

PMR Operational Report

Operation Number	ME-L1120	Chief of Operations Validation Date	04/17/17
Year- PMR Cycle	Second period Jan-Dec 2016	Division Chief Validation Date	04/19/17
Last Update	04/17/17	Country Representative Validation Date	04/19/17
PMR Validation Stage	Validated by Representative		

Basic Data

Operation Profile

Operation Name	Financing Low Carbon Strategies in Forest Landscapes	Loan Number	2838/SX-ME
Executing Agency	FINANCIERA RURAL	Sector/Subsector	PA-FCC - ENVIRONMENT AND NATURAL DISASTERS-CLIMATE CHANGE FINANCING
Team Leader	DE OLLOQUI,FERNANDO	Overall Stage	Disbursing (From eligibility until all the Operations are closed)
Operation Type	Loan Operation	Country	MEXICO
Lending Instrument	Investment Loan	Convergence related Operation(s)	ME-G1002
Borrower	FINANCIERA RURAL		

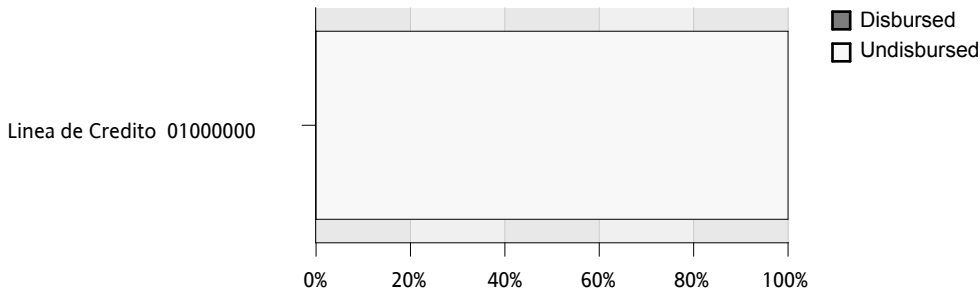
Environmental and Social Safeguards

Impacts Category	B13	Was/Were the objective(s) of this operation reformulated?	NO
Safeguard Performance Rating	Satisfactory	Date of approval	
Safeguard Performance Rating - Rationale	The project has incorporated the proposed instruments to address the barriers limiting poor, indigenous communities and women accessing credit and indigenous communities have received almost 50% of allocated credits. The SAGAS has been established for screening social and environment risks management.		

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	2,184,960	43.70%	2,815,040
ME-L1120	10,000,000	10,000,000	0	0	10,000,000	10,000,000	3,012,000	30.12%	6,988,000
Aggregated	15,000,000	15,000,000	0	0	15,000,000	15,000,000	5,196,960	34.65%	9,803,040

Expense Categories by Loan Contract (cumulative values)



Please note that the Overall Stage represents the stage of the operation at the time of this report's publication, which might not necessarily match the stage of the operation during the PMR Cycle to which the report pertains. Please also note that inactive indicators and outputs are not displayed; totals in the actual cost table may not match the sum of the cost of the outputs displayed, due to the cost of inactive outputs.

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RESULTS MATRIX

IMPACTS

Impact Nbr. 1: Climate change mitigated.

Observation:

Indicator		Unit of Measure	Baseline	Baseline Year		EOP 2020
1.1	Net carbon captured by the project and emissions reduced by avoided deforestation	tC	0.0	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	

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RESULTS MATRIX

IMPACTS

Impact Nbr. 2: Beneficiaries' income increased

Observation:

Indicator		Unit of Measure	Baseline	Baseline Year		EOP 2020
2.1	Increase in profit derived from beneficiaries activities after implementing silvo-pastoral system.	USD per hectare per year	331.0	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		EOP 2020
2.2	Increase in profit derived from beneficiaries? activities after implementing a forest management program.	USD per hectare per year	0.0	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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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	0.0	2012	P	36.30	64.40	64.40	19.00				184.10
					P(a)	36.30	64.40	20.00	5.00	6.00	4.00	2.00	17.21
					A	0.00	0.00	0.21	0.00				0.21

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	0.0	2012	P		10.00		10.00				20.00
					P(a)		10.00	0.00	25.00	33.00	22.00	15.00	108.00
					A	0.00	0.00	13.00					13.00

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	
				2016	EOP 2020	2016	EOP 2020
1.1	Low carbon projects in forest landscapes in EARA financed	Projects	P	13	37	3,478,000	10,000,000
			P(a)	20	500	2,000,000	10,000,000
			A	22	22	651,531	651,531

Component Nbr. 2 Financial and Technical Assistance

	Output	Unit of Measure		PHYSICAL PROGRESS		FINANCIAL PROGRESS	
				2016	EOP 2020	2016	EOP 2020
2.1	Projects provided with technical assistance.	number of projects	P	33	97	585,500	2,211,000
			P(a)	20	478	369,000	1,470,000
			A	0	0	0	0
2.2	Ejidos and communities visited by FR agents utilized for the Program	Number of ejidos and communities visited by FR agents per year	P	75	300	216,000	864,000
			P(a)	15	498	130,000	1,605,000
			A	0	20	0	172,800
2.3	Liquid guarantees applied to projects	Thousands of USD	P	633	1,825	633,000	1,825,000
			P(a)	456	1,825	456,000	1,825,000
			A	117	117	117,275	117,275

Other Cost

	Monitoring and evaluation	P			25,000	100,000
		P(a)			50,000	100,000
		A			0	0

Total Cost

	Total Cost	P			4,937,500	15,000,000
		P(a)			3,005,000	15,000,000
		A			768,806	941,606

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CHANGES TO THE MATRIX

Section	Name	Type of Change	Reasons	Entered in the System	Agreed with Executing Agency
Output	Ejidos and communities visited by FR agents utilized for the Program	Modify Output	Se actualizaron los avances del 2016 y se modificaron las proyecciones hasta el año 2020.	03/23/2017	03/23/2017
Output	Low carbon projects in forest landscapes in EARA financed	Modify Output	Se actualizaron los avances del 2016 y se modificaron las proyecciones hasta el año 2020.	03/23/2017	03/23/2017
Output	Projects provided with technical assistance.	Modify Output	Se actualizaron los avances del 2016 y se modificaron las proyecciones hasta el año 2020.	03/23/2017	03/23/2017
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Output	Projects provided with technical assistance.	Modify Output	Se actualizaron los avances del 2016 y se modificaron las proyecciones hasta el año 2020.	03/23/2017	03/23/2017