

# Mexico: Forest Carbon Partnership Fund (FCPF) & Forest Investment Program (FIP)

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Topic: Integrating grievance redress into borrower systems

What was the issue?

The Mexican government was preparing to implement two programs with impacts on forests, land use and land management, and indigenous peoples. Because the projects triggered OP 4.10 and OP 4.12, both the borrower and the Bank team were looking for guidance on how to design and implement a grievance redress mechanism (GRM) that could handle issues related to forest governance, land use, and – eventually – carbon fund benefits. The borrower (CONAFOR, Mexico's national agency in charge of forests) had prepared a document that outlined how they might respond in a crisis but it wasn't a formal grievance redress mechanism that could respond to the issues that were anticipated to arise as the projects got underway. Furthermore, the Social Development Specialist knew it would not satisfy the Bank's requirements for grievance redress.

How did the Bank respond?

The Dispute Resolution & Prevention team identified a local expert on grievance redress and mediation. This expert worked with the Borrower and the Bank team to:

- Build on existing grievance capacity in the Mexican government
- Identify opportunities to improve complaints handling
- Put in place practical and simple steps that could be implemented immediately without excessive cost and complexity

***Project Details:***

*\$3.6 million FCPF Readiness Fund  
grant; FIP financing TBD*

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**One immediate challenge was to identify and assess the existing capacity for handling grievances in Mexico.** CONAFOR has three different entities that each handled slightly different types of issues: (1) one unit receives complaints about poor performance or corruption among public servants; (2) another unit mandated by national law handles requests for general public information, and (3) a third unit handles information requests on CONAFOR operations. While each of these units handled their respective issues well, there was still the question of where someone would go to raise an issue outside the mandates of these three units.

**A second challenge was to put in place a grievance mechanism that could handle the types of issues likely to arise in policy dialogue versus project implementation.** The goal was to structure a grievance redress component into the FCPF and FIP consultation process, versus building a GRM that would only function once the country was actually receiving carbon funds. Distinguishing between the issues that would arise in the policy dialogue process versus the carbon fund (i.e. benefit distribution) process was important for both the Borrower and the Bank team.

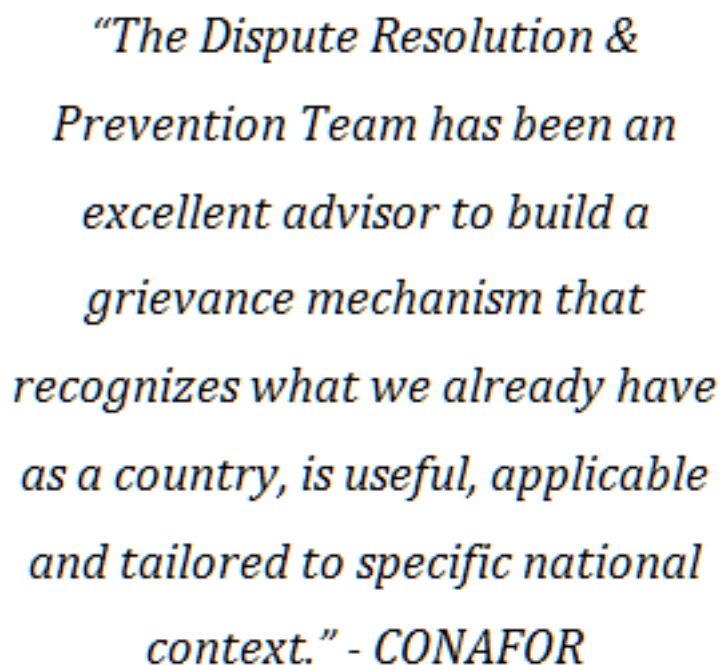
**To address these issues, the borrower convened a workshop with representatives from the relevant units and asked the grievance expert to facilitate the discussion.** The goal for the workshop was to decide on how to cover the gaps in the existing grievance structures. In addition to staff-level representatives, CONAFOR sent a more senior political figure to ensure that political will existed to make things happen. Prior to the workshop, CONAFOR used DRP's GRM Evaluation checklist (see attached) to identify key existing capacities and gaps. This checklist was circulated to all participants prior to the workshop and used to guide the discussion. The Mexican staff appreciated DRP's emphasis on putting in place a system based on what is easiest for the user and most efficient and realistic given existing resources. An interesting sidenote is that this workshop was the first time these three units had convened together and been introduced to

each other to share their experience. A commitment was made to meet at least quarterly to share information stemming from their databases.

What was the outcome?

There was an agreement to:

- Create a GRM for all of CONAFOR's activities – not just Bank-supported



*"The Dispute Resolution & Prevention Team has been an excellent advisor to build a grievance mechanism that recognizes what we already have as a country, is useful, applicable and tailored to specific national context." - CONAFOR*

projects;

- Capture and harness existing grievance handling expertise conducted informally by CONAFOR's field staff;
- Put in place a system that ensures all grievances are recorded, monitored, and closed out in a timely manner.

The Borrower was extremely satisfied with the support received from the World Bank team, in particular the team's emphasis on simple and practical steps

to reinforce and strengthen the systems already in place within the Mexican government. CONAFOR's commitment to put in place a grievance mechanism that extends beyond the Bank's projects is a critical mark of sustainability and commitment.

## Next Steps

DRP will continue to support CONAFOR going forward, in particular:

- Developing an action plan to ensure each unit puts in place the agreed measures to integrate grievance redress thoroughly into operations;
- Making local communities aware of the changes at CONAFOR and the new opportunities for citizen feedback;
- Putting in place protocols for handling more complex grievances on the ground.