

INTEGRATED SAFEGUARDS DATA SHEET

CONCEPT STAGE

Report No.: ISDSC2049

Date ISDS Prepared/Updated: 05-May-2013

Date ISDS Approved/Disclosed: 30-May-2013

I. BASIC INFORMATION

A. Basic Project Data

Country:	Mozambique	Project ID:	P131965
Project Name:	Mozambique Conservation Areas for Biodiversity and Development Project (P131965)		
Task Team Leader:	Claudia Sobrevila		
Estimated Appraisal Date:	28-Oct-2013	Estimated Board Date:	25-Mar-2014
Managing Unit:	AFTN3	Lending Instrument:	Specific Investment Loan
Sector(s):	General agriculture, fishing and forestry sector (40%), Central government administration (40%), Other industry (15%), Sub-national government administration (5%)		
Theme(s):	Biodiversity (30%), Rural non-farm income generation (30%), Environmental policies and institutions (25%), Other environment and natural resources management (10%), Climate change (5%)		
Financing (In USD Million)			
Total Project Cost:	75.19	Total Bank Financing:	70.00
Total Cofinancing:		Financing Gap:	0.00
Financing Source			Amount
BORROWER/RECIPIENT			0.00
International Development Association (IDA)			70.00
Global Environment Facility (GEF)			5.19
Total			75.19
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

B. Project Objectives

C. Project Description

Past experiences show that growth of nature-based tourism in Southern Africa has been highly dependent on the quality of conservation areas as tourism destination (pristine beaches, unique coral reefs, spectacular landscape, adventure and wildlife) leading to a conclusion that there is a strong link between biodiversity management and tourism. Access to and traffic within these destinations as well as availability of communication infrastructure, electricity, experienced tour operators and readily available credits is also important to attract private investments, and to lower investment and operating costs to investors. Tourism investors also require clear rules of engagement, e.g. transparently secured concession contracts. Past experiences also show that, community incentives for conservation are more likely to emerge when a project addresses existing livelihoods systems and conservation compliance at the same time and when such support is of significant scale to impact at the household level.

Given these experiences, and other more practical lessons from the implementation of recent projects, the GOM has adopted a set of strategic orientation for the proposed project. These are: (1) focus more on national issues than on transfrontier issues; (2) emphasize marine or coastal conservation areas which can rapidly generate revenues from tourism, and therefore, contribute faster than terrestrial areas to financial sustainability; (3) consider various tourism options including sport hunting; (4) explore new funding mechanisms that can support conservation areas after project end (Endowment and Sinking Fund); (5) scale-up attention to communities living around and within conservation areas with the view to improve livelihoods and participation in tourism ventures; (6) support complementary institutions such as ANAC, BioFund, MITUR, MICOA and INGC that link conservation and tourism development; (7) include a strong human resources and awareness building component (which was absent in the TFCA II); and (8) ensure experience sharing and feedback from M&E into implementation and sector policies.

The project will be implemented through five components:

- Component 1: Institutional and Human Resources Capacity Building
- Component 2: Strengthening Commercial Utilization of Conservation Areas
- Component 3: Conservation Areas Management
- Component 4: Strengthening Economic Opportunities for Local Communities in Buffer Zones
- Component 5: Project management and monitoring

(i) **Institutional and Human Resources Capacity Building.** The objective of this component is to strengthen the main institutions in charge with the management of conservation areas by increasing their effective administrative and financial management systems and human resources development. This component would support staffing, equipment, training and skill development as well as the development of administrative and management systems and regulations required within DNAC, ANAC and several other public institutions to improve the management of conservation areas and nature-based tourism development. The component would also strengthen the operation of BioFund to secure medium and long terms funds for conservation areas management from Government and from various funding sources. It is critical at this point in time, to prepare a pool of qualified people in the various trades of conservation and tourism.

(ii) **Strengthening Commercial Utilization of Conservation Areas.** This component would support ANAC and other public and private institutions in charge for tourism development in Mozambique to strengthen nature-based tourism licensing and registration and to promote nature-based tourism investment and facilitation in conservation areas. The component would develop an effective commercial branch within ANAC that would market and monitor consumptive and non-

consumptive tourism concessions and other tourism products within Conservation Areas. This component would encourage tourism concessions through tenders and direct negotiations and would provide guidance on environmental, social and economic sustainability of tourism businesses. It will also ensure that the new tourism businesses provide local benefits to communities in and around conservation areas.

(iii) Conservation Areas Management. The objective of this component is to improve the infrastructure, equipment, protection, management, research and monitoring of several conservation areas in Mozambique. The conservation areas to be financed have been identified through a participatory process with key conservation stakeholders in the country using selection criteria. These areas will be confirmed at appraisal and include: (1) Maputo Special Reserve and Ponta do Ouro Marine Reserve; (2) Banhine and Zinave National Parks; (3) Chimanimani Reserve; (4) Limpopo National Park; (5) Pomene National Reserve and Bazaruto Archipelago National Park; (6) Malhazine National Reserve; and potentially (7) Primeiras e Segundas Islands (if gazetted as conservation area before project start) and Gile Reserve

(iv) Strengthening Economic Opportunities for Local Communities in Buffer Zones. The objective of this component is to support income opportunities (such as, tourism, agriculture natural resources & wildlife-based activities) for local communities around the conservation areas selected under the project. The component would likely focus its activities on the buffer areas and coutadas that are adjacent to the following conservation areas: (1) Maputo Special Reserve/Ponta do Ouro Marine Reserve; (2) Banhine/Zinave National Parks; (3) Chimanimani Reserve; (4) Limpopo National Park, (5) Pomene National Reserve/Bazaruto Archipelago National Park; (6) Gile Reserve; and, possibly, (7) Tchuma Tchatu community conservation areas.

(v) Project Management. The component would support a team of experts in MITUR, whose task would be to ensure that the project planning, implementation, procurement, financial management and monitoring are carried out with diligence and integrity.

An indicative budget for the project by funding sources for each components/sub-components is presented below. GOM's contribution is currently estimated at about \$2 million per year. The level of funding and allocation by component will be finalized during preparation.

IFC will focus on scoping for tourism investment opportunities and then assure transaction facilitation to identify investors. Associated financing is already mobilized by USAID, KfW, UNDP (GEF4) and several NGOs for other conservation clusters such as Gorongosa National Park, Maromeu Reserve and Lake Niassa Reserve. Ongoing projects from various donors are already supporting the overarching TFCA program.

Incremental Reasoning

The US\$5.19 million of GEF funds are incremental to the overall TFCA program. These incremental GEF funds will be used to develop sustainable financing mechanisms for conservation of biodiversity of global significance including providing seed capital in an endowment fund. In addition, they will also support the strengthening of conservation areas management effectiveness of selected sites with globally significant biodiversity including some of the iconic wildlife in the country. Furthermore, the incremental GEF funds will support community-based natural resources management including community reserves, community game ranches, and integrated wood fuel production within the forest and/or the broader land scape that would restore and/or enhance carbon stocks in forest and non-forest lands.

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

The project areas have been pre-determined and will be confirmed at appraisal and include: (1) Maputo Special Reserve and Ponta do Ouro Marine Reserve; (2) Banhine and Zinave National Parks;

(3) Chimanimani Reserve; (4) Limpopo National Park; (5) Pomene National Reserve and Bazaruto Archipelago National Park; (6) Malhazine National Reserve; and potentially (7) Primeiras e Segundas Islands (if gazetted as conservation area before project start) and Gile Reserve.

E. Borrowers Institutional Capacity for Safeguard Policies

The TFCAU Unit has been implementing TFCA II for six years following the Environment and Social Management Framework (ESMF), a Process Framework (PF) and a Resettlement Policy Framework (RPF) prepared for that phase. Under the current project, all construction contracts have prepared ESIA's and Environmental and Social management plans, per the requirement of the Ministry of Environment Affairs (MICOA) and the ESMF. Some Sub-projects, for example tourism lodges and camps involve construction activities and required an ESIA. Once these are prepared, MICOA approves them before the construction is done. The Bank has been supervising (post review) the quality of this work and has found it satisfactory. A new ESMF will be prepared for this phase before appraisal. Regarding the social safeguards, the PF and RPF is overseen by DINAC. DINAC has used the technical assistance of INGC to supervise the execution of the RAP in the Limpopo area that has been rated moderately satisfactory by the Bank, due to delays in some of the steps. A new PF and RPF will be prepared for this phase before appraisal. The same organizational arrangement will remain to implement both the social and environmental safeguards.

F. Environmental and Social Safeguards Specialists on the Team

Cheikh A. T. Sagna (AFTCS)

Stephen Ling (AFTN3)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	Largely due to construction of buildings, airstrips and roads in the conservation areas. An ESMP will be prepared, consulted upon, and disclosed before appraisal.
Natural Habitats OP/BP 4.04	Yes	The ESMF will include measures for addressing potential impacts on natural habitats.
Forests OP/BP 4.36	Yes	Some of the conservation areas and their buffer areas are located in forest ecosystems. Some of the livelihood activities might developed sub-projects to improved forest management in the buffer areas of the project's conservation areas. The ESMF will include guidance on this; forest management plans may be prepared during project implementation.
Pest Management OP 4.09	Yes	The livelihood activities supported under the Community Enterprise Fund could support agricultural sub-projects that may use minimal amounts of agro-chemicals. The ESMF will include a section on Integrated Pest Management.

Physical Cultural Resources OP/BP 4.11	TBD	The project may affect or involve Physical Cultural Resources. This will be confirmed before appraisal.
Indigenous Peoples OP/BP 4.10	No	There are no Indigenous Peoples in the project area.
Involuntary Resettlement OP/BP 4.12	Yes	The project will fund a limited number of cases and will limit access to wild resources from communities which in the past, albeit illegally, were harvesting them. The project may also involve some involuntary resettlement. A Resettlement Policy Framework and a Process Framework will be prepared, consulted upon, and disclosed before appraisal.
Safety of Dams OP/BP 4.37	No	The project does not involve the construction of dams, nor does it depend on dams.
Projects on International Waterways OP/BP 7.50	No	N/A
Projects in Disputed Areas OP/BP 7.60	No	N/A

III. SAFEGUARD PREPARATION PLAN

A. Tentative target date for preparing the PAD Stage ISDS: 05-May-2014

B. Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing¹ should be specified in the PAD-stage ISDS:

The following safeguard document will be prepared: (1) an Environment and Social Management Framework which will also include a draft Environment and Social Management Plan; ESIA/ESMPs will be prepared during project implementation; (2) a Resettlement Policy Framework; and (3) a Process Framework. In four conservation areas, detailed Resettlement Action Plans (RAPs) will be designed during project preparation and implemented immediately after effectiveness.

IV. APPROVALS

Task Team Leader:	Name: Claudia Sobrevila	
Approved By:		
Regional Safeguards Coordinator:	Name: Alexandra C. Bezeredi (RSA)	Date: 06-May-2013
Sector Manager:	Name: Magdolna Lovei (SM)	Date: 30-May-2013

¹ 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.