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PERU

MICI-PE-2015-0094

CONSULTATION PHASE REPORT

**RURAL LAND CADASTRE, TITLING, AND REGISTRATION PROJECT IN PERU
THIRD PHASE**

(PE-L1026)

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ANNEXES	
Annex I	Memorandum of Fulfillment of Commitments and Monitoring Plan

ELECTRONIC LINKS	
1. Original Request	http://www.iadb.org/document.cfm?id=40065773
2. Eligibility Memorandum	http://www.iadb.org/document.cfm?id=40108179
3. Consultation Phase Assessment Report	http://www.iadb.org/document.cfm?id=40268476
4. Project profile: Rural Land Cadastre, Titling, and Registration Project in Peru – Third Phase	http://www.iadb.org/Document.cfm?id=39045138
5. Environmental and social management report	http://www.iadb.org/Document.cfm?id=39090461
6. Loan proposal: Rural Land Cadastre, Titling, and Registration Project in Peru – Third Phase	http://www.iadb.org/Document.cfm?id=39234622
7. Loan contract 3370/OC-PE	http://www.iadb.org/Document.cfm?id=39413569

ABBREVIATIONS

AIDSESP	Asociación Interétnica de Desarrollo de la Selva Peruana [Interethnic Association for the Development of the Peruvian Amazon]
ARPI	Asociación Regional de Pueblos Indígenas de la Selva Central [Regional Association of Indigenous Peoples of the Central Rainforest]
CODEPISAM	Consejo de Desarrollo de los Pueblos Indígenas de la Región San Martín [Council for the Development of Indigenous Peoples of the San Martín Region]
COMARU	Consejo Machiguenga del Río Urubamba [Machiguenga Council of the Urubamba River]
CORPI	Coordinadora Regional de los Pueblos Indígenas de San Lorenzo [Regional Coordinating Body of the Indigenous Peoples of San Lorenzo]
CORPIAA	Coordinadora Regional de los Pueblos Indígenas de AIDSESP Atayala [Regional Coordinating Body of Indigenous Peoples of AIDSESP Atayala]
DIGESPACR	Dirección General de Saneamiento de la Propiedad Agraria y Catastro Rural [Agricultural Property Title Clearance and Rural Cadastre Division]
FENAMAD	Federación Nativa Madre de Dios [Native Federation of Madre de Dios]
MICI	Independent Consultation and Investigation Mechanism
MINAGRI	Ministry of Agriculture and Irrigation
ORAU	Organización Regional AIDSESP Ucayali [Regional Organization of AIDSESP in Ucayali]
ORPIAN-P	Organización Regional de Pueblos Indígenas de la Amazonía Norte [Regional Organization of Indigenous Peoples of the Northern Amazon]
ORPIO	Organización Regional de los Pueblos Indígenas del Oriente [Regional Organization of Indigenous Peoples of the Eastern Amazon]
PTRT3	Proyecto de Catastro, Titulación y Registro de Tierras Rurales en el Perú, Tercera Etapa [Rural Land Cadastre, Titling, and Registration Project in Peru – Third Phase]
UEGPS	Unidad Ejecutora Gestión de Proyectos Sectoriales [Execution Unit for Sector Project Management]

EXECUTIVE SUMMARY

The Rural Land Cadastre, Titling, and Registration Project in Peru – Third Phase (PE-L1026) is being executed under a US\$40 million sovereign-guaranteed loan approved by the IDB's Board of Executive Directors on 3 December 2014. The project's key objective is to enhance the security of rural land tenure in Peru, with three components: cadastral survey, titling, and registration of rural land; development of a technology platform to streamline the cadastre, titling, and registration processes; and strengthening of the institutional capacity and policy framework for rural land titling. The borrower is the Republic of Peru, and the executing agency is the Ministry of Agriculture and Irrigation (MINAGRI).

On 27 August 2015, the Asociación Interétnica de Desarrollo de la Selva Peruana [Interethnic Association for the Development of the Peruvian Amazon] (AIDSEP) submitted a Request to the Independent Consultation and Investigation Mechanism (MICI) on behalf of 1,166 native communities in Peru's Amazon region, requesting that it be considered for both the Consultation Phase and Compliance Review Phase. In its Request, AIDSEP alleged that implementation of the project would have adverse impacts, including (a) violations of the property and territorial rights of the communities; (b) increased settlement pressures on the territories claimed by the communities; and (c) increased territorial disputes. According to the Requesters, this harm resulted from noncompliance with two IDB operational policies: Environment and Safeguards Compliance Policy (OP-703) and the Indigenous Peoples Policy (OP-765).

On 13 January 2016, the Request was declared eligible and transferred to the Consultation Phase for assessment. The assessment concluded that the Parties (AIDSEP, MINAGRI, and the IDB) would be willing to seek solutions to the Requesters' concerns through a Consultation Phase process. This process began on 31 March 2016 and was completed with an agreement on 17 August 2017.

The process consisted of a series of regular meetings facilitated by the MICI, in addition to two meetings that brought together the MINAGRI authorities, IDB staff, and the regional leadership of the affected native communities. The first meeting in June 2016 reached consensus on 20 initial understandings directly related to the concerns raised by AIDSEP. At the second meeting, in August 2017, a Memorandum of Fulfillment of Commitments and Monitoring Plan was signed by representatives of the IDB, AIDSEP, and the MINAGRI Execution Unit for Sector Project Management (UEGPS).

The tremendous collaboration and positive attitude of the Parties during the process, together with the trust built in the multiple forums mentioned above, have been essential for jointly designing an agreement and translating that agreement into a series of commitments. These commitments represent the conclusion of the dialogue stage and the beginning of the monitoring stage.

With respect to the monitoring stage, as established in the MICI Policy, the Parties have designed a Monitoring Plan with the objective of "monitoring the fulfillment of the commitments generated as a result of the MICI Consultation Phase" (see Paragraph 7 of the Memorandum in the Annex to this report). The plan identifies the understandings that have already been fulfilled during project implementation, as well as the ones still pending, and how progress on the commitments will be jointly verified.

According to paragraph 35 of the MICI Policy, the plan and time frame for monitoring of the agreements reached between the Parties is considered by the IDB Board of Executive Directors under short procedure. If there are no Board objections to the Plan attached to this report, the MICI will commence activities to monitor the commitments, and will submit the first annual monitoring report to the Board in September 2018.

During the monitoring stage, and provided that the Board raises no objection to the plan presented, the MICI will perform the following actions for a period of up to five years: (a) facilitating meetings of the Monitoring Committee; (b) ongoing monitoring and bilateral meetings involving the local facilitator and the MICI team in Washington via telephone, mail, and videoconferencing; (c) at least one monitoring mission per year, agreed in advance with the Parties; (d) annual preparation of monitoring report.

The MICI team will maintain fluid and open contact at all times with the IDB Country Office in Peru, the project team, and the Parties in general concerning case management, to ensure effective participation in monitoring the agreed commitments.

I. BACKGROUND

A. Geographic and social context¹

- 1.1 Peru is divided geographically into three macroregions: Costa (coast), Sierra (Andean highlands), and Selva (Amazon jungle). Each has distinct geographic, climatic, and sociocultural features. The country is therefore one of great ethnic and cultural diversity.
- 1.2 The occupation and use of rural land in the Sierra region, jungle fringe, and Selva region displays complex and diverse models of individual and collective land tenure. In the Selva region and certain parts of the Sierra region, forms of land tenure are still highly informal.
- 1.3 Campesino and native communities have substantially different forms of land occupancy and use from those prevalent for individual parcels and among Peru's nonindigenous population. In the case of collective ownership, uses linked to the spiritual, social, and cultural transmission of the community are important underpinnings of the community territories of indigenous populations that also have implications for the political organization of those communities.
- 1.4 One important factor to be taken into account in the Selva region is settlement pressure. There is a tendency by settlers in this region to occupy and use parcels and land that belong essentially to the Peruvian government. This leads to disputes with indigenous populations, who claim ownership of these territories. Another situation that creates tension with indigenous communities is expansion of the production frontier associated with economic activities such as logging, agriculture, and hydrocarbon and mining concessions, in addition to informal and illegal mining.
- 1.5 One last issue to be highlighted is the presence of protected natural areas and permanent production forests in the areas traditionally claimed by indigenous communities: according to the environmental and social management report, there are 37 protected natural areas and 10 permanent production forests in the project's area of influence. In those same areas of influence, the communities have pointed to the existence of infrastructure projects and land trafficking that have an impact on the lands claimed by indigenous populations.

B. The Project

- 1.6 The Rural Land Cadastre, Titling, and Registration Project in Peru – Third Phase (loan PE-L1026) ("PTRT3" or "the project") is financed with a sovereign-guaranteed loan approved by the IDB's Board of Executive Directors on 3 December 2014 via simplified procedure. The amount of the approved operation is US\$40 million, with local counterpart funding in the same amount. The loan contract with the Government of the Republic of Peru was signed on 13 February 2015. The executing agency is the Ministry of Agriculture and Irrigation ("MINAGRI" or the "executing agency"), acting through the Execution Unit for Sector Project Management (UEGPS).

¹ This section was prepared using the information and data presented in the project profile and in the environmental and social management report (ESMR) produced by the IDB. Both documents are available in the Electronic Links section of this document.

- 1.7 The project's key objective is to enhance the security of rural land tenure in Peru by fostering and supporting the formalization of rural property in both the Selva region and specific, targeted areas of the Sierra region. In terms of geographic scope, the PTRT3 will have a presence in 10 of the country's regions: Amazonas, Apurímac, Cajamarca, Cuzco, Huánuco, Junín, Loreto, San Martín, Ucayali, and Puno (see figure below).²

- 1.8 In terms of structure, the PTRT3 has three components:

Component 1. Cadastral survey, titling, and registration of rural land, to support regularization of ownership of individual rural parcels and campesino and native community land.

Component 2. Development of a technology platform to streamline the cadastre, titling, and registration processes, to support the development of the required technology platform to facilitate execution of the rural parcel cadastre, titling, and registration processes.

Component 3. Strengthening of the institutional capacity and policy framework for rural land titling, to strengthen MINAGRI in its stewardship functions, and the regional governments so they may effectively perform the functions transferred to them relating to the titling of rural parcels and community land. In addition, this component seeks to organize and consolidate the legislation to adapt it to the country's needs and technological changes.³

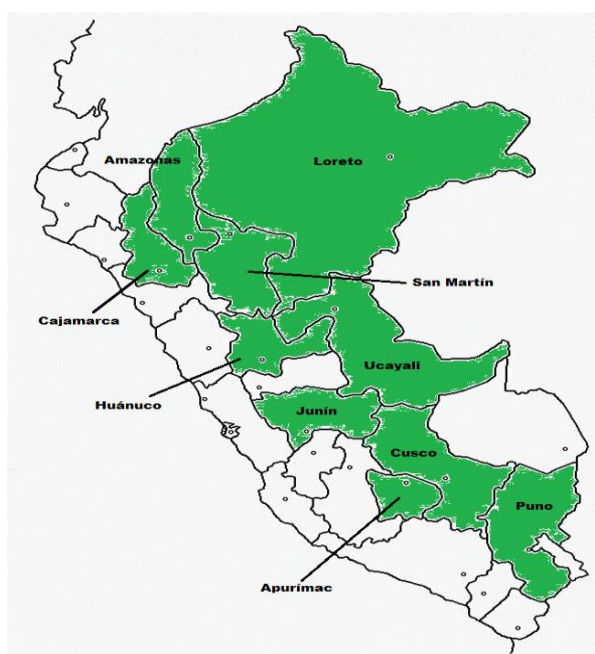


Figure 1

² Rural Land Cadastre, Titling, and Registration Project in Peru – Third Phase: Loan proposal, page 9.

³ Rural Land Cadastre, Titling, and Registration Project in Peru – Third Phase: Loan proposal, pages 9-11.

- 1.9 According to the loan proposal, some 220,000 agricultural producers, 190 campesino communities, and 190 native communities will receive property titles as a result of implementation of the project. During the Consultation Phase process, the number of native communities set to receive land titles was updated to 403.
- 1.10 The project has identified the following operational policies as relevant to the implementation of its activities: Environment and Safeguards Compliance Policy (OP-703), Indigenous Peoples Policy (OP-765), Access to Information Policy (OP-102), Disaster Risk Management Policy (OP-704), and Gender Equality in Development (OP-761). Although the project was initially classified as category “B” under Operational Policy OP-703, this classification was raised to category “A” owing to a set of circumstances identified by the project team, including an increase in the number of native communities to receive land titles and the project’s coexistence with other land titling programs or projects.
- 1.11 The project is currently in the implementation stage, and 2.33% of the loan has been disbursed, according to the latest publicly available information. The projected completion date for the PTRT3—and consequently the date by which the established targets are to be met—is 2020.

C. The Request⁴

- 1.12 On 27 August 2015, the Asociación Interétnica de Desarrollo de la Selva Peruana [Interethnic Association for the Development of the Peruvian Amazon] (AIDSEP) submitted a Request to the MICI on behalf of 1,166 native communities in Peru’s Amazon region. AIDSEP is an indigenous organization made up of nine regional indigenous organizations: Regional Organization of Indigenous Peoples of the Eastern Amazon (ORPIO); Regional Coordinating Body of the Indigenous Peoples of San Lorenzo (CORPI); Regional Organization of AIDSEP in Ucayali (ORAU); Regional Organization of indigenous Peoples of the Northern Amazon (ORPIAN-P); Council for the Development of Indigenous Peoples of the San Martin Region San Martín (CODEPISAM); Regional Association of Indigenous Peoples of the Central Rainforest (ARPI); Regional Coordinating Body of Indigenous Peoples of AIDSEP Atayala (CORPIAA); Machiguenga Council of the Urubamba River (COMARU), and Native Federation of Madre de Dios (FENAMAD).
- 1.13 The Requesters alleged that implementation of the project would have adverse impacts, including (a) violations of the property and territorial rights of the communities; (b) increased settlement pressures on the territories claimed by the communities; and (c) increased territorial disputes. According to the Requesters, this alleged harm resulted from noncompliance with two IDB operational policies: Environment and Safeguards Compliance Policy (OP-703) and the Indigenous Peoples Policy (OP-765).
- 1.14 With regard to property and territorial rights, the central claim of the Request is that the original design of the PTRT3 would exacerbate the insecurity of their land tenure as native communities. The Requesters accuse the project of “setting the wrong priorities (awarding en masse new rights and title on 441,093 individual properties that may be occupying indigenous land and granting title to a further 353,255

⁴ The Request is available in the Electronic Links section of this document.

settlers) and pursuing the wrong strategy (addressing first the granting of new rights and postponing the recognition of indigenous people's ownership)."⁵

- 1.15 Regarding the presence of "settlers" in indigenous territory, the Requesters were of the opinion that the prioritization and sequence of titling in the project "does not adequately consider the risks of conflict between the effect of consolidating settlers' plots and the incentives for more migration to the edge of the jungle and pressure on indigenous lands."⁶ According to AIDSEP, this could create an incentive to migrate to areas currently protected by indigenous communities, with the aim of obtaining property titles in the Amazon. The Requesters have stated that, in addition to demographic pressure, extensive land trafficking and the pressure of natural resource extraction could cause environmental and socioeconomic harm, such as the deforestation of ancestral lands and the loss of indigenous peoples' livelihoods in view of the resulting land use changes.
- 1.16 AIDSEP claimed that the Requesters had not participated in public consultations on the project, but had only been called to attend informational meetings. The Request also stated that a petition for the project to be submitted to prior, free, and informed consultation under Peru's Law 29785 had been denied on the grounds that it was not timely filed.
- 1.17 With respect to the project's risk classification, the Requesters allege "a profound violation of OP-765 deriving from the incorrect classification of the project's risk, thereby avoiding the established requirement to achieve the explicit written support of native communities for the project as a condition for its approval."⁷
- 1.18 The Requesters alleged that indigenous populations have been discriminated against in terms of access to the titling process, as they have been denied conditions equivalent to those offered to other population groups. AIDSEP noted that some requirements apply solely to the titling of native communities, creating additional obstacles for these communities and further widening the exclusion gap of indigenous peoples.
- 1.19 Lastly, the Requesters asked for their Request to be considered for both the Consultation Phase and Compliance Review Phase of the MICI process.

D. MICI process to date

- 1.20 Table 1 lists the main milestones in the MICI process, from receipt of the Request to the present time. These key points on the timeline relate to the stages of the process as governed by the MICI Policy.
- 1.21 For further details of the actions taken at each stage of the process, see the Eligibility Memorandum and the Consultation Phase Assessment Report.⁸ For the Consultation Phase process, see Section II.C of this report.

⁵ Original Request, Section II, paragraph 2(a).

⁶ Original Request, Section II, paragraph 2(c).

⁷ Original Request, Section II, paragraph 2(j).

⁸ Both documents are available in the Electronic Links section of this document.

Table 1.
Timeline for the MICI process and main milestones to date

Date	Actions
2015	
27 August	Request received.
3 September	Request registered.
5 October	Management's Response received.
8 October	MICI grants a suspension of the eligibility process for 45 working days, as requested by IDB Management.
10 December	Expiry of the suspension period requested by Management for the eligibility process.
2016	
13 January	Eligibility Memorandum issued.
2 March	Request for extension of the period for issuing the Consultation Phase Assessment Report.
9 March	Board approves the extension.
31 March	Consultation Phase assessment report issued.
31 March	Start of the Consultation Phase process.
21-22 June	Joint exercise by AIDSEP, IDB, and MINAGRI-UEGPS, facilitated by the MICI.
28 July	New President takes office in the Republic of Peru.
29 November-1 December	MICI mission to Lima to meet with the new leadership of MINAGRI, AIDSEP, and the Country Office.
2017	
7 February	New MINAGRI leadership formally ratifies its agreement with the understandings reached by the Parties in the joint exercise held in June 2016.
17 March	MICI request for an extension of the period for the Consultation Phase.
27 March	Board approves the extension.
16-17 August	Workshop for monitoring of the agreements between the Parties. Memorandum of Fulfillment of Commitments and Monitoring Plan signed.
29 September	Final report issued on the Consultation Phase; beginning of the Monitoring Stage.

Source: MICI.

II. CONSULTATION PHASE

A. Policy framework

- 2.1 The Independent Consultation and Investigation Mechanism (MICI) is governed by its own Policy (document MI-47-6), which was approved by the IDB Board of Executive Directors on 16 December 2014. The MICI Policy establishes the processes, phases, and timelines that must be followed in managing an MICI case. Within the MICI process, a Requester may choose two possible options for the processing of the Request: Consultation Phase and Compliance Review Phase. If both options are selected, the process begins with the Consultation Phase.

1. Definition of the Consultation Phase

- 2.2 The purpose of the Consultation Phase is to provide an opportunity, applying flexible, consensus-based approaches, to address the concerns raised by the Requesters. The Consultation Phase is based on a series of methodologies that promote unbiased equitable treatment for all Parties participating in the process. This phase examines the specific problems raised by the Requesters in their complaint that are linked to Harm caused by the failure of the Bank to comply with one or more of its Relevant Operational Policies (paragraph 24 of the MICI Policy). The MICI acts as an independent facilitator for the process.
- 2.3 The Consultation Phase is a voluntary process, and the Parties may withdraw from it at any time.

2. Stages of the Consultation Phase

- 2.4 The Consultation Phase consists of three consecutive stages: Assessment, the Consultation Phase process, and Monitoring. The MICI Policy establishes the purpose and time frame for each stage. The aim of the Consultation Phase process is to reach agreement between the Parties in response to the issues raised in the Request and addressed as part of the MICI process, strengthening the Bank's commitment to comply with its Relevant Operational Policies. This stage may employ a combination of work methods such as facilitation, joint fact-finding, negotiation, and mediation.
- 2.5 The Consultation Phase process lasts for a maximum period of 12 calendar months from the date of issue of the assessment report. However, this period may be extended pursuant to paragraph 31 of the MICI Policy if, at the end of it, the MICI Director believes that an extension will help bring about a consensus-based resolution of the issues raised. To obtain an extension, the MICI Director must submit a request to the IDB Board of Executive Directors for consideration.
- 2.6 Upon completion of the Consultation Phase process, the MICI will prepare a final report describing its outcome. This report will be distributed to the IDB Board of Executive Directors for consideration. Thereafter, the report will be published in the Public Registry and shared with the Requesters.
- 2.7 Regarding the monitoring stage, the MICI Policy establishes that "when applicable the MICI will develop, in consultation with the Parties, a monitoring plan and time frame for the agreement reached, which will be included in the Consultation Phase report" (paragraph 35). The Plan will include details of whether the monitoring of any agreement reached by the Parties will be direct or external, and what measures will be adopted to determine whether such agreements are being implemented appropriately.
- 2.8 The monitoring plan may not exceed five years in duration, running from the date the agreement was signed, and will be considered by the IDB Board of Executive Directors. The MICI will also submit a monitoring report annually to the Board for information.

B. Timeline for the Consultation Phase process

Table 2
Consultation Phase Process. Key milestones and activities related to
Request MICI-BID-PE-2015-0094

Date	Actions
2016	
31 March	Start of the Consultation Phase process.
18 and 23 May	MICI mission to Peru
21-22 June	Joint exercise by AIDESEP, IDB, and MINAGRI-UEGPS, facilitated by the MICI. A set of 20 understandings is reached.
28 July	New President takes office in the Republic of Peru
15 November	First meeting of the Coordination Committee consisting of AIDESEP, the IDB, and MINAGRI-UEGPS, facilitated by the MICI.
29 November-1 December	MICI mission to Peru. Presentation on progress to MINAGRI staff, and meetings with Parties to the process.
19 December	Second meeting of the Coordination Committee.
2017	
7 February	New MINAGRI leadership formally ratifies its agreement with the understandings reached by the Parties in the joint exercise held in June 2016.
12-15 March	MICI mission to meet with the new MINAGRI leadership following ratification of the understandings, as well as with the IDB and AIDESEP.
29 March	MICI request for an extension of the period for the Consultation Phase is approved by the IDB Board.
10 May	Third meeting of the Coordination Committee.
20 and 21 June	MICI mission to participate in the fourth meeting of the Coordination Committee. Meetings with MINAGRI staff.
10 July	Fifth meeting of the Coordination Committee.
2 August	Sixth meeting of the Coordination Committee.
16-17 August	Workshop for monitoring of the agreements between the Parties. Memorandum of Fulfillment of Commitments and Monitoring Plan signed.
29 September	Final report issued on the Consultation Phase; beginning of the Monitoring Stage.

Source: MICI.

C. Consultation Phase process: Context, methodology, and actions

1. Context

- 2.9 In the case of Request MICI-BID-PE-2015-0094, the Consultation Phase process began on 31 March 2016, with the participation of IDB Management (through the Project Team Leader and social specialist), the AIDESEP Requesters (mainly the national leadership), and MINAGRI-UEGPS (as the executing agency). In addition

to these principals, the MICI hired a local facilitator for the case, and the MICI team in Washington, D.C. monitored the process.

- 2.10 In accordance with the MICI Policy, the Consultation Phase process for Request MICI-BID-PE-2015-0094 was to last 12 calendar months from the date of issue of the Consultation Phase assessment report. However, as discussed below, a six-month extension of this period was requested, which ended on 29 September 2017.
- 2.11 The process took place amid multiple changes of leadership at all participating institutions, from the Peruvian presidency, MINAGRI-UEGPS, and AIDSEP to the IDB and the MICI itself. After the joint exercise and the understandings reached in June 2016, a new administration took office on 28 July of the same year, creating a need to reopen dialogue with the new officials and provide them with information about the MICI process and the progress achieved so far. MINAGRI and the UEGPS have had their own changes in staffing, from the minister to the director of the execution unit, with whom the MICI has established channels of communication on each occasion, to actively engage them in the process.
- 2.12 The IDB moved ahead with a change in the Project Team Leader, and the MICI brought on a new case officer for the process, while the position of Consultation Phase Coordinator was left vacant.⁹ There was a change in the presidency of AIDSEP and in the technical advisors to the president during the Consultation Phase process.
- 2.13 Amid these changes—particularly those related to Peru’s central government and the officials involved in the PTRT3—the Parties communicated to the MICI the importance of requesting an extension to the Consultation Phase period, which originally expired on 29 March 2017. The extension was requested by the MICI and approved by the IDB Board of Executive Directors, extending implementation of the Consultation Phase process until 29 September 2017.

2. Methodology

- 2.14 According to the MICI Policy, the Consultation Phase is a process that should be flexible, consensus-based, and tailored to the specific issues raised in the Request. The methods to be used include information gathering, joint fact-finding, facilitation, consultation, negotiation, and mediation. Naturally, the methodology is adapted on a case-by-case basis in response to the requirements of the process, consistent with the Policy.
- 2.15 The MICI team used a combination of tools and methodologies to improve relationships between the Parties and foster a minimum level of trust that would allow genuine dialogue to begin, followed by a search for solutions.

3. Actions

- 2.16 **Desk review.** To gain an adequate understanding of the project, as well as the setting in which it is being implemented and the potential harm alleged by the Requesters, the MICI Consultation Phase team undertook a desk review of documentation throughout the entire Consultation Phase process.

⁹ The new Consultation Phase Coordinator began work on 16 August 2017.

- 2.17 The MICI reviewed the original Request submitted by AIDSEP, as well as other documents it had shared with the MICI and the Parties during the process.
- 2.18 In terms of relevant project documents, the loan proposal, project profile, environmental and social management report, and annual work plans were consulted. The terms of reference for the bidding process for Lot 3 of the project and the land trafficking study were also reviewed. These documents are relevant to the process in terms of the understandings reached by the Parties.
- 2.19 The execution unit has shared other relevant documents with the MICI, such as its intervention strategies, agreements signed with regional governments, and ministerial resolutions related to modification of the land classification process, among others. These documents were reviewed by the MICI throughout the Consultation Phase process.
- 2.20 The objective of the Consultation Phase is not to investigate potential Bank noncompliance with its operational policies, but to improve the MICI team's understanding by reading the aforementioned documents, with the aim of facilitating meetings between the Parties and reaching consensus and agreements to address the concerns raised in the Request.
- 2.21 **Exchanges with relevant stakeholders.** The MICI team has conducted a series of face-to-face, telephone, and videoconference interviews. The project team, the IDB's Representative in Peru, and the division chief at the Bank's Washington headquarters have worked closely with the MICI in these communications.
- 2.22 The meetings and communications with the Requesters included both their national representatives and AIDSEP technical advisors.
- 2.23 The MICI has maintained fluid communication with the government authorities, including the Deputy Minister for Agricultural Policy, the Office of the Deputy Minister for Agricultural Infrastructure and Irrigation, the UEGPS, and the current Agricultural Property Title Clearance and Rural Cadastre Division (DIGESPACR).
- 2.24 Conversations have been held with government organizations such as Peru's Public Defender's Office, with the aim of obtaining information relevant to the process.
- 2.25 The Parties have had frequent telephone contacts with the MICI in Washington, as well as with the local facilitator hired by the MICI for the duration of the Consultation Phase process. This facilitator has been responsible for bringing the Parties together, facilitating face-to-face meetings of the Coordination Committee, and conducting numerous bilateral meetings to reach the agreements.
- 2.26 Lastly, contacts have been maintained with both national and international civil society organizations monitoring the case in support of the Requesters.
- 2.27 **Missions and joint exercises.** The MICI undertook six missions to Peru during the Consultation Phase process. The objective of these missions was to support the dialogue efforts of the Parties, hold informational meetings with government authorities, and coordinate actions with the local facilitator.
- 2.28 Two of the missions were to attend the two events mentioned above: the joint exercise in June 2016, which led to a list of 20 understandings between the Parties; and the Agreement Monitoring Workshop on 16-17 August 2017, where consensus

was reached on a monitoring plan for the actions agreed upon within the framework of the MICI process.

- 2.29 Prior to each of the missions, the MICI consulted with the Executive Director for Peru, and briefed her upon returning on the progress made as a result of the visits to the country.
- 2.30 Twenty understandings were reached in relation to the Request submitted by AIDSEP at the joint exercise between the Parties on 21-22 June 2016. The main understandings related to updating the number of native communities to be titled; the sequence of titling; and the importance of the communities' role in project implementation; and other issues. It was also agreed as a result of the joint exercise to form a Coordination Committee that would meet regularly to design a plan for monitoring the understandings.
- 2.31 Lastly, the Agreement Monitoring Workshop was held on 16-17 August 2017. The objective of this activity was to determine the degree of progress with respect to specific commitments, and to ratify the monitoring plan designed within the framework of the Coordination Committee for those points not yet fulfilled.

D. Results of the Consultation Phase process

- 2.32 The MICI Consultation Phase process sought to build trust and recreate avenues for stable communication between the Parties, while fostering results-oriented dialogue.
- 2.33 A key such avenue in the Consultation Phase process was the Coordination Committee of the Parties. The Committee held six work meetings during the process, facilitated in all instances by local MICI representation and the Washington MICI team (either in person or by videoconference). The Coordination Committee meetings were supported by a series of bilateral meetings between the MICI local facilitator and the Parties, as well as technical work sessions between the Requesters and the executing agency.
- 2.34 A roadmap and monitoring plan were prepared during the process, with key commitments that included updating the number of communities to receive titles (from 190 to 403), clarifications regarding the sequencing of the titling process (prioritizing native communities over individual parcels in areas where there is a risk of overlap), and the presence of geographic information systems specialists from native communities in the titling process.
- 2.35 As a direct consequence of the final agreement and monitoring plan, the Parties agreed to form a Monitoring Committee made up of representatives from IDB Management, AIDSEP, and MINAGRI. The Parties also requested MICI facilitation in the monitoring stage. The local facilitator will be a key tool in this process given the trust built with the parties during the Consultation Phase, and his work will be carried out in coordination with the activities of the Washington MICI team.
- 2.36 The project's objective is the cadastral survey, titling, and registration of 403 native communities, as well as thousands of individual parcels and campesino communities. Effective execution of the project will require sustained early warning and response efforts across vast areas of Peru, mainly in remote parts of the Amazon. Joint early detection and response by the Monitoring Committee to potential delays, complaints, and any kind of controversy that may arise in the

implementation of the agreements will significantly improve the likelihood that the PTRT3 is executed successfully.

- 2.37 If there is no Board objection to the proposed plan (see “Memorandum of Fulfillment of Commitments and Monitoring Plan,” attached to this report as an annex), the monitoring stage will last up to five years, consistent with the MICI Policy. The MICI’s involvement seeks to maintain trust between the Parties, monitor compliance with the agreements, prepare an annual report to the Board of Executive Directors, and support the Parties by facilitating the Monitoring Committee.
- 2.38 According to paragraph 35 of the MICI Policy, the plan and time frame for monitoring of the agreements reached between the Parties is considered by the IDB Board of Executive Directors under short procedure. If there are no Board objections to the Plan attached to this report, the MICI will commence activities to monitor the commitments, and will submit the first annual monitoring report to the Board in September 2018.

III. NEXT STEPS

A. MICI actions based on the monitoring plan

- 3.1 The MICI will perform a variety of actions as part of monitoring the agreements. There will be two sources of MICI support available to the monitoring process: the MICI team in Washington and the local facilitator.
- 3.2 Based on the agreements with the Parties, and under the MICI Policy, the actions to be performed are as follows: (a) facilitating meetings of the Monitoring Committee; (b) ongoing monitoring through the local facilitator (bilateral meetings), and through the MICI team in Washington via telephone, mail, and videoconferencing; (c) at least one monitoring mission per year, agreed in advance with the Parties; (d) annual preparation of monitoring reports.
- 3.3 As provided in the Memorandum of Fulfillment of Commitments and Monitoring Plan, the MICI will receive and review the reports produced by the Monitoring Committee after each of its meetings. This information will be vital for analyzing the degree of progress on the agreements being monitored within the framework of the Monitoring Plan, and as an input for planning and executing MICI actions.
- 3.4 At the request of the Parties, the MICI may undertake missions to Lima or the regions involved in the project, to assess the degree of progress on actions pending compliance under the Monitoring Plan. If such missions are necessary, the MICI will coordinate with the Parties beforehand and duly inform the Executive Director for Peru.

B. MICI resource requirements

- 3.5 Based on the agreements reached and the actions planned to fulfill them, the MICI will require a variety of resources to implement the monitoring stage.
- 3.6 One of the critical factors in reaching the agreements described above and building trust between the Parties slowly and steadily, as well as in monitoring the pending actions, is the availability of a local professional facilitator with experience in the design and implementation of dialogue processes. This will be a key factor in monitoring the agreements.

- 3.7 The Consultation Phase team will need to conduct missions to Peru at least once each year to assess progress on the agreements in the field. These missions may be to Lima or any of the regions involved in the project.
- 3.8 If a meeting is required to assess progress or conclude the monitoring stage, a properly equipped venue for a workshop of that nature will have to be rented.
- 3.9 In the event of disagreements regarding the fulfillment of any specific agreement, the Parties have agreed that the MICI, after seeking a consensus-based solution, will have the authority to determine whether or not any such commitments have been fulfilled; it is therefore possible that specific missions may be needed to address these situations in person with the Parties.

C. Monitoring reports

- 3.10 Once the monitoring stage is under way, and in accordance with the MICI Policy, the MICI will submit a monitoring report to the IDB Board of Executive Directors “for information at least annually,” describing the progress achieved under the process.
- 3.11 Accordingly, provided that the Board raises no objection to the MICI’s involvement in this Monitoring Plan, the first annual monitoring report for case MICI-BID-PE-2015-0094 will be submitted to the Board in September 2018.
- 3.12 The MICI team will maintain fluid and open contact at all times with the IDB Country Office in Peru, the project team, and the Parties in general concerning case management and preparation of these reports.

Annex – Memorandum of Fulfillment of Commitments and Monitoring Plan

The Memorandum of Fulfillment of Commitments and Monitoring Plan, agreed upon by the Parties on 16-17 August 2017 in Lima, Peru, is presented below. The Spanish version includes a copy of the original signed by the Parties.

MEMORANDUM OF FULFILLMENT OF COMMITMENTS AND MONITORING PLAN

**16-17 August 2017. Lima, Peru
MICI-PE-2015-0094**

I. BACKGROUND

1. The Rural Land Cadastre, Titling, and Registration Project in Peru – Third Phase (loan PE-L1026) (“PTRT3” or “the project”) was approved by the IDB’s Board of Executive Directors on 3 December 2014. The loan contract between the Republic of Peru and the IDB was subsequently signed on 13 February 2015. On 27 August 2015, the Independent Consultation and Investigation Mechanism (MICI) received a Request ([MICI-PE-2015-0094](#)) from the Asociación Interétnica de Desarrollo de la Selva Peruana [Interethnic Association for the Development of the Peruvian Amazon] (AIDSEP), in response to which the Consultation Phase was initiated on 31 March 2016. As part of the process for this phase, a joint exercise was conducted on 21-22 June 2016 to exchange information regarding the PTRT3 project.
2. Participating actively in this exercise were the Requesters (AIDSEP), represented by the regional leadership¹⁰ and members of their governing board; the Execution Unit for Sector Project Management (UEGPS) at the Ministry of Agriculture and Irrigation (MINAGRI), on the instructions of the Deputy Minister for Agricultural Development and Infrastructure and Irrigation; and IDB Management, represented by the social and environmental specialist and the Project Team Leader (“the Parties”). The event, which was organized and facilitated by the MICI, resulted in a series of understandings concerning project execution, including the number of titles to be issued and their sequencing. These are set out in a Memorandum of Understanding (“the Memorandum”). A Coordination Committee (“the Committee”) was formed as a result of this joint exercise, made up of representatives of AIDSEP, MINAGRI-UEGPS, and the IDB project team, to move forward with implementation of the Memorandum of Understanding.
3. After the new MINAGRI leadership¹¹ appointed in early 2017 ratified these understandings, the Parties continued to work collaboratively to develop agreements for their implementation as part of the project. They also made progress in carrying

¹⁰ From the following organizations: Regional Organization of Indigenous Peoples of the Eastern Amazon (ORPIO); (Regional Coordinating Body of the Indigenous Peoples of San Lorenzo (CORPI); Regional Organization of AIDSEP in Ucayali (ORAU); Regional Organization of indigenous Peoples of the Northern Amazon (ORPIAN-P); Council for the Development of Indigenous Peoples of the San Martín Region (CODEPISAM); Regional Association of Indigenous Peoples of the Central Rainforest (ARPI); Regional Coordinating Body of Indigenous Peoples of AIDSEP Atayala (CORPIAA); Machiguenga Council of the Urubamba River (COMARU), and Native Federation of Madre de Dios (FENAMAD).

¹¹ The ratification was sent by Mr. José Luis Pastor Mestanza, MINAGRI Secretary-General, on 7 February 2017.

out a number of the activities called for in the Memorandum. A series of Coordination Committee meetings were held for that purpose. At those meetings, and as the process moved forward, representatives of the Parties jointly verified the fulfillment of a number of the commitments, while also working to design a monitoring plan for the activities to fulfill the remaining agreements. The list of commitments and the current status of fulfillment of each one are given in Annex I to this document.

4. The Parties have agreed to meet in Lima on 16-17 August 2017 for a workshop organized and facilitated by the MICI, to finalize, formalize, ratify, and raise awareness of the Monitoring Plan.

II. POLICY FRAMEWORK

5. The MICI process for case MICI-BID-PE-2015-0094, relating to the Rural Land Cadastre, Titling, and Registration Project in Peru – Third Phase (PTRT3), and its scope are governed by the MICI Policy approved by the IDB Board of Executive Directors in December 2014. The MICI Policy has been in effect since that date.
6. Paragraph 35 of the MICI Policy states that “when applicable the MICI will develop, in consultation with the Parties, a Monitoring Plan and time frame for the agreement reached,” and that plan will include the following elements: “a) that there is direct or outside monitoring of any agreement reached by the Parties; b) that there are adequate measures to determine whether such agreement is being implemented appropriately.” Furthermore, pursuant to the MICI Policy, this Monitoring Plan must be considered by the IDB Board of Executive Directors.
7. The Monitoring Plan has the objective of monitoring the fulfillment of the commitments generated as a result of the MICI Consultation Phase. Accordingly, the Monitoring Plan comprises a set of activities identified by the Parties as necessary to fulfill the commitments contained in the Memorandum of Understanding of 21-22 June 2016.

III. GENERAL CONSIDERATIONS FOR MONITORING

8. With a view to tracking the status of progress on the Monitoring Plan in a timely manner, the Parties agree that monitoring activities will be subject to the following framework and format. Monitoring will be conducted through the MICI Local Facilitator, MICI headquarters in Washington, and the Monitoring Committee, on which all Parties will be represented. Details of the duties of each of these are provided below.
9. Monitoring Committee: To reflect its objective, the name of the Coordination Committee established as part of the joint exercise in June 2016 will be changed to the “Monitoring Committee.” The Committee will be responsible for regular monitoring of the agreed activities under the plan. It will also serve as a venue for updating participants on progress under the project, insofar as related to the MICI process, and for providing any necessary clarifications during implementation of this Memorandum. The objective of the Monitoring Committee will be strictly to monitor the commitments reached in the MICI process and reflected in this Monitoring Plan. For all other matters, the Parties agree to make use of the participatory arrangements that already exist under the PTRT3, such as the National Consultative Committee and the Regional

Committees, as well as direct interactions, keeping the Monitoring Committee and the MICI informed regarding these discussions.

10. Membership of the Monitoring Committee, frequency of meetings, and reports. The Committee will act as the focal point for communication with the MICI and will be made up of representatives of AIDSEP, MINAGRI-UEGPS, and the IDB. Each of the Parties will appoint two people committed to participating actively to serve as their representatives on the Committee. The appointees are as follows:
 - a. For AIDSEP: Jamner Maniapatahuari and Roberto Espinoza
 - b. For MINAGRI-UEGPS: José Revilla and César Berrios
 - c. For the IDB: Juan de Dios Mattos and Michael Kent
11. Where necessary, other members may attend Monitoring Committee meetings in addition to these two appointees, as deemed relevant by each of the Parties; the other Parties are to be informed in advance, indicating what roles these members will play at the meetings.
12. The frequency of the Monitoring Committee meetings will be bimonthly. At the end of the first six-month period, an assessment will be made of the need to maintain, increase, or decrease the frequency of meetings. A status report will be prepared after each meeting, describing the progress identified as well as challenges to implementation. The report will be prepared by the local facilitator and delivered to the MICI within one week after the meeting. MINAGRI-UEGPS will also endeavor to send quarterly reports on the implementation of activities tied to progress on this plan and related to the PTRT3.

In extraordinary circumstances, the Parties may agree to meet in addition to the planned meetings, even outside Lima.

13. Monitoring schedule and time frame. The MICI will monitor the plan activities based on the schedule agreed upon by the Parties (see Annex II). The schedule is indicative in nature and may be adjusted as deemed appropriate by the Parties, to ensure effective implementation of the relevant activities. Monitoring activities are subject to the timeline for the project, which is scheduled to end in December 2020. If the project is extended, the MICI may continue monitoring activities for up to five years, running from the signature date of this document. If monitoring of the commitments requires a period longer than five years, the MICI will call a meeting of the Parties so that they may jointly determine how to proceed. If the Parties ask the MICI to continue in this role, the MICI will request approval from the IDB Board of Executive Directors to extend its time frame of activity.

IV. ROLE OF THE MICI

14. As an independent body, the MICI will monitor implementation of the commitments agreed upon by the Parties in the Memorandum of Fulfillment of Commitments and Monitoring Plan, for a maximum period of five years. For greater effectiveness and responsiveness, the MICI will be supported in this role by a local facilitator. Notwithstanding this support, the responsible team at the MICI office in Washington will monitor the process remotely on an ongoing basis, following up with lesser frequency in the field.

15. Local facilitation. The MICI Local Facilitator will have the following responsibilities:
 - (i) facilitating and mediating Committee meetings as an unbiased, external party; and
 - (ii) serving as the MICI's focal point at the local level for the Parties to communicate their views regarding implementation of the Monitoring Plan and execution of the commitments, making it possible to continue building the necessary consensus to fulfill the agreed commitments and implement this plan.
16. Limitations to monitoring. Although the Parties are free to agree on actions relating to other issues beyond the scope of the project, the MICI is unable to monitor any such agreement, as this would exceed the MICI's authority.
17. Monitoring missions. A MICI delegation will conduct one mission per year (to Lima or to the regions in which the project is being implemented, as appropriate). The MICI will coordinate this in advance with the Parties. As the MICI deems appropriate, or at the request of the Monitoring Committee, the MICI may conduct more than one mission per year. All MICI missions will be conducted in accordance with the MICI Policy and IDB administrative processes for such activities.
18. Monitoring reports. As envisaged in the MICI Policy, the MICI will prepare an annual progress report on the actions in this plan. This report will be submitted to the IDB Board of Executive Directors for information and published in the MICI Public Registry: www.iadb.org/mici. Prior to publication, a draft of the report will be shared with the Parties for their comments. Inclusion of comments by any of the Parties will be at the discretion of the MICI. It should be noted that the Parties have the right to determine which information they consider confidential; no such information will be published in the reports.
19. Fulfillment of the commitments. Supported by MICI facilitation, the Parties have agreed which conditions (as set out in Annex I) will determine final fulfillment of each of the commitments that have been undertaken. Based on these agreements, the MICI will support the Parties in the process of confirming completion of the planned activities and, therefore, of the commitments met. In the event of disagreement as to whether specific activities have been completed, the MICI will assess the situation and work to promote consensus among the parties within the framework of the Monitoring Committee. If no consensus is reached after various efforts spearheaded by the MICI, the Parties agree that the MICI will have the authority to make a determination as to fulfillment of the commitment in question, and such determination will be accepted by the Parties.
20. Case closure. The case will be considered closed when the MICI confirms that all activities envisaged in the plan have been completed. In closing the case, the MICI will prepare a final report similar in format and content to the annual progress reports (see paragraph 18). If the MICI determines that the commitments indicated in this Memorandum have not been fully met, because the Parties have failed to reach an agreement in regard to their fulfillment, then in accordance with the MICI Policy, and considering the initial request of the Requesters (AIDSEP) to trigger both MICI phases, the Request will be transferred to the MICI Compliance Review Phase (paragraph 38 of the MICI Policy) for processing.

V. MONITORING PLAN

21. This section discusses commitments for which activities are still incomplete and/or have been reformulated, and may or may not require specific actions. These activities and the Parties responsible for them are also listed, together with MICI comments where relevant. For commitments already met, see Annex I.

22. Commitment A.2: As a guiding principle for the project, the Parties have agreed that in cases where close overlaps have been identified between native communities and individual parcels, priority will be given to the titling process for native communities until territorial demarcation has been resolved. The titling of individual parcels may commence thereafter. (FULFILLED)

MINAGRI-UEGPS sent a timetable and work plan to AIDSESEP on 8 August 2017, presenting the strategy for meeting the target of issuing titles to the 403 native communities by time the project is completed. (FULFILLED)

The following activities tied to this commitment are still pending:

Required actions	Responsibility	MICI comments
<p>MINAGRI-UEGPS to send quarterly progress reports to the Parties and the MICI with details of the titles issued under the PTRT3 with a view to meeting the target of 403 native communities titled.</p> <p>MINAGRI-UEGPS will provide AIDSESEP with a copy of the contracts with the operating companies and the monitoring reports relating to them, to meet the target of issuing titles to 403 native communities.</p>	MINAGRI-UEGPS	The Monitoring Committee will be the forum for discussing details of the required actions.

23. Commitment A.3 (FULFILLED and REFORMULATED). MINAGRI-UEGPS and the Loreto regional government signed the framework agreement for execution of the PTRT3 on 25 May 2017.

Required actions	Responsibility	MICI comments
MINAGRI-UEGPS to send quarterly progress reports to the Parties and the MICI with details of the titles issued under the PTRT3.	MINAGRI-UEGPS	<p>The Monitoring Committee will be the forum for providing information regarding this matter.</p> <p>These actions are still pending.</p>

24. Commitment A.4 (FULFILLED and REFORMULATED): The selection criteria for native communities to be titled will not exclude communities experiencing territorial disputes; in such cases, the dispute settlement mechanisms envisaged under the PTRT3 will be used, developing their guidelines within the project's participatory forums, to establish the best dispute settlement system and determine its viability. In the context of the Agreement Monitoring Workshop, the Agricultural Property Title Clearance and Rural Cadastre Division (DIGESPACR) has communicated its decision to establish an interagency roundtable to improve the coordination of entities associated with forestry and mining concessions, as well as public roads, which may run up against the territorial rights of native communities. The Parties welcome and support DIGESPACR's decision, and will support the actions necessary for these meetings.
25. Commitment A.6 (PENDING): This commitment will be considered fulfilled once the monitoring actions under commitment A.2 are complete.
26. Commitment B.1: MINAGRI-UEGPS and the IDB confirm that the number of new native communities that have been recognized for titling under the PTRT3 will be 403. (FULFILLED). For monitoring of this titling target, see paragraph 22.
27. Commitment B.2: Once the titling process for native communities has begun, the target for titling (403 native communities) may be increased based on progress and results under the project, subject to IDB evaluation.

Required action	Responsibility	MICI comments
<ul style="list-style-type: none"> Organization of the Monitoring Committee meeting in December 2018 	<ul style="list-style-type: none"> MICI to call the meeting Monitoring Committee participates 	<ul style="list-style-type: none"> The Parties will also evaluate the possibility of obtaining additional funding, which will not necessarily come from the IDB. The MICI will not be able to monitor any decision in relation to additional funding, as this is not tied to the PTRT3 and is therefore outside the scope of the MICI's authority.

28. Commitment B.4: To increase the amount of resources available to meet the demand for titling of native communities, as well as increase levels of coordination, MINAGRI-UEGPS and AIDSEP will use their good offices with DIGESPACR to ensure that all available funding is coordinated for titling of native communities. (FULFILLED)

In the context of the Agreement Monitoring Workshop, DIGESPACR has announced that two meetings have been held to coordinate existing funds for titling, and that these meetings will continue (with the next one planned for 21 August this year). The Parties welcome and support DIGESPACR's decision, and will support the actions required for these meetings.

29. Commitment C.4 (REFORMULATED and PENDING): MINAGRI-UEGPS, AIDSEP, and the IDB will meet in December 2018 as part of the MICI Request process, to address matters related to progress in executing the PTRT3 and assess the potential

for increasing the number of native communities to be titled, as well as the matters indicated in paragraph 27.

30. Commitment D.1: MINAGRI-UEGPS, the IDB, and AIDESEP will coordinate on an ongoing basis to strengthen execution of the PTRT3 and will continue to hold Monitoring Committee meetings and bilateral meetings within the framework of the MICI process, to ensure completion that the actions presented in this document.
31. Commitment D.3: The land trafficking study will be performed within the framework of the PTRT3 project with the involvement of Amazonian indigenous organizations.

Required actions	Responsibility
<ul style="list-style-type: none">• The involvement of indigenous organizations is envisaged in the terms of reference for the study.• Two meetings will be held with AIDESEP, where a document will be prepared with suggestions and comments regarding the study.	<ul style="list-style-type: none">• MINAGRI-UEGPS• AIDESEP

ANNEX I: Summary Table of Progress on Fulfilling the Commitments in the Memorandum of Understanding¹²

SECTION	COMMITMENT IN THE MEMORANDUM OF UNDERSTANDING (June 2016)	STATUS ¹³
A.	Sequence and criteria for titling of native communities	
A.1	MINAGRI-UEGPS confirms that the sequence of titling under the PTRT3 will begin with titling of native communities taking priority over the titling of individual parcels.	FULFILLED
A.2	Activities for the titling of native communities will begin within one year after the signing of this Memorandum (June 2017). In the Selva region, the titling of individual parcels will commence one year after titling of the native communities has begun, or sooner if the scheduled titling for native communities under the project is completed within less than a year, subject to an evaluation for each region.	FULFILLED and PENDING (see paragraph 22)
A.3	Both parties are aware of the need for a signed agreement with the Loreto regional government to begin titling activities in that region. They will therefore join efforts to ensure this agreement is signed within one month. If this is successful, then in the specific case of the Loreto region the titling of individual parcels will begin 1.5 years after the start of titling of the native communities.	FULFILLED and REFORMULATED (see paragraph 23)
A.4	The criteria for selecting the native communities to be titled will not exclude communities with territorial disputes; in such cases, the dispute settlement mechanisms envisaged under the PTRT3 will be used, developing their guidelines within the project's participatory forums, to establish the best dispute settlement system and determine its viability.	FULFILLED and REFORMULATED (see paragraph 24)
A.5	MINAGRI-UEGPS confirms that the native communities must be previously recognized, to be considered for titling under the PTRT3.	FULFILLED
A.6	The annual work plan will reflect the sequence of titling as established in this document.	PENDING (see paragraph 25)
B.	Number of titles to be issued under the project	
B.1	MINAGRI-UEGPS and the IDB confirm that the number of new native communities that have been recognized for titling under the PTRT3 will be 403.	FULFILLED (see paragraph 26)
B.2	The parties understand that the target (403) and the additional allocation of funds for titling may be increased depending on project progress and outcomes, subject to IDB evaluation.	PENDING (see paragraph 27)

¹² The table was agreed upon by participants at the Coordination Committee meeting of 2 August 2017.

¹³ Categories used:

FULFILLED: The commitment was fulfilled, and no monitoring is required.

PENDING: Actions are still required for the commitment to be fulfilled.

REFORMULATED: The commitment could not be fulfilled, so the Parties have agreed to make adjustments.

SECTION	COMMITMENT IN THE MEMORANDUM OF UNDERSTANDING (June 2016)	STATUS ¹³
B.3	If a reduction in the targets for titling in the Amazonas region is confirmed, consideration will be given to titling other territories in Pasco, Madre de Dios, and Cajamarca. In San Martín, the number of native community property titles will be increased depending on the progress shown under the PTRT3.	FULFILLED
B.4	To increase the amount of resources available to meet the demand for titling of native communities, as well as increase levels of coordination, MINAGRI-UEGPS and AIDESEP will use their good offices with DIGESPACR to ensure that all available funding is coordinated for titling of native communities.	FULFILLED and REFORMULATED (see paragraph 28)
B.5	The foregoing does not mean that AIDESEP's demand for titling has been fully satisfied, and its territorial claims stand.	FULFILLED
B.6	MINAGRI-UEGPS will issue a formal public document providing information on the target for titling of native communities in accordance with the terms stated in this Memorandum.	FULFILLED
C.	Coordination, consultation, and participation under the PTRT3	
C.1	MINAGRI-UEGPS confirms that the PTRT3 plans to hire specialists in geographic information systems from the regional organizations to participate in fieldwork during the titling process.	FULFILLED
C.2	The presidents of CORPI San Lorenzo and ORPIO, together with MINAGRI-UEGPS, will seek to arrange a meeting with the Loreto regional government to discuss the need for joint coordination in the titling processes and to sign the framework agreement and any other relevant agreements.	FULFILLED
C.3	MINAGRI-UEGPS renews its invitation to AIDESEP to participate in the citizen participation mechanisms and the forums of the National Consultative Council and the Regional Monitoring Committee. AIDESEP confirms that it will join the National Consultative Council, the next meeting of which will be held on 5 July 2016.	FULFILLED
C.4	MINAGRI-UEGPS, AIDESEP, and the IDB will meet in March 2017 as part of the MICI Request process, to address matters related to progress in executing the PTRT3, and in November 2017 to assess the potential for increasing the number of native communities to be titled.	REFORMULATED and PENDING (see paragraph 29)
C.5	MINAGRI-UEGPS and the IDB commit to open a dialogue with AIDESEP regarding the IDB's procurement policies with the aim of responding to any doubts or questions that may arise in this regard.	FULFILLED
D.	NEXT STEPS	
D.1	MINAGRI-UEGPS, the IDB, and AIDESEP will coordinate on an ongoing basis to strengthen execution of the PTRT3.	PENDING (see paragraph 30)
D.2	MINAGRI-UEGPS and AIDESEP will work on the methodology for identifying the native communities to be targeted for intervention under the PTRT3.	FULFILLED
D.3	The land-trafficking study will be performed under component 3 (as part of the activity relating to the inventory of disputes), with the involvement of Amazonian indigenous organizations.	PENDING (see paragraph 31)

ANNEX II: Tentative schedule of PTRT3 and Monitoring Plan activities

Indicative activities*		2017		2018				2019				2020				**
		Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
PTRT3 activities	Contract signed with consulting firm responsible for titling															
	Selection of field staff for titling activities															
	Physical, legal, and socioenvironmental assessment															
	Process of cadastral survey, demarcation, and delimitation															
	Execution of titling and registration process															
	Presentation of native community titles															
	IDB supervision mission															
	No objection to the annual work plan prepared by MINAGRI-UEGPS															
MICI monitoring activities	Monitoring Committee meeting															
	Submission of Monitoring Committee progress report to the MICI															
	Meeting to assess progress in titling															
	MICI Monitoring Reports															

- * The activities presented are indicative in nature and may be altered depending on PTRT3 execution. Information regarding these alterations will be shared with the Parties in the Monitoring Committee.
- * The MICI will monitor the project until it is completed in 2020. If an extension is required for the project, however, MICI monitoring may be extended up to a maximum period of five years from the date on which the Monitoring Plan was signed.

Principal responsibility:

MINAGRI-UEGPS (or their delegate)
AIDSEP
IDB
Monitoring Committee
MICI

