

# INTEGRATED SAFEGUARDS DATA SHEET CONCEPT STAGE

Report No.: ISDSC15770

**Date ISDS Prepared/Updated:** 01-Apr-2016

**Date ISDS Approved/Disclosed:** 13-Apr-2016

## I. BASIC INFORMATION

### A. Basic Project Data

<b>Country:</b>	Belize	<b>Project ID:</b>	P152415
<b>Project Name:</b>	Belize FCPF REDD Readiness Preparation (P152415)		
<b>Task Team Leader(s):</b>	Enos E. Esikuri, Keiko Ashida Tao		
<b>Estimated Board Date:</b>	31-Dec-2020		
<b>Managing Unit:</b>	GEN04		
<b>Sector(s):</b>	Forestry (100%)		
<b>Theme(s):</b>	Climate change (100%)		
<b>Financing (In USD Million)</b>			
Total Project Cost:	4.08	Total Bank Financing:	0.00
Financing Gap:	0.00		
<b>Financing Source</b>			<b>Amount</b>
Borrower			0.28
Readiness Fund of the Forest Carbon Partnership Facility			3.80
Total			4.08
<b>Environmental Category:</b>	B - Partial Assessment		
<b>Is this a Repeater project?</b>	No		

### B. Project Objectives

The Project Development Objective is to assist Belize in carrying out Readiness Preparation through a participatory and inclusive process in order to strengthen their capacity to participate in future REDD+ carbon payment transactions.

### C. Project Description

The R-PP of Belize identifies a broad set of activities aimed at strengthening the technical and institutional capacities for Belize to participate in a future REDD+ mechanism. Among these, the

activities to be financed by the FCPF REDD+ Readiness Preparation grant (Project) were selected jointly with the GOB, key stakeholders including indigenous peoples, and in coordination with other donors such as the German Agency for International Cooperation (GIZ). Key criteria for consideration include: (i) activities needed to strengthen the immediate institutional capacity of the GOB to conduct participatory and consultation processes for REDD+; (ii) fundamental Readiness activities for which Belize had specific financial needs, not covered by other sources of financing; (iii) a discrete set of activities that would generate a specific outcome; and (iv) activities that are aligned with those of other sources of financing and the government, and that could serve to strengthen the achievement of the project objective. The Project would be financed by a US\$3.80 million FCPF Readiness grant and US\$0.283 million in-kind counterpart financing by the GOB. In addition, the Project would be supported by parallel financing from complementary investments, including the REDD/CCAD-GIZ Regional Program for Belize and the Management and Protection of Key Biodiversity Areas (KBAs) Project (WB/P130474/TF016773). The proposed Project contemplates the following five components:

Component 1: REDD+ Organization Framework, Consultation and Grievance Redress. This component will support: (1.1) Establishing and operationalizing of: (a) a multi-stakeholder participatory platform for REDD+ implementation, and (b) a REDD+ coordination unit (R+CU) within MAFFESCC to coordinate the implementation of Readiness Preparation Activities; (1.2) Designing and carrying out of: (a) a communications and information dissemination strategy at the national level, and (b) the Stakeholder Consultation and Participation Plan at the national level; and (1.3) Designing and operationalizing or, if applicable, strengthening existing feedback, grievance and redress mechanisms to meet the needs of people who might be affected by REDD+.

Component 2: Preparation of REDD+ Strategy. This component will support: (2.1) Identifying and analyzing the main direct and indirect causes of deforestation and forest degradation in the Belizean territory; (2.2) Assessing land tenure, natural resource rights and land use patterns as part of Belize's Integrated Planning Framework for Land and Resource Management with a particular focus on Indigenous Peoples, both at the local and national levels; (2.3) Designing of: (a) effective strategic options for REDD+, including the mainstreaming of REDD+ into different sectors of the economy; and (b) an implementation framework for REDD+; (2.4) Preparation of a Strategic Environmental and Social Assessment (SESA) Work Plan and carrying out of SESA in accordance with the terms of such Work Plan, including diagnostic studies to assess the key risks of the strategic options under Component 2.3(a) above; and (2.5) Preparation of an environmental and social management framework (ESMF), including, if applicable, an Indigenous Planning Peoples Framework (IPPF), a Resettlement Policy Framework (RPF) and a Process Framework (RP), all in accordance with the World Bank's Safeguards Policies.

Component 3: Development of a National Forest Reference Emission Level and a Forest Reference Level. This component will support designing a national reference emissions level for the forest sector in the Belizean territory through (3.1) designing and establishing a reference scenario model; and (3.2) developing reference models.

Component 4: Design of National Forest Monitoring and Safeguards Systems. This component will support designing and implementing at the national level: (4.1) a forest monitoring system for the measuring, reporting, and verification (MRV) of greenhouse gases (GHGs) emission reductions; and (4.2) an information system for non-carbon benefits from REDD+ activities, safeguards and governance in relation to REDD+.

Component 5: Design of Monitoring and Evaluation Framework. This component will support designing and implementing a framework to monitor and evaluate the Readiness Preparation Activities under Components 1 through 4 above.

#### **D. Project location and salient physical characteristics relevant to the safeguard analysis (if known)**

The Project would cover the forested areas extending throughout the country. Forests comprise two large, unified blocks of intact virgin forest that are likely to be the last strongholds for species that require large, undisturbed areas for their long-term survival. Much of the terrestrial area of Belize represents a significant portion of the Mesoamerican Biological Corridor, which stretches from Mexico to Panamá. These forests provide important habitat for Belize's high level of terrestrial biodiversity as well as essential natural resources for livelihoods of the poorer rural population. In order to protect this unique forest and outstanding biodiversity, Belize has 103 protected areas (PAs) covering 35.8% of the country's total land area. Forest cover in Belize has continued to decrease from 72.90% in 1989 to 60.3% in 2014 and is predicted to continue to do so. Main anthropogenic threats to the forests include the expansion of agriculture, housing, and tourism development. Also damaging are illegal logging, looting of archeological sites, hunting, and poaching, in some areas by communities from across the national border. Furthermore, the highest poverty levels tend to occur in forested areas with the highest (e.g., South and West of Belize) or lowest (e.g., North and East of Belize) levels of biodiversity, thus presenting critical poverty-environment challenges (for example with encroachment and enforcement issues).

#### **E. Borrowers Institutional Capacity for Safeguard Policies**

The Ministry of Economic Development, Petroleum, Investment, Trade and Commerce (MEDPITC) will lead and coordinate the REDD+ initiative in the country by ensuring that national development plans and strategies are mainstreamed and that REDD+ will be considered at a macro level. The Ministry of Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Climate Change (MAFFESDCC) with the fiduciary assistance of the Protected Areas Conservation Trust (PACT) will be responsible for the implementation of the Project activities. A REDD+ Coordination Unit (R+CU) will be established and housed under MAFFESDCC. This Unit will include an Environmental Specialist (consultant) and a Social Specialist (consultant) who will support the SESA process and preparation of the SESA and the ESMF reports. These two specialists will also ensure compliance with the World Bank social and environmental operational policies applicable to this project. MAFFESDCC and PACT are currently implementing several projects with the Bank and are familiar with the Bank's environmental and social operational policies. In addition, training on the Bank's social and environmental safeguards will be carried out to strengthen the capacity of MAFFESDCC and PACT as necessary.

#### **F. Environmental and Social Safeguards Specialists on the Team**

Arelija Jacive Lopez Castaneda (GSU04)

Raul Tolmos (GEN04)

## **II. SAFEGUARD POLICIES THAT MIGHT APPLY**

<b>Safeguard Policies</b>	<b>Triggered?</b>	<b>Explanation (Optional)</b>
Environmental Assessment OP/BP 4.01	Yes	This project is classified as a Category B project. Since the explicit goal of the National REDD+ Strategy is to promote the reduction in rates of deforestation and degradation by rewarding measures

		<p>to protect and conserve forests, the environmental impacts of the REDD+ strategy are expected to be mostly positive. As forest cover improves, the associated benefits will increase. Not only as a sink for carbon but also for the many environmental services forests provide such as watershed protection, provision of important habitats, sustainable source of NTFP and other forest based livelihoods. The REDD+ strategy itself would not finance the harvesting or conversion of forests so there is little to no direct adverse impact associated with activities planned as part of the strategic options. However, there might be some safety and health risks and impacts involved in the implementation of REDD+ strategic options. The principal economy-wide risk from REDD+ would arise in the event that the strategic options fail to achieve their objectives thereby creating unexpected indirect adverse impacts through the unintended creation of incentives to clear forests for other purposes. This could occur, for example, if lack of land tenure security were to undermine commitment to maintain land under forest cover for long time periods. For these reasons, and due to the critical nature of strategic options and choices being considered, OP 4.01 will be applicable to the proposed activities. The principal output to document the environmental benefits and risks of the National REDD+ Strategy will be the Strategic Environmental and Social Assessment (SESA). SESA will assess key social and environmental potential risks and impacts associated with REDD+, and the country will prepare an Environmental and Social Management Framework (ESMF) to screen, manage and mitigate any potential environmental and social risks and impacts during the implementation phase. A SESA report will be also prepared.</p>
Natural Habitats OP/BP 4.04	Yes	<p>Given that the REDD+ strategy will likely work both within existing protected areas as well as other forest habitats of varying significance, OP 4.04 will apply. If the REDD+ strategic options are successful, the impacts on critical forest habitats and biodiversity are expected to be positive. Nevertheless, SESA will evaluate the potential risks and impacts associated with strategic options on forest habitats within protected areas as well as other sensitive forest habitats under private or communal control. During</p>

		the formulation of the REDD+ strategy and throughout its implementation consultations will be carried out with key stakeholders to identify potential issues of concern associated with natural habitats and their constituent ecological function, flora and fauna species and genetic resources pool. During the implementation phase monitoring activities will be established to ensure that critical and non-critical natural habitats are not adversely affected. The ESMF will include procedures, principles and provisions to assess and mitigate possible impacts prior to any actions being undertaken on the ground.
Forests OP/BP 4.36	Yes	Due to the importance of REDD+ as part of Belize's long term forest and natural resources management programs and due to the importance forests play in the livelihoods of many communities, this policy will apply. Development and implementation of a National REDD+ Strategy and corresponding strategic options will require successful implementation of actions consisting of, for instance, recovering of degraded forest lands, introduction of sound forest management plans, the establishment and maintenance of PAs, and the development of a national forest fire response team, among others. The National REDD+ strategy itself would not finance the harvesting or conversion of forests. It is expected that the REDD+ strategy would promote the use of third-party forest certification.
Pest Management OP 4.09	Yes	It is likely that the National REDD+ Strategy would finance or lead to an increased use of pesticides or other agricultural chemicals. For instance, it is conceivable that some forest management practices used in the promotion of agro-forestry systems or in restoration of abandoned agricultural lands could utilize pesticides. The SESA will evaluate the potential for such use of chemicals in forest management and agro-forestry systems and appropriate guidelines and instruments would be defined in the ESMF. Based on the above, the policy will be triggered.
Physical Cultural Resources OP/BP 4.11	Yes	Given the existence of Mayan sites in Belize's forest areas targeted in the National REDD+ Strategy, this policy will be triggered. Moreover, some forests or landscapes concerned by the National REDD+ Strategy have historical or cultural significance such as spirit forests, sacred valleys or other features of the natural landscape. Policy implications will be

		assessed as part of the SESA. The ESMF will include specific provisions and guidelines to assess the possibility of such impacts prior to any activities being undertaken on the ground.
Indigenous Peoples OP/BP 4.10	Yes	This policy is triggered as there are Indigenous peoples living in the project area. During the Bank's due diligence process, there were several meetings with the Maya leaders of the 39 communities in southern Belize in order to share information about the FCPF process and hear their comments and concerns. Specific inputs regarding activities to be financed by the FCPF grant that are intended for their benefit or in which they have a material interest were gathered during a technical mission in July 2015 and incorporated into the project design and reflected in the budget. A follow up meeting to share how their inputs were incorporated was held by the Forest Department in October 2015. A consultation protocol has been submitted by the TAA and will be validated and updated if necessary during the first 6 months of project implementation. This protocol will be used exclusively for any participation and consultation with the Maya and will be incorporated into the consultation plan for the National REDD+ Strategy that is also being financed by this grant. In addition, the Maya will be key stakeholders for the SESA process and will play an important role in both the analytical work that concerns their land as well as providing feedback throughout the readiness process. An Indigenous Peoples Planning Framework will be prepared as part of the ESMF.
Involuntary Resettlement OP/ BP 4.12	Yes	This policy is triggered as several of the strategic options currently under consideration may impact access and use of natural resources in protected areas. A study on land tenure and land use will be undertaken as part of the SESA process and forest land users and owners will be consulted regarding the strategic options. Depending upon the results of the SESA process, a stand-alone Process Framework will be prepared or screening guidance will be included in the ESMF prepared for the R-package. A Process Framework will be prepared as part of the ESMF to address potential impacts from access restrictions. The SESA will assess potential impacts from investment options identified under the REDD+ Strategy in terms of involuntary taking of land, and if

		necessary a Resettlement Policy Framework should be prepared as part of the ESMF.
Safety of Dams OP/BP 4.37	No	This policy is not triggered as the project will neither support the construction or rehabilitation of dams nor will it support other investments which rely on services of existing dams.
Projects on International Waterways OP/BP 7.50	No	This policy is not triggered as the project will not finance activities involving the use or potential pollution of international waterways.
Projects in Disputed Areas OP/BP 7.60	Yes	This policy is applicable to the Grant because of the longstanding territorial dispute between Belize and Guatemala. Given that Readiness Preparation Activities will occur on a national scale and the program area will comprise all of the country's districts, some of them will almost inevitably take place or be found in geographical areas within the general area known to be in dispute. In line with OP/BP 7.60, The Grant does not prejudice the position of either the Bank or the two countries involved. It is emphasized that by supporting the Readiness Preparation Activities, the World Bank does not intend to make any judgment on the legal or other status of the territories concerned or to prejudice the final determination of the parties' claims. The memo to Managing Director and the letter to Executive Director for Guatemala are being processed pursuant to the provisions of OP/BP 7.60.

### III. SAFEGUARD PREPARATION PLAN

**A. Tentative target date for preparing the PAD Stage ISDS:** 01-Apr-2016

**B. Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing<sup>1</sup> should be specified in the PAD-stage ISDS:**

The appraisal ISDS is not required for this grant and the target date is to be disregarded.

### IV. APPROVALS

Task Team Leader(s):	Name: Enos E. Esikuri, Keiko Ashida Tao	
<b>Approved By:</b>		
Safeguards Advisor:	Name: Francis V. Fragano (SA)	Date: 13-Apr-2016
Practice Manager/ Manager:	Name: Raul Ivan Alfaro Pelico (PMGR)	Date: 13-Apr-2016

<sup>1</sup> Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.