

**INTEGRATED SAFEGUARDS DATA SHEET
CONCEPT STAGE**

Report No.: AC2871

Date ISDS Prepared/Updated: 11/12/2007

I. BASIC INFORMATION

A. Basic Project Data

Country: Brazil	Project ID: P086341
Project Name: BR GEF Rio Grande do Sul Biodiversity	
Task Team Leader: Michael G. Carroll	
GEF Focal Area: Biodiversity	Global Supplemental ID:
Estimated Appraisal Date: September 6, 2007	Estimated Board Date: March 20, 2008
Managing Unit: LCSAR	Lending Instrument: Specific Investment Loan
Sector: General agriculture, fishing and forestry sector (100%)	
Theme: Biodiversity (P); Land administration and management (S)	
IBRD Amount (US\$m.):	0.00
IDA Amount (US\$m.):	0.00
GEF Amount (US\$m.):	5.00
PCF Amount (US\$m.):	0.00
Other financing amounts by source:	
BORROWER/RECIPIENT	4.00
<u>GLOBAL ENVIRONMENT - Associated IBRD Fund</u>	<u>2.10</u>
	6.10

B. Project Objectives [from section 2 of PCN]

The objective of the proposed project is to advance the conservation and restoration of biodiversity in the state's

grassland ecosystem through integrating biodiversity conservation within the productive landscape. The Project objective will be achieved through:

- a) Promoting actions that assist farmers restore and maintain priority areas for biodiversity conservation, where ecosystem fragility and threats to biodiversity occur;
- b) Conserving biodiversity by strengthening the implementation of public policies that enhance the development of improved management systems and production practices, including creating awareness and building capacity; and
- c) Securing the functions, dynamics and evolution of threatened ecosystems and endemic species.

C. Project Description [from section 3 of PCN]

The proposed project would be funded through a GEF grant with co-financing from the Rio Grande do Sul State Government. Given the geographic and conceptual overlap and similarities the project would complement the RS Integrated Regional Development project currently under preparation. The planned project duration is 5 years and the total cost is projected to be US\$ 11.1 million of which US\$ 5.0 million would be financed from the GEF and the remaining US\$ 6.1 million would be financed by the RS State Government. The funding from the Government will be \$ 4.0 from the biodiversity Conservation Fund (medidas compensatorias) as financial contribution, \$2.1 million from the partially blended IBRD financed RS Integrated Regional Development project. The proposed project is broadly coordinated by the Secretary of Planning and Management of the State in close cooperation with three other key biodiversity institutions, the RS Zoobotanical Foundation (FZB), the RS Rural Technical Assistance Agency (EMATER), and the State Foundation for Environmental Protection (FEPAM). The Project would consist of four components:

Component 1: Sectoral Integration and Sustainable Use

With an estimated contribution 40% of total cost, this component is designed to incorporate biodiversity protection into the main productive sectors of Rio Grande do Sul's economy and to ensure sustainability of interventions by integrating them with broader community development of local communities living in areas of relevance for biodiversity conservation while investing in securing protection of conservation units in the Pampas. In particular, this component would establish a set of Conservation Practices that could be used to ensure productive systems optimize their contributions to sustaining both biodiversity conservation and community development. These practices could include reducing the introduction of exotic wild species; directly supporting regeneration of native vegetation and natural ecosystems; encouraging targeted use of agrochemicals and integrated pest management approaches; and targeting the use of natural resources management within rural households. Other project interventions would include a series of 'on-the-ground' instruments (demonstration areas, TA and extension services, and small pilot areas) to promote the adoption of more biodiversity friendly practices and production systems. These would be complemented with support to public agencies involved in extension (training of extensionist on biodiversity mainstreaming), adaptive research (testing and dissemination of new practices), and licensing and regulation (studies on improved policies, incentives, and procedures and criteria for licensing).

The component is composed of three main sub-components, a) preparing and implementing conservation practices and experiences; b) implementing subprojects of biodiversity conservation and use; and c) improving the infrastructure of conservation units by using resources of the biodiversity Conservation Fund (medidas compensatorias). In the first sub-component there are 28 demonstration units about use and conservation of biodiversity, these are associated to income generation and integrated for the dissemination with the rural producers, among these are proposed capybara raising, natural grasslands management, agro-forestal systems, ecological agriculture, etc.. In the second sub-component the projects seek to promote and implement productive activities which are compatible with the sustainable use and conservation of the native biodiversity with a target of 2,000 rural properties within the municipalities defined by the project. There are already 19 practices identified in this stage. In the third sub-component the funds will be determined by the government to improve conservation capacity of established conservation units in the Pampas.

Component 2: Threat Reduction

With an estimated contribution of 35% of total costs, this component would provide the basis for removing the causes of biodiversity loss and specific threats to ecosystems in the state's productive areas. It would do this by promoting both activities that reduce ecosystem fragility and activities that reduce specific threats to certain species (including species that are endemic, rare, threatened with extinction and of economic, medicinal or scientific interest) located in areas surrounding Conservation Units, and other refuges for such species. This component would also remove threats by actively disseminating information to different segments of society about the relevance of biodiversity conservation to their livelihoods. Activities under this component involve actions to remove causes of biodiversity loss and the specific threats to the ecosystems and natural communities occurring in the productive areas of the state, this would be accomplished through the preparation and implementation of actions plans with a focus in education and dissemination of biodiversity conservation.

The component is has two sub-components: a) protection and conservation of threatened species and areas to promote corrective measures in areas with reduced environmental quality, and b) education and dissemination to respond to a lack of biodiversity information. Activity areas and priority demands were determined by ecosystem fragility, presence of threatened species, vicinities of conservation units, etc. Each activity will be included in a monitoring system. The first sub-component would elaborate and implement 7 action plans in areas or species identified. In the second sub-component environmental education will be developed as a cross-cutting theme to create awareness about biodiversity and its conservation. Financial resources from the Biodiversity Conservation Fund are also expected to contribute in this component.

Component 3: Biodiversity Management

With an estimated contribution of 15% of total costs, this component would produce actions and instruments, including research and knowledge generation, to enable improved biodiversity management. This includes the generation of knowledge in important biodiversity areas, the dissemination of the concept of environmental services, the management of alien exotic species and the preparation of management tools, specifically the implementation of a biodiversity-based GIS. Furthermore, activities under this component include definition of a monitoring system, preparation of the economic-ecological zoning, development of strategies for private land stewardship initiatives and incentives for using practices of biodiversity conservation. It would integrate its work with actions being developed through other State Government projects, such as the Geographic Information System and the environmental monitoring network and would consist of two sub-components aimed at a) generating information for biodiversity conservation through production and dissemination of knowledge (rapid ecological assessments and corridor strategies to consolidate the State System of Conservation Units and elaboration of models for economic valuing of biodiversity management) and b) developing and facilitating tools for biodiversity management through implementation of actions for conservation (GIS-based monitoring, zoning and improvement of the environmental licensing, and the certification system for biodiversity products).

Component 4: Institutional Strengthening and Project Management

With an estimated contribution of 10% of total Project costs, this component would strengthen institutions and provide appropriate training for operational and managerial staff in the various state agencies to ensure proper project implementation and to guarantee sustainability of the project's impacts after the end of implementation. This component would work at the macro-level to reduce the problems of lack of resources in the public sector connected to biodiversity and would be divided into two components: a) Institutional Strengthening, mainly to increase the capacity of each institution to consider biodiversity conservation within its activities; and b) Project Management, which includes the set of actions needed for coordination of the project's activities, including establishing the Project Unit with staff and operational procedures and developing and implementing a system that allows monitoring evaluation and follow-up.

D. Project location (if known)

Rio Grande do Sul, Brazil (southern state)

E. Borrower's Institutional Capacity for Safeguard Policies [from PCN]

The institutions from the government of RS involved in this project are the institutions in charge of environmental and biodiversity management in the State. Brazilian laws and the State laws regarding environmental management are sound and practices in the State are adequate as experienced in the RS Rural and the recently completed Environmental Assessment of the Rio Grande do Sul Integrated Regional Development Project. The Secretary of the Environment (SEMA) is an integral part of the project implementation team. Activities especially in component 1 to be implemented by EMATER in rural properties will be supported by SEMA. SEMA has proposed to create a special agreement for environmental licensing of project activities when working with natural resources. As part of project preparation a comprehensive Operational Manual will be drafted, including a specific section on environmental screening of project activities as well as institutional arrangements for implementation of the Environmental Assessment.

F. Environmental and Social Safeguards Specialists

Mr Angel Alberto Yanosky (LCSAR)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies Triggered	Yes	No	TBD
Environmental Assessment (OP/BP 4.01)	X		
Environmental Screening of project activities as well as institutional arrangements for implementation of the EA and EMP will be included in a comprehensive Operational Manual.			
Natural Habitats (OP/BP 4.04)	X		
Subject to EA's confirmation, it is expected that no natural habitats-related mitigation activities would be required.			
Forests (OP/BP 4.36)			X
n/a			
Pest Management (OP 4.09)			X
Since the PCN was drafted government endorsement for GEF funding reduced the size of the grant therefore forcing the state to reduce the project area. Most likely project activities will be limited to extensive grazing areas where no use of chemicals is practiced or envisages. As such and subject to revision at pre-appraisal we think OP4.09 will not be triggered.			

Safeguard Policies Triggered	Yes	No	TBD
Physical Cultural Resources (OP/BP 4.11)			X
n/a			
Indigenous Peoples (OP/BP 4.10)			X
The project preparation team is currently undertaking an assessment of indigenous population in the new project area. Based on current information we do not envisage that the project would trigger OP. 4.10.			
Involuntary Resettlement (OP/BP 4.12)			X
This matter was discussed with SAT at PCN stage. We do not expect that restrictions in access to resources will be a project issue.			
Safety of Dams (OP/BP 4.37)			X
n/a			
Projects on International Waterways (OP/BP 7.50)			X
n/a			
Projects in Disputed Areas (OP/BP 7.60)			X
n/a			

Environmental Category: B - Partial Assessment

III. SAFEGUARD PREPARATION PLAN

- A. Target date for the Quality Enhancement Review (QER), at which time the PAD-stage ISDS would be prepared: 12/10/2007
- B. For simple projects that will not require a QER, the target date for preparing the PAD-stage ISDS: 12/20/2007
- C. Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing¹ should be specified in the PAD-stage ISDS.
TBD.

IV. APPROVALS

<i>Signed and submitted by:</i>		
Task Team Leader:	Mr Michael G. Carroll	10/31/2007
<i>Approved by:</i>		
Regional Safeguards Coordinator:	Mr Reidar Kvam	11/01/2007
Comments:		
Sector Manager:	Ms Ethel Sennhauser	
Comments:		

¹ Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in-country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.

