

# World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TF010261  
Printed On: 12/19/2014

Reporting Period: 07/01/2013 to 06/30/2014  
Report Type: Progress Report  
Report Status: Approved

Assignment: TF010261

## Mexico: FCPF Readiness Grant

### FCPFR - FOREST CARBON PARTNERSHIP FACILITY

Task Team Leader: 00000242803 - Carole Megevand  
Approving Manager: 00000021097 - Emilia Battaglini

Summary Information	
TF Status	ACTN
Recipient Country	Mexico
Executed By	Recipient
Managing Unit	7632 - LCSAR - HIS
Grant Start Date / End Date	03/19/2014 to 04/30/2017
Program Manager	
Original Grant Amount	3,800,000.00
Grant Amount	3,800,000.00
Outstanding Commitments	0.00
Cumulative Disbursements	0.00
Disbursed 07/01/2013 to 06/30/2014	0.00
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 immediate objective of the FCPF Readiness Grant is: for Mexico to become ready for future REDD implementation by preparing the key elements, systems and/or policies needed, generally referred to as the #REDD Readiness Package#, in a socially and environmentally sound manner.

#### Overall progress from 07/01/2013 to 06/30/2014 with regard to Achieving Grant Objectives:

##### Comment:

Background: An Assessment note for a REDD+ Readiness project in Mexico had already been prepared in 2011. However, the operation never materialized: at that time, the nature and scope of REDD+ were not clearly defined and the CSO community was highly critical that REDD+, if not well designed, could adversely impacts vulnerable populations, including Indigenous peoples. Considering the risk associated to the FCPF operation too high, the Government of Mexico decided at some point not to sign the grant agreement. Over the last 2 years, the understanding of the REDD+ mechanism improved at the international level as well as in Mexico and the criticism from the CSO community drastically reduced. The dialogue on FCPF was re-initiated in May 2013, when CONAFOR renewed interest in the FCPF Readiness Grant.

Milestones met between July 2013 and June 2014:

Starting July 2013, the WB and CONAFOR teams have worked together to prepare a new Assessment note, acknowledging the advanced stage of its REDD+ Readiness process: the FCPF grant accordingly focuses on a subset of components as per the R-PP that were selected jointly with CONAFOR, taking into account the following criteria: (i) comparative advantage of the World Bank, (ii) financing of full set of activities (with no co-financing required that could jeopardize the achievement of the project objective), and (iii) complementarity with activities financed by other donors and government.

October 2013: Review meeting of the revised FCPF Package and approval by the WB Management

March 2014: Signing of the GA by WB, CONAFOR, Hacienda and NAFIN

July 7, 2014: the Operation is declared effective

#### Overall progress from 07/01/2013 to 06/30/2014 with regard to Implementation of Grant Financed Activities:

##### Comment:

Since the Grant Agreement was declared effective on July 7, 2014, only a few activities could be implemented during FY14 (cf. retroactive financing for consultation process authorized under the Grant Agreement).

### Grant follow-up and structure

#### Description and context of Grant:

**Expected follow up (if any):** Follow up Bank project/loan/credit/grant

#### Comment on follow up:

Mexico has submitted to the Carbon Fund Participants an Early Idea for Emission reduction Program (ER-PIN) at the jurisdictional level. This ER-PIN has been considered of good quality and Mexico has been selected in the Carbon Fund pipeline to prepare a ER Program that could generate carbon credits that the Carbon Fund would acquire. Such ER Program would also build on the on-going FIP investments in the Early Actions Areas for REDD+.

**End Date of Last Site Visit:**

**Restructuring of Grant:**

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## OUTCOME

### Comments on outcome achieved from 07/01/2013 to 06/30/2014

#### Grant Outcome Indicators

Grant outcome indicators are listed below.

**A final version of ENAREDD+ reflects the comments and feedback from the various sectors and stakeholders.**

Baseline Third draft ENAREDD+ available

Value:

Date: 11/29/2013

Progress to Consultation conducted on the third draft

Date:

Date: 11/10/2014

Target Value: All comments collected are reflected in the final version of the ENAREDD+

Date: 12/30/2015

**A technically strong ESMF has been finalized and validated by a broad range of stakeholders.**

Baseline No ESMF

Value:

Date: 11/29/2013

Progress to ToRs have been prepared and reviewed - Selection process on going

Date:

Date: 01/30/2015

Target Value: ESMF finalized

Date: 12/30/2015

**A state-level comprehensive feedback and grievance mechanism for REDD+ is piloted in one Early Action Area.**

Baseline FGM only at national level

Value:

Date: 11/29/2013

Progress to ToRs have been prepared and reviewed - Selection process on going

Date:

Date: 01/30/2015

Target Value: FGM in place in one of the Early Action Areas

Date: 12/30/2015

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## COMPONENTS

### Output and Implementation by Component

#### Organization and Consultation (FCPF amount: US\$2,558,000).

Status: Under Implementation  
Planned Output: The FCPF grant would support the continuing dialogue and participative process with stakeholder groups, within and outside government  
Actual Output: Consultations are on-going through the PROFOS program

#### Development of the REDD Strategy. (FCPF amount: US\$1,242,000)

Status: Planned  
Planned Output: The FCPF grant would support further analysis and design policies and programs to tackle the drivers of deforestation  
Actual Output: National REDD+ Strategy adopted, including an in-depth analysis of drivers of deforestation,

### Comment on planned and actual Output

### Comment on component implementation progress

## 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: CONAFOR  
Contact: Ana Karla Perea  
Address: Periférico Poniente #5360 Col. San Juan de Ocotán, Zapopan, Jalisco, C.P. 45019  
Phone: +52-33-3777-7000 ext      Email: aperea@conafor.gob.mx  
Website:

## 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

There is a very strong articulation of the FCPF activities with the other REDD+ related activities financed through other sources (FIP and IBRD) as well as other donors. CONAFOR has a very strong capacity to coordinate all the REDD+ related activities and seek synergies.

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

No change has been made

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

No capacity gap was identified during preparation of the grant

## 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?

Mexico has developed a sound SESA work plan that is currently under implementation.

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

Yes

## 6. Describe progress in stakeholder consultation, participation and disclosure related to this Grant.

Consultation with key stakeholders has been on going on REDD+ for the last 4 years. The Consultation process now focuses on the latest version of the ENAREDD+ and is conducted through the national program PROFOS.

## DISBURSEMENTS

### Disbursements Summary in USD

Date From	Date To	Planned Cumulative	Planned Period	Actual Cumulative	Actual Period
01/01/2014	06/30/2014	0.00	0.00	0.00	0.00
07/01/2014	12/31/2014	0.00	0.00	0.00	0.00
01/01/2015	06/30/2015	0.00	0.00	0.00	0.00
07/01/2015	12/31/2015	0.00	0.00	0.00	0.00
01/01/2016	06/30/2016	0.00	0.00	0.00	0.00
07/01/2016	12/31/2016	0.00	0.00	0.00	0.00
01/01/2017	06/30/2017	0.00	0.00	0.00	0.00