

## **Annex 6b**

# **UNEP Environmental, Social and Economic Review Note (ESERN)**

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### I. Project Overview

<b>Identification</b>	<i>GCF Project</i>
<b>Project Title</b>	<i>Enhancing Early Warning Systems to build greater resilience to hydro-meteorological hazards in Timor-Leste</i>
<b>Managing Division</b>	<i>Science Division</i>
<b>Type/Location</b>	<i>National, Timor-Leste</i>
<b>Region</b>	<i>Asia-Pacific</i>
<b>List Countries</b>	<i>Timor-Leste</i>
<b>Project Description</b>	<p><i>As a Least Developed Country (LDC) and Small Islands Developing State (SIDS) Timor-Leste is highly vulnerable to the effects of climate change and considered to be the 15<sup>th</sup> most at risk country in the world to natural disasters. Climate-related hazards such as landslides, flooding and droughts impact the development of Timor-Leste through the disruption of the transportation links, destruction of private houses and public infrastructure including health services centres and increases in food insecurity that further induce negative impacts on the environment and biodiversity. This Project will address the urgent need for integrated climate information services and end-to-end multi-hazard early warning services (MHEWS) to increase the resilience of the most vulnerable people and communities of Timor-Leste. Amongst others, the Project will upgrade and expand observation and monitoring networks, establish impact-based forecasting, and build capacity to deliver accurate and timely warnings to vulnerable communities in order to reduce risks. In addition, the Project will put in place a strengthened and sustainable financial framework and business model for national climate services. At the request of the GCF Nationally Designated Authority (NDA) of Timor-Leste, the UN Environment Programme (UNEP) will serve as the Accredited Entity (AE) for the Project. The AE will work with the Secretary of State for the Environment (SSE) as the national Executing Entity (EE) alongside a range of technical partners and national service providers, including Timor-Leste Meteorological Service (National Directorate for Meteorology and Geophysics – DNMG), the National Disaster Management Directorate (NDMD), the Ministry of Agriculture and Fisheries (MAF), Timor-Leste's Red Cross National Society (Cruz Vermelha de Timor-Leste – CVTL), Regional Integrated Multi-Hazard Early Warning System for Africa and Asia (RIMES), the Food and Agriculture Organization (FAO), International Federation and Red Cross and Red Crescent Societies (IFRC), Indonesian Meteorological, Climatological and Geophysical Agency (Badan Meteorologi, Klimatologi dan Geofisika – BMKG) and the International Centre for Theoretical Physics (ICTP).</i></p>
<b>Estimated duration of project:</b>	<i>5 years</i>
<b>Estimated cost of the project :</b>	<i>USD 21.7 million</i>

## II. Environmental Social and Economic Screening Determination

### A. Summary of the Safeguard Risks Triggered

Safeguard Standard Triggered by the Project <sup>1</sup>	Impact of Risk <sup>2</sup> (1-5)	Probability of Risk (1-5)	Significance of Risk (L, M, H)
SS 1: Biodiversity, natural habitat and Sustainable Management of Living Resources	2	2	L
SS 2: Resource Efficiency, Pollution Prevention and Management of Chemicals and Wastes	1	1	L
SS 3: Safety of Dams	1	1	L
SS 4: Involuntary resettlement	2	2	L
SS 5: Indigenous peoples	1	1	L
SS 6: Labor and working conditions	1	1	L
SS 7: Cultural Heritage	1	1	L
SS 8: Gender equity	1	1	L
SS 9: Economic Sustainability	1	1	L
Additional Safeguard questions for projects seeking GCF-funding (Section IV)	2	1	L

### B. ESE Screening Decision<sup>3</sup> (Refer to the UNEP ESES Framework (Chapter 2) and the UNEP's ESES Guidelines.)

Low risk ☒ Moderate risk ☐ High risk ☐ Additional information required ☐

### C. Development of ESE Review Note and Screening Decision:

Prepared by: Name: Jochem Zoetelief Date: 5 March 2020

Safeguard Advisor: Name: Yuna Yi Date: 28 March 2020

Project Manager: Name: Jochem Zoetelief Date: 5 March 2020

<sup>1</sup> Refer to Annex 6a – ESS Report: Section 3.2 for justification of the Safeguard Risk rating

<sup>2</sup> Refer to UNEP Environment, Social and Economic Sustainability (ESES): Implementation Guidance Note to assign values to the Impact of Risk and the Probability of Risk to determine the overall significance of Risk (Low, Moderate or High).

<sup>3</sup> **Low risk:** Negative impacts negligible: no further study or impact management required.

**Moderate risk:** Potential negative impacts, but less significant; few if any impacts irreversible; impact amenable to management using standard mitigation measures; limited environmental or social analysis may be required to develop a ESEMP. Straightforward application of good practice may be sufficient without additional study.

**High risk:** Potential for significant negative impacts, possibly irreversible, ESEA including a full impact assessment may be required, followed by an effective safeguard management plan.

**D. Recommended further action from the Safeguard Advisor:**

This is likely a low risk project.

### III. ESES Principle and Safeguard checklist

(Section III and IV should be retained in UNEP)

Precautionary Approach
<p>The Project will take precautionary measures, even if some cause and effect relationships are not fully established scientifically but there is risk of causing harm to communities or the environment. UNEP will apply a science-based precautionary approach to its project design and implementation. It also recognises that the term “environmental degradation,” as stated in 1992 in the Rio Declaration on Environment and Development, is interpreted to encompass both negative impacts on the natural environment, and adverse social and economic impacts resulting from those impacts. As such, the ESS Screening Assessment uses prevailing science to draw its conclusions regarding possible adverse effects Project Activities might have. Moreover, in line with UNEP’s precautionary approach, the ESS Screening Assessment employs the mitigation hierarchy, which emphasises avoiding activities that may give rise to adverse impacts. When this is impossible, the ESS Screening Assessment will propose ways to mitigate adverse impacts, and when this is impossible, offset these impacts.</p>
Human Rights Principle
<p>UNEP’s ESES Framework is founded on a human rights-based approach to development, including the rights of future generations. This means that stakeholder engagements and public participation, from project preparation to closure, should be based on the following procedural human rights principles:</p> <ul style="list-style-type: none"><li>• All individuals are equal as human being by virtue of the inherent dignity of each human person. All human beings are entitled to their human rights without discrimination of any kind, such as race, colour, sex, age, language, religion, political or other opinion, national or social origin, disability, property, birth or other status.</li><li>• Every person and all peoples are entitled to active, free and meaningful participation in, contribution to, and enjoyment of civil, economic, social, cultural and political development in which human rights and fundamental freedoms can be realized.</li><li>• The needs of people living in rural and marginalised communities (“the last mile”) are a specific focus of this Project. As such, this Project will ensure that marginalised groups that have historically not enjoyed the advantages of development will benefit from this Project. Furthermore, as articulated in the ESS Screening, the unique needs of the disabled and vulnerable peoples, as well as women and girls, will be considered throughout the Project design. The Free, Prior, and Informed Consent (FPIC) of all Project-affected communities is central to the Project design.</li></ul> <p>Furthermore, the project will make an effort to avoid inequitable or discriminatory negative impacts on the quality of and access to resources or basic services, on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups.<sup>4</sup></p>

<sup>4</sup> Prohibited grounds of discrimination include race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to “women and men” or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender identities, such as transgender people and transsexuals.

Stakeholder Engagement and Response
The Project will respond to concerns raised during the stakeholder engagement process. The Project will implement a Stakeholder Response Mechanism (SRM), which articulates procedures to keep the public informed about upcoming activities, as well as to receive and register communications from the public, to assess the issues raised and determine how to address them, to provide and document responses to public communications, and to make any appropriate adjustments in the management of the respective operation.

Screening checklist	Y/N/ Maybe	Comment
<b>Safeguard Standard 1: Biodiversity, natural habitat and Sustainable Management of Living Resources</b>		
Will the proposed project support directly or indirectly any activities that significantly convert or degrade biodiversity and habitat including modified habitat, natural habitat and critical natural habitat?	N	
Will the proposed project likely convert or degrade habitats that are legally protected?	N	
Will the proposed project likely convert or degrade habitats that are officially proposed for protection? (e.g.; National Park, Nature Conservancy, Indigenous Community Conserved Area, (ICCA); etc.)	N	
Will the proposed project likely convert or degrade habitats that are identified by authoritative sources for their high conservation and biodiversity value?	N	
Will the proposed project likely convert or degrade habitats that are recognized- including by authoritative sources and /or the national and local government entity, as protected and conserved by traditional local communities?	N	
Will the proposed project approach possibly not be legally permitted or inconsistent with any officially recognized management plans for the area?	N	
Will the proposed project activities result in soils deterioration and land degradation?	N	
Will the proposed project interventions cause any changes to the quality or quantity of water in rivers, ponds, lakes or other wetlands?	N	
Will the proposed project possibly introduce or utilize any invasive alien species of flora and fauna, whether accidental or intentional?	N	
<b>Safeguard Standard 2: Resource Efficiency, Pollution Prevention and Management of Chemicals and Wastes</b>		
Will the proposed project likely result in the significant release of pollutants to air, water or soil?	N	
Will the proposed project likely consume or cause significant consumption of water, energy or other resources through its own footprint or through the boundary of influence of the activity?	N	
Will the proposed project likely cause significant generation of Green House Gas (GHG) emissions during and/or after the project?	N	

Will the proposed project likely generate wastes, including hazardous waste that cannot be reused, recycled or disposed in an environmentally sound and safe manner?	N	
Will the proposed project use, cause the use of, or manage the use of, storage and disposal of hazardous chemicals, including pesticides?	N	
Will the proposed project involve the manufacturing, trade, release and/or use of hazardous materials subject to international action bans or phase-outs, such as DDT, PCBs and other chemicals listed in international conventions such as the Stockholm Convention on Persistent Organic Pollutants or the Montreal Protocol?	N	
Will the proposed project require the procurement of chemical pesticides that is not a component of integrated pest management (IPM) <sup>5</sup> or integrated vector management (IVM) <sup>6</sup> approaches?	N	
Will the proposed project require inclusion of chemical pesticides that are included in IPM or IVM but high in human toxicity?	N	
Will the proposed project have difficulty in abiding to FAO's International Code of Conduct <sup>7</sup> in terms of handling, storage, application and disposal of pesticides?	N	
Will the proposed project potentially expose the public to hazardous materials and substances and pose potentially serious risk to human health and the environment?	N	
<b>Safeguard Standard 3: Safety of Dams</b>		
Will the proposed project involve constructing a new dam(s)?	N	
Will the proposed project involve rehabilitating an existing dam(s)?	N	
Will the proposed project activities involve dam safety operations?	N	
<b>Safeguard Standard 4: Involuntary resettlement</b>		
Will the proposed project likely involve full or partial physical displacement or relocation of people?	N	
Will the proposed project involve involuntary restrictions on land use that deny a community the use of resources to which they have traditional or recognizable use rights?	N	

<sup>5</sup> "Integrated Pest Management (IPM) means the careful consideration of all available pest control techniques and subsequent integration of appropriate measures that discourage the development of pest populations and keep pesticides and other interventions to levels that are economically justified and reduce or minimize risks to human health and the environment. IPM emphasizes the growth of a healthy crop with the least possible disruption to agro-ecosystems and encourages natural pest control mechanisms <http://www.fao.org/agriculture/crops/thematic-sitemap/theme/pests/ipm/en/>

<sup>6</sup> "IVM is a rational decision-making process for the optimal use of resources for vector control. The approach seeks to improve the efficacy, cost-effectiveness, ecological soundness and sustainability of disease-vector control. The ultimate goal is to prevent the transmission of vector-borne diseases such as malaria, dengue, Japanese encephalitis, leishmaniasis, schistosomiasis and Chagas disease." ([http://www.who.int/neglected\\_diseases/vector\\_ecology/ivm\\_concept/en/](http://www.who.int/neglected_diseases/vector_ecology/ivm_concept/en/))

<sup>7</sup> Find more information from [http://www.fao.org/fileadmin/templates/agphome/documents/Pests\\_Pesticides/Code/CODE\\_2014Sep\\_ENG.pdf](http://www.fao.org/fileadmin/templates/agphome/documents/Pests_Pesticides/Code/CODE_2014Sep_ENG.pdf)

Will the proposed project likely cause restrictions on access to land or use of resources that are sources of livelihood?	N	
Will the proposed project likely cause or involve temporary/permanent loss of land?	N	
Will the proposed project likely cause or involve economic displacements affecting their crops, businesses, income generation sources and assets?	N	
Will the proposed project likely cause or involve forced eviction?	N	
Will the proposed project likely affect land tenure arrangements, including communal and/or customary/traditional land tenure patterns negatively?	N	
<b>Safeguard Standard 5: Indigenous peoples<sup>8</sup></b>		
Will indigenous peoples be present in the proposed project area or area of influence?	Y	In accordance with the analysis of international development banks, for purposes of development projects, essentially everyone in Timor-Leste is considered indigenous, and thus no specific analysis related to indigenous peoples is required. Other approved GCF projects in Timor-Leste have followed the same approach.
Will the proposed project be located on lands and territories claimed by indigenous peoples?	N	
Will the proposed project likely affect livelihoods of indigenous peoples negatively through affecting the rights, lands and territories claimed by them?	N	
Will the proposed project involve the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	N	
Will the project negatively affect the development priorities of indigenous peoples defined by them?	N	
Will the project potentially affect the traditional livelihoods, physical and cultural survival of indigenous peoples?	N	

<sup>8</sup> Refer to the Toolkit for the application of the UNEP Indigenous Peoples Policy Guidance for further information.



Will the project potentially affect the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices?	N	
<b>Safeguard Standard 6: Labor and working conditions</b>		
Will the proposed project involve the use of forced labor and child labor?	N	
Will the proposed project cause the increase of local or regional un-employment?	N	
<b>Safeguard Standard 7: Cultural Heritage</b>		
Will the proposed project potentially have negative impact on objects with historical, cultural, artistic, traditional or religious values and archeological sites that are internationally recognized or legally protected?	N	
Will the proposed project rely on or profit from tangible cultural heritage (e.g., tourism)?	N	
Will the proposed project involve land clearing or excavation with the possibility of encountering previously undetected tangible cultural heritage?	N	
Will the proposed project involve in land clearing or excavation?	N	
<b>Safeguard Standard 8: Gender equity</b>		
Will the proposed project likely have inequitable negative impacts on gender equality and/or the situation of women and girls?	N	
Will the proposed project potentially discriminate against women or other groups based on gender, especially regarding participation in the design and implementation or access to opportunities and benefits?	N	
Will the proposed project have impacts that could negatively affect women's and men's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services?	N	
<b>Safeguard Standard 9: Economic Sustainability</b>		
Will the proposed project likely bring immediate or short-term net gain to the local communities or countries at the risk of generating long-term economic burden (e.g., agriculture for food vs. biofuel; mangrove vs. commercial shrimp farm in terms of fishing, forest products and protection, etc.)?	N	
Will the proposed project likely bring unequal economic benefits to a limited subset of the target group?	N	

#### IV. Additional Safeguard Questions for Projects seeking GCF-funding

<b>Community Health, Safety, and Security</b>			
Will there be potential risks and negative impacts to the health and safety of the Affected Communities during the project life-cycle?	N		
Will the proposed project involve design, construction, operation and decommissioning of the structural elements such as new buildings or structures?	N		
Will the proposed project involve constructing new buildings or structures that will be accessed by public?	N		
Will the proposed project possibly cause direct or indirect health-related risks and impacts to the Affected Communities due to the diminution or degradation of natural resources, and ecosystem services?	N		
Will the proposed project activities potentially cause community exposure to health issues such as water-born, water-based, water-related, vector-borne diseases, and communicable diseases?	N		
In case of an emergency event, will the project team, including partners, have the capacity to respond together with relevant local and national authorities?	Y		
Will the proposed project need to retain workers to provide security to safeguard its personnel and property?	N		
<b>Labor and Supply Chain</b>			
Will UNEP or the implementing/executing partner(s) involve suppliers of goods and services who may have high risk of significant safety issues related to their own workers?	N		