

**INTEGRATED SAFEGUARDS DATASHEET  
APPRAISAL STAGE**

**I. Basic Information**

Date prepared/updated: 03/21/2007

Report No.:

**1. Basic Project Data**

Country: Brazil	Project ID: P094715	
Project Name: National Biodiversity Mainstreaming and Institutional Consolidation Project		
Task Team Leader: Adriana Moreira		
GEF Focal Area: Biodiversity	Global Supplemental ID:	
Estimated Appraisal Date: March 8, 2007	Estimated Board Date: June 21, 2007	
Managing Unit: LCSEN	Lending Instrument: Specific Investment Loan	
Sector: Forestry (50%);General agriculture, fishing and forestry sector (30%);Central government administration (20%)		
Theme: Biodiversity (P);Environmental policies and institutions (P)		
IBRD Amount (US\$m.):	0.00	
IDA Amount (US\$m.):	0.00	
GEF Amount (US\$m.):	22.00	
PCF Amount (US\$m.):	0.00	
Other financing amounts by source:		
<u>BORROWER/RECIPIENT</u>		75.00
		75.00
Environmental Category: B - Partial Assessment		
Simplified Processing	Simple <input type="checkbox"/>	Repeater <input type="checkbox"/>
Is this project processed under OP 8.50 (Emergency Recovery)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

**2. Project Objectives**

To promote mainstreaming of biodiversity at national level in key government and private sector planning strategies and practices; and consolidate and strengthen institutional capacity to produce biodiversity information relevant to mainstreaming.

**3. Project Description**

Component 1: Mainstreaming Biodiversity into Selected Government and Economic Sectors (Total: US\$ 31.0 m, GEF US\$ 8.0 m)

The objective of this component is to successfully implement the National Biodiversity Policy and promote the mainstreaming of biodiversity conservation and sustainable use at scale. This will be achieved through government actions aimed at different economic sectors with the purpose of seeking the support of relevant stakeholders. Each mainstreaming initiative will follow four main steps: (1) for each initiative, consolidation of existing information on the problems, bottlenecks, and on the possible alternative solutions; (2) consensus building with stakeholders (analysis of problems and the best solutions); (3) development of the chosen solutions (methods and procedures); and (4)

implementation of the chosen solutions in selected areas. Such an approach is based on the experiences of PROBIO and other federal programs. This component will be implemented through two subcomponents: (1.1) Planning and refinement of public sectoral policies and policy instruments; and (1.2) Sectoral activities incorporating biodiversity mainstreaming applied at the national level.

Component 2: Mainstreaming Biodiversity into the Private Sector (Total US\$ 33.0 m, GEF US\$ 7.5 m)

The objective of this component is to incorporate the conservation and sustainable use of biodiversity into key private sector planning strategies and practices. The main mechanism for this component will be the creation and management of an Opportunities Fund, housed in and managed by FUNBIO. Support from the Fund will be based on the assessment of proposals received and on inducement of subprojects that address the possibility of mainstreaming biodiversity in integrated large-scale productive landscapes. This component will seek to promote private sector strategies and policies that support biodiversity conservation through working with producer groups, associations, cooperatives, chambers of commerce, and large firms, and in coordination with existing initiatives with similar objectives. This focus on policies and strategies will allow the component to have a broader impact than individual projects might allow. This component will be implemented through three subcomponents: (2.1) Territorial mainstreaming subprojects; (2.2) Best practices and productive/management innovations; and (2.3) Coordination and fund management.

Component 3: Institutional Strengthening and Generation of Biodiversity Information for Policymaking (Total US\$ 30.5 m, GEF US\$ 6.5 m)

This component has two objectives. First, to strengthen the technical, institutional, and organizational capacity of the institutions responsible for developing and implementing biodiversity policy, in Brazil, based on the establishment of mechanisms for coordination among these institutions. Second, to promote the production and exchange of biodiversity information, inform policy decisions and project design in all sectors, and facilitate the tracking of progress toward international commitments like the CBD 2010 targets. This component will be implemented through two subcomponents: (3.1) Institutional strengthening; and (3.2) Management of biodiversity information.

Component 4: Project Coordination and Management (Total US\$ 2.5 m, GEF US\$ 0.0 m)

This component will support the other activities of the project by ensuring efficient implementation, supervision, coordination, and administration. This component will be implemented through two subcomponents: (4.1) Project administration, monitoring and evaluation; and (4.2) Information dissemination and communication strategies.

#### **4. Project Location and salient physical characteristics relevant to the safeguard analysis**

The project aims at mainstreaming biodiversity into government policies that will have a countrywide impact. The envisioned subprojects will take place in selected Areas of High Biodiversity Importance (as established by Presidential Decree of May 22, 2004) for all major Brazilian Biomes (Amazonia, Caatinga, Cerrado, Atlantic Forest, Pantanal and Pampas).

#### **5. Environmental and Social Safeguards Specialists**

Ms Maria Isabel Junqueira Braga (LCSSA)

<b>6. Safeguard Policies Triggered</b>	<b>Yes</b>	<b>No</b>
<b>Environmental Assessment (OP/BP 4.01)</b>	<b>X</b>	
<b>Natural Habitats (OP/BP 4.04)</b>	<b>X</b>	
<b>Forests (OP/BP 4.36)</b>	<b>X</b>	
<b>Pest Management (OP 4.09)</b>	<b>X</b>	
<b>Physical Cultural Resources (OP/BP 4.11)</b>	<b>X</b>	
<b>Indigenous Peoples (OP/BP 4.10)</b>		<b>X</b>
<b>Involuntary Resettlement (OP/BP 4.12)</b>		<b>X</b>
<b>Safety of Dams (OP/BP 4.37)</b>		<b>X</b>
<b>Projects on International Waterways (OP/BP 7.50)</b>		<b>X</b>
<b>Projects in Disputed Areas (OP/BP 7.60)</b>		<b>X</b>

## **II. Key Safeguard Policy Issues and Their Management**

### ***A. Summary of Key Safeguard Issues***

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts: The primary goal of the proposed project is the conservation and sustainable use of biodiversity. An Environmental Assessment (EA) was carried out, and the results indicate that the effects of the project on the environment are likely to be overwhelmingly positive as a result of (i) better conceptualization and implementation of policies and programs that support conservation strategies; (ii) increased capacity for biodiversity monitoring and conservation; (iii) a shift towards the adoption of more sustainable land use and sustainable use of natural resources; and (iv) an increase in availability of information on biodiversity and on conservation best practices.

Most project activities would support biodiversity-friendly results at the policy or information level, while others would support on-the-ground investments to test, demonstrate, and facilitate the adoption of more biodiversity-friendly approaches to productive activities in various sectors. Potential negative environmental impacts are expected to be minimal, and mainly of a localized and temporary nature, originating mostly from (a) rehabilitation or construction of small buildings and other minor infrastructure, or (b) specific activities related to productive subprojects financed under subcomponents 1.2 and 2.1. The project Environmental Management Plan (EMP) addresses the potential negative impacts identified in the EA, and proposes a plan for

avoiding, minimizing and mitigating such eventual impacts associated with project activities. However, because project activities are designed to be environmentally sustainable, with especial attention to the conservation of biodiversity and natural resources, they are expected to have the smallest possible negative impact on the environment, if any. Participation in project activities by different stakeholders will take place on a voluntary basis, especially in subprojects that involve the adoption of more sustainable use of natural resources.

The EMP lists all activities with potential negative impacts, specifying time and extension of such potential impacts, their intensity, scope, risk of occurrence, potential persistence, proposed prevention/mitigation/rehabilitation measures, as well as costs and responsible parties for implementation of specific actions under the EMP. In addition, the EMP includes an plan for adoption of integrated pest management in project supported activities, as well as procedures and responsibilities for evaluating and monitoring the potential negative environmental impacts of project activities.

The main purpose of the project is to mainstream biodiversity conservation and sustainable use of natural resources into the private sector, working primarily with private companies, and with selected governmental sectors that set the policies regarding the private sector. Although project activities are expected to take place in all major Brazilian biomes, the project focus is on activities carried out on private lands, and none of the foreseen activities would be carried out in protected areas or indigenous lands. Given the project approach, no project impact on indigenous lands or communities, or on protected areas, is anticipated at this time. In addition, one of the criteria for screening subprojects will be that they do not cause any negative impact on indigenous lands/communities or protected areas. If any potential negative impact on indigenous lands/communities or protected areas are identified in the screening phase, the respective subproject would not be considered for approval. Detailed criteria for selection of subprojects are included in the Project Operational Manual. Nevertheless, although extremely unlikely, due to the nature of the proposed project and its main target stakeholders, it might be possible that a subproject submitted for consideration could propose the possibility of involvement, on a voluntary basis, of indigenous communities. In the unlikely case of a private sector project involving indigenous communities, and if the initial subproject screening does not identify any potential negative impact on indigenous peoples, a plan for involvement of the relevant indigenous communities would be prepared according to the requirements of OP 4.10, including extensive consultation with the communities involved, before final approval is given for financing of that subproject.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:

No negative potential impacts of such nature are envisaged for this project. However, it is expected that project activities would result in long term positive impacts on conservation of biodiversity in the Areas of High Biodiversity Importance established in May 22, 2004, by a Presidential Decree.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.

Not relevant.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described. An Environmental Assessment, covering all the safeguard policies triggered by the project, including social issues, was carried out by MMA and FUNBIO. A wide variety of stakeholders that were involved in project preparation also participated in evaluating project-related safeguard policy issues. The borrower also prepared an Environmental Management Plan with appropriate measures to mitigate any potential negative effects of project implementation. The capacity of both MMA and FUNBIO to monitor safeguard-related issues, and to implement the environmental management plan, has been evaluated as average. Capacity building in this area is necessary and will be included in the yearly project implementation plans. In addition, the project will compile, generate, and disseminate knowledge and information on the importance of biodiversity conservation, and of biodiversity-friendly technologies and procedures in various productive sectors.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people. Key stakeholders associated with the Project may be classified into two groups: governmental and private sector stakeholders. The main governmental stakeholders include: federal government institutions, including the Ministry of Environment (MMA), Ministry of Agriculture, Livestock and Supply (MAPA), the Ministry of Agrarian Development (MDA), the Ministry of Health (MS), the Ministry of Science & Technology (MCT), the Oswaldo Cruz Foundation, the Brazilian Institute for the Environment and Renewable Natural Resources (IBAMA), the Rio de Janeiro Botanical Garden (JBRJ), the Brazilian Agricultural Research Corporation (EMBRAPA), and the National Commission on Biodiversity (CONABIO). In the early stages of implementation, other ministries, including Energy and Mining, Transport, and perhaps Tourism, are expected to join the project.

The main private sector stakeholders include: (a) national organizations from various private sector groups, and (b) natural resource users. As additional subprojects are identified during project implementation, the number of relevant and participating stakeholders will increase, involving a larger gamut of national and international NGOs, universities, and other research institutions. Stakeholders will play an important role during the discussion and analysis of specific policies and the need for mainstreaming biodiversity in the different sectors. Institutions such as the Museu Goeldi, environmental NGOs, producer groups, and community associations are expected to become active participants in different facets of project implementation.

The involvement of primary stakeholders during project preparation took many different forms, including a workshop, on October 27<sup>th</sup> 2004, with the coordinators of subprojects of PROBIO, to determine the main aspects that a new project should have, a multi-stakeholder exercise to review pertinent programs and to develop proposals for

mainstreaming biodiversity across these sectors, meetings with the partners of the project to prepare the Concept Note, and discussions with project partners to further refine the project design and proposal and formulate the incremental cost analysis. Private sector actors were involved indirectly through engagement in the Business and Biodiversity Challenge workshop, led by the Brazilian Business Council for Sustainable Development (CEBDS) and the International Union for the Conservation of Nature (IUCN), and more directly with reference to this project through referral by FUNBIO to business interests represented on its Board of Directors. The project also organized a high-level international workshop as a side event to the Convention on Biodiversity's March 2006 Conference of the Parties 8 meeting, with the participation of GEF and World Bank representatives. This workshop brought together a number of different stakeholders to summarize the challenges and experiences of different countries in mainstreaming biodiversity into sector policies and programs, with a specific focus on the private sector.

During project implementation, stakeholders will also participate in a number of different ways. CONABIO will act as a consultative commission for this project on high-level questions of biodiversity priorities, policies, and guidelines, and will also promote mainstreaming among different sectors and provide general orientation for project implementation. The Project Coordination Committee will be chaired by MMA, and will include representatives from EMBRAPA, FIOCRUZ, FUNBIO, IBAMA, JBRJ, MAPA, MCT, MDA, MS, and other institutions invited by the Committee to become project partners during project implementation. This Committee will serve as a deliberative and consultative unit with the responsibility for coordinating, overseeing, and evaluating the implementation of all project activities, and promoting integration of the different project components. Partnerships will be established with universities, research institutions, and NGOs for the execution of project activities at the local level and for project monitoring.

The participation of local stakeholders and beneficiaries will include a strong involvement in the planning, implementation, and monitoring of demonstration activities, and inclusion of their demands for training in sustainable management of natural resources in the project's annual planning. During project implementation there will be ongoing participation by the actors involved and society in general through seminars and workshops. These are perhaps most important in Component 1, where a broad array of stakeholders will be brought together to discuss sector challenges to biodiversity conservation and to develop appropriate solutions to these problems. To complement and consolidate the contributions of international experiences on biodiversity mainstreaming and monitoring in the preparation of this project, a more extensive international workshop on these topics is planned for the first year of project implementation.

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### ***B. Disclosure Requirements Date***

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#### **Environmental Assessment/Audit/Management Plan/Other:**

Date of receipt by the Bank	10/20/2006
Date of "in-country" disclosure	11/12/2006
Date of submission to InfoShop	03/16/2007

For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors

**Pest Management Process:**

Date of receipt by the Bank	03/12/2007
Date of "in-country" disclosure	12/15/2006
Date of submission to InfoShop	03/16/2007

**\* If the project triggers the Pest Management and/or Physical Cultural Resources, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.**

**If in-country disclosure of any of the above documents is not expected, please explain why:**

*C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting)*

**OP/BP/GP 4.01 - Environment Assessment**

Does the project require a stand-alone EA (including EMP) report?	Yes
If yes, then did the Regional Environment Unit or Sector Manager (SM) review and approve the EA report?	Yes
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes

**OP/BP 4.04 - Natural Habitats**

Would the project result in any significant conversion or degradation of critical natural habitats?	No
If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?	N/A

**OP 4.09 - Pest Management**

Does the EA adequately address the pest management issues?	Yes
Is a separate PMP required?	No
If yes, has the PMP been reviewed and approved by a safeguards specialist or SM? Are PMP requirements included in project design? If yes, does the project team include a Pest Management Specialist?	N/A

**OP/BP 4.11 - Physical Cultural Resources**

Does the EA include adequate measures related to cultural property?	Yes
Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?	N/A

**OP/BP 4.36 - Forests**

Has the sector-wide analysis of policy and institutional issues and constraints been carried out?	N/A
Does the project design include satisfactory measures to overcome these constraints?	N/A
Does the project finance commercial harvesting, and if so, does it include provisions for certification system?	N/A

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**The World Bank Policy on Disclosure of Information**

Have relevant safeguard policies documents been sent to the World Bank's Infoshop? Yes

Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs? Yes

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**All Safeguard Policies**

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies? Yes

Have costs related to safeguard policy measures been included in the project cost? Yes

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies? N/A

Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents? N/A

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***D. Approvals***

<b><i>Signed and submitted by:</i></b>	<b><i>Name</i></b>	<b><i>Date</i></b>
Task Team Leader:	Ms Adriana Moreira	03/16/2007
Environmental Specialist:	Ms Maria Isabel Junqueira Braga	03/16/2007
Social Development Specialist Additional Environmental and/or Social Development Specialist(s):		
<b><i>Approved by:</i></b>		
Sector Manager:	Mr Abel Mejia	03/16/2007
Comments:		