INTEGRATED SAFEGUARDS DATASHEET APPRAISAL STAGE

Report No.: Date prepared/updated: 9 September 2009

I. Basic Information

1. Basic Project Data

Ti Busie I Tojece Butu		
Country: Argentina	Project ID: 91659	
	Additional Project ID	(<i>if any</i>): 3676 (GEF ID)
Project Name: Grasslands and Savannas of the Sou	uthern Cone of South Am	erica: Initiatives for their
conservation in Argentina and other MERCOSUR co	ountries	
Task Team Leader: Marcelo Acerbi		
Estimated Appraisal Date: 14 September 2009	Estimated Board Date	e: NA
Managing Unit: LCSEN	Lending Instrument:	GEF Mid Sized Grant
Sector: Environment		
Theme: Biodiversity		
IBRD Amount (US\$m.):		
IDA Amount (US\$m.):		
GEF Amount (US\$m.): 0.9		
PCF Amount (US\$m.):		
Other financing amounts by source:		
Environmental Category: B		
Is this a transferred project	Yes [X]	No []
Simplified Processing	Simple []	Repeater []
Is this project processed under OP 8.00 (Rapid F	Response to Crises	Yes [] No [X]
and Emergencies)	-	

2. Project Objectives:

The project objective it to assist the Government of Argentina in its efforts to develop, disseminate, and promote biodiversity conservation by mainstreaming it with livestock grazing systems in Argentina's highly valuable grassland areas. The Global Environmental objectives of the project are to conserve grassland biodiversity of global and national importance, protect vital ecosystem services, and develop and implement a strategy for sustainable management that combines conservation with production.

3. Project Description:

Through improved collaboration with stakeholders in the conservation community, especially producers and landowners, the project will coordinate efforts and execute the conservation and sustainable use of biodiversity of global importance in selected sites of the *Argentinean Pampas*.

The global importance of the *Pampas* ecosystem is recognized given that it harbors many endemic and globally threatened species of plants and animals. Its significant biodiversity includes 1,600 species of vascular plants that grow in Argentina's Pampas, with 2,500 in Uruguay's grasslands, and 3,000 in Brazil's Campos Sulinos. Of these, native grasses—the most abundant plant group—total about 400

species. The diversity of vertebrate species is also high: the Pampas provide habitat for 69 species of mammals, 211 species of birds, 31 species of reptiles, 23 species of amphibians, and 40 species of fish. Endemic species of plants and vertebrates include several small reptiles and rodents, and three species of birds restricted to the Endemic Area for Birds (AEA 077), also known as the "Grasslands of the Argentine Mesopotamia." The project comprises the following components:

Component 1: Development of a sustainable management model. The objective of this component is to establish a grasslands sustainable development model that includes specific environmental, social, economic and market dimensions. To achieve this model, 4 main outputs to be co-financed with GEF resources are proposed: (i) an updated assessment of the threats and conservation status of the grasslands (including recommended actions to ensure their viability); (ii) a relationship model between stakeholders (government, market, producers, etc.) and grassland ecosystems; (iii) an assessment of economic and market incentives with a focus on natural grassland beef; and (iv) a set of good agronomic practices for productive grassland ecosystems. In addition, using a participatory approach, this component will support the design of a program to easily transfer good practices of grassland management between users of grassland landscapes. To this end, GEF resources will be invested in identifying methodologies and adequate instruments for knowledge transfer and promoting the participation of specific actors.

Component 2: Validation and demonstration of the sustainable management model in grasslands, pilot certification of sustainable management practices and national-level dissemination of results. The objective of this component is to implement and adapt the sustainable management model to the field. To this end, the grassland sustainable management program will be implemented in 4 pilot sites. At least sixteen livestock producers are expected to adopt the program and contribute to the development of good agronomic and sustainable practices for livestock in the first stage of the pilot. These areas have traditionally been used by grassland livestock, but at present they suffer from pressures of intensive cattle ranching activities as well as impacts from the expanding agricultural frontier and forestry activities using non-native species. All 4 pilot sites have been identified as key biodiversity areas (TOP 20), and are increasingly recognized as tourist destinations. Moreover, Aves Argentinas and Fundación Vida Silvestre Argentina have already carried out different extension works in the selected sites, including identifying interested actors and compiling a significant amount of biological information that will allow for the model's adjustment. GEF resources will be invested in technical assistance, implementation of demonstration activities in the field (both in production and commercialization), promotion activities of the program and participatory workshops to adjust sustainable management practices to each of the selected pilot sites. Additionally, the strategy aims to establish pilot experience for the certification of natural grassland beef. With respect to this aim, GEF resources will be assigned to create producer and marketer networks, and to develop certification standards adapted to the local reality and which are acceptable to the International market. The third aspect of this strategy is to disseminate, at the national level, the experiences learned at the pilot sites. To this end, GEF resources will enable: (i) the creation of a database of experiences learned in each pilot site; (ii) the establishment of "Centers of Reference" to ensure the dissemination of the information; and (iii) the establishment of a system to monitor and adjust practices implemented in and the conservation status of the pilot sites, which will also reflect each practice's contribution to biodiversity conservation.

Component 3: Large-scale, regional communication strategy. The objective of this component is to disseminate and implement grassland sustainable management models on a large scale, to promote responsible consumption, and to allow for knowledge sharing with relevant actors in grassland areas of other MERCOSUR countries. To this end, the GEF grant will co-finance the publication of handbooks on grassland conservation in livestock activities. The handbooks will be targeted to producers, technicians and decision-makers. Additionally, communication tools will be generated for a broader audience and informative meetings will be planned in different areas of the region, as well as an International Seminar at the MERCOSUR level. The project also proposes to strengthen regional efforts promoting the

Grasslands of the Southern Cone, in order to consolidate a vision shared by Argentina's provinces and MERCOSUR countries. Such management and communication will strengthen the collaboration of a group of NGOs that are currently carrying out conservation efforts at a regional scale. For example, International carrying BirdLife is out the Alliances for the Grasslands project (http://www.pastizalesdelconosur.org) with key participation from AA, and IUCN is carrying out the Grasslands Conservation Initiative Temperate (http://www.iucn.org/where/america/sudamerica/projects.cfm) in which FVSA plays a key role.

Component 4: Advocacy for and institutionalization of grasslands sustainable management. The objective of this component is to sensitize decision-makers and the private sector to a natural grassland conservation strategy based on the good management practices documented by the Project. To achieve this objective, GEF funds will support the incorporation of project findings into a national grasslands conservation strategy, as well as the drafting of a section of grassland conservation guidelines to be included in the Livestock Plans in at least two of the provinces in which the Project will be implemented (i.e. Buenos Aires). At the same time, there would be a strong outreach campaign based on two main ideas: i) biodiversity conservation as a sign of social responsibility in agribusiness, and ii) environmental health as a condition to human health in order to warn society about the disadvantages of pollution derived from feedlots. This campaign will include a series of meetings and workshops supported by GEF resources.

4. Project Location and salient physical characteristics relevant to the safeguard analysis:

While the policy and disemination work of the project will be targeted to the entire Pampas ecoregion in Argentina, and it valuable grasslands site, the pilot activities will be focused in 4 sites. These sites are: (1) Bahía de Samborombón's coastal grasslands, in the province of Buenos Aires; (2) the savannas in the buffer zone of Gualeguaychú, Entre Ríos; (3) the savannas of San Javier and Alejandra in the province of Santa Fe; and (4) the savannas of the Arroyo Aguapey basin in the province of Corrientes.

The Grasslands of the Southern Cone of South America, commonly known as Pampas, are spread over an area of approximately 1 million square kilometers and constitute one of the world's few temperate prairie and savanna ecosystems. The biome is currently recognized as an ecosystem of very high priority for conservation in the Neotropical Region. The agricultural, livestock, forestry, and agro-industrial activities carried out in the biome are strategic for one of the most important commercial blocks: MERCOSUR. However, these activities have led to the transformation and fragmentation of the grassland territory, consequently causing a severe impact on its biodiversity. Public and private protected areas account for no more than 2% of the biome's land area, and the creation of new conservation units is urgently needed. In the Province of Buenos Aires, Argentina, nearly 30% of native grasslands have been converted to crop lands, and 65% of the remaining grasslands have been profoundly changed by grazing. Meanwhile, in the Provinces of Entre Ríos and Corrientes in Argentina, over 400,000 hectares (ha) of grasslands have been converted into planted forests, with severe changes to the structure and function of the landscape. The current status of wild birds in Argentina's grasslands clearly illustrates the problem. Numerous species have lost their habitats and, consequently, have disappeared or are decreasing; a total of 17 bird species are endangered and one is considered extinct. The outlook for wild mammals is even more discouraging: Pampas deer today occupy less than 0.5% of their original range. Direct threats to grassland biodiversity include: i) agricultural expansion, ii) increased forestation, iii) intensification of cattle ranching, iv) biological invasions, v) excessive use of agrochemicals, and vi) unplanned burning of grasslands. Due to the adverse impact of these threats as well as their worldwide economic importance, the Grasslands of the Southern Cone of South America are now recognized as a biome of high conservation priority.

5. Environmental and Social Safeguards Specialists on the Team:

Mrs. Beatriz Nussbaumer, LCSAR

6. Safeguard Policies Triggered (please explain why)	Yes	No
Environmental Assessment (OP/BP 4.01)	X	
Natural Habitats (OP/BP 4.04)	X	
Forests (OP/BP 4.36)		Х
Pest Management (OP 4.09)		Х
Physical Cultural Resources (OP/BP 4.11)		Х
Indigenous Peoples (OP/BP 4.10)		Х
Involuntary Resettlement (OP/BP 4.12)		Х
Safety of Dams (OP/BP 4.37)		Х
Projects on International Waterways (OP/BP 7.50)		Х
Projects in Disputed Areas (OP/BP 7.60)		Х

II. 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:

This project will have positive impacts. No potential large scale, significant or irreversible impacts are expected. Among other strategies to address the challenges above, the development and dissemination of economically and environmentally compatible land use models is one of the most important topics. Large-scale sustainable cattle ranching on native grasslands, sustainable agriculture, forestation with biological corridors, and nature and scientific tourism are all promising economic activities in the region. However, there is currently a lack of information or experience regarding these activities specifically for grassland systems. The present proposal draws from available technical information on grassland management in livestock activities and involves conservation efforts at various territorial scales in key areas in order to contribute to the conservation of grasslands in Argentina. The proposed project will be carried out through the implementation of four components described before which have no negative impacts in the environment.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:

Potential indirect and long term impacts connected to project will be highly positive. The project seeks to preserve the integrity of the last remnants of grasslands in the Pampas while promoting sustainable use of resources. Other impacts are not expected.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts:

Adverse impacts are not expected in this project. Different options for sound management of grasslands will be discussed with stakeholders during project implementation.

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:

As a part of the ongoing conservation activities at the Pampas grasslands, and in line with this proposed grant, Aves Argentinas, Fundación Vida Silvestre Argentina and the National Institute for Agriculture and Technology (INTA) have launched a technical document focused on the main environmental issues addressed by the project.

The document (with a guide format) presents information about the ecology and sustainable management of the native grasslands of Argentina. One of the main issues is the understanding of the major ecological forces that drive the functioning of the grassland in the context of cattle raising activities. Native plants and birds are presented like bio-indicators, as tools that can be used by the cattlemen to recognize the range condition and the conservation status of the grassland.

Based on scientific literature, this manual offers an in depth assessment of the key issues that the project addresses, namely: (i) the biodiversity of the natural grasslands in the Pampas region; (ii) the main degradation causes that affect these habitats, and (iii) the optimal relationship plant – herbivore from a conservation and socio-economic benefit perspective. Regarding the latter, it introduces some practices that enhance or maintain the wildlife of the Pampas while maintaining current levels of livestock production. The handbook focuses particularly on practices like grazing management that can be relatively easily adopted by ranchers.

To date, there has been no guide for ranchers providing advice in relation to cattle management practices that support biodiversity on ranches but also increase agricultural yields to meet the growing demand. Available literature has only presented the practices without mentioning benefits to biodiversity.

The guide is written in a simple Spanish style and illustrated with several pictures and figures. Moreover, some of the grassland species are pictured in a high definition brochure, which can be used at the field for the recognition of the different habitat quality.

This handbook starts with a background to ecology and biodiversity, with a description of the ecosystem services provided for the grassland. The second part describes the different practices that can be adopted by ranchers, specifically: 1) grazing management, 2) reseeded and fertilization, 3) prescribed fire and 4) water excess management. The convenience and advantages of the production and certification of the friendly grassland beef are also clearly pointed.

Finally, as a response of the growing pressure on it, the native grasslands are valued in the economic and sustainable development sense. Hence, topics like fragmentation and the importance to buffer the natural protected areas, the biological invasions and the illegal hunting are addressed in the final part of the book.

The Recipients has proposed the adoption of this guide as the main safeguards instrument for the project, which, at the same time is fully compatible with the project's objective.

The project will be executed by Aves Argentinas (AA) and the components described will be coimplemented with the Fundación Vida Silvestre Argentina (FVSA) according to the Memorandum of Understanding (MoU) already signed by both institutions. Both partner NGOs have strong experience in the assessment of grassland biodiversity and conservation on private lands. In addition, they maintain working relationships with local farmers and ranchers.

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

Key stakeholders for this project are: local farmers and ranchers. Public agencies such as the National Secretary of Environment (SAyDS), the INTA and the environment and rural ministries/secretaries in the provinces are involved with the project. Rural and cattle – ranching associations and chambers will be involved. The National Parks Administration will play a key as its direct involvement in one of pilot sites (Campos del Tuyú). Three key public agencies have endorsed the project (APN and INTA by providing co-financing, and SAyDS has provided the GEF focal point endorsement.

Stakeholders' participation during project preparation has been part of the implementation of a PDF Block B GEF project, which was essential to agree the basis for the proposal. At the same time, the Recipients have an extensive program of activities targeted to grasslands conservation which have been vital to built strong partnership with local farmers and ranchers as well as with the government.

There is an extensive disclosure of information, as well as of safeguards related report, easily accessible at: <u>http://www.vidasilvestre.org.ar/programaDescripcion.php?idSeccion=30</u> and <u>http://avesargentinas.org.ar/cs/conservacion/pastizales.php</u>.

Environmental Assessment/Audit/Management Plan/Other:	
Was the document disclosed <i>prior to appraisal?</i>	09-07-2009
Date of receipt by the Bank	04-01-2009
Date of "in-country" disclosure	10-14-2009
Date of submission to InfoShop	09-09-2009
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	NA
Resettlement Action Plan/Framework/Policy Process:	
Was the document disclosed <i>prior to appraisal?</i>	NA
Date of receipt by the Bank	NA
Date of "in-country" disclosure	NA
Date of submission to InfoShop	NA

Indigenous Peoples Plan/Planning Framework:	
Was the document disclosed <i>prior to appraisal?</i>	NA
Date of receipt by the Bank	NA
Date of "in-country" disclosure	NA
Date of submission to InfoShop	NA
Pest Management Plan:	
Was the document disclosed <i>prior to appraisal?</i>	NA
Date of receipt by the Bank	NA
Date of "in-country" disclosure	NA
Date of submission to InfoShop	NA
* 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	of the Environmental
Assessment/Audit/or EMP.	
If in-country disclosure of any of the above documents is not ex	spected, please explain why:
NA	

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

OP/BP 4.01 - Environment Assessment			
Does the project require a stand-alone EA (including	Yes [X]	No []	N/A []
EMP) report?			
If yes, then did the Regional Environment Unit or Sector	Yes		
Manager (SM) review and approve the EA report?			
Are the cost and the accountabilities for the EMP			
incorporated in the credit/loan?			
OP/BP 4.04 - Natural Habitats			
Would the project result in any significant conversion or	Yes []	No [X]	N/A []
degradation of critical natural habitats?			
If the project would result in significant conversion or	The project will promote and		
degradation of other (non-critical) natural habitats, does	implement best practices to manage		
the project include mitigation measures acceptable to the	natural grasslands.		
Bank?			
OP 4.09 - Pest Management			
Does the EA adequately address the pest management	Yes []	No []	N/A [X]
issues?			
Is a separate PMP required?	Yes []	No []	N/A [X]
If yes, has the PMP been reviewed and approved by a	NA		
safeguards specialist or Sector Manager? Are PMP			
requirements included in project design? If yes, does the			
project team include a Pest Management Specialist?			
OP/BP 4.11 – Physical Cultural Resources			
Does the EA include adequate measures related to	Yes []	No []	N/A [X]
cultural property?			

Does the credit/loan incorporate mechanisms to mitigate	NA		
the potential adverse impacts on physical cultural			
resources?			
OP/BP 4.10 - Indigenous Peoples	- IL		
Has a separate Indigenous Peoples Plan/Planning	Yes []	No []	N/A [X]
Framework (as appropriate) been prepared in			ĽJ
consultation with affected Indigenous Peoples?			
If yes, then did the Regional unit responsible for	NA		
safeguards or Sector Manager review the plan?			
If the whole project is designed to benefit IP, has the	NA		
design been reviewed and approved by the Regional			
Social Development Unit?			
OP/BP 4.12 - Involuntary Resettlement			
Has a resettlement plan/abbreviated plan/policy	Yes []	No []	N/A [X]
framework/process framework (as appropriate) been			
prepared?			
If yes, then did the Regional unit responsible for	NA		
safeguards or Sector Manager review and approve the			
plan/policy framework/process framework?			
OP/BP 4.36 – Forests			
Has the sector-wide analysis of policy and institutional	Yes []	No []	N/A [X]
issues and constraints been carried out?			
Does the project design include satisfactory measures to	NA		
overcome these constraints?			
Does the project finance commercial harvesting, and if	NA		
so, does it include provisions for certification system?			
OP/BP 4.37 - Safety of Dams			
Have dam safety plans been prepared?	Yes []	No []	N/A [X]
Have the TORs as well as composition for the	NA		
independent Panel of Experts (POE) been reviewed and			
approved by the Bank?			
Has an Emergency Preparedness Plan (EPP) been	NA		
prepared and arrangements been made for public			
awareness and training?			
OP/BP 7.50 - Projects on International Waterways			
Have the other riparians been notified of the project?	Yes []	No []	N/A [X]
If the project falls under one of the exceptions to the	NA		
notification requirement, has this been cleared with the			
Legal Department, and the memo to the RVP prepared			
and sent?			
What are the reasons for the exception? Please explain:	NA		
Has the RVP approved such an exception?	NA		
	1		

Has the memo conveying all pertinent information on the international aspects of the project, including the	Yes []	No []	N/A [X]
procedures to be followed, and the recommendations for dealing with the issue, been prepared			
Does the PAD/MOP include the standard disclaimer referred to in the OP?	NA		
The World Bank Policy on Disclosure of Information			
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [TBD]]	No []	N/A [
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	I		
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [X]	No []	N/A []
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		

D. Approvals

Signed and submitted by:	Name	Date
Task Team Leader:	Marcelo Acerbi	09/10/09
Environmental Specialist:	Beatriz Nussbaumer	09/10/09
Social Development Specialist	NA	
Additional Environmental and/or	NA	
Social Development Specialist(s):		
Approved by:		
Regional Safeguards Coordinator:	Reidar Kvam	09/10/09
Comments:		
Sector Manager:	Laura Tlaiye	09/10/09
Comments:		

(Template Version November 2007)