



**World Bank engagement in
Mexico's forest sector**

**Forest Carbon Partnership Facility
Carbon Fund
CF15**

Forests in Mexico play a critical role both at Global and Local levels

GLOBALLY

Mexico is classified as one of the top five “**megadiverse**” countries, with high level of endemism.

Mexican Forests play a critical role in **Climate Change (Mitigation)**



LOCALLY

Forests represent an essential source of employment, income and livelihood for **some 12 million people**. Mexico has piloted a unique model of **community-based managed forests**.



Mexico's Forestry sector & The World Bank

→ Long lasting engagement (more than 15 years), that shaped the Forestry Sector in Mexico

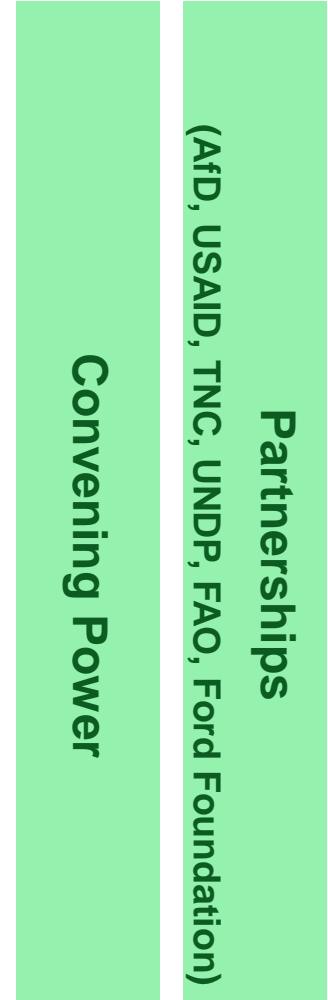
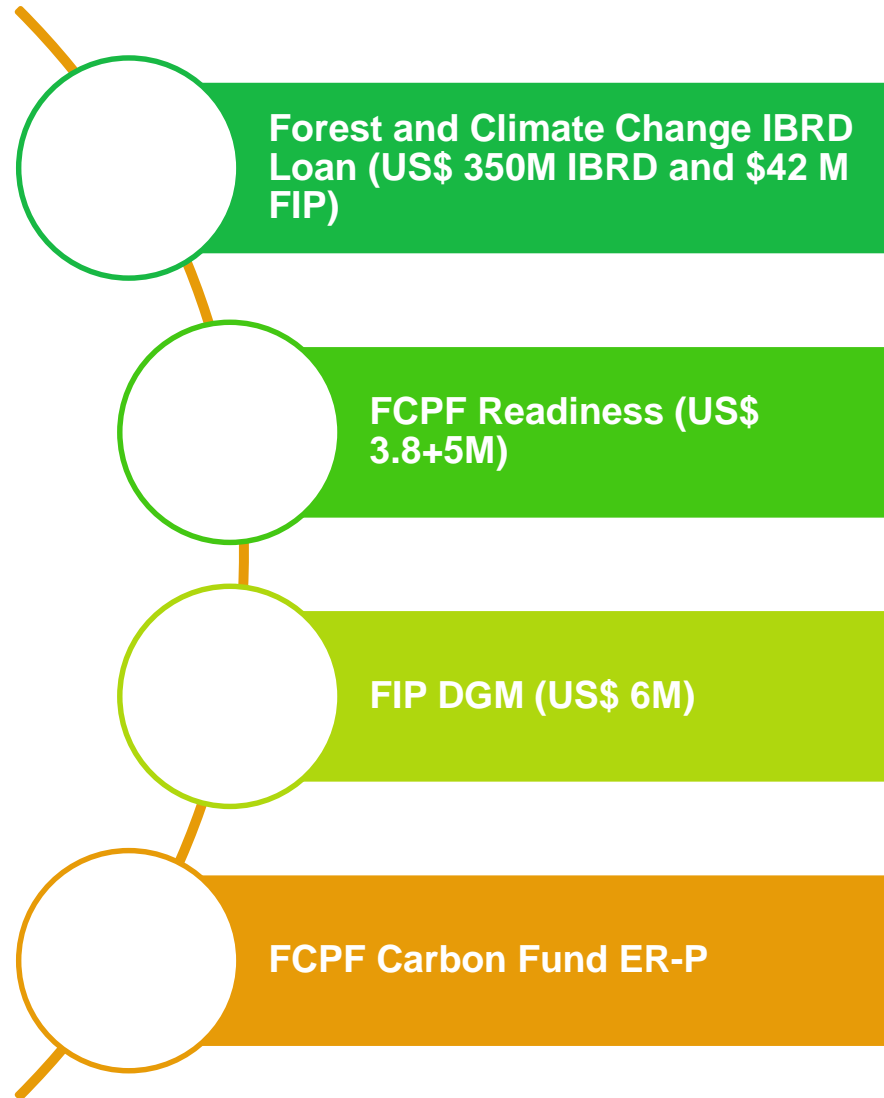
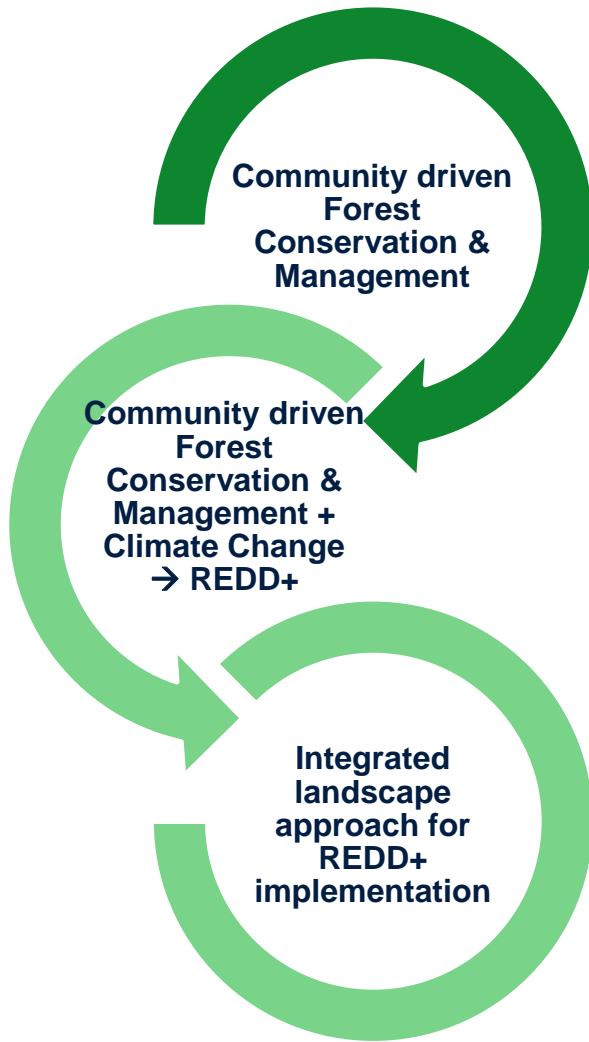
Design of the various programs (Silvicultura comunitaria PROCYMAF, Pagos por servicios ambientales PSA...)

Project Forests and Climate Change (\$400M)

Institutional support from late 90s



Mexico: Forest and Climate Change Program



Key Aspects of the REDD+ Readiness Process



- **Highly participatory and consultative process.** National Consultation of the 4th draft of the ENAREDD+ → considered as a best practice



- **Leveraging the WB's convening power to enhance inter-institutional coordination** (agreements between SAGARPA-SEMARNAT-CONAFOR, CONAFOR-IRE States, etc.)



ER Program Preparation Support

- ER Program preparation is **embedded in our existing portfolio** and builds on the FCC project and REDD+ Readiness work.
- Mexico's approach and performance in the forestry sector (especially safeguards and participation processes) is considered **best practice in the Bank**.

ER-P specific support:

- 3 National level **consultants** to support CONAFOR in preparing the ERPD
- 5 State level **consultants** to support the preparation of the Investment Plans
- **Legal firm** to conduct assessment of land tenure and carbon rights
- **GIS expert** to carry out uncertainty analysis of activity data
- Define **safeguards approach**
- PROFOR support to **Benefit sharing mechanism**
- Direct technical support through preparation missions

Status of WB Due Diligence

→ Concept Review Meeting successfully carried out on **December 09** confirming WB support for the Program and authorizing preparation.

→ Main Outcomes

- Program technically-very sound
- Building on strong institutions (with recognized leadership from CONAFOR)
- Significant public resources channeled to the Program (no missing middle?)
- Robust Safeguards for forest programs
- MRV system

→ Key issues to finalize DD include:

- Institutional and implementation arrangements
- Benefit Sharing Plan
- Safeguards approach (from national to state-level, and other than forest sector)
- Carbon accounting

Next Steps and Timeline

- ER-Program Decision Review Meeting: May, 2017
- Appraisal: June, 2017
- ERPA negotiation process: July-December 2017
- ERPA signature: January 2018

Thank you!