

WWF Environmental and Social Safeguards Categorization Memorandum

Project Title: Securing the Future of Peru's Natural Protected Areas	Date: 5/31/2017
<p>Project Location and salient physical characteristics relevant to the safeguard analysis:</p> <p>Project activities will be financed through the Transition Fund to improve the management of 2-4 National Protected Areas (NPAs), in both direct- and indirect-use categories, likely in Year 2 or 3 of implementation. These NPAs will be selected during year 1 of implementation from a short list of six NPAs primarily in the Eastern Andes regions of Peru. The six-short listed NPAs include Santuario Nacional Tabaconas Namballe, Reserva Comunal Machiguenga, Reserva Nacional Allpahuayo Mishana, Parque Nacional Tingo Maria, Parque Nacional del Río Abiseo, and Reserva Nacional Pacaya-Samiria.</p> <p><i>El Santuario Nacional Tabaconas Namballe (SNTN)</i></p> <p>El Santuario Nacional Tabaconas Namballe (SNTN) was established in 1988. SNTN is in northern Peru close to the Ecuador border, with altitudes ranging from 1000 meters above sea level to 3000 meters above sea level. The SNTN comprises 32,125 ha and includes the headwaters of the Rios Tabaconas, Miraflores y Blanco, all of which flow into the Amazon basin. The area includes substantial areas of tropical forest, cloud forest and at highest altitudes the only highland meadows in Peru known as Páramo. The Peruvian Páramo is one of the least studied ecosystems in the country. These meadows and shrubs are humid and are covered almost permanently by clouds. The soils of the Páramo are relatively impermeable which results in runoff, and the upland areas of Páramo consist of small lakes, some of which are suitable for recreation purposes.</p> <p><i>The Reserva Comunal Machiguenga (RCM)</i></p> <p>The Reserva Comunal Machiguenga (RCM) is an area of 218,906 ha of high jungle on the eastern slopes of the Andes. It is a humid tropical forest ecosystem of the South-Western Amazon and includes tree species up to 40 meters high and abundance of Lianas, Epiphytes (such as orchids, bromeliads) and other herb plant species. In this eco-region, there are species of wild fauna, such as the Tow toed Sloth (<i>Choloepus didactylus</i>), Armadillo (<i>Dasypus novemcinctus</i>), squirrel monkey (<i>Saimiri boliviensis</i>), Black howler monkey (<i>Cebus apella</i>), Giant Otter (<i>Pteronura brasiliensis</i>), Giant Anteater and Jaguar. The RCM is co-managed by SERNANP and a group of Machiguenga indigenous representatives, although there are no villages located inside the RCM.</p> <p><i>Reserva Nacional Allpahuayo Mishana (RNAM)</i></p> <p>RNAM is in the province of Maynas and consists of 57,667 ha. The park contains large areas of wetlands and flooded forests. The predominant type of soil is quartzite white sand, which contains a high content of phenolic compounds (tannins) that have evolved as protection against predation, causing local waters to be dyed dark black. It has high biodiversity value and consists of 522 species of butterflies, 1,729 species of plants, 83 amphibian species, 475 species of birds, 120 species of reptiles and 145 species of mammals. Several species of plants are listed as rare or endangered on the IUCN Red List, including Caraipa utilis, Caraipa tereticaulis Pachira brevipes and Euterpe caatinga; bird species include Iquitos Gnatcatcher (<i>Polioptila clementsii</i>); mammals include Anteater, giant armadillo, the brown</p>	Project Categorization (A, B, C): B

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woolly monkey, Jaguar and Jaguarundi (*Herpailurus yagouarondi*)

The Parque Nacional Tingo Maria (PNTM)

PNTM is characterized as high mountain forest and tropical rainforest which is humid. Altitudes range up to 600 meters above sea level on the Eastern slopes of the Andes, and riverine landscapes include the headwaters of the Tres de Mayo, Quinceañera, Oro and Santa Rivers. Parts of the park were previously under subsistence agriculture. The natural forest cover includes a wide diversity of tree and shrub species, including at least 144 of the following species: 96 tree species, 17 Palms, and 31 shrubs species. More than 104 species of animals have been identified: 9 species of fish, 38 species of birds, 21 between batrachians and reptiles and 36 mammals. The geological substrate includes wide areas of limestone with small cave formations.

Parque Nacional del Río Abiseo

The PNRA is the least accessible of the six NPAs shortlisted under the proposed project. The location of the park is to the west of the Huayabamba River and to the east of a steep incline of the Eastern Andes. In addition to being covered by a primary forest of mostly ancient growth, the PNRA includes some 35 archaeological sites created by the pre-Incan culture known as Chacha. The land access to the Park can only be made through a trip of three to five days, starting in Trujillo. By water, the access is through Huicungo on the river Huayabamba to the river Abiseo. There are no inhabitants or agriculture within the PNRA. There is, however, a substantial population dispersed in small settlements and isolated dwellings, living and engaging in agricultural activities in the buffer zone, most of which are accessible only by inland waterway transport.

Reserva Nacional Pacaya-Samiria (RNPS)

The RNPS comprises about 2,080,000 hectares, and is one of the largest protected areas in Peru. It was established in 1972. The park is composed mostly of wetlands and seasonal flooded forests. The RNPS is registered under the Ramsar Convention. There is a large population that lives within the park and is estimated to be about 92,000 dispersed in approximately 200 small settlements throughout the Park, practicing a subsistence economy based on fishing, hunting, gathering of natural fruits and subsistence agriculture.

Project Description:

In 2015, the Global Environment Facility (GEF) approved the **Amazon Sustainable Landscapes Program**, led by the World Bank as the GEF agency, to safeguard this megadiverse region of the Eastern slopes of the Andes and the diverse ecosystem services that it provides. The objective of the program is **to protect globally significant biodiversity and to implement policies to foster sustainable land use and restoration of native vegetation cover**. The Program is organized into four components: (1) Integrated Amazon Protected Areas, (2) Integrated Landscape Management, (3) Policies for Protected and Productive Landscapes, and (4) Capacity Building and Regional Cooperation. Its objective will be achieved through five child projects working in Brazil, Peru, and Colombia (which together comprise 83% of the total Amazon biome): (1) Amazon Sustainable Landscapes in Brazil (WBG); (2) Connectivity and Biodiversity Conservation in the Colombian Amazon (UNDP/WBG); (3) Sustainable Productive Landscapes in the Peruvian Amazon (UNDP); (4) *Securing the Future of Peru's Protected Areas (WWF)*; and (5) Capacity Building and Regional Coordination for Amazon

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Sustainable Landscape Program (WBG).

The proposed child project, **Securing the Future of Peru's Protected Areas** implemented by WWF GEF Agency, will contribute directly to this program by supporting an innovative financial model that will ensure that Peru's Amazon protected areas have adequate and long-term financing to manage threats of deforestation and land degradation. In addition, the project will seek to expand and strengthen the management of Peru's national protected area system, thereby safeguarding the nation's and region's biodiversity.

The **objective** of this child project is *to promote long-term financial sustainability for the effective management of the National System of Natural Protected Areas of Peru for the protection of globally important biodiversity and ecosystem services in the Amazon Biome*. The project components include the following:

Component 1: Development of a multi-partner, public-private initiative for long-term financial sustainability of the NPAs in the Peruvian Amazon.

Component 2: Diversification of sources to increase NPA financing of the Natural Protected Areas in the Peruvian Amazon. As the proposed approach for financial sustainability requires a gradual increase of public and private funding over the PdP period to offset the foreign donor-funded transition fund as it is drawn down, GEF support under Component 2 will provide technical and financial assistance to explore, identify and analyze the feasibility of a set of innovative PA revenue generating mechanisms.

Component 3: Implementation of PdP Action Plan Measures to consolidate and improve the effective management of Amazon NPAs. After the PdP single close, and once the governance and management structures of the initiative have been established and capacity building for its management initiated (through Components 1 and 2), under Component 3 GEF funding will be released to the transition fund. These funds will support consolidation and improvement of management effectiveness for a group of NPAs (selected from a short-list, as noted above in Component 2, and in accordance with the criteria set forth in the PdP Action Plan) based on the management goals defined in the PdP's Action Plan.

Component 4: Project coordination and monitoring and evaluation

For safeguards purposes, Component 3 is likely to have direct environmental and social impacts given the Transition Fund will finance activities that will support management effectiveness of identified NPAs from the above six sites.

Safeguard Policies Triggered	Yes	No
Natural Habitats	X	
Pest Management		X
Indigenous Peoples	X	
Involuntary Resettlement	X	

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Summary of Key Safeguard Issues:

The proposed project is a Category "B" given that it is essentially a conservation initiative, expected to generate significant positive and durable social, economic and environmental benefits. Any adverse environmental and social impacts due to investments in infrastructure to ensure effective management or involvement of indigenous people are minor and site specific and can be mitigated. While it is not possible to know which NPAs will be chosen until project implementation nor the exact nature of the activities, it is likely the proposed project will focus on ensuring effective management of the identified NPAs.

Policy on Natural Habitat – is triggered as the proposed project directly targets protecting and restoring species and their habitats; strengthening local communities' ability to conserve the natural resources they depend on; and transforming markets and policies to reduce the impact of the production and consumption of commodities.

Policy on Involuntary Resettlement – While the proposed project is unlikely to cause displacement of people from their homes or farms, the policy is triggered because ensuring effective management may restrict or prohibit the extraction of resources in certain areas of the NPA and in some categories of the NPAs, thereby restricting access to resources required for the subsistence and cultural maintenance of the affected populations.

Policy on Indigenous People – This policy is triggered because, out of the six-potential list of NPAs, Reserva Nacional Pacaya-Samiria and the Reserva Comunal Machiguenga are occupied or used by native communities considered indigenous under the WWF policy. About ten percent of the population of Nacional Pacaya-Samiria consists of the Cocama and other ethnic groups including Cucama-Cucamilla, Kiwcha, Shipibo Conibo, Shiwulu and Kacha Edze peoples. In Reserva Comunal Machiguenga, each Machiguenga village lays claim to specific areas of the Reserve for hunting, fishing and gathering, although no villages are located inside the Reserve.

Policy on Pest Management – The activities are not expected to trigger the policy on Pest Management, any agricultural extension activities targeting settlements in the NPAs will not include promoting the use of pesticides.

An Environment Social Management Framework including a Process Framework and Indigenous Peoples Planning Framework will be prepared to address the above identified impacts.

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

The project expects to achieve improved conservation and sustainable use of natural resources as its long-term impact of project interventions, which will be both environmentally and socially positive.

Required actions: (type of ESIA, ESMP, IPP, IPMP, RAP, consultations, disclosure)

An Environment Social Management Framework (which will include an Indigenous People Planning Framework and Process Framework) will be prepared before project concept finalization.

Anushika Karunaratne
Safeguards Coordinator

DocuSigned by:

Anushika Karunaratne

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Date: 6/6/2017

Brent Nordstrom,
Senior Director, Public Sector Support

DocuSigned by:

Brent Nordstrom

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