

Social Assessment

June 12, 2017

CEPF Grant 100417

WWF-Brasil

“Cerrado Supply-Chain Innovation through Municipal-scale Planning, Policy and Capacity Building”

Mato Grosso do Sul, Brazil

Grant Summary

1. Grantee organization. **WWF-Brasil**
2. Grant title. **“Cerrado Supply-Chain Innovation through Municipal-scale Planning, Policy and Capacity Building”**
3. Grant number **100417**
4. Grant amount (US dollars). **\$288,793**
5. Proposed dates of grant. **July 1, 2017 – August 31, 2019**
6. Countries or territories where project will be undertaken. **Brazil, Mato Grosso do Sul state**
7. Date of preparation of this document. **June 12, 2017**
8. **Indigenous People affected:** This section will describe the Indigenous People in the project area.

The project region, which is comprised of the Cerrado hotspot KBAs of MS36: TQ Furnas da Boa Sorte, MS21: Rio Negro, and MS25: RPPN Fazenda Lajeado, overlaps the Quilombola settlement of Boa Sorte in the municipality of Corguinho, Mato Grosso do Sul state in central-western Brazil (coordinates: S -19.90785, W -55.14997). The settlement covers an area of approximately 2000 ha and has a population of approximately 200 people (45 families).

The Quilombola government consists of an elected council and an association president, and the settlement has a rural school supported by the Corguinho municipality. Livelihoods in the settlement area are similar to non-Quilombola small-holder farmers and ranchers in the rest of the municipality, including raising a variety of livestock and growing a variety of crops on a small scale.

The region is quite scenic with dramatic sandstone buttes, steep valleys, headwater streams, waterfalls and areas with relatively undisturbed Cerrado forest formations. The steep slopes and rocky soils are prone to erosion when cleared, making agricultural activities difficult and causing environmental impacts, such as soil degradation, siltation of streams and loss of water quality and quantity.

9. **Summary of the proposed project:** This section will describe what you plan to do and how you plan to do it, with a particular focus on activities implemented in areas inhabited and/or used by Indigenous People.

The overall project goal is to promote environmentally and socially responsible rural supply chains that strengthen conservation and restoration efforts by: (i) improving economic returns and environmental benefits from existing production areas with traditional rural activities, i.e., dairy farming and beef-cattle rearing, (ii) strengthening municipal environmental policy, and (iii) creating novel economic opportunities for rural communities participating in ecological restoration activities.

Project activities will include:

- Collaborative municipal land-use management planning (MLUMP) with the rural communities, municipal governments and other regional stakeholders,
- Setting up “model” rural properties to test and demonstrate the economic and environmental benefits of improved conservation, restoration and sustainable land-use practices specified by MLUMP,

- A wide variety of community outreach activities, including capacity-building courses and events to promote implementation of MLUMP,
- Strengthening environmental policies with municipal government environmental councils (CMMAs) and
- Establishing community-based restoration programs that include capacity building, establishment of small-scale native tree seedling nurseries and carrying-out cost-effective restoration projects on local rural properties.

It is important to stress that project activities within the Quilombola settlement area will only be conducted if authorization from FUNAI, the federal agency regulating activities in indigenous areas, is obtained. In addition, project activities involving Quilombola community members will not be carried out until Free, Prior and Informed Consent is obtained from the community and a Social Assessment is completed and approved by CEPF.

10. Potential impacts: This section will assess expected project impacts (both positive and negative) on Indigenous People.

For proposed project activities, in general, we do not anticipate that there will be adverse environmental or social impacts for the Quilombola community. On the contrary, project actions will result in socio-economic and environmental benefits, e.g., improved water and soil quality, maintenance of ecosystem services and increased sustainability of rural livelihoods.

Specifically, the “Quilombola” community will benefit from improved regional (i.e., municipal-scale) planning and conservation actions (i.e., MLUMP) designed to maintain regional ecosystem services and function, biodiversity and environmentally-sustainability rural livelihoods. Socio-economic benefits within the Quilombola community settlement could also result from actions specified by MLUMP, such as improved land-use practices and greater profits from agricultural activities. In addition, potential economic and environmental benefits may potentially result from new opportunities associated with the growing regional demand for ecological restoration.

Potential negative impacts from the project could include conflicts within the Quilombola community, or between the community and neighboring rural producers related to new economic gains, e.g., increased productivity and profits as a result of improved grazing or other agricultural practices, or profits from native tree seedling nurseries. In addition, if permission from FUNAI to conduct activities within the Quilombola settlement is not granted, community members may feel excluded from environmental and economic gains obtained by non-Quilombola rural producers.

11. Participatory preparation: This section will describe the participation of affected communities during the project design process (i.e. prior to submission of the full proposal), and explain how Free, Prior and Informed Consent was obtained.

During preliminary consultations with members of the Quilombola community, including political leaders and educators at the rural school, community members expressed interest in strengthening land-use practices and conservation measures on their lands and participating in community-based restoration programs, municipal planning and environmental policy debates.

Obtaining Free, Prior and Informed Consent for including Quilombola community members in outreach, capacity building and MLUMP activities, and obtaining a permit from FUNAI for conducting activities within the Quilombola settlement are additional project activities that are planned for the for the first year of the CEPF project (Deliverable 4.8). Obtaining FPIC and a FUNAI permit will require additional consultations with the community to obtain their views and determine if there is a consensus regarding participation in the project. The final step will be to complete the Social assessment for evaluation and approval by CEPF.

12. Mitigation strategies: This section will outline measures to avoid adverse impacts and provide culturally appropriate benefits.

To avoid conflicts within the Quilombola community, or between the community and neighboring rural producers in relation to novel economic opportunities, we plan to involve as many of the Quilombola community members as possible in the planning and implementation of the actions, so that economic and environmental benefits are distributed relatively evenly among community members. One proposal would be to make tree seedling nurseries or novel grazing systems community projects that are shared by all members of the Quilombola settlement.

To avoid similar conflicts with neighboring non-Quilombola rural producers, we will include both community groups in municipal planning and policy development, capacity building events and restoration program development.

13. Monitoring and evaluation: This section will explain how compliance with the safeguard policy on Indigenous Peoples will be monitored, and reported to CEPF and/or the Regional Implementation Team. Monitoring and evaluation methodologies should be adapted to the local context, indicators, and capacity.

If permission is obtained from FUNAI and a Social Assessment is approved by CEPF, allowing project activities to be carried out in the Quilombola settlement, WWF-Brasil project staff will have regular contact and feedback from community members as they monitor the progress of implemented MLUMP and restoration program activities. The feedback and the progress of the activities will be reported to CEPF and the RIT as specified in the CEPF project management and monitoring for compliance project component.

14. Grievance mechanism: All projects that trigger a safeguard are required to provide local communities and other interested stakeholders with means by which they may raise a grievance with the grantee, the relevant Regional Implementation Team, the CEPF Secretariat or the World Bank. Affected local communities should be informed of the objectives of the grant and the existence of a grievance mechanism. Contact information of the grantee, the Regional Implementation Team and the CEPF Grant Director should be made publicly available, through posters, signboards, public notices or other appropriate means in local language(s). Grievances raised with the grantee should be communicated to the Regional Implementation Team and the CEPF Grant Director within 15 days, together with a proposed response. If the claimant is still not satisfied following the response, the grievance may be submitted directly to the CEPF Executive Director via the dedicated email account (cepfexecutive@conservation.org) or by mail. If the claimant is not satisfied with the response from the CEPF Secretariat, the grievance may be submitted to the World Bank at the local World Bank

office. Please describe the grievance mechanism that you will use for your project, and how you will ensure that stakeholders are aware of it.

During all consultations and project activities, WWF-Brasil project staff will present procedures by which participants may raise a grievance. Following CEPF grievance procedures, presentations and project-produced brochures, posters and documents will include contact information in Portuguese for the project team, WWF-Brasil, the Regional Implementation Team and the CEPF Grant Director.

Grievances raised by stakeholders will be communicated to the Regional Implementation Team and the CEPF Grant Director within 15 days, together with a proposed response. If the claimant is still not satisfied following the response, the claimant will be informed that the grievance may be submitted directly to the CEPF Executive Director via the dedicated email account (cepfexecutive@conservation.org) or by mail.

- 15. Budget:** This section will summarize dedicated costs related to compliance with the safeguard policy on Indigenous Peoples. These costs should be incorporated into the budget of the CEPF grant and/or covered by co-financing.

Costs dedicated to compliance with the safeguard policy on Indigenous Peoples are included in costs for more general municipal activities that involve the whole range of rural community stakeholders in the project region, i.e., all rural community members including the Quilombola people. The activities include, for example, municipal planning and policy meetings, capacity-building courses and restoration program development.