

Project Name Mexico-Mesoamerican Biological (@)...
Corridor

Region Latin America and the Caribbean

Sector Natural Resource Management

Project ID MXGE60908

Recipient United Mexican States

Implementing Agencies The executing agency for this project is the United Mexican States' National Biodiversity Use and Awareness Commission (Comision Nacional para el Conocimiento y Uso de la Biodiversidad; CONABIO), via the trust fund "Fondo para la Biodiversidad" Address: Liga Periférico Sur - Insurgentes 4903 Parques del Pedregal 14010 Mexico DF
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Environment Category B

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1. Country and Sector Background. The Government of Mexico has been promoting a programmatic approach to the conservation and sustainable use of biological resources. The three building blocks of the approach are a) improving conservation through the national system of protected areas (SINAP), b) promoting sustainable use of plant and animal wildlife with improved management and market access; and c) mainstreaming both conservation and sustainable use into territorial development by means of an integrated approach to land use planning based on the notion of regions. Implementation of the government's innovative approach is still constrained by several key limitations, such as continued under-funding of environmental protection and sustainable natural resource management, and the challenge of establishing effective mechanisms of institutional

coordination among public agencies at the various levels of government for better environmental management.

An important step towards institutional coordination has been the signing in 1998 of a framework agreement for institutional coordination (Bases de Colaboración Interinstitucional) by the Ministries of Environment (SEMARNAP), Agriculture (SAGAR), Social Development (SEDESOL), Transport (SCT) and Agrarian Reform (SRA), later joined by the Ministries of Commerce, Education and Public Health. By signing the agreement, these Ministries have committed to join efforts in promoting sustainable development in priority regions of the country. That is, regions with high levels of poverty and social exclusion, limited availability of physical and social infrastructure, and typically high reliance on natural resources for subsistence purposes.

In early 1999, in an effort to mitigate damages from recent natural disasters (forest fires, floods) and to prevent future ones, President Zedillo launched a country-wide initiative to promote the adoption of more environmentally conscious agricultural practices.

2. Project Objectives. The main objective of the project is to promote conservation and sustainable use of globally significant biodiversity through the establishment of biological connectors linking Protected Areas in the southeast of Mexico. The connectors will foster the ecological equilibrium of land and coastal ecosystems and at the same time will contribute to socially sustainable and environmentally sound development through mainstreaming of biodiversity conservation and sound natural resource management in regional (i.e., multi-state) development processes.

By means of this project, Mexico will join into the broader Mesoamerican Biological Corridor (MBC). This is a comprehensive effort by participating countries to connect natural habitats from Mexico through Central America to Colombia. In Central America the effort is led by the Central American Commission for Environment and Development (CCAD) and supported by the GEF, World Bank, UNDP and many other national and international organizations.

3. Rationale for Bank's Involvement. The World Bank through a previous GEF project has been collaborating with the Government of Mexico in developing management plans for 10 protected areas, including 6 areas in the South-East. With the Corridor project presented here, the Bank will assist the government in addressing the next challenge, that is, sustainable biodiversity management beyond protected areas. GEF funds under the project proposed here will complement and add synergy to those already invested by focusing on biological corridors as a complementary strategy for biodiversity conservation. By virtue of its technical expertise, its dynamic network of contacts with the international development community, and its active policy dialogue with the government, the Bank is well placed to mobilize and catalyze the human and financial resources required to consolidate sustainable natural resource management in south-east Mexico, and to promote -through appropriate use of the proposed GEF grant- a long-term strategy of biodiversity mainstreaming.

4. Project Description. The Mexico Mesoamerican Biological Corridor Project would promote the establishment of 5 biological corridors linking protected areas. The biological corridors have been proposed as a strategy to avoid the isolation and fragmentation of NPA and to allow for genetic and species migration in support of ecological health of key ecosystems

and their species. The following corridors, considered as wide geographical areas, have been selected, in accordance with the definition of priority areas for conservation: Northern Yucatan (between Ria Lagartos and Celestun nature reserves); the area between Sian Ka'an and Calakmul nature reserves in Quintana Roo; the area between the Quintana Roo corridor and the Guatemala part of Selva Maya in Campeche; Northern Chiapas (between Montes Azules and El Ocote nature reserves), and the Sierra Madre del Sur (connecting the reserves of La Sepultura and El Triunfo with conservation areas across the Guatemala border). The corridors and protected areas together would form an integrated system for the conservation and sustainable management of natural resources, including biodiversity, across the natural and productive landscape. Together, the selected corridors cover the range of vegetation types in Southern Mexico. Within the corridors, actions would be concentrated in a set of 16 smaller geographic areas, called "focal areas".

A sequential approach would be followed, whereby activities in the first four years of the project (the inception phase) would concentrate on a group of nine focal areas, where the project's basic philosophy would be applied and the operational methodology would be tested. In a subsequent, three-year consolidation phase, the scope of the project would be expanded to an additional seven focal areas. Lessons learned from the inception phase would inform implementation during the subsequent phase. The project would consist of four components:

A) Design and monitoring of biological corridors: This component will finance the detailed definition of priorities in the focal areas for conservation and sustainable use of biodiversity, through processes of participatory community planning, and on the basis of expert scrutiny of biological/ ecological field and cartographic information. The component will also finance the establishment and operation of an integrated monitoring and evaluation system, which will track project performance through monitoring bio-ecological, socio-economic and institutional indicators at the corridor and focal area levels. Availability of sound scientific data on species, population and ecosystems is key to assess the biodiversity benefits of activities promoted under components B and C of the project.

B) Corridor integration into development programs: This component will promote removal of institutional, technical and informational barriers that prevent the adoption, in regular rural development programs, of win-win natural resources and biodiversity management options. About 50 programs for social, agricultural and infrastructure development are currently applied with federal funding (some with state/municipal counterpart) in the project area. Analysis undertaken during preparation shows that at least half of them have direct relationships with the conservation and sustainable use of natural resources and biodiversity. These relationships may be positive if programs are properly designed and executed. As the biodiversity relevance of the individual programs and the institutional, technical and political opportunities for their re-orientation vary across corridors, the implementation modalities of this component will be made specific to the characteristics of each corridor and its focal areas.

This component will finance studies, consultations and capacity building to help re-orient in biodiversity-sound ways government activities throughout the cycle of planing, design, execution and

monitoring of programs.

C) Sustainable use of biological biodiversity: Under this component an integral approach will be developed to promote sustainable use of biodiversity, in focal areas within the 5 selected corridors. This approach will include activities aiming at:

? Maintaining native ecosystems (forests, coastal ecosystems, marshes, etc.), by developing alternatives such as wildlife viewing, ecotourism, schemes for forest enrichment with desirable species, extraction schemes for non NTFP, etc.;

? Restoring degraded ecosystems, such as restoration of water flow to original ecosystems (wetlands), reforestation with native species compatible with biodiversity conservation objectives, pilots for rebuilding dunes through replanting with native species, etc.;

? Developing Sustainable Use of Biological Resources in productive landscapes, through capacity building for alternative use of wood products (non timber species), sustainable use of plant biodiversity in homegardens and milpas, test of native species as covercrops, pilot projects of improved use of local species and varieties (fauna and flora), studies on market access for organic products and/or "sustainably managed" biological resources, certification, etc.

This component will also finance a communication campaign to effectively reach beneficiaries on the ground, as well as government officials and civil society at large, and promote a positive behavioral change for conservation and sustainable use.

D) Project coordination: This component will finance the establishment of a National Technical Unit (located in CONABIO) and 2 Regional Technical Units (one for the Yucatan Peninsula, one for Chiapas) responsible for the day to day management of the project. A National and four State level Corridor Councils will be formed. The Councils would assure project implementation according to the strategic lines set out in the project documents.

5. Project Financing. The overall project cost is estimated at US\$90.05 million, of which the Bank would finance US\$4.25 million (these figures refer to funding expected to be provided by the Rural Development in Marginal Areas project), the Government (GOM) US\$66.99million - which include an estimated \$57.7 million of baseline regular development programs in the project area - CONABIO US\$1.24 million, GTZ US\$2.44 million (provisional estimate), and GEF US\$14.84 million. Of the total project cost of US\$90.05 million, around 6.6% is the cost of designing and monitoring the corridor; 79.6% the amount for the corridor integration into development programs; 10.3% for sustainable use of biodiversity and 3.5% for project coordination.

6. Project Implementation. On behalf of the Mexican Government, the recipient of the grant will be Nacional Financiera (NAFIN), which will act as financial agent. The National Commission for the Knowledge and Use of Biodiversity (CONABIO) via the trust fund "Fondo para la Biodiversidad" will act as the Executing Agency for the project. The project will be integrated in CONABIO as a department. A National Corridor Council for the project is being formed. It includes representative from the federal government (4 members), from CONABIO (2), National Commission for Protected Areas (1), the States' governments (4), the academic (2), NGO (2), social (2) and private (2) sectors. The NCC will meet twice a year to discuss the project's overall strategic and operational framework

(including linkages with the broader Mesoamerican Corridor, fit of the project within development policies and programs in southeast Mexico), to review progress in project implementation and achievement of project objectives, to review and approve in general terms the consolidated annual operational plan and budget, and to provide recommendations to the National and Regional Units on project implementation matters.

At the state level, a Corridor State Council (CSC) will be formed in each state, representing federal (3 members) and state government (3 members), local municipal governments (2 members), NGO (2 members), academic (2 members), social (2 members) and private sectors (2 members). The CSCs would discuss and oversee strategic aspects of project implementation at the corridor and focal area levels.

The project's National and Regional Technical Units will have the daily responsibility for project execution, taking into account the opinions of the National and State Corridor Councils; they will facilitate social and institutional consensus required to execute the project's various components and monitor implementation progress. The project's National Technical Unit will act as Secretariat of the NCC, the Regional Technical Units as secretariat of the State Corridor Councils.

7. Project Sustainability. Social participation, institutional and political commitment, technical soundness and financial viability will be key to ensure long-term sustainability of the project. The implementation of a comprehensive communication strategy in order to achieve a positive behavioral change for conservation and sustainable use will help ensure the sustainability of the project.

8. Lessons Learned from Previous Bank Involvement. The design and preparation of the project has drawn on lessons derived from World Bank experience in implementing biodiversity projects. According to a recent World Bank report, Mainstreaming Biodiversity in Development: A World Bank Strategy for Implementing the Convention on Biological Diversity, the key factors contributing to successful project implementation include: institutional strengthening, participation of local stakeholders, flexibility and decentralized management of protected areas. Recently, the Performance Review and Redesign of the Mexico, Protected Areas Program, co-funded by GEF, highlighted limitations in inter-institutional coordination and the too many bureaucratic levels between the Bank and GOM counterparts, resulting in lack of adaptability and timeliness to achieve project objectives in large and remote areas. The World Bank has learned that a top-down approach to project design and implementation does not work or at least has serious limitations when dealing with activities affecting local peoples and organizations of civil society. Therefore, in this project, the Bank is adopting a participatory approach involving the beneficiary communities and social and environmental advocacy NGOs as well as relevant government organizations and international cooperation agencies. Conservation of biodiversity in areas of human occupation requires their full involvement. They must be part of the design, implementation, monitoring and evaluation. Similarly, the main lesson of working with small producer, rural organizations is that one must start learning about the existing patterns of natural resource management and build on them, combining local traditional knowledge with modern technology and working together in the search of technological alternative appropriate to their socioeconomic conditions. Finally, a major effort is required to educate trainers to provide effective support to rural

communities and indigenous people.

9. Poverty Category. Not applicable.

10. Environmental Aspects. The environmental category is "B". The project is designed to be entirely positive from an environmental standpoint, particularly by promoting the conservation and sustainable use of globally significant biodiversity on selected community, ejido and private lands.

To ensure that project activities have no unintended environmental impacts and that they are in full compliance with World Bank environmental safeguard policies, the project establishes screening procedures, differentiated in accordance with the type and degree of impacts expected. Project activities promoting maintenance and/or restoration of ecosystem quality are expected to have very low environmental impacts. They would be screened and assessed by the Regional Technical Units (RTUs). Each RTU will have in their staff a specialist in sustainable use projects, with skills and qualifications (satisfactory to the Bank) in environmental impact assessment.

Project activities that may entail more intense use of natural resources will be subject to more in-depth scrutiny. They will receive a preliminary screening by the RTUs to verify eligibility and a first environmental assessment. In addition, the RTU (under the supervision of the National Technical Unit) will prepare a report on environmental impacts ("informe preventivo"), to be submitted to the National Ecology Institute (INE) for technical review. Written approval by INE of the "informe preventivo" will be a condition for sub-project financing.

11. Social Aspects. Some 40% of the total population in the project area is indigenous. Within the Corridors there are areas where the majority of the population is indigenous, as in the case of the Corridors of Northern Chiapas, in Campeche and in Quintana Roo. To ensure that indigenous peoples can participate actively to project-financed activities, the project includes an Indigenous Peoples Development Plan (IPDP). The plan is based on social assessment work and consultations with indigenous group. It identifies several activities within four broad strategic areas (organizational strengthening, sustainable production, improved access to development programs, and participation in monitoring and evaluation activities). The plan entails the creation of a special window to finance pilot projects presented by vulnerable groups (such as indigenous communities and women groups). This represents some 5% of total grant resources over an seven year period. But, in addition, the above groups can also access the project resources for activities such as workshops, pilot projects, studies, and capacity building and planning, which amount to some 40% of the grant's budget.

12. Program Objective Category. Environmentally sustainable development (EN).

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