

# PMR Operational Report

<b>Operation Number</b>	ME-L1120	<b>Chief of Operations Validation Date</b>	03/24/20
<b>Year- PMR Cycle</b>	Second period Jan-Dec 2019	<b>Division Chief Validation Date</b>	03/30/20
<b>Last Update</b>	03/23/20	<b>Country Representative Validation Date</b>	04/01/20
<b>PMR Validation Stage</b>	Validated by Representative		

## Basic Data

### Operation Profile

<b>Operation Name</b>	Financing Low Carbon Strategies in Forest Landscapes	<b>Loan Number</b>	2838/SX-ME
<b>Executing Agency</b>	FINANCIERA RURAL	<b>Sector/Subsector</b>	PA-FCC - ENVIRONMENT AND NATURAL DISASTERS-CLIMATE CHANGE FINANCING
<b>Team Leader</b>	DE OLLOQUI, FERNANDO	<b>Overall Stage</b>	Closed
<b>Operation Type</b>	Loan Operation	<b>Country</b>	Mexico
<b>Lending Instrument</b>	Investment Loan	<b>Convergence related Operation(s)</b>	ME-G1002
<b>Borrower</b>	FINANCIERA RURAL		

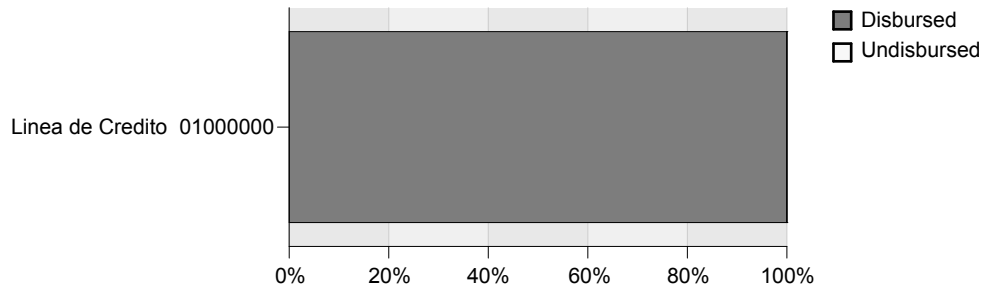
## Environmental and Social Safeguards

<b>Impacts Category</b>	B13	<b>Was/Were the objective(s) of this operation reformulated?</b>	NO
<b>Safeguard Performance Rating</b>	Satisfactory	<b>Date of approval</b>	
<b>Safeguard Performance Rating - Rationale</b>	The program promoted activities to reduce deforestation and degradation through a line of credit to ejidos and comunidades providing tools to facilitate access and training. A SARAS was established and operated to monitoring compliance with the support of FND local offices.		

## Financial Data

Item	Total Cost and Source					Available Funds (US\$)			
	Original IDB	Current IDB	Local Counterpart	Co-Financing / Country	Total Original Cost	Current IDB	Disb. Amount to Date	% Disb	Undisbursed Amount
ME-G1002	5,000,000	5,000,000	0	0	5,000,000	5,000,000	2,891,644.86	57.83%	2,108,355.14
ME-L1120	10,000,000	10,000,000	0	0	10,000,000	10,000,000	10,000,000	100.00%	0
<b>Aggregated</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>0</b>	<b>0</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>12,891,644.86</b>	<b>85.94%</b>	<b>2,108,355.14</b>

## Expense Categories by Loan Contract (cumulative values)



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### RESULTS MATRIX

#### IMPACTS

**Impact Nbr. 1:** Climate change mitigated.

**Observation:**

Indicator		Unit of Measure	Baseline	Baseline Year		2020	EOP 2020
1.1	Net carbon captured by the project and emissions reduced by avoided deforestation	tC	0.00	2012	P		54,000.00
					P(a)		54,000.00
					A		0.00

#### Details

**Means of verification:** CONAFOR

**Observations:** Ultimate carbon results will be based on the National MRV system.

**Pro-Gender** No **Pro-Ethnicity** No

## PMR Operational Report

### RESULTS MATRIX

#### IMPACTS

Impact Nbr. 2: Beneficiaries ☐ income increased

#### Observation:

Indicator		Unit of Measure	Baseline	Baseline Year		2020	EOP 2020
2.1	Increase in profit derived from beneficiaries activities after implementing silvo-pastoral system.	USD per hectare per year	331.00	2012	P		225.00
					P(a)		225.00
					A		0.00

#### Details

**Means of verification:** National survey of CONAFOR's beneficiaries and survey by TA Facility for ME-L1120 beneficiaries.

**Observations:** The additional income is that which is generated in cash flow from having implemented the silvo-pastoral system. Exchange rate: 12.75 MXP/USD. Baseline obtained from the average yearly income from traditional livestock activity, based on the Economic Anal

**Pro-Gender** No **Pro-Ethnicity** No

Indicator		Unit of Measure	Baseline	Baseline Year		2020	EOP 2020
2.2	Increase in profit derived from beneficiaries? activities after implementing a forest management program.	USD per hectare per year	0.00	2012	P		10.00
					P(a)		10.00
					A		0.00

#### Details

**Means of verification:** National survey of CONAFOR's beneficiaries and survey by TA Facility for ME-L1120 beneficiaries.

**Observations:** The additional income is that which is generated in cash flow from having implemented the forest management program. The baseline is zero as the assumption is that there is no income derived from forest management previous to the elaboration of a Forest Ma

**Pro-Gender** No **Pro-Ethnicity** No

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### RESULTS MATRIX

#### OUTCOMES

**Outcome Nbr. 1:** Land under low carbon strategies increased in EARA

**Observation:**

Indicator		Unit of Measure	Baseline	Baseline Year		2014	2015	2016	2017	2018	2019	2020	EOP 2020
1.1	Coverage of land where a low carbon strategy is implemented in order to avoid deforestation or capture carbon	Thousands of Hectares	0.00	2012	P	36.30	64.40	64.40	19.00				184.10
					P(a)	36.30	64.40	20.00	5.00		80.00		186.01
					A	0.00	0.00	0.21	0.00	105.80			106.01

#### Details

**Means of verification:** Financiera Rural, with TA Facility information

**Observations:** el cual supone que el número de proyectos por tipo de actividad y el número de hectáreas estimadas por proyecto: 14 proyectos de maíz intensificado de 100 ha cada uno, afectando 400 ha; 6 de aserraderos de 9,000 ha cada uno, 3 de producción, comercializac

**Pro-Gender** No **Pro-Ethnicity** No

**Outcome Nbr. 2:** Participation of indigenous groups and women is increased

**Observation:**

Indicator		Unit of Measure	Baseline	Baseline Year		2014	2015	2016	2017	2018	2019	2020	EOP 2020
2.1	Projects financed that are managed by indigenous groups or women in each of the EARA states	Farmers	0.00	2012	P		10.00		10.00				20.00
					P(a)		10.00	0.00	25.00	10.00	5.00		153.00
					A	0.00	0.00	13.00	130.00	5.00			148.00

#### Details

**Means of verification:** Financiera Rural with support from TA Facility

**Pro-Gender** No **Pro-Ethnicity** No

## RESULTS MATRIX

### OUTPUTS: ANNUAL PHYSICAL AND FINANCIAL PROGRESS

#### Component Nbr. 1 Financing line

	Output	Unit of Measure		PHYSICAL PROGRESS		FINANCIAL PROGRESS	
				2019	EOP 2020	2019	EOP 2020
1.1	Low carbon projects in forest landscapes in EARA financed	Projects	P		37		10,000,000
			P(a)	18	285	788,000	10,000,000
			A	1	285	94,509.52	10,000,000

#### Component Nbr. 2 Financial and Technical Assistance

	Output	Unit of Measure		PHYSICAL PROGRESS		FINANCIAL PROGRESS	
				2019	EOP 2020	2019	EOP 2020
2.1	Projects provided with technical assistance.	number of projects	P		97		2,211,000
			P(a)	18	257	100,000	985,037.2
			A	0	257	145,812	985,037.2
2.2	Ejidos and communities visited by FR agents utilized for the Program	Number of ejidos and communiti	P		300		864,000
			P(a)	18	255	91,000	491,317.44
			A	0	255	0	491,317.44
2.3	Liquid guarantees applied to projects	Thousands of USD	P		1,825		1,825,000
			P(a)	110	1,131	45,600	3,499,999.12
			A	79	1,101	78,956.83	1,101,566.96

#### Component Nbr. 3 monitoring and evaluation

	Output	Unit of Measure		PHYSICAL PROGRESS	FINANCIAL PROGRESS
				EOP	EOP
3.			P		
			P(a)		
			A		

#### Other Cost

	Monitoring and evaluation	P				100,000
		P(a)			20,000	23,646.24
		A			0	23,646.24

#### Total Cost

	Total Cost	P				15,000,000
		P(a)			1,044,600	15,000,000
		A			319,278.35	12,601,567.84

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## CHANGES TO THE MATRIX

Section	Name	Reasons	Type of Change	Subtype	Modified By	Entered in the System
Output	Liquid guarantees applied to projects	Se reporta información conforme a lo reportado por el Ejecutor y se planifico el remanente de recursos de la operación en este concepto.	Modify Output	Modify Financial EOP P(a) value - caused by a change in the Financial P(a).	EDNAM	03/06/2020
				Modify Financial Historical Actual	LUISFRA	03/06/2020
				Modify Physical EOP P(a) value - caused by a change in the Physical P(a).	LUISFRA	03/06/2020
				Modify Physical Historical Actual	LUISFRA	03/06/2020
	Projects provided with technical assistance.	Se ajusto monto de la categoría del año 2018, conforme a la información reportada por el Ejecutor.	Modify Output	Modify Financial EOP P(a) value - caused by a change in the Financial P(a).	LUISFRA	03/06/2020
				Modify Financial Historical Actual	LUISFRA	03/06/2020

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## IMPLEMENTATION STATUS AND LEARNING

Lesson Learned - Categories
Project Design
Project Management Capacity