

January 26, 2012

**Comments from Bank Information Center on Mexico Forests and Climate Change
Project under the FIP Investment Plan**

Mr. Hasan Tuluy

Vice President for Latin America

Mrs. Marta García Jáuregui

Executive Director for México

Mr. Juan José Bravo

Alternate Executive Director for México

Mr. Ambroise Fayolle

Executive Director for France

Mrs. Anna Brant

Executive Director for Norway

Mrs. Gloria Grandolini

Mexico Country Director

Mr. Laurent Debroux

Task Team Leader

The World Bank

1818 H Street, NW

Washington DC, 20433

Dear Sir/Madam,

The purpose of this letter is to present our concerns regarding the Project Appraisal Document (PAD 65959) for the Mexico Forest and Climate Change Project P123760 (IBRD) and P124988 (FIP) which will be submitted for your approval on January 31, 2012.

1. First, we would like to inform you that on November 4, 2011, the Red Mexicana de Organizaciones Campesinas Forestales, SAKBE Comunicación y Defensa para el Cambio, and the Bank Information Center, presented to the FIP, during the period stipulated for public comments, various proposals (see Annexes), which had previously been submitted and discussed with CONAFOR and the World Bank Forest Carbon Partnership Facility (FCPF) team. One of the central proposals we made was the inclusion of a clause in the FIP project to the effect: **“...the contract, agreement or document for the formalization of the SIL should include a clause or provision specifying that once the approval process of ENAREDD+**

(Estrategia Nacional REDD+) + has concluded, an analysis for coherence and consistency will be conducted to align the direction of SIL with the content of ENAREDD+. This principle should be applied to all agreements and commitments of the Mexican government with relation to REDD+, since they should all ideally be coherent and consistent with ENAREDD+”.

These proposals were not taken into account, and there has been no explanation, verbal or written, as to why. We consider this clause to be vital to ensure that the “forest package” of projects that the Government of Mexico is negotiating with the World Bank to advance the national agenda for climate change mitigation and adaptation is coherent with the strategic environmental and social assessment (SESA) required under the FCPF and with the national REDD strategy currently being developed. For this reason, we insist to the Board of Executive Directors that this clause be included in the **Forest and Climate Change Project P123760 (IBRD)**.

2. In relation to the consultation process, the presentations made by CONAFOR on the investment loan have not reached beyond a very small group of civil society organizations, and even these have been informed about the “forest package” in a superficial, fragmented and un-contextualized manner through the Technical Advisory Council (CTC). For this reason it is worrisome that the PAD, in paragraph 38, highlights the broad experience of CONAFOR in consultations with collective landowners and local communities, while in reality the specific process for this investment loan has not been carried out in an adequate manner with the CTC, much less a broad process with collective land owners and local communities. It is important to note that the Project Appraisal Document does not even exist in Spanish and in the CTC only one person volunteered comments on the loan and the different project instruments (Social Assessment Report; Environmental Assessment Report; Draft of Planning Framework for Indigenous Peoples; Draft of Procedure Framework; Draft of Environmental Management Framework).

It is equally worrisome that paragraph 29 of the PAD refers to civil society participation being sought through the national and local CTC’s. These entities should not replace local actors and other civil society organizations, and are not appropriate spaces for realizing broad and effective consultative processes, that both the investment loan and the general REDD+ process require if REDD+ implementation is to be successful.

As we have stated in meetings with CONAFOR and representatives of the World Bank, the manner in which information dissemination and consultation processes are being carried out is not appropriate—civil society groups are being sent large documents with a short period for their review, information is not being properly contextualized, and it is not clear what CONAFOR really intends in terms of broad consultation. These things taken together are undermining the confidence of civil society organizations in both the process and the institutions. **For this reason, we insist that the proposals that we made on November 4, 2011 in commenting on the FIP Project (a component of the present investment loan): (i) the design of a Consultation Protocol (not for dialogue); (ii) a REDD+ “Road Map” for the**

year; and (iii) a consultation calendar to be updated every 6 months (se details in the Annex).

3. With reference to the Payment for Environmental Services program, which will receive the most financing from the Project, we believe that this is one of the areas that requires a participatory evaluation to ensure that the program is strengthened. Given the importance these decisions, we believe that they should be taken in the context of a national SESA process, such that financing mechanisms such as PES are evaluated based on an analysis of their risks and opportunities.

The current vision that dominates the PES Program is actually one that focuses on conservation to the exclusion of management and production, that is to say, passive conservation. Actually the PES Program is oriented towards containing deforestation, limited to sustaining existing environmental services, and not contributing to their expansion. **There needs to be a commitment to re-orienting the PES program such that it is compatible with sustainable management and production, at the same time ensuring an expansion of ecosystem services under PES.**

4. We are also worried that the Project will be implemented without benefit of the framework of the SESA, which should be an opportunity for a substantial participatory process that will generate high quality analysis of risks and opportunities, the identification of drivers of deforestation and degradation and making strategic decisions to align public policies, all critical for the success of the national REDD+ strategy.
5. In the same way, the Project does not provide specific information about how the SESA process will be adjusted to include the project, nor the other way around. In the project, it is not clear how the SESA process will be relevant for creating public policy and institutional strengthening, as well as the experimentation that will take place through the REDD+ Early Actions. **This needs to be corrected—the references to SESA are very general—the Project should provide a detailed methodology, milestones and a timeline to ensure coherence with the national SESA process.**
6. In terms of the safeguard analysis, we would like to state that although the resettlement policy (OP/BP 4.12) was taken into account to analyze possible restrictions that could limit the access of communities to their territories, it failed to acknowledge and analyze the pressure suffered by small farmers and Indigenous Peoples to abandon their homes and properties at the hands of the drug cartels and illegal loggers. The kidnapping on this past December 7, 2011 of Eva Alarcon, a member of the SESA Follow-up Group, can't be ignored, to the contrary is a wake-up call to look for mitigation measures to the security problem in certain parts of the country. The National REDD+ Strategy will not advance if there are not effective measures to protect local communities and their leaders. **For this reason, we request that the Social Safeguard Evaluation be revised to include the issues of security, the ability of smallholders to stay on the land, and solution to land tenure conflicts.**

7. In the same way, given that the Component 1 of the Project is the design of public policy and institutional strengthening, and given that the drivers of deforestation and forest degradation cross several distinct sectors, greater inclusion of public agencies is required for inter-institutional coordination than that established in the Project. **We request that the Secretary of Agrarian Reform, Secretary of Public Security, the National Water Commission, the Secretary of Communication and Transport, and the General Directorate of Mining of the Secretary of Economy and the Secretary of Social Development, all be included in the Project.**
8. Given that the success of the Project requires the effective participation at all levels of forest communities, **we propose that local communities (through a self-selection process) have representatives on the Steering Committee and the Monitoring Committee that will be established for the management of the Project.**
9. We believe that circumscribing the focus of the Early Actions supported by the Project to just a few regions will not permit the creation of capacity at the national level, given that many pilot projects might not be representative of the national situation generally, and with respect to climate change particularly. It is worrisome that there are no criteria for the selection of geographical regions for the Early Actions, and that these decisions were made in a discretionary, arbitrary and exclusive manner. **We request that Early Actions supported by the Project target regions from all over the country, and that their selection be made on the basis of their vulnerability to climate change.**

It is of fundamental importance that for the approval of this Project, as well as subsequent financial instruments, the National REDD+ Strategy be the coordinating mechanism; that the Project is substantially aligned with the processes that will be used to construct the National REDD Strategy, such as the consultation process and the SESA. To the contrary, it will establish a terrible precedent with respect to participation and consultation for the design and implementation of REDD+ financial instruments, which would be counter-productive for the general REDD+ process in Mexico and the National REDD Strategy.

Sincerely,

Bank of Information Center

Consejo Nacional de Organizaciones Campesinas A.C.

Fundar, Centro de Investigación y Análisis A.C.

Iniciativa Las Comunidades Cuentan Más

Organización de Campesinos Ecologistas de la Sierra de Petatlán A.C. (Miembro del Grupo de Seguimiento SESA)

Organización de Ejidos Productores Forestales de la Zona Maya A.C. (Miembro del Grupo de Seguimiento SESA)

Red Indígena de Turismo en México A.C. (Miembro del Grupo de Seguimiento SESA)

Red Mexicana de Organizaciones Campesinas Forestales A.C. (Miembro del Grupo de Seguimiento SESA)

SAKBE Comunicación y Defensa para el Cambio A.C. (Miembro del Grupo de Seguimiento SESA)

Unión Nacional de Organizaciones Campesinas - Coordinadora Nacional A.C. (Miembro del Grupo de Seguimiento SESA)

CC:

Sr. Sergio Madrid

Presidente del Consejo Técnico Consultivo, CTC REDD+

Sr. Sergio Graff

Secretariado del Consejo Técnico Consultivo, CTC REDD+

Coordinador General de Producción y Productividad de la Comisión Nacional Forestal, CONAFOR

Sres. Miembros Integrantes

del Consejo Técnico Consultivo, CTC REDD+

Sr. Juan Manuel Torres Rojo

Director General de la Comisión Nacional Forestal, CONAFOR

Sr. José Carlos Fernández

Jefe de la Unidad de Asuntos Internacionales y Fomento Financiero de la Comisión Nacional Forestal, CONAFOR

Sr. Juan Rafael Elvira Quesada

Secretario de Medio Ambiente y Recursos Naturales, SEMARNAT

Sr. Francisco Javier Mayorga Castañeda

Secretario de Ganadería, Agricultura y Pesca, SAGARPA

Sr. Xavier Antonio Abreu Sierra

Director General de la Comisión Nacional para el Desarrollo de los Pueblos Indígenas, CDI

Sra. María del Rocío García Gaytán

Presidenta del Instituto Nacional de las Mujeres, INMUJER

Sr. José Sarukhán Kermez

Coordinador Nacional de la Comisión Nacional para el Conocimiento y Uso de la Biodiversidad, CONABIO

Sr. Gonzalo Hernández Licona

Secretario Ejecutivo de la Comisión Nacional de Evaluación de la Política Social, CONEVAL

Sr. Benoit Bosquet

Coordinador del Forest Carbon Partnership Facility del Banco Mundial, FCPF-BM

Sr. Glenn Morgan

Unidad de Salvaguardas para América Latina del Banco Mundial, BM

Sr. Ricardo Hernández

Especialista Ambiental, BM

Sr. Andrea Kutter

Programa de Inversión Forestal, Fondo de Inversión para el Clima, FIC

Sra. Gloria Visconti

Unidad de Energía y Cambio Climático, Banco Interamericano de Desarrollo, BID

Sr. Miguel Coronado

Encargado de Operaciones en México, Banco Interamericano de Desarrollo, BID

Sra. Gemelina Ramírez

Subgerente de Cambio Climático, Banco Interamericano de Desarrollo, BID

Sra. Valeria Enríquez

Sociedad Civil, Banco Interamericano de Desarrollo, BID

Sra. Patricia Bliss Guest

Administradora, Fondos de Inversión Climáticos, FIC

Sr. José Antonio Meade Kuribreña

Secretario de Hacienda y Crédito Público, SHCP

Sr. Abelardo Escobar Prieto

Secretario de Reforma Agraria, SRA

Sr. Genaro García Luna
Secretario de Seguridad Pública, SSP

Sr. Heriberto Félix Guerra
Secretario de Desarrollo Social, SEDESOL

Sr. Dionisio Pérez-Jacome Friscione
Secretario de Comunicación y Transportes, SCT

Sr. José Luis Luege Tamargo
Director General de la Comisión Nacional del Agua, CONAGUA

Sr. Miguel Ángel Romero González
Director General de Minas de la Secretaría de Economía, DGM