**BR-G1003 Annex**

**Summary of the Serra do Mar Project (Loan 2376/OC-BR) and its relationship to the proposed GEF Project**

**Program Objectives**

The Serra do Mar and Atlantic Forest Mosaics System Socio-environmental Recovery Program (2376/OC-BR) promotes the conservation, sustainable use and socio-environmental recovery of the Serra do Mar, the Juréia-Itatins region, and marine protected areas in the State of São Paulo. The specific objectives are: (i) improve protection and management of critically important Conservation Units (CUs) and recover areas degraded by informal settlements and associated factors, (ii) reduce anthropogenic impacts on the Serra do Mar State Park (PESM) by resettling families residing in protected and neighbouring high-risk areas, improving urban services in areas suitable for consolidation, and adjusting the limits of the PESM where needed, and (iii) improve the monitoring and enforcement in the CUs included in the Program.

In line with these objectives, the Program is organized into three components:

* **Component 1 - Protection of Conservation Units**, which acts in the PESM, the Jureia-Itatins Mosaic and the Marine Protected Areas, and includes the elaboration and implementation of management plans, rehabilitation of degraded areas with native species, the creation of a Botanical Garden, improvements in management, protection and public use infrastructures, and training of personnel;
* **Component 2 - Social Investments in the PESM,** which aims to resettle 6,700 families living in situations of informal and often high-risk occupation, and consolidate areas bordering the PESM that house almost 2,000 families, and
* **Component 3 -Enforcement in CUs**, which trains and equips the Environmental Police, so as to improve surveillance in terrestrial and marine protected areas through an adequate monitoring system.

**Expected Results**

The following results are expected as a direct consequence of the Program’s implementation: (i) 20,000 additional ha of Atlantic Forest protected; (ii) 6.45% improvement in biochemical indicators of water quality for the Rio Cubatão; (iii) significant improvement in CU management, as measured by São Paulo’s Environmental Quality Panel, the number of reinvasions, and the percentage of the UC’s area surveyed by Environmental Police; (iv) 90 ha of PESM cleared of anthropogenic impacts and restored; and (v) Improvements in Quality of Life Indices of resettled families and families in consolidated areas from -0.286 to, respectively, 0.601 and 0.512.

**Results Achieved to Date**

In the three years since its approval, the project has achieved the following results, including positive spillovers that go beyond what could have been expected at the time of project design:

1. Voluntary resettlement of 4,513 families completed or in progress. 3,676 families are settled into their new residences, a further 337 families will be resettled as soon as their housing units have cleared final inspection and 500 families have accepted temporary housing until they can be permanently resettled, after their former houses were affected by a 100-year-flood-event in February 2013.
2. Improved quality of life for 973 families in consolidated areas. In areas apt for habitation, safety and living standards were improved through structural improvements, as well as four social initiatives to foster community cohesion: community leaders (Agentes Comunitários), a painting workshop (Atelier das Artes), a media lab (ComCom), and NESDEL, the Núcleo de Economia Solidaria e Desenvolvimento Local.
3. Improved water quality for >957,000 persons and 17,290 additional ha of AF protected. The responsible water agency has measured an 8% improvement in water quality for the Rio Cubatão, compared to the 2010 baseline. And an additional 17,290ha of Atlantic Forest with high environmental value, in uninhabited parcels contiguous with the PESM, but previously outside its boundary, received legal protection.
4. Improved integration of and control by Environmental Police. Achievements include (a) joint planning and information-sharing approaches between Environmental Police and other branches of the Policia Militar (PM); (b) state-wide adoption of enforcement protocols for protected areas; (c) 3-fold increase in environmental enforcement actions, and (d) advanced environmental training administered to 538 PM officers.

**Link to Proposed GEF Project**

The proposed GEF project complements the efforts of the Serra do Mar Program in the sense that the latter strengthens management and enforcement in the Serra do Mar State Park (PESM), while the former targets sustainable management of private lands in CU buffer zones along critical ecological corridors that link large CUs like the PESM with poorly or unprotected fragments of Atlantic Forest in the CUs’ vicinity. The GEF project will develop and validate effective and efficient methods to involve private landowners in conservation efforts, including in areas associated with the PESM. Because of the complementarity between conservation and sustainable management efforts inside CU and on their buffer zones, part of the loan resources to strengthen the PESM are parallel financing for the proposed GEF project, together with financial contributions by beneficiary States.