

**COMBINED PROJECT INFORMATION DOCUMENTS / INTEGRATED
SAFEGUARDS DATA SHEET (PID/ISDS)**

Additional Financing

Report No.: PIDISDSA21824

Date Prepared/Updated: 18-Apr-2017

I. BASIC INFORMATION

A. Basic Project Data

Country:	Nicaragua	Project ID:	P163246
		Parent Project ID (if any):	P121152
Project Name:	Additional Financing for Nicaragua Second Land Administration Project (P163246)		
Parent Project Name:	Second Land Administration Project (PRODEP II) (P121152)		
Region:	LATIN AMERICA AND CARIBBEAN		
Estimated Appraisal Date:	01-May-2017	Estimated Board Date:	14-Jun-2017
Practice Area (Lead):	Social, Urban, Rural and Resilience Global Practice	Lending Instrument:	Investment Project Financing
Borrower(s)	Government of Nicaragua, Ministry of Finance and Public Credit (MHCP)		
Implementing Agency	Procuraduria General de la Republica		
Financing (in USD Million)			
	Financing Source		Amount
	International Development Association (IDA)		6.65
	Financing Gap		0.00
	Total Project Cost		6.65
Environmental Category:	B-Partial Assessment		
Appraisal Review Decision (from Decision Note):	The review did authorize the team to appraise and negotiate		
Other Decision:			
Is this a Repeater project?	No		

B. Introduction and Context

Country Context

Nicaragua remains one of the poorest countries in the Latin America and the Caribbean region (LAC), but recent strong economic growth has contributed to notable poverty reduction. With per capita gross national income of US\$1,800, Nicaragua's annual economic growth has averaged 4.8 percent in the last six years. This growth, together with an increase in expenditures in Government priority areas, has resulted in a significant reduction in overall poverty (defined as people living under US\$1.60 per day), to 42.5 percent by 2009 and 26.9 percent by 2014, according to the 2014 Nicaragua Living Standards Measurement Study. Meanwhile, in the same period, extreme poverty dropped 6 percentage points, from 14.6 percent in 2009 to 8.3 percent in 2014. Despite progress, a third of the population still lived below the official poverty line in 2014, most concentrated in rural areas with limited access to basic services.

Nicaragua is also highly vulnerable to natural disasters and climatic variability, such as hurricanes, extreme rainfall and earthquakes. The country's poor ability to withstand these climate and disaster risks can lead to unintended consequences. In the past, Nicaragua has been prone to flooding on its Pacific coast and has experienced hurricanes on its eastern coast. It is expected that flooding and hurricanes will continue in the future as are hurricanes, particularly in the country's coastal zones. At the same time, droughts are expected to continue in the future with a higher frequency. Although estimates are uncertain, it is expected that the tropical cyclones will increase and heavy rainfalls will cause communities to be more susceptible to landslides. The climate variability and disaster risk context puts at risk development achievements to date.

Securing property rights and modernizing land administration institutions are critical for improving Nicaragua's productivity and disaster risk management. Years of inconsistent legal and administrative decisions affecting land contributed to tenure insecurity and undermined the population's confidence in state institutions. With the support of the World Bank and other development partners, including the Millennium Challenge Corporation (MCC), the land sector has been transformed since 2002 through the enactment of new laws, modernization of institutions, and systematic regularization. More than 20 percent of the country's territory has thus far benefited from systematic cadastral and regularization activities. Moreover, the Government has committed itself to expand these efforts to the rest of the country and into regions with no previous cadaster and outdated property registry records.

Sectoral and Institutional Context

Recognizing the importance of land tenure issues in the development agenda of Nicaragua, the Government and the Bank have built a strong partnership over time. Between 1993 and 2000, the Bank-financed Agricultural Technology and Land Management Project (ATLMP, P007780) supported the Government's initial efforts to modernize the land administration system, including resolving the tenure situation of parcels redistributed as part of the agrarian reform of the 1980s. Between 2002 and 2010, the Land Administration Project (PRODEP, P056018) was designed as a major pilot effort financed through two IDA credits, one of which was an additional financing. PRODEP helped Nicaragua achieve two major outcomes, namely a more solid and clearer land administration framework and a proven methodology for systematic land regularization. The country's policy and legal framework has been positively transformed, and key land agencies' capacity strengthened. Representing a historical achievement, indigenous peoples in the Caribbean have received collective titles to their ancestral territories covering about 30 percent of the country's area.

Improvements in the land administration framework and regularization process have been mainstreamed as the methodology consolidated under the first phase of PRODEP has been applied in many areas of the country. This methodology has incorporated current technologies and global good practices, and by responding to the country's context, it has simultaneously increased national capacity and institutional ownership of results. At the same time, the growing technical capacity has been

progressively incorporated into the main land agencies, including the Nicaraguan Institute for Territorial Studies (INETER), the Property Intendancy (IP) under the Attorney General's Office (PGR) – PRODEP II's implementing agency - and the property registries under the Supreme Court (CSJ). On this basis, the Government has outlined an overarching goal of continuing to promote land governance while advancing cadastral and regularization processes and improving land administration services. Nicaragua continues to face land tenure challenges, and continuing the implementation of a national land program will require a concerted effort and substantial resources. The consolidation of the policy and institutional framework provides a favorable enabling environment to advance the integration of the cadastral and property registry information. At the same time, municipalities are progressively being strengthened in an effort to promote decentralization, territorial planning and disaster risk management, and ensure the updating of cadastral information. Critically, it is estimated that in rural areas about one third of parcels are still held without a clear title, which particularly affects small and poor agricultural producers. More progress is also needed in the recognition of land rights for indigenous communities in the Pacific and central regions of the country.

C. Proposed Development Objective(s)

Original Project Development Objective(s) - Parent

The Project Development Objectives are: (a) to strengthen the property rights of the population in the Project area through improved regularization, titling, and registry services; and (b) to improve Nicaragua's capacity to respond promptly and effectively to an eligible emergency.

Proposed Project Development Objective(s) - Additional Financing

The Project Development Objectives are: (a) to strengthen the property rights of the population in the Project area through improved regularization, titling, and registry services; and (b) to improve Nicaragua's capacity to respond promptly and effectively to an eligible emergency.

Key Results

The following key results are expected:

Total number of direct project beneficiaries (including percentage of women) [CORE INDICATOR]

* At least 105,000 households obtain legal documents, including 52,500 new titles (of which at least 50 percent are issued to women or jointly to couples)

* The Integrated Cadastre-Registry Information System (SIICAR) is evaluated independently as satisfactory in terms of operation, data and security

* Average number of days to complete recording of a purchase/sale of a property in the land administration system (as processed through SIICAR) reduced from 50 to 28 days [CORE INDICATOR]

* Time taken to disburse funds requested by Government for an eligible emergency (target of four weeks)

D. Project Description

This ISDS is an updated version, given a proposed additional credit in the amount of US\$6.65 million equivalent for the Nicaragua Second Land Administration Project (PRODEP II, P121152). The proposed additional credit (Additional Financing, AF) would scale-up the development effectiveness of a well-performing project, by delivering additional results through the implementation of additional activities that are in line with the original project objective. The proposed AF would focus on: (a) Expanding the Integrated Cadastre-Registry Information System (SIICAR) in Managua; (b) Scaling-

up cadastral, titling, and regularization services; (c) Further strengthening municipal cadastre capacity; and (d) Supporting studies related to land administration in Nicaragua while continuing to support Project management, monitoring and evaluation.

The Project consists of the following Components:

Component 1: Consolidation of the Institutional and Policy Framework

A. Strengthening of cadastral services and land regularization capacity by: (a) supporting INETER through, inter alia: (i) the preparation of technical and administrative cadastral regulations; (ii) the carrying out of training on the standardization of cadastral policy and procedures; (iii) the strengthening of its capacity in the provision of cadastral services; and (iv) the maintenance and refurbishment (including the acquisition of equipment) of certain INETER offices selected pursuant to the criteria set forth in the Operational Manual; and by (b) supporting IP through, inter alia: (i) the updating of the SIIPRO and the installation of the SILEC in IP's regional offices; (ii) the strengthening of IP's capacity to deliver titling, regularization and legal services; and (iii) the maintenance and refurbishment (including the acquisition of equipment) of certain offices of IP selected pursuant to the criteria set forth in the Operational Manual.

B. Strengthening of municipal land administration services by supporting INIFOM through, inter alia, (a) the preparation of technical guidelines and regulations for municipal cadastre management; (b) the strengthening of the capacity of Participating Municipalities on: (i) the management of SISCAT for property taxation and territorial planning; (ii) the maintenance of sustainable municipal cadastres; and (iii) the coordination of cadastral services with INETER; and (c) the establishment of the link of SISCAT with the national cadaster managed by INETER.

C. Strengthening of data collection and evaluation capacity by supporting INIDE through, inter alia: (a) the design and carrying out of a poverty measurement survey including a module to collect information on land tenure; and (b) the strengthening of its capacity for data analysis and surveys, through the provision of training, the acquisition of equipment, and the refurbishment of training facilities.

Component 2: Strengthening of Property Registration and Alternative Conflict Resolution Capacity

A. Strengthening of property registration and alternative conflict resolution capacity by supporting the Supreme Court through, inter alia: (a) the carrying out of capacity building activities, including the provision of technical assistance, and training to staff, on systematic titling and registration in regional property registries covering Participating Municipalities; and (b) the carrying out of mediation services during the cadastral and regularization processes under the Project, including: (i) the provision of conflict resolution training to mediators and Co-executing Agencies' staff; and (ii) the preparation of a manual to standardize mediation results.

B. Consolidating the SIICAR by supporting the Supreme Court and INETER through, inter alia: (a) the development and upgrading of the pilot version of SIICAR; (b) the installation of SIICAR in the Recipient's Departments of Managua and Chinandega through the provision of technical assistance, including training to the Supreme Court and INETER's staff, and the acquisition of computer and office equipment, including software, hardware, and licenses.

Component 3: Titling and Regularization Services

A. Supporting the provision of cadastral, titling and regularization services by supporting INETER, IP and the Supreme Court through, inter alia: (a) the carrying out of systematic cadastral surveying, and land regularization, titling and registration activities in Participating Municipalities; (b) the carrying out of land surveys, regularization, titling, and registration of parcels for individuals: (i) on a demand basis; or, (ii) prioritized by those Recipient's pertinent national programs selected pursuant to the criteria set forth in the Operational Manual; (c) the carrying out of land titling and registration activities of eligible parcels subject to the Recipient's agrarian reform selected pursuant to the criteria set forth in the Operational Manual, for current possessors; and (d) the implementation of the Project's communication strategy.

B. Demarcating, titling and registration of two complementary areas of indigenous territories of MSBU and MITK by supporting IP through, inter alia: (a) the carrying out of capacity building and coordination activities; (b) the validation of existing territorial diagnostics; (c) the establishment of conflict resolution mechanisms; and (d) the demarcation, titling and registration activities.

C. Demarcating of Protected Areas selected pursuant to the criteria set forth in the Operational Manual by supporting MARENA through, inter alia: (a) the carrying out of the demarcation of the external boundaries of said Protected Areas, including preparatory work, data collection, consultation with beneficiaries, determination of boundaries, and geo-referencing and physical demarcation of such boundaries; and (b) the carrying out of an environmental communication and educational campaign in the Protected Areas and neighboring communities.

Component 4: Project Management, Monitoring and Evaluation

A. Supporting Project management through, inter alia: (a) the provision of training and the carrying out of workshops; (b) the carrying out of the coordination, administrative and fiduciary activities of the Project, including audits; and (c) the oversight of the implementation of a communication strategy and a gender strategy for the Project.

B. Supporting Project monitoring and evaluation through, inter alia: (a) the collection of base line data to assess the Project's social, environmental and economic impacts; (b) the preparation of the Project's semi-annual progress reports, the midterm review report and the final evaluation report; and (c) the carrying out of a social audit of relevant activities.

C. Carrying out studies related to land administration in Nicaragua.

Component Name:

Consolidation of the Institutional and Policy Framework

Comments (optional)

Component Name:

Strengthening of Property Registration and Alternative Conflict Resolution Capacity

Comments (optional)

Component Name:

Titling and Regularization Services

Comments (optional)

Component Name:

Project Management, Monitoring and Evaluation

Comments (optional)

E. Project location and Salient physical characteristics relevant to the safeguard analysis (if known)

The Project area covers selected municipalities in the departments of Nueva Segovia and Jinotega to conduct systematic land surveying and regularization. The Project will also continue to include municipalities in the departments of Chinandega, Esteli, Madriz, and Leon in order to complete pending land regularization efforts and consolidate institutional modernization. Demand-based regularization will also be conducted.

General Characteristics of the Project Area

Nueva Segovia and Jinotega share a border in the north with Honduras, and are mainly located in the central region of the country. Esteli, Madriz, Chinandega, and Leon, are mostly located in the Pacific region. The Pacific region has the highest population density and is the economic and demographic center of the country. Some of the country's best soils are located in this region's western area (Leon and Chinandega), with substantial agro-export activities (sugar, peanuts, soybeans, sesame and banana). Parts of the Pacific region are dry. Declining water availability is an increasing threat to agricultural production in the region. The Central Region is mountainous facing soil erosion problems in the northern part and water access problems in the central part. Population density is lower and infrastructure is less developed which limits market access. Its northern sub-region is an important coffee growing area, while the central area is characterized by extensive cattle ranching.

According to the 2005 Census, the total population of the Project area was 1.6 million, or over one third of the country's total population. As shown by the Social Assessment (SA), the municipalities that may be targeted by the Project are characterized by higher than average rates of poverty and illiteracy. According to 2009 estimates, poverty rates in the project area (49 percent) are higher than the national average (42.5 percent.) The rate of those living in extreme poverty is also higher (18.2 percent, compared with 14.6 percent nationally). Illiteracy levels are also higher in the project area, where 18.9 percent of the population over 15 years of age is illiterate (compared to 4.10 percent nationally). Importantly, illiteracy rates are much higher among the rural population (22.7 percent, compared with 10.2 percent in urban areas). In terms of land access and tenure, small producers own about 7.5% of the land in the Project area, medium producers own 43.5%, while large procedures 48.9%. With regards to productive activity, 53.5 percent of the population was employed in the primary sector, well above the national average of 39.7 percent. The SA also indicates that indigenous peoples represent 3.8 percent of the population in the project area, and that most of their communities are located in the departments of Madriz and Jinotega.

Protected Areas

The AF does not include minor infrastructure works and physical demarcation of protected areas as the original Project. The original Project has demarcated the boundaries of five protected areas located in Jinotega and Nueva Segovia: (i) Cordillera Dipilto Natural Reserve (Nueva Segovia); (ii) Cerro – Dantali – El Diablo Natural Reserve (Jinotega); (iii) Cerro Kilambe Natural Reserve (Jinotega); (iv) Macizo de Penas Blancas Natural Reserve (Jinotega); and (v) Volcan Yali Natural Reserve (Jinotega). The AF will not support any further demarcation of protected areas nor will it finance any regularization within the protected areas.

Indigenous Peoples

Pacific and Central Region. There are indigenous communities living in the departments of Nueva Segovia, Jinotega, and Madriz. These communities include: Mozonte (Nueva Segovia); Jinotega and Pantasma (Jinotega); and San Lucas, Telpaneca, and Totogalpa (Madriz). The Project will support cadaster activities with communities in Mozonte and Madriz, provided that processes of free, prior and informed consultation are able to reach broad community around the scope and terms of these activities.

The following activities are covered by the parent Project:

Bosawas Biosphere Reserve. The Project will demarcate and title the lands of ten indigenous communities in the department of Jinotega located in a Special Development Zone created by Presidential Decree No. 19-2008. The Special Development Zone is located in the basin of the rivers Alto Wangki and Bocay, within the Bosawas Biosphere Reserve, and covers the indigenous territories of Mayanga Sauni Bu (MSBU), Miskitu Indian Tasbaika Kum (MITK), and Kipla Sait Tasba ika (KST). The previous Project supported the demarcation and titling of the core areas of these territories in 2007. The demarcation and titling of the complementary areas belonging to MSBU and MITK territories will complete this process.

Complementary Area of MSBU: The Mayagna have asserted the ownership of the MSBU territory since the creation of the Bosawas Reserve in 1991. The original claim included 15 communities, but only nine of them, covering an extension of 947.38 sq. km were included in the original title. The six communities that remain to be titled are: Yapuwas, Kiuhsi, Wisuh, Sakarasang, Silamplanta, and Tunawlang. The first four communities form a block whereas the last two are geographically isolated but nonetheless share a common origin and history with the MSBU territory. The six communities cover a total area of 216.03 sq. km. The total population in these communities is 877 individuals; about 75 percent are indigenous and 25 percent non-indigenous.

Complementary Area of MITK: This Miskito territory was demarcated in 1997, but the communities of Ulwasking, Amarrana, Yakalpanani, and Plis were not included in the original perimeter due to the presence of armed groups in this area. In 2007, the Government granted a title to MITK for based on the original perimeter and covering an area of 652.3 sq. km. The complementary area covers an extension of 269.38 sq. km. There are about 1,800 indigenous and 12,000 non-indigenous individuals settled in this area. Most of the non-indigenous are migrants from the municipality of Wiwili or elsewhere in Jinotega, and social tension has recently intensified in this area.

F. Environmental and Social Safeguards Specialists

Dianna M. Pizarro(GSU04)

Marco Antonio Zambrano Chavez(GEN04)

II. IMPLEMENTATION

Components 1 through 4 are being implemented by PGR through a Project Coordination Unit (SE-PRODEP). The technical implementation of these components are decentralized to co-executing agencies including IP/PGR, INETER, INIFOM, INIDE, and the CSJ. The implementation arrangements for Component 5 (CER) are detailed in the CER/Immediate Response Mechanism (IRM) Operations Manual. The Manual establishes the Ministry of Finance (MHCP) as the Coordinating Agency.

SE-PRODEP is under the leadership of a General Coordinator, and its core team includes a technical coordinator and specialists in the areas of procurement, financial management,

monitoring and evaluation, social development and gender, environment, and communication. The proposed AF activities will be included within the existing PRODEP II components, and the AF will use the existing implementation arrangements, with the exception of two of the co-executing agencies, National Institute for Development Information, (INIDE) and Nicaraguan Ministry of Environment and Natural Resources (MARENA) that will no longer be involved, since their activities will be completed under the original financing. To allow sufficient time to complete all activities under the AF, the Project's closing date will be extended by six months, from December 31, 2018 to June 30, 2019. The original Credit's closing date will not be extended.

With regards to Monitoring and Evaluation, the PGR, through the SE-PRODEP will be responsible for M&E. Accordingly, SE-PRODEP will (a) collect, consolidate and report on project performance data (including physical and financial progress); and (b) provide periodic information on intermediate project results and progress toward higher level outcomes. Co-executing agencies will provide the necessary inputs to ensure adequate M&E. SE-PRODEP will prepare semi-annual progress reports throughout Project implementation.

III. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>This Project is classified as Category B. An Environmental Assessment and Environmental Management Plan (EA-EMP) was prepared and approved by the Bank for the original Project. The EA-EMP was disclosed before appraisal in-country and at the Bank's website.</p> <p>Although the AF will not include the demarcation of protected areas, the EA-EMP includes a series of environmental measures for all components of the project, that must be taken into account in land regularization processes due to the potential indirect environmental impacts and risk that may occur.</p>
Natural Habitats OP/BP 4.04	Yes	<p>This policy is triggered due the potential negative impacts on sensitive or critical environmental areas in the land regularization processes. The EA-EMP includes measures to prevent, avoid, or mitigate potential negative impacts in critical areas.</p>
Forests OP/BP 4.36	Yes	<p>This policy is triggered due the potential affectation of forest during the land regularization process. The Project will not support any forestry (natural or plantation) activity.</p>

Pest Management OP 4.09	No	This policy is not triggered because Project activities will not involve purchase, use or storage of pesticides, nor will it support the procurement, or use of, or lead to the increased use of other agricultural chemicals.
Physical Cultural Resources OP/BP 4.11	Yes	This policy is triggered due the potential affectation of sacred sites, landscapes of cultural importance, or physical cultural resources during the land regularization process. The country's laws and procedures regarding physical cultural resources will be applied for addressing potential chance finds encountered during the land regularization process. Also the EA-EMP includes chance find procedures.
Indigenous Peoples OP/BP 4.10	Yes	<p>This policy is triggered because the SA and other analyses confirmed that indigenous peoples will be among the beneficiaries of the Project. The Government prepared a Social Assessment (SA) and an Indigenous Peoples Plan (IPP), as well as conducted a free, prior, and informed consultation process to obtain broad community support with affected indigenous peoples. The SA and consultation process assessed potential impacts to indigenous peoples from all Project activities, and identified ways in which Project design and the IPP can avoid or mitigate adverse impacts and achieve participation of, and appropriate benefits to, indigenous peoples. The IPP establishes procedures to ensure that indigenous communities are engaged through free, prior, and informed consultation and that any identified potential adverse impacts are avoided, minimized, mitigated or compensated. The IPP is complemented with a Gender Strategy and a Communication Strategy.</p> <p>Decision of indigenous peoples will be respected. The Project will not support cadastral activities in municipalities with indigenous peoples without the consent of those indigenous peoples.</p>
Involuntary Resettlement OP/BP 4.12	Yes	This policy is triggered given the possibility that the livelihood of population living in or within protected areas targeted for demarcation may be affected due to restriction of access to natural resources. The

		<p>Government prepared a Process Framework to ensure that restriction to access is avoided, minimized or mitigated. The Process Framework took into account the current protected areas management plans to determine the risk of restricting livelihoods and propose guidelines for potential action plans. The implementation of the Process Framework will be under the responsibility of MARENA, in close coordination with the Social/Gender and Environmental Specialists of the Project Coordination Unit (PCU).</p> <p>Demarcation of protected areas has been completed under the original Credit.</p>
Safety of Dams OP/BP 4.37	No	This policy is not triggered because Project activities will not involve construction of dams or depend on existing dams.
Projects on International Waterways OP/BP 7.50	No	This policy is not triggered because Project activities will not be conducted in or influence international waterways.
Projects in Disputed Areas OP/BP 7.60	No	This policy is not triggered because Project activities will not be conducted in disputed areas.

IV. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

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

Environmental safeguards have been considered in PRODEP II across all components, with special emphasis on the sub-component of Demarcation of Protected Areas due to the implementation of works in these areas. Although the AF will not include works for the demarcation of protected areas, or minor construction works, it is necessary to take into account the environmental safeguards in all the components of the Project due to the potential indirect impacts through the land regularization process.

There are expectations of positive impacts on the environment and it is expected that there will be a reduction in the risk on sensitive and vulnerable areas. During the cadastral surveying process it is important to identify vulnerable areas to potential disasters, critical or sensitive areas from the environmental point of view, and sites of historical, cultural and/or archaeological values, in order to avoid the affectation of these areas and guarantee the protection of these areas and people safety. Large scale, significant and/or irreversible impacts are not expected during AF implementation.

Under Component 3, the Project is committed to the effort (a) to demarcate and title two Indigenous territories, known as complementary areas and located in a special development

zone in the Bosawas Biosphere Reserve in Jinotega. Demarcation and titling in these complementary areas fall under Law 445; and (b) to support cadastre surveying activities in four indigenous communities with outstanding land claims that fall under the legal framework prevalent in the rest of the country, specifically the Pacific, Central and North regions. During the original Project's implementation, progress on meeting these commitments has been slower than expected. In the case of the complementary areas in Jinotega, social tensions have delayed the consultation and planning process. Despite these delays, demarcation and titling of the complementary areas remains feasible, and funds allocated under the original Credit. In the case of indigenous communities outside the special development zone under Law 445, the completion of cadastral surveying may not be as achievable due to a break down in the dialogue between the GoN and these communities. This breakdown reflects a discrepancy between the Indigenous communities' expectations and aspirations for land tenure and the State's ability to respond to these expectations under the current legal framework. This legal framework, and the historical precedent of land tenure rights in the Pacific, Central and North regions, limits the options available for responding to the indigenous communities' expectations.

As part of the AF, SE-PRODEP will assess activities with Indigenous Peoples to date both under the Project's activities and the IPP. This analysis will include progress to date, a detailed description of the process and results of dialogues carried out, a thorough identification and analysis of risks, conflicts and issues that have arose, and proposals for how the Project can adjust course and facilitate improved progress and implementation of commitments. The Bank team visited Nicaragua to carry out a due diligence on progress with Indigenous Peoples and define the scope of the analysis of progress to date and next steps. This due diligence included meetings with Indigenous representatives in Jinotega and Madriz.

The demarcation of protected areas did not cause any restrictions in access, and thus the Process framework was not activated under the original Project.

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

Given the characteristic of the land regularization process, potential indirect environmental impacts are possible. Most of such indirect impacts will be positive by taking environmental and risk variables into account in environmentally-sensitive areas during the land legalization process. Failure to take into account the actions and preventive measures described in the EA-EMP could potentially cause negative indirect impacts. However, no significant long-term negative impacts have been identified.

Significant long term impacts for Indigenous Peoples could occur if land regularization and titling processes move forward for non-Indigenous individual land holders within lands that they have traditionally occupied or claimed based on historic and legal precedents.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.

Based on the characteristics of this Project, there are no relevant project alternatives.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

In compliance with the environmental safeguards provisions mentioned above, an Environmental Assessment and Environmental Management Plan (EA-EMP) was developed for the original project (PRODEP II) which took into account all components of the Project. In this sense, the AF will apply the current document and it does not require an update, since the actions and measures included in the Plan will have to be applied regardless of the area of intervention. Additionally, it is worth mentioning that for the original Project, an environmental safeguards instrument was developed in cases of emergency (ESSAF), which will have to be applied in the event that it is necessary to use the resources of the AF component for an eligible unexpected natural event at national level (CERC / MRI component).

Regarding the environmental management capacity of the PGR, after several years of experience with the implementation of the Project through its Executive Secretariat (SE-PRODEP), the PGR assumed direct responsibility for environmental management through an Environmental Attorney (Procurador Ambiental). Moreover, the EA will be responsible for ensuring compliance with current regulations, World Bank safeguard policies, and EA-EMP implementation.

The Project area and activities remain the same under the AF and thus no changes or updates are needed in the social safeguards instruments. The GoN has carried out a comprehensive social assessment and prepared an Indigenous Peoples Plan to ensure that substantive dialogue and capacity building is in place to effectively engage with Indigenous authorities and communities, and to reach consent prior to moving forward with any cadaster or titling activities. During the original Project's implementation, progress on meeting Project progress in advancing cadastre surveying in indigenous communities has been slower than expected. In the case of the complementary areas in Jinotega, social tensions have delayed the consultation and planning process.

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

The following stakeholders have been identified as relevant for the AF activities:

- (a) Individual beneficiaries of cadastral surveying, titling, and regularization services: Participation of the target population in the cadastral survey and regularization processes is essential to success. Those who stand to benefit the most from the Project include cooperatives that have parceled their land to individuals and land owners with no legal documents to their land, particularly those settled on national lands eligible for regularization.
- (b) Female beneficiaries of titling and regularization services: Agrarian reform's practices in the 1980s favored land distribution to males as heads of households and former permanent agricultural workers. Since then Nicaragua has passed gender-sensitive legislation which requires that titles be issued jointly to husband and wife. The project will contribute to balancing the initial gender bias through new titling and regularization under this recent legal framework. The Project will include a gender equity strategy to ensure Project benefits are gender inclusive, and the Project results framework will include gender-differentiated indicators.

(c) Indigenous communities: These are indigenous communities within the Project area located in the Pacific and Central regions. Indigenous stakeholders include the traditional authorities represented in the Elder Councils as well as their respective traditional government bodies. During the social assessment interviews and focus groups were held with Indigenous authorities from the beneficiary communities, with the participation of a total of 70 Indigenous representatives.

(d) Municipal authorities and technical staff: They will benefit from technical assistance, cadastral information, and improved coordination with national agencies, which can result in an improvement of services and more fiscal revenue.

(e) Co-executing agencies: They will benefit from a consolidation of their institutional capacity and land tenure information to carry out their mission.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	22-Dec-2012
Date of submission to InfoShop	27-Dec-2012
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
"In country" Disclosure	
Nicaragua	27-Dec-2012
<i>Comments:</i>	
Resettlement Action Plan/Framework/Policy Process	
Date of receipt by the Bank	22-Dec-2012
Date of submission to InfoShop	27-Dec-2012
"In country" Disclosure	
Nicaragua	27-Dec-2012
<i>Comments:</i>	
Indigenous Peoples Development Plan/Framework	
Date of receipt by the Bank	22-Dec-2012
Date of submission to InfoShop	27-Jan-2013
"In country" Disclosure	
Nicaragua	27-Dec-2012
<i>Comments:</i>	
If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.	

If in-country disclosure of any of the above documents is not expected, please explain why::

C. Compliance Monitoring Indicators at the Corporate Level

OP/BP/GP 4.01 - Environment Assessment						
Does the project require a stand-alone EA (including EMP) report?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
OP/BP 4.04 - Natural Habitats						
Would the project result in any significant conversion or degradation of critical natural habitats?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	NA	<input type="checkbox"/>
If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
OP/BP 4.11 - Physical Cultural Resources						
Does the EA include adequate measures related to cultural property?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
OP/BP 4.10 - Indigenous Peoples						
Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
If the whole project is designed to benefit IP, has the design been reviewed and approved by the Regional Social Development Unit or Practice Manager?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	NA	<input type="checkbox"/>
OP/BP 4.12 - Involuntary Resettlement						
Has a resettlement plan/abbreviated plan/policy	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>

framework/process framework (as appropriate) been prepared?						
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
Is physical displacement/relocation expected?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	TBD	<input type="checkbox"/>
Is economic displacement expected? (loss of assets or access to assets that leads to loss of income sources or other means of livelihoods)	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	TBD	<input type="checkbox"/>
OP/BP 4.36 - Forests						
Has the sector-wide analysis of policy and institutional issues and constraints been carried out?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	NA	<input checked="" type="checkbox"/>
Does the project design include satisfactory measures to overcome these constraints?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	NA	<input checked="" type="checkbox"/>
Does the project finance commercial harvesting, and if so, does it include provisions for certification system?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	NA	<input checked="" type="checkbox"/>
The World Bank Policy on Disclosure of Information						
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
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	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
All Safeguard Policies						
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
Have costs related to safeguard policy measures been included in the project cost?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>

V. Contact point**World Bank**

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VII. Approval

Task Team Leader(s):	Name:Stamatis Kotouzas,Enrique Pantoja	
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Practice Manager:	Name: Jorge A. Munoz (PMGR)	Date: 18-Apr-2017
Country Director:	Name: Maryanne Sharp (CD)	Date: 24-Apr-2017