Mexico Forests and Climate Change Project (P123760)

Key Dates

**Key Project Dates**
- Bank Approval Date: 31-Jan-2012
- Effectiveness Date: 20-Nov-2012
- Planned Mid Term Review Date: 28-Aug-2015
- Actual Mid-Term Review Date: 24-Aug-2015
- Original Closing Date: 28-Feb-2017
- Revised Closing Date: 28-Feb-2018

Project Development Objectives

**Project Development Objective (from Project Appraisal Document)**
The PDO is to support rural communities in Mexico to sustainably manage their forests, build social organization, and generate additional income for forest products and services including the reduction of emissions from deforestation and degradation (REDD+).

Has the Project Development Objective been changed since Board Approval of the Project Objective? No

Components

<table>
<thead>
<tr>
<th>Name</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy Design and Institutional Strengthening</td>
<td>$41.66 M</td>
</tr>
<tr>
<td>Consolidation of Priority Community-Based Programs</td>
<td>$320.00 M</td>
</tr>
<tr>
<td>Innovation for REDD+ in Early Action Areas</td>
<td>$30.34 M</td>
</tr>
</tbody>
</table>

Overall Ratings

<table>
<thead>
<tr>
<th>Name</th>
<th>Previous Rating</th>
<th>Current Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Progress towards achievement of PDO</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
</tr>
<tr>
<td>Overall Implementation Progress (IP)</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
</tr>
<tr>
<td>Overall Risk Rating</td>
<td>Moderate</td>
<td>Moderate</td>
</tr>
</tbody>
</table>

Implementation Status and Key Decisions
A supervision mission was carried out March 14 - 18, 2017. The main achievements reported during the supervision mission are presented below.

Progress in achieving the Project Development Objective (PDO) is rated Satisfactory, and significant advancements in reaching PDO targets can be reported:

1. 2.4 million additional hectares managed by Communities and Ejidos benefiting from conservation and sustainable management practices as compared to the outset of the project (from 2.05 million hectares in 2011 [baseline] to 4.45 million hectares by the end of 2016, which represents an increase of about 117%)

2. Number of Communities and Ejidos benefiting from CONAFOR programs increased by more than 1,279 (from 1,923 in 2011 [baseline] to a total of 3,202 by the end of 2016, which represents an increase of 67%)

Substantial progress can also be reported at the Component-level, such as for Component 1 (Policy Design and Institutional Strengthening), including: (i) the strengthening of M&E systems, including the MRV system; (ii) the establishment of a cohort of certified private technical service providers (924 technicians, who have received certification to offer beneficiaries advisory services); and (iii) CONAFOR, SEMARNAT, and SAGARPA linking electronic database information to support and improve agency planning. Under Component 2 (Consolidation of Priority Community-Based Programs), the project has led to a significant expansion in the reach of CONAFOR’s programs to Communities and Ejidos (as shown by PDO indicators). Major progress can also be reported on Component 3 (Innovation for REDD+ in Early Action Areas), which had experienced some initial delays but is now being implemented in a satisfactory manner: this component is establishing a new form of support to Communities and Ejidos, focusing on a more integrated, territorial approach. Also, the results of Component 3 are providing inputs toward the overall REDD+ readiness process, supported under the FCPF readiness window, and the preparation of the Emission Reduction Program (ER-P) that CONAFOR is developing under the FCPF Carbon Fund framework.

### Risks

**Systematic Operations Risk-rating Tool**

<table>
<thead>
<tr>
<th>Risk Category</th>
<th>Rating at Approval</th>
<th>Previous Rating</th>
<th>Current Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Political and Governance</td>
<td>--</td>
<td>⚫ Moderate</td>
<td>⚫ Moderate</td>
</tr>
<tr>
<td>Macroeconomic</td>
<td>--</td>
<td>⚫ Moderate</td>
<td>⚫ Moderate</td>
</tr>
<tr>
<td>Sector Strategies and Policies</td>
<td>--</td>
<td>⚫ Moderate</td>
<td>⚫ Moderate</td>
</tr>
<tr>
<td>Technical Design of Project or Program</td>
<td>--</td>
<td>⚫ Moderate</td>
<td>⚫ Moderate</td>
</tr>
<tr>
<td>Institutional Capacity for Implementation and Sustainability</td>
<td>--</td>
<td>⚫ Low</td>
<td>⚫ Low</td>
</tr>
<tr>
<td>Fiduciary</td>
<td>--</td>
<td>⚫ Moderate</td>
<td>⚫ Moderate</td>
</tr>
<tr>
<td>Environment and Social</td>
<td>--</td>
<td>⚫ Low</td>
<td>⚫ Low</td>
</tr>
<tr>
<td>Stakeholders</td>
<td>--</td>
<td>⚫ Moderate</td>
<td>⚫ Moderate</td>
</tr>
<tr>
<td>Other</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Overall</td>
<td>--</td>
<td>⚫ Moderate</td>
<td>⚫ Moderate</td>
</tr>
</tbody>
</table>

### Results

**Project Development Objective Indicators**
**Increase of forest area managed by Communities and Ejidos under sustainable management practices (Percentage, Custom)**

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Value</strong></td>
<td>0.00</td>
<td>95.00</td>
<td>117.00</td>
<td>95.00</td>
</tr>
<tr>
<td><strong>Date</strong></td>
<td>20-Mar-2012</td>
<td>14-Nov-2016</td>
<td>30-May-2017</td>
<td>28-Feb-2018</td>
</tr>
</tbody>
</table>

**Comments**
4,448,308 ha managed by communities and ejidos under sustainable management practices. Value is not cumulative, but rather reflects yearly results.

**Increase in Communities and Ejidos that apply sustainable management and conservation schemes (Percentage, Custom)**

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Value</strong></td>
<td>0.00</td>
<td>53.00</td>
<td>67.00</td>
<td>35.00</td>
</tr>
<tr>
<td><strong>Date</strong></td>
<td>20-Mar-2012</td>
<td>14-Nov-2016</td>
<td>30-May-2017</td>
<td>28-Feb-2018</td>
</tr>
</tbody>
</table>

**Comments**
3,202 communities and ejidos applying for sustainable management and conservation schemes. Value is not cumulative, but rather reflects yearly results.

**Reduction in GHG emissions from deforestation and forest degradation in REDD+ Early Action Areas (Percentage, Custom)**

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
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<tr>
<td><strong>Value</strong></td>
<td>0.00</td>
<td>--</td>
<td>--</td>
<td>10.00</td>
</tr>
<tr>
<td><strong>Date</strong></td>
<td>20-Mar-2012</td>
<td>14-Nov-2016</td>
<td>30-Nov-2016</td>
<td>28-Feb-2018</td>
</tr>
</tbody>
</table>

**Comments**
CONAFOR is currently analyzing forest cover change maps for the years 2011 and 2014 to calculate the status of this indicator target. CONAFOR anticipates having preliminary results by June 2017.
Overall Comments
The project's Results Framework was updated via a level-2 restructuring in January 2017, with refinements made to the methodologies utilized to measure project indicators, as well as to the values of indicator targets. PDO indicator methodologies were updated to better define which project-supported forest management programs/practices are evaluated, the sustainable management programs/practices communities are benefiting from, and to avoid any double counting (the same forest area being counted twice if more than one support is given for the area).

Intermediate Results Indicators

- **Improved monitoring and evaluation system for CONAFOR-supported programs (including MRV) is operational (Yes/No, Custom)**

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>N</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>Date</td>
<td>20-Mar-2012</td>
<td>14-Nov-2016</td>
<td>30-May-2017</td>
<td>28-Feb-2018</td>
</tr>
</tbody>
</table>

Comments
Index developed to measure improvements in CONAFOR's M&E systems. Current value is 92%.

- **Number of CONAFOR field offices rehabilitated, equipped, staffed and trained (Number, Custom)**

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>0.00</td>
<td>44.00</td>
<td>44.00</td>
<td>50.00</td>
</tr>
<tr>
<td>Date</td>
<td>20-Mar-2012</td>
<td>14-Nov-2016</td>
<td>30-May-2017</td>
<td>28-Feb-2018</td>
</tr>
</tbody>
</table>

- **Percentage of community forest management permits and special permits approved within the legal span (Percentage, Custom)**

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
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<tr>
<td>Value</td>
<td>75.00</td>
<td>68.00</td>
<td>72.00</td>
<td>85.00</td>
</tr>
<tr>
<td>Date</td>
<td>20-Mar-2012</td>
<td>14-Nov-2016</td>
<td>30-May-2017</td>
<td>28-Feb-2018</td>
</tr>
</tbody>
</table>
### An integrated CONAFOR-SAGARPA-DGF database is operational (Yes/No, Custom)

<table>
<thead>
<tr>
<th>Value</th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Date</th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
</table>

**Comments**
Databases among the agencies have been harmonized in three areas/interconnection points.

### Number of certified private technical service providers (Number, Custom)

<table>
<thead>
<tr>
<th>Value</th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00</td>
<td></td>
<td>1,223.00</td>
<td>924.00</td>
<td>1,300.00</td>
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</table>

<table>
<thead>
<tr>
<th>Date</th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
</table>

**Comments**
CONAFOR's certification requirements for technical service providers have recently been updated and are now more stringent, resulting in a decrease in the number of certified technical service providers. (Technical service providers are now required to be specialized in two or more human capital areas.) However, it is still anticipated that the end of project target will be achieved.

### Increase in certified private technical providers offering training in at least three different competencies (Percentage, Custom Supplement)

<table>
<thead>
<tr>
<th>Value</th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00</td>
<td></td>
<td>42.00</td>
<td>46.00</td>
<td>46.00</td>
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</tbody>
</table>
### Number of knowledge assets on REDD+ created and shared (Number, Custom)

<table>
<thead>
<tr>
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<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>0.00</td>
<td>14.00</td>
<td>15.00</td>
<td>16.00</td>
</tr>
<tr>
<td>Date</td>
<td>20-Mar-2012</td>
<td>14-Nov-2016</td>
<td>30-May-2017</td>
<td>28-Feb-2018</td>
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</tbody>
</table>

### Increase in Social Organization Index in communities that participate in demand-driven programs on community forestry and payment for environmental services (Percentage, Custom)

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>58.91</td>
<td>62.06</td>
<td>62.06</td>
<td>65.00</td>
</tr>
<tr>
<td>Date</td>
<td>20-Mar-2012</td>
<td>14-Nov-2016</td>
<td>30-May-2017</td>
<td>28-Feb-2018</td>
</tr>
</tbody>
</table>

### Increase in Economic Development Index in communities that participate in demand-driven programs on community forestry and payment for environmental services (Percentage, Custom)

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>18.85</td>
<td>33.95</td>
<td>33.95</td>
<td>35.00</td>
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<td>Date</td>
<td>20-Mar-2012</td>
<td>14-Nov-2016</td>
<td>30-May-2017</td>
<td>28-Feb-2018</td>
</tr>
</tbody>
</table>

### Reduction of loss of forest cover (net deforestation rate) nationwide, compared to initial value (Percentage, Custom)

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
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</thead>
<tbody>
<tr>
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<td>21.50</td>
<td>21.50</td>
<td>21.50</td>
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<tr>
<td>Date</td>
<td>20-Mar-2012</td>
<td>14-Nov-2016</td>
<td>30-May-2017</td>
<td>28-Feb-2018</td>
</tr>
</tbody>
</table>
### Percentage of participating communities receiving support from innovative landscape management agents (ATL/ADL) in REDD+ Early Action Areas (Percentage, Custom)

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>0.00</td>
<td>34.00</td>
<td>48.00</td>
<td>50.00</td>
</tr>
<tr>
<td>Date</td>
<td>20-Mar-2012</td>
<td>14-Nov-2016</td>
<td>30-May-2017</td>
<td>28-Feb-2018</td>
</tr>
</tbody>
</table>

### Number of operational agreements among CONAFOR, SAGARPA, and States in support of REDD+ (Number, Custom)

<table>
<thead>
<tr>
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<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
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<tr>
<td>Value</td>
<td>1.00</td>
<td>2.00</td>
<td>4.00</td>
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<td>14-Nov-2016</td>
<td>30-May-2017</td>
<td>28-Feb-2018</td>
</tr>
</tbody>
</table>

### Number of new community-based, economically viable, REDD+ focused, initiatives with demonstrated potential for replication at scale (Number, Custom)

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>0.00</td>
<td>9.00</td>
<td>9.00</td>
<td>11.00</td>
</tr>
<tr>
<td>Date</td>
<td>20-Mar-2012</td>
<td>18-Dec-2014</td>
<td>30-May-2017</td>
<td>28-Feb-2018</td>
</tr>
</tbody>
</table>

### Percentage of Ejidos and Communities receiving support under special programs in REDD+ Early Action Areas (Percentage, Custom)

<table>
<thead>
<tr>
<th></th>
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<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
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<tbody>
<tr>
<td>Value</td>
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<td>34.00</td>
<td>48.00</td>
<td>50.00</td>
</tr>
<tr>
<td>Date</td>
<td>20-Mar-2012</td>
<td>14-Nov-2016</td>
<td>30-May-2017</td>
<td>28-Feb-2018</td>
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</table>

Overall Comments
Data on Financial Performance

Disbursements (by loan)

<table>
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<tr>
<th>Project</th>
<th>Loan/Credit/TF</th>
<th>Status</th>
<th>Currency</th>
<th>Original</th>
<th>Revised</th>
<th>Cancelled</th>
<th>Disbursed</th>
<th>Undisbursed</th>
<th>Disbursed</th>
</tr>
</thead>
<tbody>
<tr>
<td>P123760</td>
<td>IBRD-81200</td>
<td>Effective</td>
<td>USD</td>
<td>350.00</td>
<td>350.00</td>
<td>0.00</td>
<td>254.02</td>
<td>95.98</td>
<td>73%</td>
</tr>
<tr>
<td>P123760</td>
<td>TF-11570</td>
<td>Effective</td>
<td>USD</td>
<td>16.34</td>
<td>16.34</td>
<td>0.00</td>
<td>9.33</td>
<td>7.01</td>
<td>57%</td>
</tr>
<tr>
<td>P123760</td>
<td>TF-11648</td>
<td>Effective</td>
<td>USD</td>
<td>25.66</td>
<td>25.66</td>
<td>0.00</td>
<td>19.62</td>
<td>6.04</td>
<td>76%</td>
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Key Dates (by loan)

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<th>Loan/Credit/TF</th>
<th>Status</th>
<th>Approval Date</th>
<th>Signing Date</th>
<th>Effectiveness Date</th>
<th>Orig. Closing Date</th>
<th>Rev. Closing Date</th>
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</thead>
</table>

Cumulative Disbursements

Restructuring History
Level 2 Approved on 14-Aug-2015, Level 2 Approved on 17-Jan-2017

**Related Project(s)**

There are no related projects.