

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TFOA4502
Printed On: 10/16/2019

Reporting Period: 07/01/2018 to 06/30/2019
Report Type: Progress Report
Report Status: Approved

Assignment: TFOA4502

United Mexican States: Grant for Forest Carbon Partnership Facility REDD+ Readiness Preparation Support Project

FCPFR - Forest Carbon Partnership Facility

Task Team Leader: 00000098693 - Angela G. Armstrong
Approving Manager: 00000253690 - Valerie Hickey

Summary Information	
TF Status	ACTV
Recipient Country	Mexico
Executed By	Recipient
Managing Unit	9272 - SLCEN
Grant Start Date / End Date	08/28/2017 to 06/30/2020
Original Grant Amount	1,500,000.00
Grant Amount	1,500,000.00
Outstanding Commitments	0.00
Cumulative Disbursements	1,500,000.00 as of 06/30/2019
Disbursed 07/01/2018 to 06/30/2019	500,000.00
Donor	TF602001 - MULTIPLE DONORS

This GRM report includes the following sections: Overview, Components, Outcome, Execution, Program(FCPFR), Disbursements.

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OVERVIEW

Overall Assessments

Grant Objectives:

The objective of the Readiness Preparation Activities is to strengthen the REDD+ readiness process in Mexico.

Overall progress from 07/01/2018 to 06/30/2019 with regard to Achieving Grant Objectives:

Comment:

Grant funding has successfully supported Mexico's transition process from REDD+ readiness to implementation while creating enabling conditions to consolidate the intervention model proposed in the National REDD+ Strategy, ENAREDD+ (an integrated landscape approach), as country efforts move towards piloting result-based payments. Grant funding has helped align the ENAREDD+ with CONAFOR's Sustainable Forest Management agenda and in particular, with the National Strategy for increasing sustainable production (ENAIROS). In particular, sub-component activities have helped consolidate sustainable forest management as a key instrument for successful REDD+ implementation and strike a balance between the production and conservation dimensions of forest management.

Overall progress from 07/01/2018 to 06/30/2019 with regard to Implementation of Grant Financed Activities:

Comment:

Project implementation has progressed well. Grant activities have provided technical support to CONAFOR's Department of Sustainable Forestry Production, to mainstream high production-low impact forest management approaches in CONAFOR's operations, as well as foster inter-institutional coordination (for example, with the Ministry of Agriculture, SADER). The technical assistance has supported: (i) promoting sustainable forest management with an integrated landscape management approach (e.g., through enhanced land management technologies and more efficient and low impact production techniques); (ii) strengthening community forest enterprises; and (iii) fostering competitiveness of the forest sector (e.g., through strategic analysis on the forest sector including analysis of business opportunities). In particular, 25 regional agreements are currently under operation promoting integrated landscape practices among forest producers. In addition, 26 properties have been certified, which correspond to an area of 114,079 hectares. Also, while 20 Community Forest Promoter networks were formalized last CY, in CY2019 these networks have continued to operate and more than 500 people have been trained during the CY with their support (24% of whom have been women).

Grant follow-up and structure

Description and context of Grant:

Part 1: National Readiness Management Arrangements and Stakeholder Consultation and Participation

(a) Strengthening the capacity of the Executing Entity, through the provision of support to, inter alia: (i) implement, manage, and administer the Readiness Preparation Activities; (ii) support the dialogue and participative process with stakeholder groups at the national and state-level through the implementation of regional workshops on REDD+ (foros regionales); and (iii) disseminate relevant information and materials.

(b) Provision of support to, inter alia: (i) carry out the national consultation on the ENAREDD+, in accordance with the ENAREDD+ Consultation Plan; (ii) support local civil society organizations in the dissemination of REDD+ related information; (iii) prepare culturally relevant and user friendly REDD+ related communication materials; (iv) conduct the systematization and reporting of consultations and workshops results; and (v) strengthen the technical and administrative capacity of relevant stakeholders listed in the Operational Manual, on REDD+ through the carrying out of capacity building activities.

Part 2: Development of the National REDD+ Strategy (ENAREDD+)

(a) Provision of technical assistance and financing of Incremental Operating Costs to: (i) identify barriers and alternatives to inter-sectorial policy coordination for the implementation of the ENAREDD+; (ii) systematize information related to the implementation of activities in the REDD+ Early Action Areas; and (iii) analyze the legal framework applicable to the implementation of the ENAREDD+.

(b) Provision of support to, inter alia: (i) identify critical issues related to the implementation of ENAREDD+, identified as part of the SESA; (ii) develop scenarios to model the impacts of strategic options for REDD+; and (iii) align ENAREDD+ with the Executing Entity's sustainable forest management agenda through, inter alia, the establishment of a specialized technical unit on sustainable forest management within the Executing Entity, including the provision of relevant technical assistance to promote sustainable forest management under an integrated landscape approach, strengthen community forest enterprises,

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and foster competitiveness of the forest sector.

(c) Strengthening of feedback and grievance mechanisms at the state level, in particular for REDD+ Early Action Areas, through the provision of technical assistance and financing of Incremental Operating Costs.

(d) Strengthening of the capacity of the Executing Entity, through the provision of technical assistance and financing of Incremental Operating Costs for: (i) the implementation of the SESA Workplan; (ii) the preparation of the Environmental and Social Management Framework (ESMF); and (iii) the preparation of an Indigenous Peoples Planning Framework, a Resettlement Policy Framework and a Process Framework.

Part 3: National Forest Monitoring System

Provision of support to the Executing Entity to, inter alia: (a) further operationalize the National Forest Monitoring System, including the establishment of a specialized technical unit on monitoring, reporting and verification within the Executing Entity and the provision of relevant technical assistance; and (b) collect field data of sample plots through the National Forest and Soils Inventory to increase the accuracy of carbon stock and greenhouse gas emission estimates.

Expected follow up (if any):

Comment on follow up:

Grant funding is supporting the development of a future FCPF Emissions Reduction Program, and in particular supporting the enabling framework for the ER Program's future implementation by providing institutional strengthening and targeted technical support to help strengthen CONAFOR's coordination with other agencies that play a role in landscape management, as well as provide specialized support to CONAFOR's technical department.

End Date of Last Site Visit:

Restructuring of Grant:

An 8-month extension of the closing date, to December 31, 2019, was processed in February 2019 to address initial implementation delays.

OUTCOME

Comments on outcome achieved from 07/01/2018 to 06/30/2019

The project is making excellent progress in achieving planned outcomes. The project has supported the Sustainable Forestry Management Department in its establishment and operation. In particular, grant activities have supported the Department in providing assistance to Community Forest Enterprises and producers in implementing sustainable forest practices. Twenty-five (25) regional agreements have been signed (13 were signed between 7/1/18 and 6/30/19), in which forest producers defined and committed to following sustainable forest management and good practice criteria. Grant activities have also supported the Department in developing forest certification schemes, and 26 forest properties (114,079 ha) were certified between 7/1/18 and 6/30/19, of which 15 have international (FSC) certification. With project support, 20 networks of Community Forest Promoters were formalized in CY2018, which have continued operation in CY2019. These networks provide support to communities in forest management, in the areas of certification, biodiversity conservation, business development, among others. A total of 500 producers and technicians have been trained between 7/1/18 and 6/30/19, of which 21% are women. In addition, 49 Community Forest Enterprises (CFEs) have been trained and applied project-supported techniques and tools during the reporting period, with 235 CFEs applying such tools with project support to date.

Grant Outcome Indicators

Grant outcome indicators are listed below.

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Technical Specialized Unit on Sustainable Forestry Management established and operating in accordance with agreed work plan

Baseline 0
Value:
Date:
Progress to Yes
Date:
Date:
Target Value: Yes
Date:

COMPONENTS

Output and Implementation by Component

Develop REDD Strategy Options

Status: Under Implementation
Planned Output: TA provided to CONAFOR's Sustainable Forestry Management Department to strengthen its capacity to mainstream high production-low impact forest management approaches
Actual Output: TA has been provided, building the capacity of CONAFOR's Sustainable Forestry Management Department to promote forest management at the regional level with an integrated landscape management approach

Comment on planned and actual Output

Comment on component implementation progress

The Additional Funding of US\$1.5 million, under TF-0A4502, which has been implemented by UNDP, provided support to Component 2 (specifically Subcomponent 2b), as outlined above.

EXECUTION

Bank project related to the grant

Project ID / Name: P120417 - MX FCPF REDD Readiness
Project Status: Lending
Global Focal Area: Climate change
Product Line: CN - Carbon Offset

Implementing agency and contact details

Agency: National Forestry Commission (CONAFOR)
Contact: Jorge Castaños
Address: Periférico Poniente 5360, San Juan de Ocotán, Jalisco. C.P. 45019
Phone: +52 (33) 3777 7000 Email:
Website:

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PROGRAM

Program Specific Questions

1. Describe progress in how the Grant activities are being coordinated with other REDD+-related initiatives, including those funded by Describe progress in how the Grant activities are being coordinated with other REDD+-related initiatives, including those f

Given that grant funding is supporting the development of a future FCPF Emissions Reduction Program, and in particular supporting the enabling framework for the ER Program's future implementation, grant activities are fully coordinated with preparation needs of this future ER Program. For example, targeted technical support to CONAFOR's Sustainable Forestry Department is helping establish a framework for forest landscape investments, that balance production with conservation and that can be promoted under a future ER Program.

2. Describe any important changes in the technical design or approach related to the Grant activities.

There have been no changes in technical design or approach.

3. Describe progress in addressing key capacity issues (implementation, technical, financial management, procurement) related to this Grant.

The implementing agency, UNDP, has significant experience in the implementation of World Bank projects, including World Bank fiduciary requirements. As such, the project has not experienced any capacity issues during implementation.

4. Describe progress in addressing social and environmental issues (including safeguards) related to the Grant. Is the SESA conducted in accordance with the Common Approach?

Social and environmental dimensions of the REDD+ Readiness have been managed in a satisfactory manner. CONAFOR undertook a systematic Strategic Environmental and Social Assessment (SESA) to integrate key environmental and social considerations into the REDD+ Strategy, and with the outcomes from the SESA, an Environmental and Social Management Framework (ESMF) was also developed. The SESA process is fully integrated within the ENAREDD+ and has included workshops, conferences, study groups, and meetings with various community groups and stakeholders. The SESA process formally began with a national SESA workshop in May 2011, which resulted in a formal SESA charter that prioritizes responsibilities and actions to enhance the program's environmental and social benefits while mitigating risks. Follow-up SESA workshops were held in the Yucatan and Jalisco in 2011 to gather recommendations to improve and strengthen social and environmental programs. Analytical and participation processes were concluded in 2015 and the results were published in the study "Structuring possible risks and benefits derived from implementing greenhouse gas reduction investments and the National REDD+ Strategy." The SESA report was finalized and published in December 2016.

5. Is the ESMF prepared in accordance with the Common Approach?

Yes. The SESA and ESMF were prepared under the original grant, which has closed. These documents provide a framework for guiding implementation of the REDD+ Strategy. The ESMF establishes the procedures for addressing potential environmental and social impacts from the implementation of REDD+ activities, including associated mitigation measures.

6. Describe progress in stakeholder consultation, participation, disclosure of information, and the FGRM related to this Grant.

Yes. The extensive consultation process that has been conducted among a wide group of diverse stakeholders during the preparation of the REDD+ Strategy is considered best practice (in particular, in terms of the representativeness of people consulted).

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DISBURSEMENTS

Disbursements Summary in USD

Date From	Date To	Planned Cumulative	Planned Period	Actual Cumulative	Actual Period
07/01/2017	12/31/2017	0.00	0.00	1,000,000.00	1,000,000.00
01/01/2018	06/30/2018	0.00	0.00	1,000,000.00	0.00
07/01/2018	12/31/2018	0.00	0.00	1,000,000.00	0.00
01/01/2019	06/30/2019	0.00	0.00	1,500,000.00	500,000.00
07/01/2019	12/31/2019	0.00	0.00	0.00	0.00
01/01/2020	06/30/2020	0.00	0.00	0.00	0.00