WWF Environmental and Social Safeguards Categorization Memorandum

| Project Title: Integrated Ridge to Reef Management of the Mesoamerican Reef (MAR2R) | Date: 12/9/2015 |
|--|-----------------------------------|
| Project Location and salient physical characteristics relevant to the safeguard analysis: | Project Categorization (A,B,C): B |
| With more than 400 watersheds and micro-watersheds draining to the Mesoamerican Barrier Reef, the proposed project will prioritize eight watersheds, where proposed project activities will be implemented. These priority watersheds include: | |
| Yucatan Peninsula (North Zone From Tulum – Cancun), Mexico | |
| Hondo River - Bacalar, Mexico – Belize | |
| Belize River, Belize area | |
| New River, Belize | |
| Monkey River, Belize | |
| Motagua River, Guatemala – Honduras | |
| Chamelecon River, Honduras | |
| Ulua River, Honduras | |
| However, the exact locations of project sites are not yet determined until implementation. | |

Project Description:

The proposed project will enable countries to enhance regional collaboration for the ecological integrity of the Mesoamerican reef and scale up the ridge to reef approach to its management as outlined in the Tulum+8 Regional Action Plan.

The proposed project aims to create the enabling conditions necessary to bring the unique actors along the ridge to reef continuum for the first time. In doing so, demonstration projects and existing frameworks, strategies, and plans/policies where Integrated Water Resources Management (IWRM) and Integrated Coastal Management (ICM) communities can be most effective will be identified. The proposed project objective is to support regional collaboration for the integrated ridge-to-reef management of the Mesoamerican Reef, by demonstrating its advantages and improving regional, national and local capacities for the integrated management and governance of its freshwater, coastal, and marine resources. The project has four components designed to scale up existing baseline programs to address key threats and barriers to the integrated management and conservation of the transboundary MAR resources:

- Component 1: Strengthen resource governance and regional collaboration for integrated ridge to reef management in the MAR
- Component 2: Integrated ridge to reef management of watersheds and freshwater resources
- Component 3: Integrated ridge to reef management of coastal and marine resources
- Component 4: Project Monitoring and Evaluation, and knowledge sharing

| Safeguard Policies Triggered | Yes | No |
|------------------------------|-----|----|
| Natural Habitats | X | |

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| Pest Management | X | | |
|--------------------------|---|---|--|
| Indigenous Peoples | X | | |
| Involuntary Resettlement | | X | |

Summary of Key Safeguard Issues:

The sub-projects considered in the second and third components deal with demonstration activities related to integrated watershed; coastal and marine management; and best management practices in agricultural, fishery and tourism sectors. There are no anticipated large-scale, significant, or irreversible adverse impacts associated with the project.

Natural Habitats: The project is expected to have positive environmental impacts through financing subprojects through that promote sustainable natural resources management, watershed and coastal protection, and soil conservation. As a result of subproject activities, the project is expected to (i) conserve soil, (ii) maintain or improve hydrological functions, (iii) help conserve high mountain ecosystems and their biodiversity and (iv) start restoration of critical coastal and marine habitats such as mangroves and coral reefs.

Given that the specific location and nature of specific subprojects have not yet been determined, specific environmental impacts, location and magnitude cannot be ascertained before finalization of design.

An ESMF will prepared to properly manage the risk of any unforeseen adverse environmental impact on natural habitats, including critical natural habitats, as well as measures to enhance the project's positive environmental outcomes.

Pest Management: the project will not purchase, distribute, apply or dispose of pesticides, However, despite explicit efforts to promote organic agriculture the project may include possible use of pesticides in the agricultural activities the project will engage in and as such the ESMF will include a Pest Management Plan.

Indigenous People: Since project sites are not defined yet however, there is a possibility the project may be operational in areas where indigenous people live. An Indigenous People's Planning Framework (IPPF) will be prepared which contains basic principles, social concerns unique to the IP groups, guidance on the identification of IPs and consultation strategies that will guide the preparation of Indigenous People's Plans (IPPs) where and when required. The IPPF will be approved and disclosed before project design finalization.

Involuntary Resettlement: the project will not have any physical relocation of persons or access restriction to natural resources.

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

There are no potential indirect and/or long term impacts anticipated. The project is designed to foster subprojects in the intervention area that have favorable long-term socioeconomic and environmental impacts.

Required actions: (type of ESIA, ESMP, IPP, IPMP, RAP, consultations, disclosure) A ESMF and an IPPF will be prepared, approved and disclosed prior to design finalization both in-country and online.

Safeguards Coordinator:

Senior Director of Public Sector Sunnort:

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