actions at the State level: it provides local information to the State Governments on the demand from community/municipal levels so that the State Government can best define the programs to be supported. The ADT play a central role in the preparation of the Investment Plans.

Phased-approach: The Investment Plans would be implemented in a phased approach:

- The first phase of the ER-Program would consist of the implementation of the generic activities identified in each one of the investments plans. These activities would be funded through existing public Programs in the rural sector, in large part from CONAFOR, SAGARAPA and the State Governments . For the first year of implementation, it is estimated that about \$75 million of public resources would be channeled through public programs to support the implementation of generic activities of the ER-Program. At this stage, complementary activities would be implemented only if financing can be secured.
- The second phase would be initiated upon payment of the first ERs generated by the Program. Under this second phase, implementation of generic activities would be continued and the ER payments would support part of the complementary activities. The complementary activities to be financed with the ER payments would be further defined through a participatory process and based on a Benefit Sharing Plan (BSP) under development by CONAFOR (such BSP must be in place before the signature of the ERPA with the World Bank).
- It is expected that the ER Payments would contribute to a virtuous cycle, promoting an enabling environment to unleash the potential of generic activities and eventually scale up the adoption of sustainable land-use activities, which would lead to the generation of more ERs.

Benefit sharing mechanism: CONAFOR has been working on the preparation of a Benefit-sharing mechanism (BSM) that would define the modalities of redistribution of the ER-payments. The fundamental principles to govern such a BSM have been outlined in the National REDD+ Strategy and the operational modalities to be applied under the ER-Program are currently being discussed with the various stakeholders. An approved BSM will be a condition for the disbursement of the first payment.

## II. SAFEGUARDS

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

The ER Program would be implemented in five states of Mexico: Campeche, Chiapas, Jalisco, Quintana Roo, and Yucatan. These five States represent 28% of the country's national forests and 36% of the emissions from the forest sector. They have been selected not only for their high deforestation and forest degradation rates, but also for their political and social commitment to REDD+, as well as governance conditions allowing the ER-Program implementation. The Program represents a continuity of the model that CONAFOR has been implementing in these States under the Forest and Climate Change Project (P123760) through the Forest Investment Program (FIP). Within the five States, specific intervention areas (11) have been identified to receive specific attention, with a comprehensive set of activities to reduce pressures on forests.

Mexico has historically been a culturally diverse country. According to a 2015 report of the National Commission for the Development of Indigenous Peoples (CDI), 21.5% of Mexico's population are indigenous. Indigenous peoples are more likely to live in rural areas and are more likely to live in poverty. The majority of the indigenous population is concentrated in Mexico's central and southern states. According to the CDI, the states with the greatest percentage of indigenous populations are: (i) Yucatán, 65.40%, (ii) Campeche, 44.54%, (iii) Quintana Roo, 44.44%, (iv) Chiapas, 36.15% and (v) Jalisco, 11.12% (the five states of the ER Program).

### B. Borrowers Institutional Capacity for Safeguard Policies

Within the framework of the REDD+ readiness process, Mexico since 2010 has been conducting a Strategic Social and Environmental Assessment (SESA) which has focused on the participatory development of the National REDD+ Strategy (ENAREDD+) and has included as key elements the development of a stakeholder map, the analysis of strategic options, the process of national consultation, and the analysis of risks in implementing the Strategy. The main outcome of the SESA is a draft Environmental and Social Management Framework (ESMF), which was developed and consulted in 2016. This instrument contains the principles, guidelines and procedures for tackling/avoiding/minimizing negative risks/impacts and promoting the social and environmental benefits of implementing the ENAREDD+ and the ER Program. The draft ESMF establishes the development of specific State Safeguard Plans, which will be developed by each State, whose preparation and implementation process will be led by the State Governments. These plans will monitor safeguards compliance at the level of the investment intervention areas and will also be aligned with the specific provisions established in the draft ESMF, which in turn is consistent with the REDD+ safeguards of the UNFCCC and the Operational Policies of the World Bank and will include a grievance mechanism currently being piloted in the Yucatan peninsula.

The development of the draft ESMF for REDD+ builds on many years of successful collaboration between CONAFOR and the World Bank on safeguards-related issues, through a series of operations in the forest sector. Through the Forests and Climate Change Project, World Bank Operational Policies related to safeguards have been gradually and successfully mainstreamed into CONAFOR's operational rules for managing public subsidy Programs in the forest sector, which constitutes a best practice globally. The main focus and added value of the ER Program will be a concerted effort to replicate this experience in other sectoral agencies participating in the Program, mainly SAGARPA, as well as building this capacity at the State level. At the State level, the intervention strategy considers the identification of instruments and lines of collaboration and responsibilities between the environment and rural sectors in each State (at federal, State, municipal and community levels). The

responsibility for overseeing safeguards compliance of the investment plans lies at the State level.

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

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**D. POLICIES THAT MIGHT APPLY**

Safeguard Policies	Triggered ?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>The project is classified Category B given that the nature of the interventions, designed as low-carbon rural development management measures to reduce emissions from deforestation and forest degradation in 11 selected hotspot deforestation areas, are not likely to result in significant negative impacts on human populations and / or environmentally important areas. The project is likely to result in positive impacts for forest landscape conservation and restoration. Potential negative impacts, if present, will be limited in scope and will not be significant or irreversible. The ER Program is based on the ENAREDD+, and the Strategic Environmental and Social Assessment (SESA) process which evaluated social and environmental risks and potential impacts associated with REDD+. Based on the SESA, a draft Environmental and Social Management Framework (ESMF) was developed and consulted in 2016. The draft ESMF provides general guidelines to prevent and mitigate identified risks and potential impacts, including specific instruments for the ER Program such as the State Safeguard Plans (SSP). SSP are made operational through “Investment Plans” that include land management activities that cover a wide range of potential sectors including forest management, cattle ranching and improved cropping/productive reconversion, among others. SSP preparation and implementation will be led by the State Governments. These plans will be aligned with the provisions established in the draft ESMF, which is consistent with national legislation, the REDD+ safeguards of the UNFCCC and the Operational Policies of the World Bank. SSP will include the grievance mechanism that is</p>

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		currently being piloted in the Yucatan peninsula. As Mexico's security situation has deteriorated in the past years, an update on the security situation in the ER Program States will be carried out, to adjust measures if needed.
Natural Habitats OP/BP 4.04	Yes	This policy is triggered as many of the activities support forest management and conservation, including in Natural Protected Areas decreed and regulated by law. The SESA, as well as the wide participation process conducted in the ER Program communities to define the program's investment plans, assessed the possible risks to forest habitats in protected areas and other sensitive habitats under private or community management to ensure that program activities carried out in protected areas will be consistent with their management plans, and integrate rules and guidelines that take into account possible future impacts during the implementation of the ER Program, in order to prevent critical habitats from being impacted. This assessment and the legal framework included in the draft ESMF have been developed in close coordination with other government agencies (CONANP and CONABIO).
Forests OP/BP 4.36	Yes	This policy is triggered given that some activities will focus on forests, their protection/management as well as community linkages and use of these resources and non-timber forest products. The measures included in the draft ESMF are consistent with policy requirements in regards to small-holder forestry and time-bound planning, and build largely on the experience of Mexico in Community Forestry, Payment for Environmental Services, and Sustainable Forest Management Certification programs that are underway. During preparation, these and other rural development initiatives have been assessed in order to ensure that key social and environmental risks and potential impacts associated with REDD+ are incorporated in the ESMF. The draft ESMF is complemented by CONAFOR's and SAGARPA's own good practices in related forestry investments and firefighting

		programs, among others, that are consistent with WB Environmental Health and Safety guidelines.
Pest Management OP 4.09	Yes	This policy is triggered in a precautionary way in cases where specific activities in the intervention areas require pest management. The draft ESMF outlines measures for integrated pest management through biological and mechanical treatment over chemical control. In addition, Art. 119 of the Sustainable Forest Development Law provides CONAFOR the mandate to establish means of assessment and timely warning of the state of health of forest lands, in order to resolve any pest-related problems with preventive measures and manage them. Also, the SSP will specify the pest management methods to be employed, as well as associated health and safety regulations.
Physical Cultural Resources OP/BP 4.11	Yes	This policy is triggered, as a result of the nature of the ER Program, in which physical cultural resources are likely to be found in forest or rural areas, and some of the objects identified may be pre-Hispanic structures, sacred sites, protected land, etc. In order to comply with this policy, CONAFOR is working with the National Institute of Anthropology and History (INAH), a federal government agency dedicated to the preservation and protection of the archaeological, anthropological and historical heritage of the Mexican nation to coordinate the reporting and treatment of any findings. The SSP will establish procedures in the case of cultural findings.
Indigenous Peoples OP/BP 4.10	Yes	OP/BP 4.10 is triggered given the presence of Indigenous Peoples in the project implementation area. According to the CDI, the states with the greatest percentage of indigenous population are Yucatán (65.4%), Quintana Roo (44.4%) and Campeche (44.5%), most of them Maya. Chiapas has 36.2%, the majority being Tzeltal and Tzotzil Maya. These four ER Program States also have the highest percentages of indigenous language speakers in Mexico according to the 2015 Population Census carried out by the National Institute of Statistics and Geography (INEGI).

	<p>To comply with OP/BP 4.10, the SESA process was initiated early during the Readiness phase in a highly participatory manner and with a special focus on indigenous peoples' participation, in order to identify key issues and provide recommendations for the design of the REDD+ Strategy. Indigenous peoples participated in most of the 16 Regional and National Workshops carried out as part of the SESA process, in which more than 12,245 people participated in total. Through the SESA, indigenous peoples assessed the risks and benefits of the proposed REDD+ strategic options from their own perspective and contextual realities, and also provided suggestions for potential mitigation measures.</p> <p>Potential risks identified during the consultation process included: (i) the implementation of the ENAREDD + and the ER Program does not recognize the needs, interests and priorities of indigenous peoples and communities; (ii) implementation of the ENAREDD + and the ER Program does not recognize or respect the traditional knowledge of indigenous peoples and communities, resulting in interventions that go against such knowledge; (iii) violations of the rights of indigenous peoples and communities, in particular tenure, land use and natural resource rights; (iv) the implementation of ENAREDD + and the ER Program lead to community conflicts; (v) Payment for Environmental Services only benefits the legal owners of the forest and does not include forest users; and (vi) ER Program investments displace capacities, knowledge, techniques and practices of the population, leading to the population's dependence on external agents.</p> <p>The draft ESMF includes a draft Indigenous Peoples Planning Framework (IPPF) that has been prepared in a culturally appropriate manner in compliance with the Indigenous Peoples Policy (OP 4.10) in order to address any issues that might arise from specific investments during the implementation of the REDD+ Strategy.</p>
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		<p>The draft IPPF provides guidance in preparing SSP. The SSP are operational instruments for the management of environmental and social risks in the States, with State-specific guidelines, mechanisms and procedures. The SSP will include the Indigenous Peoples Plans (IPPs) for the intervention areas of ER Program. The SSP also will outline the procedures for handling complaints or grievances related to the activities .</p> <p>The SSP will be the tool that allows for: (i) confirming the presence of indigenous peoples in the project area; (ii) addressing the potential risks identified by the IPs and establishing alternative strategies and/or mitigation measures in the case of possible negative impacts; (iii) holding prior, free and informed consultations with the indigenous populations involved, when applicable; and (iv) recognizing and respecting customs and avoiding any type of discrimination.</p>
Involuntary Resettlement OP/BP 4.12	Yes	<p>Land acquisition leading to involuntary resettlement is unlikely under this project. Interventions will likely be limited to restricting access to natural resources during the implementation of the REDD+ Strategy, in the following contexts: potential interventions in NPAs and in Payment for Ecosystem Services (PSA) areas. There is the potential for conflict in PSA areas, if access to natural resources is restricted, in particular to non-land tenure holders.</p> <p>During the Readiness phase, the SESA was used to assess the risk of potential restriction of access to natural resources as part of the design phase of the REDD+ Strategy, providing adequate recommendations from the perspective of stakeholders. As a result, a draft Resettlement Policy Framework (RPF) is being prepared as part of the ESMF. Additionally, a draft Process Framework (PF) is being prepared to provide procedures in order to manage impacts in the case of restriction of access as a result of the implementation of the REDD+ Strategy on the ground, including indigenous peoples. The draft RPF and PF will be included as specific</p>

		chapters of the ESMF.
Safety of Dams OP/BP 4.37	No	This policy is not triggered as the project will not support the construction or rehabilitation of dams, nor will it support other investments which rely on the performance of existing dams.
Projects on International Waterways OP/BP 7.50	No	This policy is not triggered as REDD+ activities will not involve the use or potential pollution of international waterways.
Projects in Disputed Areas OP/BP 7.60	No	This policy is not triggered as REDD+ activities will not be implemented in disputed areas.

## E. SAFEGUARD PREPARATION PLAN

### 1. Tentative target date for preparing the Appraisal Stage ISDS:

30-Jul-2017

### 2. 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 ISDS.

The State Safeguard Plans (SSP), which will provide safeguard oversight requirements for the five states' investment plans, will be developed by the State Governments with CONAFOR's collaboration. These Plans must be ready and disclosed before the signing of the Emission Reduction Purchase Agreement (ERPA) (the SSP are expected to be prepared and disclosed by November 2017), or this will be included as a condition of the ERPA's effectiveness.

## III. Contact point

### World Bank

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**V. Approval**

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<sup>1</sup> Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.