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PERU
MICI-PE-2015-0094

FIRST MONITORING REPORT ON THE CONSULTATION PHASE AGREEMENTS

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

PE-L1026

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Pursuant to the Access to Information Policy, this document being made publicly available simultaneously with its distribution to the Board for information.

ANNEXES
1. Memorandum of Fulfillment of Commitments and Monitoring Plan

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LINKS
1. Original Request http://www.iadb.org/document.cfm?id=40065773
2. Consultation Phase Report and Monitoring Plan http://www.iadb.org/document.cfm?id=EZSHARE-1009163277-1043
3. Loan Proposal: Rural Land Cadastre, Titling, and Registration Project in Peru – Third Phase http://www.iadb.org/Document.cfm?id=39234622

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ABBREVIATIONS

AIDSEP	Asociación Interétnica de Desarrollo de la Selva Peruana [Interethnic Association for the Development of the Peruvian Amazon]
MICI	Independent Consultation and Investigation Mechanism
MINAGRI	Ministry of Agriculture and Irrigation
Parties	The Requesters, IDB Management, the borrower, the client and/or the executing agency (as appropriate)
Project	Rural Land Cadastre, Titling, and Registration Project in Peru – Third Phase
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]

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I. EXECUTIVE SUMMARY

The objective of the Rural Land Cadastre, Titling, and Registration Project in Peru – Third Phase (loan PE-L1026) 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. The executing agency is the Ministry of Agriculture and Irrigation (MINAGRI), acting through the Execution Unit for Sector Project Management (UEGPS).

On 27 August 2015, 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, alleging 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.

The Request was declared eligible on 13 January 2016. The MICI Consultation Phase process began on 31 March 2016 and was completed with an agreement on 17 August 2017. To monitor the commitments, the Parties agreed to form a Monitoring Committee made up of representatives from IDB Management, AIDSEP, and MINAGRI. The Parties also requested the MICI's involvement during the monitoring stage.

The first year of monitoring, covered in this report, ran from September 2017 to September 2018. The MICI facilitated a series of meetings during this period to review progress toward fulfilment of the agreements reached by the Parties. The MICI also conducted a monitoring mission to Peru in June to attend the third meeting of the Monitoring Committee.

In 2019, the MICI will continue to call and facilitate meetings of the Monitoring Committee, as well as a series of bilateral meetings with the Parties to review progress toward fulfilment of the agreements reached and assist in settling any disputes arising in relation to the process. The MICI will also continue to deliver monitoring reports to the IDB Board of Executive Directors on an annual basis, consistent with paragraph 35 of the MICI Policy.

II. CASE BACKGROUND

- 2.1 The Rural Land Cadastre, Titling, and Registration Project in Peru – Third Phase (PTRT3) (loan PE-L1026) is financed with a sovereign-guaranteed loan approved by the IDB's Board of Executive Directors on 3 December 2014 via simplified procedure. The total amount of the approved operation is US\$40 million, with local counterpart funding in the same amount. The executing agency is the Ministry of Agriculture and Irrigation (MINAGRI), acting through the Execution Unit for Sector Project Management (UEGPS).
- 2.2 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 has a presence in 10 of the country's regions: Amazonas, Apurímac, Cajamarca, Cuzco, Huánuco, Junín, Loreto, San Martín, Ucayali, and Puno.
- 2.3 As a result of project implementation, some 220,000 agricultural producers, 190 campesino communities, and 403 native communities will receive property titles. 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, the project's coexistence with other land titling projects, and its overlap with other land use rights and categories.
- 2.4 On 27 August 2015, Asociación Interétnica de Desarrollo de la Selva Peruana [Interethnic Association for the Development of the Peruvian Amazon] (AIDESEP) submitted a Request to the Independent Consultation and Investigation Mechanism (MICI) on behalf of 1,166 native communities in Peru's Amazon region. 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. Before submitting the Request, the Requesters had been in discussions with IDB Management for more than a year to resolve the issues that prompted the complaint. It is worth noting that, as part of this process, the number of native communities to receive land titles was increased from 190 to 403.
- 2.5 The Request was registered on 3 September 2015 and declared eligible on 13 January 2016. The MICI Consultation Phase process began on 31 March 2016, following an assessment of the feasibility of a dialogue process.
- 2.6 A Coordination Committee was formed during the Consultation Phase process, made up of representatives of AIDESEP, the IDB, and the UEGPS, facilitated by the MICI. The Committee held six meetings aimed at reaching an agreement in response to the issues raised in the Request. Two workshops were also held with the participation of the Parties: one in June 2016, which yielded a list of 20 understandings among the different stakeholders, and the Workshop for Monitoring of the Agreements on 16 and 17 August,¹ where the Parties reached a

¹ Available in the project case file in the Public Registry.

consensus and signed a “Memorandum of Fulfillment of Commitments and Monitoring Plan.”

- 2.7 Based on the final agreement and monitoring plan, the Parties agreed to form a Monitoring Committee to monitor the commitments, made up of representatives from IDB Management, AIDSEP, and MINAGRI. The Parties also requested the MICI’s involvement during the monitoring stage, so the Monitoring Committee’s meetings have been facilitated by the MICI. The Consultation Phase Report (document MI-54-4) describes the Consultation Phase process, the agreements reached, and the Monitoring Plan.
- 2.8 The Monitoring Plan was approved by the IDB Board of Executive Directors under the no objection procedure on 23 October 2017.²
- 2.9 The background to case MICI-PE-2015-0094 and the public documentation prepared as part of the process can be consulted in the [case file](#) in the MICI Public Registry.³

III. MICI POLICY AUTHORITY FOR THE MONITORING OF AGREEMENTS

- 3.1 Paragraph 35 of the MICI Policy (document MI-47-6) establishes that, if the Parties reach agreement in the Consultation Phase process, when appropriate the MICI will develop, in consultation with the Parties, a monitoring plan and time frame for the agreement reached. The duration of this plan will not exceed five years.
- 3.2 As established in paragraph 35 of the MICI Policy, the MICI will submit a monitoring report to the Board for information at least annually.

IV. ACTIONS DURING THE REPORTED MONITORING PERIOD

- 4.1 The following activities occurred during the first year of monitoring from September 2017 to September 2018:
- 4.2 **Meetings of the Monitoring Committee.** The Monitoring Committee held four work sessions over the period, facilitated by the MICI. Representatives of the IDB, AIDSEP, and the UEGPS attended the meetings, which were held in Lima, Peru. The MICI local facilitator also participated in all meetings, together with the MICI’s Washington D.C. team (either in person or by videoconference).

First meeting of the Monitoring Committee	Second meeting of the Monitoring Committee	Third meeting of the Monitoring Committee	Fourth meeting of the Monitoring Committee
3 November 2017	11 April 2018	4 June 2018	28 September 2018

² On 23 October 2017, the IDB Board of Executive Directors approved (without interruption) the Monitoring Plan designed by the Parties. The plan was presented in the Consultation Phase Report for Request MICI-PE-2015-0094.

³ The public documents on the case can be accessed from the “Links” section.

- 4.3 The “Memorandum of Fulfillment of Commitments and Monitoring Plan” establishes that the Monitoring Committee is to meet bimonthly. The Parties subsequently agreed, at the 4 June 2018 meeting, that the meetings would be quarterly.
- 4.4 The MICI has met both in person and via teleconference with the Parties to solicit their perspectives regarding progress toward fulfillment of the agreements, as well as to identify challenges for MICI’s monitoring of the process and possible actions for addressing these challenges. It has also held meetings with representatives of IDB Management in the Washington D.C. offices.
- 4.5 **Quarterly progress reports.** As part of the MICI agreements, the UEGPS made a commitment to deliver a quarterly progress report to the Parties. A number of delays between September 2017 and September 2018 were remedied in June 2018 when the executing agency submitted an executive brief containing an update on PTRT3 activities during the period from October 2017 to June 2018. The MICI has emphasized the importance of compliance with the agreements in due time and manner, highlighting the usefulness of such reports as a source of information for the Monitoring Committee.
- 4.6 In the fifth Quarterly Progress Report delivered on 20 September, the UEGPS informed the Parties that PTRT3 fieldwork had been suspended between late July 2018 and early September 2018 due to isolated issues affecting the bidding processes that have now been resolved.
- 4.7 Bank Management has indicated that, as with all projects, the timeline for project implementation is tentative and subject to adjustment. Specifically, Management has indicated that, because certain bidding processes were voided owing to a lack of bidders, new implementation timelines have been reviewed and agreed upon with the executing agency for PTRT3.
- 4.8 **Titling targets.** As part of the agreements under the MICI process, at least one native community was expected to have been titled by the end of 2018, to see how long it took and so determine the time required to meet the program’s target for titling.
- 4.9 The UEGPS had initially planned to issue titles to approximately 40 native communities in 2018. However, that estimate was revised down to five in June, and it was subsequently announced during the fourth Monitoring Meeting that no communities would receive titles by the end of the year.
- 4.10 **Sharing of contracts signed with consulting firms.** The UEGPS has signed contracts with the consulting firms to perform the titling work for three of the four lots identified by the project, and has sent the contracts to the Requesters as established in the MICI process agreements.
- 4.11 **Land trafficking study.** In February 2018, the UEGPS engaged the World Wildlife Fund (WWF) in Peru to conduct the land trafficking study envisaged in the agreements. AIDSEP has been involved in the study process, consistent with its commitments. Although the consulting engagement has produced deliverables, approval of these depends on a different MINAGRI unit, not the UEGPS, so there have been delays. In light of this, the UEGPS has introduced an addendum to the contract with the WWF and expects this consulting engagement to be completed in November 2018.

- 4.12 **Monitoring mission.** During the monitoring period covered by this Report, the MICI conducted a monitoring mission to Lima, Peru from 4 June 2018 to 6 June 2018. During the mission, the MICI team participated in the third meeting of the Monitoring Committee and held bilateral meetings with the IDB, the UEGPS, the Requesters, and other relevant stakeholders.
- 4.13 It should be noted that in the period between signing of the agreement in August 2017 and drafting of this report, leadership changes have occurred at both the UEGPS and AIDESEP. The executing unit had three executive directors and three project coordinators between September 2017 and September 2018, which has had implications for implementation of the PTRT3. A new National Board of Directors took office at AIDESEP's Twenty-fourth Ordinary Congress on 22 December 2017, also entailing changes in liaisons for the MICI process. In the case of the IDB and the MICI, the teams have remained the same.
- 4.14 These changes have led to some delays and required that the new liaisons be brought up to speed. To that end, the MICI has made contact with the new leadership of both institutions to share information about the MICI process.

V. CONCLUSIONS AND NEXT STEPS

- 5.1 During the period covered by this report, no progress has been made in the fulfilment of substantive aspects of the agreements being monitored as part of the MICI process.⁴
- 5.2 Delays in project implementation—and therefore in the milestones included in the agreement—have raised concerns on the part of the Requesters. AIDESEP has indicated that delays both in the identification of native communities for titling and in the titling process itself could stir or stoke social confrontations, as communal territories remain under threat of incursion by settlers.
- 5.3 Importantly, these delays could erode trust between the Parties. AIDESEP has therefore stated its willingness to stick with the MICI Consultation Phase, as long as tangible steps toward fulfillment of the agreements are seen in the short term. Among these, it has pointed to the need for an extension of the implementation period established in the loan contract, an immediate start to the process of issuing titles to the native communities already identified under PTRT3, and final approval and publication of the land trafficking study.
- 5.4 At the same time, there have been lags in the delivery of quarterly reports. This affects the Monitoring Committee's ability to position itself as a forum for identifying and jointly addressing obstacles and challenges, as well as any other type of dispute arising during implementation of the agreements under the MICI process.
- 5.5 Under the agreements reached during the MICI Consultation Phase process, the MICI was to conduct a mission to Lima, Peru, in December 2018 for a meeting to assess progress on the agreed commitments. However, in light of the identified delays, the MICI will propose to the Parties that the mission be postponed until the

⁴ Some of the agreed commitments had already been fulfilled at the start of the monitoring stage. For more information, see the document "Consultation Phase Report and Monitoring Plan" in the "Links" section.

first quarter of 2019, when fulfillment of the agreements and the Parties' positions will be reevaluated.

- 5.6 In 2019, the MICI will continue to call and facilitate meetings of the Monitoring Committee, as well as a series of bilateral meetings with the Parties to review progress toward fulfillment of the agreements reached and assist in settling any disputes arising in relation to the process.

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) (“the project” or “PTRT3”) 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] (AIDESEP), 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 (AIDESEP), represented by the regional leadership¹ 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 AIDESEP, MINAGRI-UEGPS, and the IDB project team, to move forward with implementation of the Memorandum of Understanding.
3. After the new MINAGRI leadership² 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 out a number of the activities called for in the Memorandum. A

¹ 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 AIDESEP 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 AIDESEP Atayala (CORPIAA); Machiguenga Council of the Urubamba River (COMARU), and Native Federation of Madre de Dios (FENAMAD).

² The ratification was sent by Mr. José Luis Pastor Mestanza, MINAGRI Secretary-General, on 7 February 2017.

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 (AIDSESEP) 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	The Monitoring Committee will be the forum for providing information regarding this matter. These actions are still pending.

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 AIDESEP 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, AIDESEP, 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

In witness whereof, the following parties have signed this “Memorandum of Fulfillment of Commitments and Monitoring Plan” upon conclusion of the workshop held in Lima, Peru, on 16-17 August 2017:

For AIDESEP

/s/

Jamner Maniapatahuari Curitima
AIDESEP

/s/

Roberto Espinoza
AIDESEP

/s/

Waldir Eulogio Azaña
AIDESEP

/s/	/s/	/s/
Gisela Ravina Luque AIDSESP	Felipe Sanchez Majin AIDSESP	Rosalía Yampis Askuash AIDSESP
/s/	/s/	/s/
Lizardo Cauper Pezo ORAU	Jaime Tapullima Pashanase CODEPISAM	Jose Jaime Katinga COMARU
/s/		/s/
Manuel Ramirez Santana ORPIO	Daysi Zapata Fasabi CORPIAA	Marcial Mudarra Taki CORPI-SL
/s/	/s/	
Edwin Montenegro Davila ORPIAN-P	Eusebio Rios Iviche FENAMAD	
For MINAGRI-UEGPS		
/s/	/s/	/s/
Jose Revilla MINAGRI-UEGPS	Cesar Berrios MINAGRI-UEGPS	Sandro Saettone MINAGRI-UEGPS
		/s/
Weninger Ceron Angulo MINAGRI-UEGPS		Elva Cornejo MINAGRI-UEGPS
For the IDB		
/s/	/s/	
Juan de Dios Mattos IDB	Michael Kent IDB	
For the MICI		
/s/	/s/	/s/
Victoria Márquez-Mees MICI	Martin Packmann MICI	Iván Ormachea MICI Local Facilitator
/s/		
Raquel Gómez Fernández MICI		

ANNEX I: Summary Table of Progress on Fulfilling the Commitments in the Memorandum of Understanding³

SECTION	COMMITMENT IN THE MEMORANDUM OF UNDERSTANDING (June 2016)	STATUS ⁴
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.	REFORMULATED 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)

³ The table was agreed upon by participants at the Coordination Committee meeting of 2 August 2017.

⁴ 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 ⁴
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 PTERT3 and Monitoring Plan activities

Indicative activities*		2017		2018				2019				2020				**
		Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
PTERT3 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 PTERT3 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)
AIDSESP
IDB
Monitoring Committee
MICI

