

Safeguards Compliance Memo

Project Information

Project Name	Securing the Future of Peru's Natural Protected Areas
GEF Focal Area	Multi-focal area - Biodiversity, Land Degradation and Sustainable Forest Management
Safeguards Categorization	B

Project Description

In 2015, the Global Environment Facility (GEF) approved the **Amazon Sustainable Landscapes Program** (GEF PMIS 9272), 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 Sustainable Landscape Program (WBG).

The proposed child project, **Securing the Future of Peru's Protected Areas** (Agency ID: G0010, GEF PMIS: 9374) implemented by WWF GEF Agency, will contribute directly to this program by supporting an innovative financial model — known as “Peru's Natural Legacy” or PdP (for its name in Spanish) — 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 Natural Protected Areas (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 (an agreement between the GoP and donors which will detail the financial commitments of each party, the closing conditions, and the milestones for resource disbursement), 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 a 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 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.

Project location and salient physical characteristics relevant to the safeguard analysis

Project activities will be financed through a Transition Fund managed by Fund for the Promotion of National Protected Areas in Peru (PROFONANPE) as the Executing Agency together with El Servicio Nacional de Áreas Naturales Protegidas por el Estado (SERNANP) as the lead technical agency to improve the management of 2 to 4 National Protected Areas (NPAs), in both direct- and indirect-use categories. 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.

Although the types of activities that support management effectiveness in selected NPAs to be supported under the project are already known, the exact location for their implementation and exact activity to be implemented in each of the NPAs from the six selected sites have not yet been defined. During project preparation, an Environmental and Social Management Framework (ESMF), which includes an Indigenous Peoples Planning Framework (IPPF) and Process Framework (PF), were prepared by the Executing Agency and disclosed.

Safeguards Policies	Triggered	Explanation
Environment and Social Risk Management	Yes	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 potential adverse

		<p>environmental and social impacts due to investments in small scale infrastructure to ensure effective management or involvement of indigenous people are minor, site specific, and can be mitigated.</p> <p>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.</p> <p>The Executing Agency and the lead technical agency SERNANP prepared an Environment and Social Management Framework (ESMF) during project preparation that will address among others potential negative and positive impacts of project activities on natural habitats; potential impacts of natural resources management activities, and potential impacts on Indigenous Peoples.</p>
Natural Habitat	Yes	<p>The policy 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.</p> <p>Project activities will seek to foster conservation and effective management of NPAs related to planning, monitoring and improved resources (including infrastructure, equipment, capacity building etc).</p> <p>The ESMF assesses potential negative impacts on natural habitats that might arise from project activities such as small infrastructure interventions in PAs.</p>
Indigenous People	Yes	<p>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 Indigenous Peoples policy. About</p>

		<p>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.</p> <p>Given the above, as part of project preparation an Indigenous People Planning Framework (IPPF) was included in the ESMF and Indigenous Peoples Plan (IPP) will be prepared to ensure project interventions will allow those Indigenous People to participate and benefit from project activities in ways which are culturally appropriate to provide for culturally appropriate benefits, mitigation measures and mechanisms to ensure the meaningful participation of IP in the project.</p>
Involuntary Resettlement	Yes	<p>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. In most cases, there will be no new restrictions placed, but the proposed activities under the project will enforce existing restrictions by improved control and vigilance. In addition, the project activities proposed will enhance sustainable use of natural resources by developing new Conservation Agreements. If current use is above sustainable reproduction/regeneration as indicated in Conservation Agreements, this will reduce allowed extraction amounts, which could reduce income generation for the communities that depend on such resources for the livelihoods.</p>

		The Process Framework under the ESMF articulates in the above stated case certain compensatory measurements will be developed for those Project Affected Parties (PAPs). Also, it describes the methods and procedures by which potential conflicts and grievances within or between affected communities will be resolved.
Pest Management	No	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

Summary of Key Safeguards Issues

Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:

This is essentially a conservation project and no potential large scale, significant and/or irreversible negative impact is expected from the project. National environmental legislation is very robust and includes specific rules and procedures for the creation of Protected Areas, which aim at reducing social impacts and maximizing biodiversity benefits. The project's Environmental and Social Management Framework, Indigenous Peoples Planning Framework, and Process Framework reinforce and complement the national legal framework, defining preventive procedures and mitigation measures to address key aspects that will require attention during implementation such

Describe measures taken by the Project Team to address safeguard policy issues. Provide an assessment of Executing Agency's capacity to plan and implement the measures described

The Executing Agency, PROFONANPE, prepared an Environmental and Social Management Framework, an Indigenous Peoples Planning Framework, and a Process Framework. During project implementation, Environmental Management Plans will be prepared and disclosed for specific activities supported under components 2 and 3. The safeguard instruments were shared and consulted with key stakeholders both on-line and disclosed by NPA managers through the Conservation Committees of the NPAs. National environmental and indigenous peoples' legislation is robust, and the Executing Agency has experience with the implementation of similar GEF operations which did not cause negative impacts and generated significant and long-lasting positive results. In addition, PROFONANPE is an Accredited Entity for Green Climate Fund projects and is in the process of developing their own safeguards policies. Trainings and capacity building will be provided on WWF Environment and Social Safeguards Integrated Policies and Procedures (SIPP) prior to the commencement of project activities. The Project Management Unit (PMU) will include a Safeguards specialist

who will coordinate the implementation of the ESMF including the IPPF and PF.

Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

During project preparation, there were several extensive stakeholder consultations/workshops with NPA managers, local communities, indigenous communities at all six short-listed NPAs. There was a validation workshop where the findings of the Environmental and Social Management Framework (ESMF), the Indigenous Peoples Planning Framework (IPPF) and the Process Framework (PF) were discussed in April 2017 with key stakeholders (governmental, private sector, civil society organizations representative of the environmental sector). These documents were publicly disclosed at the NPAs and their district municipalities. Hard copies of these documents are available in each NPA office. In addition, the ESMF, which includes the IPPF and PF, has been disclosed in Spanish in the SERNANP website since December 14th, 2017 and in the website of PROFONANPE since December 07, 2017. The documents can be downloaded from these websites. The ESMF, IPPF and PF have been disclosed at the WWF Safeguards Resources website since December 17, 2017.

Once the NPAs are selected from the six potential NPAs and activities to be implemented are determined, the project will identify the Project Affected Parties before any investments will start, and any site-specific safeguards documents will be disclosed in a culturally appropriate manner accessible to the PAPs. If one of the NPAs that include indigenous people will be selected prior to investments, an Indigenous Peoples Plan will be developed as described in the IPPF, and PAPs will need to provide their Free, Prior, and Informed Consent (FPIC) as to the activities implemented under the project.

Monitoring and Compliance

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies? Yes No NA

Have costs related to safeguard policy measures been included in the project cost? Yes No NA

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies? Yes No NA

Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents? Yes No NA

Have relevant safeguard policies documents been sent to WWF-US? Yes No NA

Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs? Yes No NA

Disclosure Requirements

Environment and Social Management Framework/Process Framework and Indigenous People Planning Framework

Date received by WWF-US	11/08/2017
-------------------------	------------

Date Disclosed on WWF-US website	12/17/2017
----------------------------------	------------

In country Disclosure:	
Date Disclosed on PROFONANPE's website	12/07/2017
Date Disclosed on SERNANP's website	12/14/2017
Date Disclosed RC Machiguenga, RN Allpahuayo Mishana, RN Pacaya Samiria, PN Tingo Maria, PN Rio Abiseo and SN Tabaconas Namballe	12/15/2017

Approvals

Safeguards Coordinator	<small>DocuSigned by:</small> <i>Anusika Kanmaratne</i> <small>5DD4677808864DD</small>	Date 3/28/2018
Safeguards Compliance Officer	<small>DocuSigned by:</small> <i>David McCauley</i> <small>5DF760C37038F0C3</small>	Date 3/29/2018