

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TFOA4501
Printed On: 10/16/2019

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

Assignment: TFOA4501

United Mexican States Forest Carbon Partnership Facility REDD+ Readiness Preparation Support - Second Readiness Grant

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	09/07/2017 to 06/30/2020
Original Grant Amount	3,500,000.00
Grant Amount	3,500,000.00
Outstanding Commitments	0.00
Cumulative Disbursements	2,695,034.90 as of 06/30/2019
Disbursed 07/01/2018 to 06/30/2019	2,695,034.90
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 is successfully supporting 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. In particular, funding is helping strengthen the participatory process required for ENAREDD+ implementation and for consolidating the ENAREDD+ intervention model by building the capacities of relevant stakeholders. Training courses and workshops are supporting forest communities and associations to participate more fully and benefit from REDD+ related activities. In particular, training (105 offerings in total in 2018 and 2019) has been provided to communities, producers, and technical specialists to build their managerial and technical capacities. In addition, technical assistance was also provided to 12 Forest Sector Social Organizations (OSSF) during the fiscal year to build their capacity and strengthen their role in engaging and increasing the participation of beneficiary groups (communities, community associations, including women and youth, as well as community enterprises) in REDD+ activities and more fully exploit economic, social, and environmental benefits. In addition, support is being provided to CONAFOR's National Monitoring, Reporting and Verification (MRV) System, through the provision of technical assistance to CONAFOR's MRV Department, as well as in data collection via the National Forest and Soils Inventory.

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

Comment:

As detailed above, project implementation is progressing well. Data collection through the National Forest and Soils Inventory, under Component 3, is the key remaining activity to be carried out prior to project completion. This activity is currently being contracted. The project is expected to be completed successfully by December 31, 2019.

Grant follow-up and structure

Description and context of Grant:

Component 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, 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

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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): Follow up Bank project/loan/credit/grant

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 in the areas of monitoring, reporting and verification, and data collection.

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 good progress in achieving planned outcomes. With respect to the first indicator, measuring technical and administrative support provided to ejidos, communities, and forestry sector organizations (OSSF), CONAFOR received 106 requests from ejidos and communities for training and workshops, of which 105 were authorized. In addition, CONAFOR's Forest Monitoring Department has generated information and documents to comply with both national and international commitments in terms of mitigation and adaptation to climate change.

Grant Outcome Indicators

Grant outcome indicators are listed below.

Ejidos, communities, ejido and community associations, forestry sector organizations (OSSF)

Baseline 0

Value:

Date:

Progress to 623 courses and workshops provided to communities and an additional 82 OSSF supported.

Date:

Date:

Target Value: 138 OSSF and communities supported

Date:

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CONAFOR's Forest Monitoring Department strengthened, with 4 MRV reports prepared.

Baseline 0

Value:

Date:

Progress to Date: 5 reports prepared to comply with both national and international commitments in terms of mitigation and adaptation to climate change

Date:

Target Value: 4 reports prepared to comply with climate change commitments

Date:

COMPONENTS

Output and Implementation by Component

Component 1. National Readiness Management Arrangements and Stakeholder Consultation and Participation

Status: Under Implementation

Planned Output: TA provided to build capacities and increase participation of beneficiary groups (ejidos, communities, producers)

Actual Output: TA (including training and workshops) to build technical and managerial capacities under implementation.

Component 3. National Forest Monitoring System

Status: Under Implementation

Planned Output: Strengthen institutional capacity of National Forest Monitoring System Management Unit, and also support data collection through the National Forest and Soils Inventory (INFyS)

Actual Output: Institutional strengthening of Forest Monitoring Management Unit and INFyS data collection is currently underway.

Comment on planned and actual Output

Comment on component implementation progress

The Additional Funding of US\$3.5 million, under TF-0A4501, which is implemented by CONAFOR, is providing support to Components 1 and 3 (specifically Subcomponents 1b, 3a and 3b), as outlined above. Additional Funding of US\$1.5 million, under TF-0A4502 (see separate GRM), which is implemented by UNDP, is providing support to Component 2 (specifically Subcomponent 2b). All other grant activities (Subcomponents 1a, 2a, 2c, and 2d) were carried out under the original FCPF REDD+ Readiness Grant (TF-010261) and have been completed.

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

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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
Website: **Email:**

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 in the areas of monitoring, reporting, and verification, and data collection have helped improve activity data calculations, as well as define the volume of ERs that the country can receive payment against under this future 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, CONAFOR, has significant experience in the implementation of World Bank projects, including World Bank fiduciary requirements. While the project has not experienced technical capacity issues during implementation, the project did face slight implementation delays at the start of CY19, due to administration changes. In addition, CONAFOR has experienced budget cuts during the calendar year that have placed some resource constraints on implementation. To mitigate these challenges, the team has provided close follow-up and support to the implementing agency as needed.

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 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.

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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).

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	0.00	0.00
01/01/2018	06/30/2018	0.00	0.00	0.00	0.00
07/01/2018	12/31/2018	0.00	0.00	1,002,710.91	1,002,710.91
01/01/2019	06/30/2019	0.00	0.00	2,695,034.90	1,692,323.99
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