Combined Project Information Documents / Integrated Safeguards Datasheet (PID/ISDS)

Appraisal Stage | Date Prepared/Updated: 07-Feb-2018 | Report No: PIDISDSA23327

BASIC INFORMATION

A. Basic Project Data

Country	Project ID	Project Name	Parent Project ID (if any)
Brazil	P164602	FIP: Brazil Investment Plan: Integrated Landscape Management in the Cerrado Biome Project	
Region	**Estimated Appraisal Date**	**Estimated Board Date**	**Practice Area (Lead)**
LATIN AMERICA AND CARIBBEAN	12-Mar-2018	05-Jul-2018	Environment & Natural Resources
Financing Instrument	**Borrower(s)**	**Implementing Agency**	
Investment Project Financing	Brazil - Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	Ministry of Agriculture, Livestock, and Food Supply (MAPA), Serviço Nacional de Aprendizagem Rural, Ministry of Environment / Brazilian Forest Service	

Proposed Development Objective(s)

To strengthen adoption of environmental conservation and restoration practices, and low-carbon emission agricultural practices in selected watersheds of Brazil's Cerrado Biome.

Components

Institutional Development and Capacity Building for Landscape Management
Mainstreaning Landscape Practices into Selected Watersheds
Project Management, Monitoring and Evaluation

Financing (in USD Million)

Financing Source	Amount
Climate Investment Funds	25.00
Total Project Cost	**25.00**

Environmental Assessment Category

B - Partial Assessment

Decision

The review did authorize the preparation to continue

Other Decision (as needed)

B. Introduction and Context

Country Context

1. Brazil experienced an unprecedented reduction in poverty and inequality over the past decade. Sound macro policies and a favorable external environment contributed to rapid economic and social progress between 2001 and 2015, when 24.2 million Brazilians escaped poverty. Access to social services and basic infrastructure also improved significantly. In 2016, Brazil's gross domestic product (GDP) totaled nearly US$1.7 trillion with a per capita GDP of US$8,649.95, 3.6 percentage points lower than that in 2015.

2. During the economy's retraction in 2016, the agricultural sector increased its contribution from 21.5 percent to 23 percent of the GDP. The sector represents 48 percent of the country's total exports. Endowed with diverse landscapes and substantial natural and land resources appropriate for forest, agricultural and livestock production, the country ranks third among the world's leading agricultural exporters, fourth in food production, and second in bioethanol production. However, the current economic crisis is rekindling conflicts over land and natural resources, especially in Brazil's Amazon and Cerrado Biomes, and is highlighting the challenges the country faces in terms of balancing the need for continued growth, the importance of the agricultural sector, and meeting international environmental commitments.

3. Nonetheless, Brazil remains one of the world's most unequal countries, with significant areas of poverty both geographically and in terms of gender and race. Brazil needs a different growth model to sustain past social gains. The World Bank Group (WBG) Systematic Country Diagnostic (SCD1) for Brazil identified three challenges for sustaining poverty reduction and shared prosperity in the future: (i) the creation of sufficient productive and well-remunerated jobs to provide employment opportunities for all working-age Brazilians; (ii) more efficient and better-targeted government spending; and (iii) smarter management of Brazil's natural resources and better mitigation of environmental pollution and the risk of natural disasters, in order to improve livelihoods and economic opportunities. Three principal issues in natural resource management stand out and affect the bottom 40 percent of income distribution (B40) directly and indirectly through their effects on growth and incomes: access to land and secure property rights, water management, and more broadly, environmental management.

4. In 2015, Brazil submitted its Nationally Determined Contribution (NDC) to the United Nations Framework Convention on Climate Change (UNFCCC). Brazil is committed to reducing greenhouse gas

[1] Retaking the Path to Inclusion, Growth and Sustainability. Brazil Systematic Country Diagnostic. World Bank Group. Report No. 101431-BR.

(GHG) emissions by 37 percent below 2005 levels by 2025 and, as a subsequent indicative contribution, to reducing GHGs by 43 percent below 2005 levels by 2030. The Government of Brazil (GoB) is committed to the implementation of its NDC, with full respect for human rights and the rights of vulnerable communities, indigenous peoples, traditional communities and workers in sectors affected by corresponding policies and plans, and is promoting gender-sensitive measures.2 The GoB is equally committed to achieving its NDC targets as it works to eliminate extreme poverty and reduce inequality. A large part of the NDC target is based on reducing emissions from deforestation and degradation (REDD).

Sectoral and Institutional Context

5. The Cerrado, a large geographic area, is a strategic biome for economic and environmental reasons as well as for food security. It covers a large area that contains significant carbon stocks and water resources, as well as substantial biodiversity. The Cerrado Biome covers approximately 200 million hectares (ha) of the Brazilian Central Plateau (24 percent of the country's total land area). As the second-largest biome in South America, it is home to the headwaters of three major South American river basins: Tocantins–Araguaia, Paraná–Plata, and São Francisco. Agriculture occupies around 22 million ha, involving mechanized farming on large tracts of land and the widespread use of chemical inputs to correct soil acidity and enhance fertility. The Cerrado has an estimated 50 million head of cattle, nearly 33 percent of the national herd, on 54 million ha of grassland.

6. The Brazil Investment Plan (BIP), endorsed by the Forest Investment Program (FIP) Subcommittee on May 18, 2012, represents an important tool for achieving Brazil's NDC commitments in the Cerrado Biome. The BIP seeks to promote sustainable land use and forest management improvement in the Cerrado and to contribute toward reducing pressure on the remaining forests, reducing GHG emissions, and increasing carbon dioxide (CO_2) sequestration.

7. **The BIP covers two thematic areas and includes interrelated projects.** Theme 1: Management and Use of Anthropized Areas, aims to promote sustainable use on privately run farms. *Theme 2: Production and Management of Forest Information* aims to generate and make available spatially and temporally consistent environmental information for the biome. Complementary contributions to the BIP include a Dedicated Grant Mechanism for Indigenous Peoples and Local Communities (DGM) and a private-sector window specifically designed to promote private-sector investment in Brazil. Project 1.1: Environmental Regularization (P143334) supports the rural environmental cadaster in selected municipalities. Project 1.2: Sustainable Production (P143184) aims to test and evaluate the effect of training activities and technical assistance on the adoption of low-carbon emission practices by rural producers. Project 2.1: Forest Information aims to implement the national forest inventory in the Cerrado Biome. Project 2.2: Cerrado Monitoring Systems (P143185) aims to monitor vegetation-cover changes and a conceptual model for calculating GHG emissions from deforestation. The BIP also includes a BIP Coordination Project (P152285) to coordinate projects and improve the sustainability and efficiency of forest resource management and land use in the Cerrado.

8. **This proposed project is complementary to those already under implementation**, which will scale up BIP results by supporting environmental regularization and low-carbon emission agricultural practices for landholders and traditional communities in selected watersheds, promoting landscape restoration,

[2] Brazil's NDC Restoration and Reforestation Target. Analysis of INDC land-use targets. World Bank. 2017. Report No. AUS19554.

and enhancing forest carbon stock in the Cerrado Biome's private rural landholdings.

9. **The project will also contribute to the achievement of objectives of the National Policy on Climate Change (NPCC).** It will also ensure that rural properties assisted by the project are in environmental compliance with Brazilian Forest Code rules. The Brazil Low Carbon Agriculture Plan (ABC Plan) is one of the sector plans stipulated by the NPCC. The program's ambitious goals include rehabilitating 15 million ha of degraded pastures and increasing the area under zero tillage from 25 million ha to 33 million ha by 2020. The ABC Plan is focused on sustainable agricultural practices,[3] including no-till agriculture, the restoration of degraded pastures, the planting of commercial forests, biological nitrogen fixation,[4] treatment of animal waste, and the integration of crops, livestock and forests.

C. Proposed Development Objective(s)

Development Objective(s) (From PAD)

10. The Project will promote the adoption of environmental conservation and restoration practices, and sustainable low carbon emissions agricultural technologies in selected watersheds of Brazil's Cerrado Biome.

Key Results

11. The successes of project interventions will be measured through the following indicators:

- Land area where conservation and restoration practices have been adopted (ha).
- Landholders adopting environmental conservation and restoration practices (number, disaggregated by gender).
- Land area where low-carbon agricultural practices have been adopted (ha).
- Farmers adopting improved agricultural technology. (number, disaggregated by gender)

D. Project Description

12. Component 1: Institutional Development and Capacity Building for Landscape Management (Estimated Cost: US$ 5.5 million). The application of the Integrated Landscape Management (ILM) approach requires thorough and careful knowledge of the action's focus area. An understanding of land use is essential in order to have a strategic vision and create scenarios for the future of the Cerrado's agriculture and the conservation. The aims of this component are to support the development of

[3] Sustainable agriculture is linked to climate smart agriculture but has different contexts. According to the Food and Agriculture Organization of the United Nations (FAO; 2013, p. 197), CSA "aims at achieving the same food security objectives as sustainable agriculture, but through the lens of climate change".

[4] Nitrogen is vital for plant growth, but many plants require additional nitrogenous inputs into the soil. Certain nitrogen-fixing plants, such as several species of the legume family, are capable of drawing gaseous nitrogen from the air into their roots. When these plants finish growing, their decomposition releases the stored nitrogen into the soil, creating a supply of nitrogen for other plants. They can provide an effective nutrient management alternative to inorganic fertilizers. Incorporating these nitrogen-fixing plants can reduce nitrous oxide emissions while curbing the amount of nitrogen lost to runoff (Scherr et al. 2012).

capacities at the national and local levels to plan and implement an ILM approach in the selected watersheds, create legitimacy for the project, and secure the support of local stakeholders.

13. The main activities would include: mapping of classes of land use and cover (secondary vegetation, agriculture, livestock, mosaic occupation, forestry, urban areas) in all states of the Cerrado Biome and selected watersheds (TerraClass mapping); studies and information on the Cerrado; and strengthening of the governance capacity of the Ministry of Agriculture, Livestock and Supply (*Ministério da Agricultura, Pecuária e Abastecimento,* MAPA), the Brazilian Forestry Service (*Serviço Florestal Brasileiro,* SFB), the National Institute for Space Research (*Instituto Nacional de Pesquisas Espaciais,* INPE), the Brazilian Agricultural Research Corporation (*Empresa Brasileira de Pesquisa Agropecuária,* EMBRAPA), and the National Rural Learning Service (*Serviço Nacional de Aprendizagen Rural,* SENAR). This component would finance consultancies, non-consulting services (e.g., vehicle rentals, maintenance, and information technology [IT] services), infrastructure and civil works, the purchase of goods, equipment and satellite images, the conduction of workshops and training, and the preparation and production of materials.

14. Component 2: Mainstreaming Landscape Practices into Selected Watersheds (Estimated Cost: US$16 million). The aims of this component are to promote the adoption of low-carbon emission agricultural practices and restoration practices within private landholdings and help improve production efficiency and environmental compliance. This component introduces a new strategy for technology transfer to landholders through field technicians trained in low-carbon emission agricultural practices for the restoration of environmental liabilities and productive landholding management.

15. The main activities would include: (i) an action plan for the selected watersheds; (ii) mobilization and engagement of producers and public environmental institutions; (iii) training; (iii) technical assistance for landholders; (iv) monitoring of landholdings' performance; and (v) support for the forest-restoration supply chain. This component would finance civil works, consultancies and trainers, non-consulting services, travel, technical assistance, technical supervisors and field technicians, purchase of goods and equipment, demonstration units, organization of events such as field days, and experience sharing.

16. Component 3: Project Management, Monitoring, Evaluation and Communication (Estimated Cost: US$3.5 million). The aim of this component is to provide support for the project's technical and administrative management, including communication, monitoring and evaluation (M&E), reporting and auditing activities. It will finance studies, workshops, training, travel, technical advice, consulting, administrative services, limited software and equipment, and operating costs.

E. Implementation

Institutional and Implementation Arrangements

17. The proposed project will be implemented by MAPA and the SFB in partnership with the following key executing agencies: Brazil–Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and SENAR. MAPA and the SFB have the overarching policy-level responsibility for carrying out the overall institutional coordination required to implement project activities. The Brazil Investment Plan Executive

Committee (BIP–EC) has appointed the GIZ to manage grant resources.

18. To this end, the GIZ will sign a Grant Agreement with the World Bank to carry out project implementation. This agreement will set forth the specific terms and agreements for grant management and include the following responsibilities: procurement of goods and contracting services needed for project execution with grant resources; carrying out disbursements and the project's financial execution and accounting; and provision of technical support to carry out the project activities.

19. The GIZ and SENAR will sign a Subsidiary Agreement on activities to promote low-carbon agricultural practices (Component 2). Cooperation Agreements will be signed, as appropriate, by the GIZ, MAPA, SFB, SENAR, INPE (a research institution associated with the Ministry of Science, Technology, Innovation and Communications [*Ministério da Ciência, Tecnologia, Inovações e Comunicações,* MCTIC]), and EMBRAPA on landscape monitoring, training, technical assistance and other landscape management activities.

20. The project has developed a management arrangement to ensure synergies among the different implementing partners during the implementation phase.

- **Project Advisory Committee (PAC).** An advisory body comprising representatives of implementing and executing agencies will be established to provide strategic guidance, ensure linkages with relevant sectoral policies and programs, assist in the resolution of any inter-sectoral debate, and monitor the project's targets and indicators. Its purpose is to articulate, align and integrate project implementation. This committee will comprise representatives from the GIZ, SENAR, EMBRAPA, MAPA, SFB and INPE. It will meet at least once every six months or whenever necessary, with the GIZ serving as the committee's secretary. The committee will determine the overall implementation strategy and changes to it; review and agree on annual project implementation plans; and review M&E reporting. It will continually evaluate the project, using the implementation monitoring data and recommended additional monitoring.
- **Project Coordination Unit (PCU).** The PCU is the lead implementing body under the SFB. The PCU will be responsible for coordinating project implementation; technically supervising the development of project activities, including effective coordination of research and development activities at the project level; coordinating the project's different actors; and monitoring and evaluating the project. This unit will be the Bank's main liaison during project implementation. It will compile all project-related information provided by the implementing agencies, and will produce technical and safeguard reports as required by World Bank policies. The PCU will also act as the chair for the PAC. The unit will be headed by a project coordinator and supported by technical specialists and administrative staff.
- **Project Executing Units (PEUs)**. Two PEUs will be established: one in the GIZ (PEU–GIZ) and the other in SENAR (PEU–SENAR). Each PEU will have dedicated personnel to ensure the planning and budgeting of project activities, FM and procurement, technical supervision and quality control, gender and social inclusion, environmental and social safeguards compliance, and M&E.
- **Technical Working Groups.** Specific Technical Working Groups will be established to analyze and provide technical guidance on issues that may arise with respect to implementation.

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F. Project location and Salient physical characteristics relevant to the safeguard analysis (if known)

The proposed Project will be working in some sensitive biodiversity and dry forest areas. The Cerrado biome, located in central Brazil, covers almost one quarter, or 2.04 million km2, of the country, with a mosaic of 23 types of vegetation co tropical savannas, woodlands, grasslands and forests. Conservation International considers it one of the world's 34 biodiversity hotspots. The rapid expansion of agriculture in the Cerrado Biome has caused the conversion of natural vegetation to alternative land uses (deforestation) and has also increased the use of slash-and-burn as an agricultural practice. The Cerrado had lost about 48 percent of its forest cover by 2010. Estimates indicate that deforestation in the Cerrado is proportionally more severe than that of the Amazon. The Cerrado Biome is mostly occupied by private landholdings. Some 78 percent of about one million landholdings in the biome are small landholdings (up to four fiscal modules), but occupy only 15 percent of the area of all landholdings, whereas 22 percent of the larger landholdings occupy 85 percent of the area. The project's direct area of intervention will be selected according to technical criteria from a list of 53 pre-selected watersheds spread over the nine states within the biome. These watersheds cover an area of nearly 12.7 million ha, of which 48.6 percent are pasturelands holding an average of 10.98 head of cattle per hectare. There are 55,051 landholdings within this potential project area: 83.4 percent of these are small landholdings, whereas medium and large landholdings account for 12.4 percent and 4.3 percent, respectively. The final watershed selection will be completed during the first stage of project implementation when the following additional criteria will be used to narrow the final list of sites: (i) number of landholders interested in adopting low-carbon emission agricultural and restoration practices; (ii) local institutional capacity and engagement; (iii) stakeholders' participation; (iv) local infrastructure, including roads and communication facilities; and (v) landscape dynamics and functions. Because actual project activity sites are not known, and in view of the type of works to be carried out, an Environmental and Social Management Framework (ESMF) was prepared.

G. Environmental and Social Safeguards Specialists on the Team

Alberto Coelho Gomes Costa, Social Safeguards Specialist
Marcio Cerqueira Batitucci, Environmental Safeguards Specialist

SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	The project is expected to have a positive impact on the environment as it seeks to promote environmental conservation, restoration and the adoption low-carbon agricultural practices, and to

reduce the environmental impacts of agricultural activities.

Component 1: Institutional Development and Capacity Building for Landscape Management is focused on: (i) producing maps, digital data and information; (ii) designing and implementing a communication strategy; (iii) producing monitoring reports; and (iv) mainstreaming the integrated landscape approach into public policies as well as land-use monitoring. As such, this component focuses on technical assistance, institutional strengthening and capacity-building activities that would not make any investment in physical works. Component 2: Mainstreaming Landscape Practices into Selected Watersheds supports a set of actions focusing on rural extension, reforestation, agroforestry, seed nurseries, livestock production, training activities, and technical assistance. Component 3 focuses on project management and the M&E of its implementation.

Based on assessments undertaken and previous projects, no significant negative impact is expected because all proposed activities are intended to promote and consolidate the adoption of sustainable natural resources and land management practices that would contribute toward reducing carbon emissions.

Thus, the project essentially comprises a conservation and agricultural technology transfer project. It will finance the acquisition of satellite images, computers and equipment, geographic data and information, operational infrastructure such as tents and stands, design and development of communication materials, wireless service, training-event services, meetings and workshops, consultants and travel, and small civil works including maintenance and rehabilitation of offices and forest restoration demonstration units.

The implementing agencies prepared a draft ESMF based on experience with previous MMA (P143334) and MAPA (P1431284) projects.

		The ESMF includes: (i) environmental and social screening criteria; (ii) potential impact and risk mitigation measures; (iii) guidelines to mitigate and/or avoid damage to natural habitats; (iv) criteria to ensure that the pesticides used have negligible adverse impacts; (v) procedures to ensure that the pesticides used in subprojects do not include formulated products that fall under WHO Classes IA and IB or formulations that fall under Class IIA; (iv) institutional responsibilities and monitoring arrangements, including supervision protocols; and (iv) stakeholder communication guidelines. The previous experience of MMA and MAPA within the BIP (P143334 and P143128, respectively) shows that women, although a minority among landholders in the Cerrado Biome, have been significantly involved in the capacity-building/training activities related to the promotion of low-carbon emission agricultural technologies.
Natural Habitats OP/BP 4.04	Yes	Activities under proposed project should lead to positive impacts on natural habitats, such as their conservation and recovery. Because OP 4.04 is triggered, all planning activities must follow World Bank policies. The ESMF includes procedures to identify, monitor and manage activities to prevent or mitigate any possible negative impacts. The rural environmental regularization procedures will comply with the Brazilian Forest Code; Brazilian legislation on protected areas (SNUC—Law 9.985 of 2000, Decree 4.340 of 2002 and Decree 5.758 of 2006); and national, state, and local laws on natural habitats.
Forests OP/BP 4.36	Yes	This project will contribute to the conservation of the Cerrado Biome. It is expected to have a positive impact by avoiding deforestation and maintaining natural vegetation in parts of privately owned rural landholdings (all lands on steep slopes, along watercourses up to a given distance from the margin, or in the vicinity of springs), thus protecting the environmental services and values of natural vegetation. These are Areas of Permanent Preservation (APPs).

		The project will also contribute toward conserving and/or restoring special areas in private landholdings, which are to be set aside and preserved and are known as “Legal Reserves” (RLs). The ESMF considers the requirements of OB/BP 4.36 whenever restoration and planting activities are being planned. The ESMF includes screening criteria to ensure that project activities identify, avoid and/or mitigate (i) potential adverse impacts on forest resources as well as (ii) social risks that might be associated with any proposed changes to forest management, especially when they refer to private small landholders and/or family farmers whose household economy partially relies on non-timber forest products. These family farmers do not include Indigenous Peoples as the project’s area of intervention does not interfere with Indigenous Lands.
Pest Management OP 4.09	Yes	Although the activities to be promoted by the proposed project are focused on the recovery of natural areas and of degraded areas and pasture, the implementation of livestock production systems, cattle raising–forestry cultivation or cattle raising–forestry integration systems, among other practices that are more environmentally sustainable than conventional production practices, these activities may involve the use of agricultural chemicals. Furthermore, the project will train rural extension agents who will provide support to producers on recognized agricultural technologies. Thus, this policy is triggered and the ESMF includes guidance on OP/BP 4.09 requirements for field interventions and for leveraging these requirements through the extension agents trained under the project. It also includes screening procedures to identify any adverse risks, as well as measures to promote careful management and use of agricultural chemicals in all situations where appropriate under the project.
Physical Cultural Resources OP/BP 4.11	No	This policy is not triggered. Project activities do not include excavations, demolition, earth moving,

		flooding or other environmental changes, and are not located in, or in the vicinity of, physical cultural resources sites recognized by the relevant Brazilian authorities. Thus, project implementation activities are not expected to have any negative impact on archeological or physical cultural resources. Although these are unlikely to happen, the ESMF includes procedures to deal with “chance findings” of archeological materials during project implementation.
Indigenous Peoples OP/BP 4.10	No	OP/BP 4.10 (Indigenous Peoples) is not triggered because there are no indigenous lands within the geographic area of the 53 preselected watersheds in which project interventions may take place (actual activities will be targeted to a smaller number of these watersheds).
Involuntary Resettlement OP/BP 4.12	No	OP/BP 4.12 Involuntary Resettlement is not triggered because project activities will not require land acquisition or imply creation of Protected Areas. Therefore, involuntary population displacement and/or negative impacts on livelihoods due to land acquisition are not envisaged.
Safety of Dams OP/BP 4.37	No	The proposed project will not support the construction or rehabilitation of dams or other investments related to services of existing dams.
Projects on International Waterways OP/BP 7.50	No	The Cerrado Biome is located in central Brazil and is not bordered by other countries. The project will not include hydroelectric, irrigation, flood-control, navigation, drainage, water and sewerage, industrial, and similar projects that involve the use or potential pollution of international waterways. Thus, this policy is not triggered because the project will not affect any international waterways as defined under the policy.
Projects in Disputed Areas OP/BP 7.60	No	This policy is not triggered because the project will not work in any disputed areas as defined under the policy.

KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:
No negative impact is expected because all project actions are intended to promote and consolidate the adoption of sustainable agricultural practices to reduce carbon emissions. The project is expected to have a positive impact on the environment as it seeks to promote the reduction of the environmental impacts of agricultural activities mainly through capacity-building and rural-extension activities.

The project is expected to yield the following socioeconomic benefits: (i) enablement of landholders to access the resources and other assistance services provided under the ABC Plan; (ii) assurance to landholders that they are fulfilling part of the environmental legislation requirements, enabling them to undertake investment in agricultural products that will allow them to access a range of markets which require such compliance; (iii) establishment of enabling requirements for landholders (including land-reform settlers and traditional communities) to access targeted rural credit, and (iv) increase of employment and income for landholders (including land-reform settlers and traditional communities) and other partners in the business chain generated by farming activities, therefore contributing to poverty alleviation.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:
Based on the preliminary assessments undertaken and previous projects, no negative impact is expected because all project actions are intended to promote and consolidate the adoption of environmental conservation and sustainable agricultural practices to reduce carbon emissions.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.
Not applicable.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.
Regulatory Framework: The Brazilian Government's promotion of environmental laws reflects a political culture of strong environmental protection. The proposed project will assist landholders in implementing the Forest Code (Law 12.651/2012) and promote low-carbon emission agricultural technologies, the recovery of degraded pastureland, and the implementation of integrated crop–livestock–forestry systems under the ABC Plan in selected municipalities by scaling up the BIP's actions to reduce deforestation, forest degradation and GHG in the Cerrado Biome.

In addition, the Brazilian Government announced at the 2015 UN Climate Conference in Paris (COP21) the country's Nationally Determined Contribution (NDC) to the global effort of mitigating climate change. The NDC includes a combined target of restoration (return of ecosystems as close as possible to the original "reference" ecosystems) and reforestation (any process that returns complete or partial tree cover on forest land through planting or natural or assisted regeneration processes) of 12 million hectares (Mha), along with zero net emissions from land-use change, zero illegal deforestation, and other land-based targets by 2030.

This regulatory framework is closely aligned with several international conventions focusing on biodiversity conservation and climate change.

Environmental and Social Performance: The experience gained in the previous MMA (P143334) and MAPA (P1431284) projects shows that conducting the process in close consultation and cooperation with landholders minimizes potential conflicts and better responds to their needs and demands. The implementing agencies (SFB, SENAR, and MAPA) have demonstrated adequate procedures and capacity to identify and mitigate impacts under Bank-funded operations.

The GIZ will be responsible for the overall safeguard management of project implementation, including systematic reporting to the World Bank. Working closely with the implementing agencies, the GIZ will be responsible for all documentation related to project planning, execution, and M&E. The GIZ has a large experience on project land and environmental management in Brazil, financed by the German Cooperation, having a good understanding of the national framework and Bank's policies and procedures.

Site-specific assessments will be conducted during project implementation which complies with the environmental and social management framework.

The project will require ongoing implementation support for governance and institutional arrangements; monitoring, evaluation and reporting management; and stakeholder engagement, gender participation and communication.

The Bank team will conduct safeguard training for the GIZ and implementing agencies and at least annual supervision missions to follow up on project implementation, supported by social and environmental safeguards specialists.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

Rural producers with small- and medium-sized farms and field technicians are the project's main beneficiaries. The project forms part of the BIP, which has been widely and publicly submitted for the consideration of diverse stakeholders through informational and consultation sessions. To date, representatives of the private sector, academia, NGOs, social movements and state environmental agencies, as well as indigenous peoples and traditional communities. have been consulted. Project-specific consultations have been held with key stakeholders (NGOs, specialists from universities, research centers and civil society organizations in the 11 states.

An interactive process of public consultation with key stakeholders is ongoing. The project was presented during the FIP meeting held in August 2017 and at the meeting of the BIP's Inter-Ministerial Committee held on November 10, 2017. The draft version of the ESMF is available on the implementing agencies' websites. Interested parties will be able to access the report and submit their suggestions and critical comments.

Meetings will also be held with the key stakeholders for this operation. After this period of public consultations, the feedback received will be analyzed and properly answered. Contributions received will be incorporated in the final version of the ESMF as appropriate. This process will be registered and reported to the Bank. It will also be summarized and included as an annex to the final version of the ESMF. This final version will be disclosed on the implementing agencies' websites and the World Bank's external website.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other

Date of receipt by the Bank	Date of submission for disclosure	For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors
04-Jan-2018	08-Jan-2018	

"In country" Disclosure

Brazil

08-Jan-2018

Comments

www.florestal.gov.br

Pest Management Plan

Was the document disclosed prior to appraisal?	Date of receipt by the Bank	Date of submission for disclosure
NA		

"In country" Disclosure

If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.

If in-country disclosure of any of the above documents is not expected, please explain why:

The ESMF is being disclosed in country.

C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting)

OP/BP/GP 4.01 - Environment Assessment

Does the project require a stand-alone EA (including EMP) report?

Yes

If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?

NA

Are the cost and the accountabilities for the EMP incorporated in the credit/loan?
Yes

OP/BP 4.04 - Natural Habitats

Would the project result in any significant conversion or degradation of critical natural habitats?
No
If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?
NA

OP 4.09 - Pest Management

Does the EA adequately address the pest management issues?
Yes
Is a separate PMP required?
No
If yes, has the PMP been reviewed and approved by a safeguards specialist or PM? Are PMP requirements included in project design? If yes, does the project team include a Pest Management Specialist?
NA

OP/BP 4.36 - Forests

Has the sector-wide analysis of policy and institutional issues and constraints been carried out?
Yes
Does the project design include satisfactory measures to overcome these constraints?
Yes
Does the project finance commercial harvesting, and if so, does it include provisions for certification system?
No

The World Bank Policy on Disclosure of Information

Have relevant safeguard policies documents been sent to the World Bank for disclosure?
NA
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?
Yes

All Safeguard Policies

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?
Yes

Have costs related to safeguard policy measures been included in the project cost?
Yes

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?
Yes

Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?
Yes

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Note to Task Teams: End of system generated content, document is editable from here.