



# Combined Project Information Documents / Integrated Safeguards Datasheet (PID/ISDS)

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Appraisal Stage | Date Prepared/Updated: 14-Jul-2020 | Report No: PIDISDSA28178



**BASIC INFORMATION**

**A. Basic Project Data**

Country Brazil	Project ID P171257	Project Name Brazil Amazon Sustainable Landscapes Project Phase 2	Parent Project ID (if any) P158000
Parent Project Name Amazon Sustainable Landscapes Project	Region LATIN AMERICA AND CARIBBEAN	Estimated Appraisal Date 03-Aug-2020	Estimated Board Date 26-Nov-2020
Practice Area (Lead) Environment, Natural Resources & the Blue Economy	Financing Instrument Investment Project Financing	Borrower(s) Fundo Brasileiro de Biodiversidade - FUNBIO, Conservacao Internacional - CI Brazil	Implementing Agency Ministry of Environment - MMA

GEF Focal Area

Biodiversity

Proposed Development Objective(s) Parent

The Project Development Objective (PDO) is to expand the area under legal protection and improve management of Protected Areas, and increase the area under restoration and sustainable management in the Brazilian Amazon.

Components

- Component 1: Amazon Protected Areas System
- Component 2: Integrated Landscape Management
- Component 3: Policies for Protection and Recovery of Native Vegetation
- Component 4: Capacity Building, Cooperation and Project Management

**PROJECT FINANCING DATA (US\$, Millions)**

**SUMMARY**

<b>Total Project Cost</b>	19.28
<b>Total Financing</b>	19.28
<b>of which IBRD/IDA</b>	0.00
<b>Financing Gap</b>	0.00



**DETAILS**

**Non-World Bank Group Financing**

Trust Funds	19.28
Global Environment Facility (GEF)	19.28

Environmental Assessment Category

B-Partial Assessment

Decision

The review did authorize the team to appraise and negotiate

Other Decision (as needed)

**B. Introduction and Context**

Country Context

Brazil hosts 59% of the Amazon forest, a significant proportion of its freshwater resources, and at least 10% of the world’s known biodiversity, as well as valuable agricultural land and forest resources, various minerals, oil and gas, and more. The Amazon’s forest, biodiversity and freshwater carry immense potential for Brazil’s economic growth and environmental conservation goals and are important for rural populations and indigenous peoples. Despite successfully reducing annual deforestation from 27,772 km<sup>2</sup> in 2004 to 4,571 km<sup>2</sup> in 2012, the lowest rate on record, deforestation has been rising in recent years, reaching almost 8,000 km<sup>2</sup> in 2016, 7,000 km<sup>2</sup> in 2017 and more than 7,500 km<sup>2</sup> in 2018. Initial estimates for 2019 show the trend continues upward. Several interrelated drivers underpin this trend, including export markets (for example, agricultural and forest goods, minerals, and energy) and transport infrastructure development. Aggravating factors include shortcomings in sectoral policy frameworks for support to sustainable development and value ecosystem services; governance weaknesses, including gaps in and weak enforcement of nature conservation legislation and other sustainable development policies; and lack of appropriate land-use planning; and deficiencies in the environmental licensing process. The Additional Financing for the second phase of the Amazon Sustainable Landscapes Project (Br-ASL2) will respond to the Brazilian programmes aiming to protect the Amazon from deforestation and biodiversity loss, thus securing the valuable services it provides and building on the previous efforts financed with GEF6 resources as well as complementary projects.

The proposed Additional Financing will be part of the second phase of the Amazon Sustainable Landscape Program (ASL2) with USD 88.31M in financing approved by the GEF Council in June 2019. This new program comprises seven national projects and a regional coordination and knowledge platform project. Efforts have been made in the preliminary design of the national projects to ensure outcomes aligned with the common ASL2 goal of improving integrated landscape management and conservation of ecosystems in targeted areas in the Amazon region. This will be achieved through four components: (i) integrated protected landscapes; (ii) integrated productive landscapes; (iii) policies/incentives for protected and productive landscapes; and, (iv) capacity building and regional cooperation.



### Sectoral and Institutional Context

Proposed changes: The proposed Additional Financing will build upon and scale up ongoing project efforts. It is not expected to result in any change to the overall Project Development Objective (PDO). However, components will be slightly changed to better reflect and integrate the new prioritized activities and target areas and to harmonize with the ASL2 program's theory of change, helping harmonize interventions and ease coordination and monitoring. Proposed changes are indicated in the draft Project Paper.

Implementation arrangements: The project's institutional and implementation arrangements will largely remain the same with MMA's Biodiversity Secretariat (Secretaria de Biodiversidade, SBio) retaining overall policy-level leadership and a multi-institutional Project Operational Committee (POC), comprised of key implementing and executing agencies, overseeing project implementation. The POC will continue to be supported by a Project Coordination Unit (PCU) in MMA and the existing Project Execution Unit in CI-Brazil (PEU-CI-Brazil) will continue to provide fiduciary, technical and monitoring and evaluation (M&E) support.

### C. Proposed Development Objective(s)

#### Original PDO

The Project Development Objective (PDO) is to expand the area under legal protection and improve management of Protected Areas, and increase the area under restoration and sustainable management in the Brazilian Amazon.

#### Current PDO

No change.

#### Key Results

The PDO level indicators and respective targets are as follows:

- New area supported by the project with status as Protected Area (PA). (Target: 3 million ha)
- Area of existing protected areas supported by the project with (i) low, (ii) moderate and (iii) high management effectiveness according to defined criteria. (Target: 60 million ha)
- Area under restoration or reforestation supported by the project (disaggregated by (i) active restoration, and (ii) assisted natural regeneration) according to defined criteria. (Target: 29,200 ha)
- Forest area brought under sustainable management plans. (Target: 1.4 million ha)

### D. Project Description

The parent project was prepared in the context of the first phase of the overarching GEF Amazon Sustainable Landscape Program (ASL Program), approved for inclusion in the GEF portfolio in October 20-22, 2015. The ASL Program recognizes that successful conservation of the Amazon biome and the biodiversity and ecosystem services it supports requires a holistic and collaborative approach which extends beyond national borders. It comprises five child projects; four at the national level (one each in Brazil and Colombia and two in Peru) and a fifth regional coordinating one. The GEF committed \$113 million to the first phase of the ASL Program, which is expected to leverage \$682 million in additional financing and span six years.

The proposed AF for US\$ 19.28 million from the Global Environment Facility (GEF) similarly sits within the framework of the second phase of the ASL Program (ASL2), which was approved with a total of US\$ 88.31 million by the GEF Council in June 2019. This second phase expands the Program to include seven national projects (Bolivia, Brazil, Colombia, Ecuador, Guyana, Peru and Suriname) and an expanded regional coordination and knowledge platform project. Collective efforts have been made in the design of the national projects, including the proposed Br-ASL2, towards the



harmonization needed to ensure outcomes towards the common programmatic goal of improving integrated landscape management and conservation of ecosystems in targeted areas in the Amazon region. This will be achieved through four ASL 2 program components: (i) integrated protected landscapes; (ii) integrated productive landscapes; (iii) policies/incentives for protected and productive landscapes; and, (iv) capacity building and regional cooperation. Some of the adjustments in components for this proposed AF reflect the ASL2 theory of change and the process of harmonization.

The proposed Additional Financing to the Brazilian Project builds on over a decade of work in the Brazilian Amazon to strengthen biodiversity conservation, reduce deforestation and improve community livelihoods, and the successful ongoing implementation of the parent project. In line with the overarching ASL2 theory of change, the Br-ASL additional financing aims to build upon and scale up ongoing project efforts to further consolidate protected areas in the Amazon, improve landscape connectivity and sustainable management. To this end, it will build national capacity to (i) consolidate and strengthen areas under protection outside of the ARPA Program, and identify and strengthen related governance mechanisms, (ii) scale up existing and expand geographic scope of interventions to develop integrated landscape management and (iii) strengthen and implement policies and strategies for promoting integrated landscape management, conservation and recovery of native vegetation.

The project comprises the four following components, slightly changed from the parent project to better reflect and integrate the new prioritized activities and target areas:

**Component 1. Amazon Protected Areas System (USD 4.89 million):** Consolidate and strengthen areas under protection outside of the ARPA Program, and identify and strengthen related governance mechanisms: (a) strengthen integrated governance and management instruments for landscapes and ecological connectivity in target Integrated Management Areas (IMAs); (b) improve management effectiveness for non-ARPA PAs, prioritizing those with endangered species and climate vulnerability; (c) identify sustainable financing models for IMA and non-ARPA PAs; (d) help define criteria for and identify Other Effective Area-based Conservation Measures (OECM); (e) promote threatened species conservation and invasive alien species management in project areas. Focus areas include mosaics, biosphere reserves, Ramsar/heritage sites, ecological corridors, Alliance for Zero Extinction Sites, and federal/state forests.

**Component 2. Integrated Landscape Management (USD 8.55 million):** Scale up existing and expand geographic scope of interventions to: (a) foster native vegetation recovery in key areas for threatened species, promoting their sustainable use; and adding a focus on alien species; (b) develop sustainable forest and freshwater production systems; and (c) strengthen and diversify sustainable value chains linked to timber/non-timber, fisheries, prioritizing native biodiversity. Approaches will foster practices which improve livelihoods, and landscape level ecological connectivity and resilience.

**Component 3. Policies for Promoting Integrated Landscape Management, Conservation and Recovery of Native Vegetation (USD 2.85 million):** Further advancing protection and recovery of native vegetation by expanding ongoing efforts and exploring new thematic areas to enhance landscape level connectivity and integrated management: (a) strengthen capacity to develop, implement and monitor sectoral policies and financial mechanisms to reduce deforestation and promote forest recovery; (b) address sustainable forest-economy knowledge and policy gaps (e.g., innovative products/value chains, blended financing models); and (c) strengthen policy implementation for threatened species conservation and prevention/mitigation of invasive alien species.

**Component 4. Capacity Building, Cooperation and Project Coordination (USD 2.99 million):** Scale up existing efforts to improve stakeholders' implementation and collaboration capacity, further compliance with international commitments,



and promote effective and efficient project implementation as part of the expanded ASL regional program, now including 7 participating countries, through: (a) increasing participation in regional knowledge exchange; (b) promote an enabling environment for coordination with other Amazon countries around shared concerns; (c) further building implementation capacity; (d) continuing to systematize lessons learned; and (e) continuing to ensure effective implementation.

## E. Implementation

### Institutional and Implementation Arrangements

The additional financing will be implemented by the Ministry of Environment (MMA) in partnership with the following key executing agencies: Chico Mendes Institute for Biodiversity Conservation (ICMBio), Brazilian Forest Service (SFB), State environmental agencies, Conservation International-Brazil (CI-Brazil). Implementation will additionally involve the academic sector, NGOs and civil society.

MMA's Biodiversity Secretariat (SBio) has overarching policy level responsibility for carrying out the overall institutional coordination required to implement project activities, as well as with leading project implementation. A multi-institutional Project Operational Committee (POC), an executive and decision-making body chaired by MMA and comprised of representatives of the key implementing and executing agencies, will oversee project implementation towards achievement of the PDO. The POC will be directly supported by: (i) a Project Coordination Unit (PCU) based in MMA/SBio, responsible for the coordination and supervision of implementation activities for the project as a whole; (ii) Focal Points in each of the implementing agencies; and (iii) a Project Execution Unit in CI-Brazil (PEU-CI-Brazil). The latter represents the main change in institutional arrangements from the parent project, which has two executing agencies, while the AF will only have one. The PEU-CI-Brazil, in its role as executing agency for the additional financing, will provide fiduciary, technical and monitoring and evaluation (M&E) support. MMA's PCU will be headed by a National Project Coordinator and supported by at least two technical specialists, a safeguards officer and administrative staff. Monitoring of the project's progress will be carried out in close coordination by the PCU in MMA, and the PEU-CI-Brazil.

In addition, a Brazilian Amazon Sustainable Landscapes Advisory Council (AC), a cross-sectoral body comprised of 20 government and non-government representatives will provide overarching policy level, strategic and technical guidance, ensure linkages to sectoral policies and programs, and serve as a forum for problem resolution as needed. Lastly, ad hoc Technical Working Groups will be established as needed, to provide in-depth guidance upon specific issues related to project implementation.

In compliance with the Brazilian indigenous legislation and Bank policy, the National Indigenous Foundation (*Fundação Nacional do Índio* – FUNAI) will always be contacted prior to the beginning of any activity affecting Indigenous Peoples and engaged on these activities throughout their cycle of implementation. Prior, free and informed consultation about activities that affect Indigenous Peoples will always be held with the relevant communities seeking to obtain their broad support (a precondition for such activities).

The Project Operational Manual (POM) details the roles and responsibilities of each of these institutional structures as well as the agencies involved in project implementation.



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

Brazilian Amazon Region, initially spreading over the following states: Amazonas-AM, Pará-PA, Acre-AC, Amapá-AP, Rondônia-RO, Roraima-RR, Mato Grosso-MT, and Tocantins-TO. The AF will scale up activities within the parent project target areas and expand the geographic scope to include five Integrated Management Areas (IMAs) in these states to include the Central Amazon Biosphere Reserve, Rio Negro Mosaic, and Central Amazon Heritage Site and the Ramsar Sites of Rio Negro and the Ramsar Sites of Rio Negro and Juruá. The AF will focus on activities in 4 states (AM, AC, PA, RO). The expanded geographic scope is illustrated by the maps presented in the Project Paper. The Amazon Biome includes a variety of ecosystems in addition to rainforest, such as grasslands, savannah, and palm forests, among others. The Map of Priority Areas for Biodiversity Conservation and Sustainable Use for the Amazon Region, to be used as a primary base for the selection of areas targeted for project support, includes all of these enclaves and performs a gap analysis of protected ecosystems in its continuous updating process. Portions of these non-forest ecosystems may be present in the current or expanded areas supported under the project. Although the types of activities to be supported under the project are already known, the exact location for their implementation and exact activity to be implemented in each area have not yet been defined. The project carried out an Environmental and Social Impact Analysis, which informed the preparation of an ESMF, IPPF, and PF, based on the parent project's instruments. These documents have been consulted and will be finalized and publicly disclosed before Appraisal. As overlaps between protected areas and Indigenous Lands are common throughout the Brazilian territory and particularly in the Amazon, the additional financing maintains the technical assistance objective for refining procedures and methodologies to assist the government's work with these areas, with a view to achieving the resolution of conflicts, the shared and integrated management of overlapping areas, and enhanced protection for both biodiversity and forest-dependent peoples, including indigenous peoples. The AF will include support to small-scale sustainable timber and non-timber natural resources management activities for communities in sustainable use protected areas where such use is allowed, according to existing specific regulations applicable to each type protected area.

#### **G. Environmental and Social Safeguards Specialists on the Team**

Agnes Velloso, Environmental Specialist  
Juliana Medeiros Paiva, Social Specialist  
Maria Ines Miranda Ramos, Environmental Specialist



**SAFEGUARD POLICIES THAT MIGHT APPLY**

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>This is essentially a conservation project, carried out by the federal and state agencies responsible for protected areas and biodiversity conservation in Brazil, which are experienced with the implementation of Bank-supported projects and Bank safeguards – this is the third operation supported under the Amazon Protected Areas Program. Brazil has a strong legal framework for environmental protection. Project actions are expected to generate important environmental and biodiversity conservation results, and improved sustainable and participatory management of forest resources, increasing the ecological connectivity between protected areas and resilience to climate change.</p> <p>Possible negative impacts are expected to be few, localized, small, and reversible, and mainly related to community-level sustainable management and production activities (timber and non-timber products, including fisheries).</p> <p>Some landscape management activities lead to restrictions on land uses and access to natural peoples and this could have an impact on indigenous people (see description of OP/BP 4.10 and 4.12). The participatory approaches for landscape management should ensure the active participation of representatives of local communities and indigenous peoples, as applicable, bringing the contribution of relevant traditional knowledge while protecting their livelihoods and customary practices. The impacts assessment under the Environmental and Social Management Framework (ESMF) prepared by the client addresses, among other themes: (i) potential negative and positive impacts of project activities on natural habitats; (ii) potential impacts of community forest and natural resources management activities (timber and non-timber); (iii) potential impacts of activities that might require pest management (e.g., seedling production, vegetation restoration, agroforestry activities); (iv) potential impacts on physical cultural resources; and</p>



(v) potential impacts on indigenous peoples and traditional communities. The ESMF also includes an assessment of the main drivers of deforestation in the Amazon Region.

All activities proposed to be supported by the project will be previously screened using an environmental and social impacts checklist (Ficha de Verificação Socioambiental – ESMF Annex 1), which will identify if the activity will or will not require land acquisition. Activities requiring land acquisition with potentially adverse impacts or involuntary resettlement will be screened out. Consequently, physical and economic displacement would be completely avoided.

To the extent possible, the Social Assessment carried out as part of the ESMF includes disaggregated information on indigenous, women, and other vulnerable groups, and any differentiated impacts that may disproportionately affect them.

The Social Assessment also considered the potential impacts of the project on the livelihood of traditional communities heavily reliant on the uses of forests, biodiversity, and natural resources. In this respect, the Social Assessment finds that previous experiences with activities such as the establishment of community fishing agreements in the Amazon show very positive impacts in terms of increasing fish stocks, reducing conflicts over fishing rights and improving food security of local communities.

The Social Assessment includes an assessment of labor conditions prevailing in the productive chain of forest products, particularly concerning risks related with forced labor/child labor.

Although the types of activities to be supported under the project are already known, the exact location for their implementation and exact activity to be implemented in each area have not yet been defined. The client carried out an analysis of environmental and social impacts, which has informed the revision and complementation of the following safeguard instruments prepared under the parent project, and which will be applied to Components 1, 2 and 3: an ESMF, an Indigenous Peoples Planning Framework (IPPF), and a Process Framework (PF).



		During project implementation, Environmental Management Plans will be prepared and disclosed for specific activities supported under components 1, 2, and 3, or as annexes to Protected Area Management Plans prepared or revised under component 1, as applicable. The ESMF, IPPF, PF, and SEP were received, reviewed, consulted, cleared and disclosed
Performance Standards for Private Sector Activities OP/BP 4.03	No	N/A
Natural Habitats OP/BP 4.04	Yes	The potential positive impact of the project for biodiversity is significant given the major focus of the project in the support of sustainable forest landscape management systems and forest restoration within the Amazon Basin. Support to sustainable productive landscapes and integrated landscape restoration should expand benefits to natural habitats to the private areas surrounding and between PAs, and within sustainable use PAs, increasing connectivity and the availability of suitable habitat for biodiversity. Supported PAs should include parks, biological reserves, ecological stations, national forests, extractive reserves and sustainable development reserves, all of which protect ecologically important natural habitats. In the two latter types of area, traditional communities and indigenous groups can plan land use aiming at income generation through the continuation of their traditional practices, while averting deforestation. Traditional communities and indigenous peoples' land management and production practices are generally compatible and benign in terms of impacts on biodiversity. The revised ESMF identifies potential negative impacts on natural habitats that might arise from project activities such as small infrastructure interventions in PAs, control of pests in seedling nurseries or agroforestry systems, and economic use of forest resources, and proposes preventive, monitoring and mitigation measures.
Forests OP/BP 4.36	Yes	The project is expected to have a positive impact on the forest in private lands through the support to vegetation restoration and the promotion of agricultural and landscape management practices that secure the conservation of forest patches in



agricultural landscapes, such as agro-forestry, increasing connectivity in the landscape among PAs and private lands. The revised ESMF has revised and complemented, as necessary, possible negative impacts from these activities such as the introduction of potentially invasive plant species or the use of pesticides, and proposed the preferred sustainable techniques, as well as preventive, monitoring and mitigation measures.

Any forest use in Extractive Reserves and Sustainable Development Reserves is expected to be small-scale or low-impact in nature and should follow restrictive national legislation compatible with the safeguard requirements related to community or small-scale forestry activities. The development of forest economy enabling studies, enhanced procedures, and policies for forest-based production chains or activities to be supported in National Forests or outside of PAs will follow the sustainability requirements of national legislation and OP 4.36 for timber and non-timber production, as successfully done under the parent operation. The revised ESMF has revised and complemented, as necessary, the potential negative impacts from timber and non-timber related activities, such as the unsustainable use of forest resources, and presented the standards and methodologies for the sustainable use of forest resources that can be supported under the project, as well as for evaluating proposals and monitoring implementation.

Pest Management OP 4.09

Yes

The project will support the adoption of a variety of sustainable landscape management practices within sustainable use PAs or in surrounding private lands, including recuperation of native vegetation and various sustainable production practices, as described in the Project Paper.

Although these activities should favor ecological methods for managing pests, some might require the use of pesticides or other agricultural chemicals. To reduce the risk of negative impacts from the eventual use of such pest control products, the project's revised ESMF has revised and complemented, as necessary, the guidance on favored methods to be supported under the project as well as preventive and mitigation measures for



pest management compatible with OP 4.09 to guide these activities.

It is not expected that project implementation would have any negative impact on physical cultural resources. However, chance findings during implementation activities are possible, even though no such occurrence came up in the previous similar ARPA 1 and ARPA 2 operations, or in the parent ASL operation. To handle such findings, Brazil has a well-developed legislative and normative framework, which is under the oversight of the National Institute for Protection of Historical and Archeological Sites (IPHAN), and FUNAI also has established procedures for safeguarding historical or pre-historical heritage pertaining to indigenous peoples, via the National Indian Museum which is an agency of FUNAI. The screening and action procedures for chance finds, including sacred sites, have been revised and complemented, as necessary, in the project's revised ESMF and in the environmental screening section of the project's Operational Manual.

The project triggers OP 4.10 because it is located in the Brazilian Amazon and may support activities that interfere with Indigenous Peoples. Overall, these interferences are expected to bring benefits for Indigenous Peoples, such as the support for the preparation of territorial and environmental planning for indigenous lands, or support to the sustainable management of natural resources. About 60% of Brazil's indigenous population or approximately 420,000 indigenous persons live in the Brazilian Amazon Region (where they represent about 2% of the regional population). The Amazon Region holds 98% of regularized Indigenous Lands in Brazil, covering almost 21% of the regional territory (approximately 90 million hectares). There is also evidence of some 70 isolated or non-contacted indigenous groups in the Amazon.

Under Component 1 - Amazon Protected Area System, the promotion of activities may include Indigenous Lands or existing PAs that overlap with Indigenous Lands. As overlaps between PAs and Indigenous Lands are common throughout the Brazilian territory and particularly in the Amazon, the parent project provided technical assistance for

Physical Cultural Resources OP/BP 4.11      Yes

Indigenous Peoples OP/BP 4.10      Yes



the development of procedures and methodologies to assist the government's work with these areas. The proposed methodology aims to achieve the resolution of conflicts, the shared and integrated management of overlapping areas, and the enhanced protection for both biodiversity and indigenous peoples. Any action targeting Indigenous Lands, such as the development of territorial and environmental planning for Indigenous Lands or others, will only be carried out on demand by, or after obtention and documentation of the free prior informed consent of, the indigenous peoples holding those lands.

Component 2 and Component 3 aim to foster innovative technologies and best practices of land management that may lead to ecosystem restoration and sustainable agricultural practices. These practices are expected to improve food security and address the livelihood needs of forest-dependent people. Component 2 is mostly focused on private landholdings and sustainable use protected areas, in which cases it is not expected to have direct interference with Indigenous Lands, although better land use management in private landholdings may have indirect positive impacts in natural resources at buffer zones of Indigenous Lands. Component 2 may benefit Indigenous Lands directly if specific demands are presented by Indigenous Peoples.

As the exact location for the implementation of the activities to be supported under the project have not yet been defined, the Client has carried out a social assessment paying special attention to Indigenous Peoples in the Amazon and the potential impacts of Protected Areas, landscape management, and biodiversity conservation on their traditional livelihoods. The Client has also revised and complemented the Indigenous Peoples Planning Framework (IPPF) prepared under the parent project to include the new Indigenous Peoples that may be affected or benefitted by the additional financing, which has been consulted with these new communities, and more broadly through the on-line and direct mail consultation, due COVID-19 pandemic.



The IPPF includes the procedures and principles to be adopted, among them: information on procedures to avoid contact and interference with isolated and/or recently contacted Indigenous Peoples. With respect to the later, throughout its implementation, the Project will strictly follow FUNAI's procedures and protocols – which are one of the most advanced in the world – for avoiding unwanted contact and protect these Peoples. In compliance with the Brazilian Indigenous legislation and Bank policy, the IPPF states that the National Indigenous Foundation (Fundação Nacional do Índio – FUNAI) will always be contacted prior of the beginning of any activity interfering with Indigenous Peoples and IPs engaged on these activities throughout their cycle of implementation. Prior, free and informed consultation about activities that interfere with Indigenous Peoples will always be held with the relevant communities seeking to obtain their broad support (a precondition for such activities).

Involuntary Resettlement OP/BP 4.12

Yes

The project will not support any activity requiring the involuntary taking of land. All activities proposed to be supported by the project will be previously screened using an environmental and social impacts checklist (Ficha de Verificação Socioambiental – ESMF Annex 1), which will identify if the activity will or will not require land acquisition. Activities requiring land acquisition with potentially adverse impacts or involuntary resettlement will be screened out. Consequently, physical and economic displacement will be completely avoided. However, OP 4.12 was triggered under the parent project because of PA creation activities (which will not continue under the AF) and because activities continuing under the additional financing, under Components 1 and 2, for the management strengthening of Protected Areas as well as activities related with landscape management, which may potentially cause adverse impacts related to restrictions on land use and access to natural resources by traditional communities with customary tenure or recognizable usage rights. In order to mitigate these potential adverse impacts, a Process Framework (PF) was prepared under the parent project and has been revised and



complemented, as necessary, under the additional financing.

This revised PF has revised and complemented, as necessary, the description of the participatory process by which communities and the project's authorities or other relevant implementing agencies will jointly recommend land- or resource-use restrictions and decide on measures to mitigate any significant adverse impacts of these restrictions. It also defines a range of approaches from participatory co-management to the development of alternative livelihood activities.

During project implementation, Action Plans – describing specific measures to assist people adversely affected by restriction of access to natural resources they rely on in their livelihoods – will be submitted for approval by the Bank before the enforcement of these restrictions.

The Project may also support the development of community fishing agreements to ensure the sustainability of fisheries activities inside sustainable use protected areas. The PF includes principles and guidelines that will be followed by the Project when considering support for this activity.

These principles and guidelines ensure that Project support to the establishment of community fishing agreements will be provided only when there is evidence that they have been defined through transparent and inclusive participatory community processes – following adequate decision-making processes that provide for identification of measures to mitigate adverse impacts on the most vulnerable members of the community (if any) and leading to broad community support – as requested for community-based projects, where the community decides to restrict access to natural resources (OP 4.12, footnote 6).

Safety of Dams OP/BP 4.37

No

No dams exist in the target area of the parent project or of the two previous similar operations (ARPA 1 and ARPA 2), and the same situation is expected under the current additional financing. None of the project activities should involve dam works or operation, or depend on the operation of any dam, and no construction or interference with farm ponds is foreseen. Therefore, OP 4.37 is not triggered.



Projects on International Waterways OP/BP 7.50	Yes	<p>This policy is triggered, but an exception to the riparian notification requirement was obtained. All components of the project will finance activities designed to protect and recover large expanses of biodiversity rich forests, which contain countless perennial and seasonal bodies of water, many of which fit the description of international waterways provided under OP 7.50 and account for one of the largest volumes of freshwater reserves on the planet. No negative impact is expected to such bodies of water. On the contrary, project activities should positively affect these waterways by conserving the forests that protect them. Supported activities that may use or involve water are part of on-going schemes: (i) eventual watering of seedlings (usually rain-fed), and (ii) sustainable fisheries management.</p> <p>Sustainable fisheries management of wild stocks may occur inside sustainable use protected areas involving activities such as the inventory of existing fish stocks and definition of sustainable extraction thresholds; definition of fishing rights; coordination with communities and establishment of fishing agreements to ensure the sustainability of fishing activities. This activity characterizes traditional fisheries management rather than aquaculture or fish farming, as it does not involve the introduction of alien species, nor installation of floating net enclosures, nor artificial or complementary feeding. It is also relevant to note that virtually all main rivers and tributaries in the Amazon Basin flow from neighboring countries, particularly from the Andes, into Brazil. Therefore, all project activities will be located inside the Brazilian territory downstream from the borders.</p>
Projects in Disputed Areas OP/BP 7.60	No	<p>This policy is not triggered as the project will not work in any disputed areas as defined under the policy. No PAs may be supported in disputed areas, and no activity will be supported in private areas under dispute.</p>



## 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:

This is essentially a conservation project and no potential large scale, significant and/or irreversible negative impact is expected from the project or its additional financing.

National environmental legislation is very robust and includes specific rules and procedures for the creation and management of protected areas, which aim at reducing social impacts and maximizing biodiversity benefits, and no new protected areas will be created under the additional financing. The revised Environmental and Social Management Framework, Indigenous Peoples Planning Framework and Process Framework for the Additional Financing reinforce and complement the national legal framework, defining preventive procedures and mitigation measures to address key aspects that will require attention during implementation, such as sustainable management of forest products (timber and non-timber, fisheries); pest management; integration of safeguard principles into national policies and procedures; and participation of indigenous peoples, among others.

Significant positive impacts are expected at the landscape scale through the support of forest restoration and sustainable landscape management practices within sustainable use protected areas and private lands to enhance ecosystem connectivity.

The project will not support any activity requiring the involuntary taking of land. However, activities under Components 1 and 2, for strengthening the management of Protected Areas as well as activities related to landscape management, may potentially cause adverse impacts related to restrictions on land use and access to natural resources by traditional communities with customary tenure or recognizable usage rights.

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

Long-term impacts expected from the project are positive and relate to increased ecosystem and biodiversity protection and resilience, as well as increased sustainability of agricultural lands surrounding protected areas, increasing the ecological connectivity between protected areas and resilience to climate change.

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

N/A

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.

This Project will be carried out by the federal and state agencies responsible for protected areas and biodiversity conservation in Brazil. National environmental and indigenous peoples legislation is very robust and the borrower is experienced with the implementation of similar Bank-supported operations (ARPA 1 and 2, ASL 1, PROBIO 1 and 2, GEF Marine Protected Areas Project, among others), which did not cause negative impacts and generated significant and long-lasting positive results. The project has a well prepared ESMF, PF, IPPF and SEP.

The borrower carried out an analysis of environmental and social impacts, which informed the revision and complementation of the following safeguard instruments prepared under the parent project, which will be applied to Components 1, 2 and 3: an Environmental and Social Management Framework, an Indigenous Peoples Planning Framework, and a Process Framework. The client also prepared a Stakeholder Engagement Plan - SEP, with a robust



strategy of participation, feedback, and contact with the stakeholders during the preparation and implementation of the Project. During project implementation, Environmental Management Plans will be prepared and disclosed for specific activities supported under Components 1, 2 and 3 as applicable, or as annexes to Protected Area Management Plans prepared or revised under Component 1. The safeguard instruments have been consulted with key stakeholders.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

The original Project is part of the Amazon Sustainable Landscapes Program (ASL), which consists of four child projects: one in Brazil, one in Colombia, and two in Peru, in addition to a fifth project to promote regional collaboration in the Pan-Amazonian Region. This Additional Financing comprises part of the second phase of the program (ASL 2) and expands the program to include seven national projects (Bolivia, Brazil, Colombia, Ecuador, Guyana, Peru, and Suriname) and an expanded regional coordination and knowledge platform project. The preparation process of this second phase of the Program with seven national projects included regional workshops with broad participation of governmental and non-governmental organizations.

According to the Additional Financing timeline agreed with the Client, the Bank received the first draft of the revised ESMF, IPPF, PF and SEP by the end of January 2020, which were reviewed and received non-objection to be consulted. The revised ESMF, IPPF, PF and SEP have been consulted with key stakeholders using direct mail to key actors (governmental and civil society organizations representative of the environmental sector, indigenous peoples and traditional communities, as well as relevant economic sectors) and the Ministry of Environment and other implementing agencies' website, where the relevant instruments have been disclosed and disseminated from March 10 to April 4, 2020, for the sending of feedback on the framework documents. Originally, a face-to-face consultation meeting with Indigenous Peoples present in the region of the Rio Negro Regional Ramsar Site, which is a new target area for the project had been planned after the first 15 days of disclosure, and for which 43 participants confirmed presence, representing 33 organizations. However, due to social constraints imposed by the 2020 epidemic of COVID-19, the face-to-face meeting was replaced with a virtual session attended by 41 participants. This live session included an explanation of the safeguard documents and of the means and deadlines for the participants to contribute to their construction. Extensive consultations were carried out for the parent project and its safeguard documents with Indigenous Peoples of all regions previously targeted, part of which will continue to receive project activities. All inputs received under the additional financing consultation have been recorded and an annex has been included as part of the ESMF, IPPF, SEP, and/or PF.

This consultation approach was successfully applied during the preparation of framework safeguards documents for ARPA 1 and 2 and ASL 1, as (i) it provides a broad opportunity for diversified groups to participate in the consultation, without restricting the process to the same actors that usually participate in a face-to-face type of events; and (ii) the previous experiences received significant feedback from varied actors.

The ESMF, IPPF, PF, and SEP will be disclosed in the ASL website (<https://www.mma.gov.br/biodiversidade/projetos-sobre-a-biodiversidade/projeto-gef-paisagens-sustent%C3%A1veis.html>) and CI website (<http://www.conservation.org/global/brasil/Pages/gef-paisagens-amazonicas.aspx>) and at the Bank's external website.

The ESMF, IPPF, SEP, and PF were cleared by RSA Team on June 17th. Due to the current challenges presented by the COVID-19 pandemic, the client has also prepared an additional annex that was included in the Project Paper and will also be included as part of the operational manual, with the recommended safety procedures for the Project implementation during and after the pandemic emergency.



**B. Disclosure Requirements (N.B. The sections below appear only if corresponding safeguard policy is triggered)**

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

Date of receipt by the Bank	Date of submission for disclosure	For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors
27-May-2020	27-Jul-2020	

**"In country" Disclosure**

Brazil  
27-Jul-2020

Comments

**Resettlement Action Plan/Framework/Policy Process**

Date of receipt by the Bank	Date of submission for disclosure
27-May-2020	27-Jul-2020

**"In country" Disclosure**

Brazil  
27-Jul-2017

Comments

**Indigenous Peoples Development Plan/Framework**

Date of receipt by the Bank	Date of submission for disclosure
27-May-2020	27-Jul-2020

**"In country" Disclosure**

Brazil  
27-Jul-2020

Comments

**Pest Management Plan**

Was the document disclosed prior to appraisal?	Date of receipt by the Bank	Date of submission for disclosure
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NA

**"In country" Disclosure**

**If the project triggers the Pest Management and/or Physical Cultural Resources policies, 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) (N.B. The sections below appear only if corresponding safeguard policy is triggered)**

**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 Practice Manager (PM) 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?

NA

**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 PM? Are PMP requirements included in project design? If yes, does the project team include a Pest Management Specialist?



NA

**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?

Yes

**OP/BP 4.10 - Indigenous Peoples**

Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?

Yes

If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?

Yes

If the whole project is designed to benefit IP, has the design been reviewed and approved by the Regional Social Development Unit or Practice Manager?

NA

**OP/BP 4.12 - Involuntary Resettlement**

Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?

Yes

If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?

Yes

Is physical displacement/relocation expected?

No

Is economic displacement expected? (loss of assets or access to assets that leads to loss of income sources or other means of livelihoods)

No

**OP/BP 4.36 - Forests**

Has the sector-wide analysis of policy and institutional issues and constraints been carried out?

Yes

Does the project design include satisfactory measures to overcome these constraints?

Yes

Does the project finance commercial harvesting, and if so, does it include provisions for certification system?

NA

**OP 7.50 - Projects on International Waterways**



Have the other riparians been notified of the project?

NA

If the project falls under one of the exceptions to the notification requirement, has this been cleared with the Legal Department, and the memo to the RVP prepared and sent?

NA

Has the RVP approved such an exception?

NA

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

Have relevant safeguard policies documents been sent to the World Bank for disclosure?

No

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?

No

### **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?

Yes

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

Yes

## **CONTACT POINT**

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**APPROVAL**

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**Approved By**

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Country Director:	Paloma Anos Casero	25-Jul-2020