

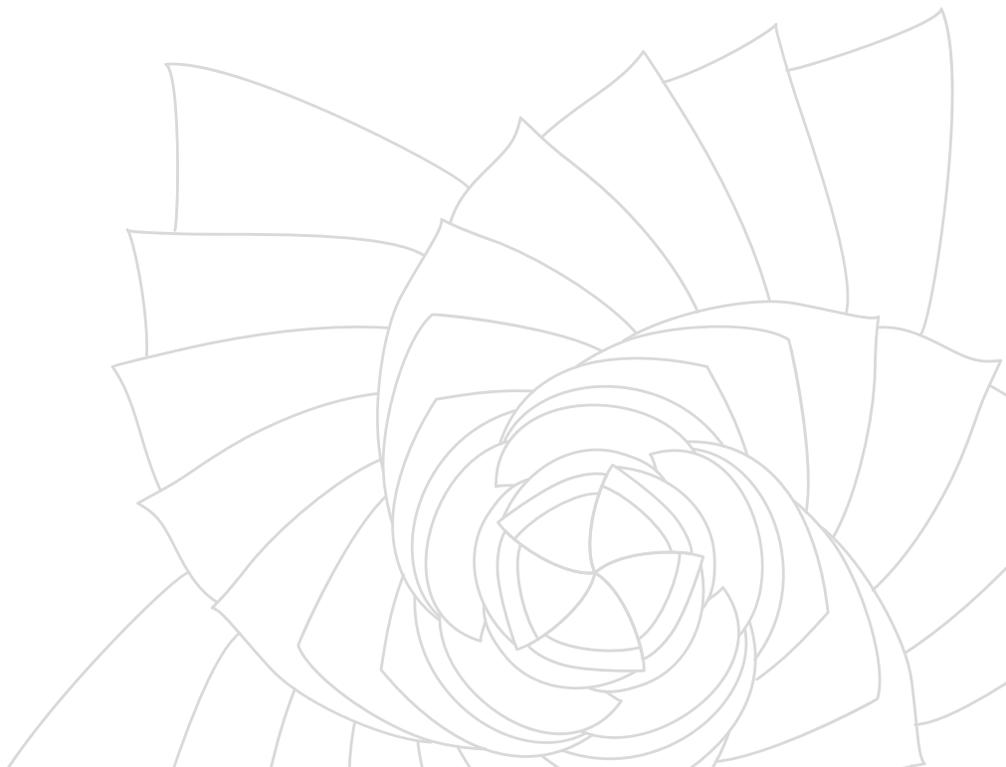


CRPP

Community Resilience Partnership Program

Annex 6
Environmental and Social Management
Framework

20 September 2023



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LINKED DOCUMENTS

Linked Document 1: [ADB Safeguards Policy Statement \(SPS\) \(2009\)](#)

Linked Document 2: [Rapid Environmental Assessment Checklist, Various Outlines, and Monitoring Template](#)

Linked Document 3: [Safeguard Policy Statement Review and Update: Policy Architecture Study \(Draft for Consultation\)](#)

Item	Source Document
ADB Templates for Screening, Categorization and Due Diligence	
1. ADB Prohibited Investment Activities List	Refer to Linked Document 1 ADB SPS 2009, Appendix 5
2. Outline of Environmental Impact Assessment Report	Refer to Linked Document 1 ADB SPS 2009, Annex to Appendix 1
3. Outline of an Indigenous Peoples Plan	Refer to Linked Document 1 ADB SPS 2009, Appendix 4, Annex 3
4. Outline of a Resettlement Plan	Refer to Linked Document 1 ADB SPS 2009, Appendix 4, Annex 2
Rapid Environmental Assessment Checklist, Various Outlines and Monitoring Template	
5. Sample results of rapid environmental assessment: LAO Flood and Drought Mitigation and Management Project	Refer to Linked Document 2, Section I
6. Biodiversity Action Plan (Indicative Outline)	Refer to Linked Document 2, Section II
7. Guide to Project-level Grievance Redress Mechanism (GRM)	Refer to Linked Document 2, Section III

Item	Source Document
8. Stakeholder Engagement Plan (Indicative Outline)	Refer to Linked Document 2, Section IV
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10. Environment Categorization	Refer to Linked Document 2, Section VI
11. Indigenous Peoples Impact Categorization	Refer to Linked Document 2, Section VII
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I. ABOUT THE ANNEX

Managing exposure to environmental and social risks and impacts of potential adaptation investments forms an integral component of Community Resilience Partnership Program Investment Fund's (CRPP IF) overall risk management strategy to ensure environmental and social sustainability and reinforce positive co-benefits.

The Environment and Social Management Framework (ESMF), presented in this Annex, articulates the environmental and social policy; details the procedures in addressing environmental, social and sustainability issues; prescribes standards and guidelines; and sets monitoring compliance procedures to manage environmental and social impacts and risks associated with CRPP IF portfolio of investments. It reflects and adheres to compliance benchmarks and standards of the Green Climate Fund (GCF), as its Accredited Entity (AE) and the Asian Development Bank (ADB), as mandated in GCF's Revised Environmental and Social Policy¹ and Environmental and Social Safeguards (ESS) standards and the ADB Safeguards Policy Statement² (SPS, 2009), respectively.

This document is supported by the following Linked Documents:

- Linked Document 1: [ADB Safeguards Policy Statement \(2009\)](#)
- Linked Document 2: [Rapid Environmental Assessment Checklist, Various Outlines, and Monitoring Template](#)
- Linked Document 3: [Safeguard Policy Statement Review and Update: Policy Architecture Study \(Draft for Consultation\)](#)

II. INTRODUCTION

The CRPP IF will establish and maintain, in the form of an ESMF, an effective environmental and social management system to identify, assess, manage, and monitor the potential environmental and social impacts and risks associated with its portfolio of investments on climate adaptation.

The development and implementation of the ESMF applies to CRPP IF operations and all CRPP investments. It is in line with the GCF requirement for environmental and social risk Category I-2 activity. Category I activities are those that “involve investments through financial intermediation functions or delivery mechanisms involving financial intermediation.” Further delineation of risks³ include: (i) high level of intermediation, or I1, when an intermediary's existing or proposed portfolio includes, or is expected to include, financial exposure to category A activities; (ii) medium level of intermediation, or I2, when an intermediary's existing or proposed portfolio includes, or is expected to include, financial exposure to category B activities; and (iii) low level of intermediation, I3, when an intermediary's existing or proposed portfolio includes financial exposure to category C activities. Category B activities, similar with ADB's Category B projects are “Activities with potential limited adverse environmental and/or social risks and impacts that, individually or cumulatively, are few, generally site-specific, largely reversible, and readily addressed through mitigation measures”. Based on the initial assessment of the proposed activities to be supported (Table 2 of Section 5), anticipated environmental and social risks and impacts are moderate risk activities that can be characterized according to GCF definition: “with exposure to risks and impacts that are less adverse than category A activities in terms of magnitude and likelihood of

¹ GCF. 2021. [Annex 1 Revised Environmental and Social Policy](#). Seoul.

² ADB. 2009. [Safeguards Policy Statement](#). Manila.

³ GCF. 2019. Sustainability guidance note: Screening and categorizing GCF-financed activities. Seoul.

occurrence. Risks and impacts are considered limited, and the magnitude is expected to be low to moderate. The risks and impacts are few in number, contained within the footprint of the activities, largely reversible, and readily mitigated through generally accepted mitigation measures and good international industry practices (GIIP).” CRPP IF will not finance Category A or high-risk investments or those that are anticipated to have significant environmental and social, including transboundary and sexual exploitation, abuse and harassment (SEAH) risks and impacts.

CRPP IF, with co-financing from GCF’s grant and loan resources, and ADB, will finance projects that have been designed with governments to implement climate resilient livelihoods and infrastructure to facilitate transformational adaptation solutions for the poor and vulnerable groups. ADB, as a GCF-Accredited Entity and through ADB’s Climate Change and Sustainable Development Department (CCSD), will host and manage the CRPP IF operations.

Specific project details are not yet firmed-up at this stage, but investments to be supported will fall under the following types: (i) information and systems for delivering applied climate-risk informed investments at scale-supporting attainment of CRPP Output 4; (ii) climate resilient pro-poor livelihoods- supporting attainment of CRPP Output 5; and (iii) climate adaptation on pro-poor infrastructure – supporting attainment of CRPP Output 6. The nature of the existing indicative pipeline and likely future portfolio provide indications on the degree and significance of environmental and social risks which is commensurate with a Category B rating. All projects proposed for GCF financing will be properly screened and categorized based on the appropriate environmental and social risk and impacts in line with ADB SPS (2009) and GCF Revised Environmental and Social Policy.

The scope of the CRPP IF ESMF, as detailed in the sections that follow include: (i) environmental and social policy; (ii) procedures for screening, categorization, and review; (iii) organizational capacity and staffing including skills and competencies in environmental and social areas; (iv) training requirements; and (v) monitoring and reporting.

III. PROGRAMME DESCRIPTION

The CRPP is a regional partnership program of ADB that aims to help countries and communities in Asia and the Pacific region scale up investments in climate adaptation, especially investments at the community level, that explicitly target the nexus between climate change, poverty, and gender. It is expected to contribute to transformational change by: (i) mobilizing large-scale public investments that support community level adaptation of poor and vulnerable people; (ii) developing national and local policies, plans, and programs that promote financing for community-led adaptation; and (iii) increasing the meaningful participation of poor women and men in resilience-related decision-making. By doing so, the CRPP will address the points of procedural and distributive justice so that the people most vulnerable to the impacts of climate change can engage in a fair process and receive a fair share of the benefits of adaptation efforts.

The CRPP will support countries to meet their commitments to the Paris Agreement, the Sendai Framework for Disaster Risk Reduction, and the Sustainable Development Goals. The program responds to the COP 26 goal of scaling up adaptation to protect communities and natural habitats, and mobilizing finance for climate adaptation measures that meet the needs of the poor and vulnerable communities and to the decision of COP 27 which calls for scaling up of approaches in support of transformational adaptation. The CRPP is also identified as flagship program under the locally led action track of the [Global Commission on Adaptation](#), which aims to spur financing

for adaptation measures at the local level, and to help create structures that support appropriate subsidiarity and give local actors greater influence for adaptation-related decision-making.

A programmatic approach for delivering pro-poor adaptation solutions at scale, CRPP is operationalized through the [Community Resilience Financing Partnership Facility \(CRFPF\)](#) which was established by ADB in August 2021. It comprises two separate but interlinked components: (i) the CRPP Trust Fund (TF) focusing on upstream support to strengthen the enabling environment required for implementing local adaptation measures at scale; and (ii) CRPP Investment Fund (IF) focusing on the efficient roll-out of local adaptation measures through downstream investments. The TF is not funded by GCF. It is a multi-donor trust fund administered by ADB and supported by the Government of the United Kingdom, the Nordic Development Fund, and the French Development Agency. It provides technical assistance and grant resources to selected countries to implement three outputs: (i) Knowledge and action research on climate risk informed pro-poor community-level solutions strengthened; (ii) Institutional and community capacity to develop and deliver climate adaptation investments at community-level strengthened; and (iii) Inclusive and pro-poor adaptation investment projects identified and prepared. The TF includes a special gender window to ensure all CRPP-financed activities mainstream gender equality and to promote women-focused investments in adaptation.

The CRPP IF will provide grant and loan financing from the GCF and ADB to seven selected countries, namely, Cambodia, Indonesia, Lao People's Democratic Republic (PDR), Pakistan, Papua New Guinea, Timor-Leste, and Vanuatu to implement local adaptation measures as part of ADB financed projects that are targeted at the poor and vulnerable population. The CRPP IF will deliver three climate related outputs that are the focus of this proposal: (4) information and systems for delivering applied climate-risk informed investments at scale; (5) climate resilient pro-poor livelihoods investments implemented; and (6) pro-poor climate adaptation infrastructure implemented.

Indicative adaptation investments to be financed by CRPP IF that supports attainment of Outputs 4, 5 and 6 include the following:

- a. **Information and systems for delivering applied climate-risk informed investments at scale (Output 4).** Investments include enhanced climate risk information services that can provide reliable, tailored information based on the past, present, and potential future climate will be critical for better understanding of potential risks over various timescales, and to manage current and future climate risks across sectors. These activities will support countries in developing, maintaining, and using climate risk information services for pro-poor decision-making purposes, thereby overcoming barriers related to lack of suitable, locally relevant, and accessible climate information. Activity areas include: (i) climate information services for key sectors to meet local adaptation needs; (ii) climate risk informed social protection systems; and (iii) climate risk information systems for decentralization policies.
- b. **Climate resilient pro-poor livelihoods investments (Output 5).** Activities to be financed include support to the poor and vulnerable communities to build their capacity to adapt to climate change through adaptation measures that help diversify livelihoods, improves climate smart agricultural value chains, promotes integrated and sustainable land and water management practices, and builds new resilience skills and markets. New adaptation interventions will be needed at the farm level to transform agroecological systems (e.g., the adoption of climate resilient crop varieties and improved soil and water

management), provide farmers in poor communities with access to climate information, early warning and risk management services that meets their specific needs and support adoption of new production practices (e.g., index-based weather insurance), and supply chains from local to national level that are robust and ensure a stable supply of agricultural products and safe and nutritious food despite the impacts of climate change (e.g., improving transport and logistics infrastructure etc.). Activity areas include: (i) climate resilient agroecological systems; (ii) information technology and risk management services for climate resilient livelihoods; and climate resilient agriculture supply chains.

- c. **Climate adaptation pro-poor infrastructure (Output 6).** Supported activities include those that scale up investments in adaptation infrastructure, i.e., infrastructure that has a primary purpose of building resilience to climate change (not climate proofing of development infrastructure) and would minimize the exposure and physical vulnerabilities of the poor and vulnerable communities to the impacts of climate change and protect their productive assets. Preference for green over grey coastal infrastructure to reduce impacts of storm surges, it is possible to deliver additional social and environmental benefits, that help build community resilience, as well as providing economic benefits. This output will support following types of activities. Activity areas include: (i) ecosystem-based infrastructure; (ii) flood and landslide protection infrastructure; and (iii) multipurpose emergency shelters.

CRPP IF will provide grant and loan financing to seven selected DMCs including Cambodia, Indonesia, Lao PDR, Pakistan, Papua New Guinea, Timor-Leste, and Vanuatu, to implement local adaptation measures as part of ADB financed projects that are targeted at the poor and vulnerable population. Some project concepts being proposed to contribute to the attainment of the above outputs have been identified: (i) Pakistan: Sindh Coastal Resilience; (ii) Lao PDR: Flood and Drought Mitigation and Management; (iii) Timor-Leste: Agriculture Value Chains and Water Harvesting; (iv) Cambodia: Climate Resilient Smallholder Development; (v) Lao PDR: Building Resilience and Reducing Rural Poverty; (vi) Papua New Guinea: Improved Technical and Vocational Education and Training for Climate Resilient Employment; and (vii) Vanuatu: Climate Change and COVID-19: Building Comprehensive Resilience in Poor and Vulnerable Groups in Vanuatu. The above list is a result of the detailed assessment of the climate risk context of the different CRPP countries, and the on-going climate change adaptation in these countries that can complement activities being proposed under the CRPP and/or have the potential to be replicated by projects financed by the CRPP. The list also represents ADB investments which are currently in early stages of conceptualization but have the potential to align with the objectives of CRPP (subject to findings of climate risk and adaptation assessments to be undertaken during project preparation, among others).

The development and implementation of the ESMF was made as part of CRPP's commitment to manage the environmental and social risks and impacts to avoid, minimize, mitigate, and monitor the potential adverse environmental and social impacts from implementation of adaptation investments. This ESMF will be implemented and maintained by CRPP IF as part of its overall risk management strategy and environmental and social safeguards compliance undertaking: in order to meet ADB safeguards requirements as per ADB SPS, GCF's Revised Environmental and Social Policy, GIIP, and national and local laws of recipient governments; and guide CRPP IF in systematically addressing environmental and social risks in its current and future portfolio of adaptation investments.

IV. ENVIRONMENTAL AND SOCIAL MANAGEMENT POLICY AND APPLICABLE REQUIREMENTS

A. Risk Categorization of CRPP IF projects

Supporting the development and implementation of localized climate adaptation solutions, which forms the core of outputs 4, 5 and 6 of the wider CRPP program, is expected to contribute to a climate resilient sustainable development in Asia and the Pacific. These local adaptation measures are however likely to generate environmental and social risks and impacts that are initially assessed to potentially result in limited adverse environmental or social risks or impacts that are few in number, generally site-specific, largely reversible, and readily addressed through mitigation measures. In line with the risk category definitions of the GCF, environmental and social risk profile of the proposed CRPP IF investment portfolio can be considered as having medium-level intermediation (I-2). This ESMF provides the framework and procedural guidelines in managing the risks associated with CRPP IF's portfolio of investments.

Actual environmental and social risk and impacts of projects to be supported by CRPP IF are determined by factors that include sector, size, sensitivity and magnitude of potential risks and impacts. This will be established during individual screening of projects in line with the procedures outlines in this framework. However, based on the indicative adaptation investments and activities to be financed by CRPP IF as discussed under Section III on Programme Description, project activities are likely to trigger GCF interim ESS (based on IFC performance standards as discussed in Section V.B on Due Diligence) on the following: (i) assessment and management of environmental and social risks and impacts; (ii) labour and working conditions; (iii) resource efficiency and pollution prevention; (iv) community, health, safety and security; (v) land acquisition and involuntary resettlement; (vi) biodiversity conservation and sustainable management of living natural resources; (vii) indigenous peoples; (viii) cultural heritage; (ix) stakeholder engagement and information disclosure; and (x) climate change resilience and adaptation.

A detailed list of environment and social risks associated with the nature of activities identified per CRPP IF output (4,5 and 6) is shown in the Table below.

Table 1. Anticipated Environmental and Social Risks and Impacts

CRPP IF Activities	Anticipated risks		
	Environment	Involuntary Resettlement	Social Indigenous Peoples
Output 4: Information and systems for delivering applied climate-risk informed investments at scale improved			
Activity Area 4.1. Climate information services for key sectors to meet local adaptation needs	Activities are largely capacity-building in nature and are not likely to cause environmental impacts	Activities are largely capacity-building in nature and are not likely to cause involuntary resettlement impacts. May involve land acquisition in case of installation of multi-hazard early warning systems/equipment and ICT infrastructure	In the presence of IP, proposed actions to be developed with the informed consultation and participation of IPs
Activity Area 4.2: Climate risk informed social protection systems			
Activity Area 4.3 Climate risk information systems for decentralization policies.			

CRPP IF Activities	Anticipated risks		
	Environment	Social	
		Involuntary Resettlement	Indigenous Peoples
Output 5. Climate resilient pro-poor livelihoods investments implemented.			
Activity Area 5.1: Climate resilient agroecological systems.	Stress on water resources; soil erosion; pesticide use; loss of biodiversity; crop residues and other solid waste; atmospheric emission; occupational health and safety; community health and safety	Physical and economic displacement; Grievance; Land use change	In the presence of IP, proposed actions to be developed with the informed consultation and participation of IPs; Encroachment in ancestral domain
Activity Area 5.2: Information technology and risk management services for climate resilient livelihoods.	Activities including deployment of weather indexed based micro-insurance schemes and conduct of training are not expected to cause environmental impacts.	Activities are not likely to cause physical and economic displacement	In the presence of IP, proposed actions to be developed with the informed consultation and participation of IPs
Activity Area 5.3 Climate resilient agriculture supply chains.	Solid wastes and by-products; Wastewater; Emissions to air; Water and energy consumption; Hazardous materials; occupational health and safety; community health and safety	May involve land acquisition; Physical and economic displacement	In the presence of IP, proposed actions to be developed with the informed consultation and participation of IPs
Output 6. Climate adaptation pro-poor infrastructure implemented.			
Activity Area 6.1 Ecosystem-based infrastructure.	Impact on biodiversity; Waste; Soil productivity; occupational health and safety; community health and safety	May involve land acquisition; Physical and economic displacement	In the presence of IP, proposed actions to be developed with the informed consultation and participation of IPs; Encroachment in ancestral domain
Activity Area 6.2 Flood and landslide protection infrastructure.	Habitat loss/ Impact on biodiversity; Impact on natural flow regime; Sedimentation; Water quality; Soil erosion; occupational health and safety; community health and safety	May involve land acquisition; Physical and economic displacement	In the presence of IP, proposed actions to be developed with the informed consultation and participation of IPs; Encroachment in ancestral domain
Activity Area 6.3 Multipurpose emergency shelters	Waste management; Emission to air; Wastewater discharge;	May involve land acquisition; Physical and economic displacement	In the presence of IP, proposed actions to be developed with the

CRPP IF Activities	Anticipated risks		
	Environment	Social	
		Involuntary Resettlement	Indigenous Peoples
	occupational health and safety; community health and safety		informed consultation and participation of IPs;

Based on the risk factors identified above, the likely categorization on environment, involuntary resettlement and indigenous peoples as explained in Section V.A on screening and categorization is shown in Table 3.

B. Policy Principles

ADB's [Safeguard Policy Statement \(SPS\) 2009](#)⁴. Consistent with the ADB SPS, CRPP IF's environmental and social management policy aims to: (i) avoid adverse impacts of projects on the environment and affected people where possible; (ii) minimize, mitigate, and/or compensate for adverse project impacts on the environment and affected people when avoidance is not possible; (iii) maximize opportunities for environmental and social benefits; and (iv) help borrowers/clients to strengthen their safeguard systems and develop the capacity to manage environmental and social risks.

CRPP IF will ensure and enhance effective environmental and social management practices in all its activities, products and services with a special focus on the following:

- (i) Ensuring that applicable environmental and social safeguard requirements are met for all projects. These requirements are detailed in Section V.B on Policy Delivery Process of the ADB SPS and discussed in the subsequent sections of this ESMF;
- (ii) Financing projects only when they are expected to be designed, constructed, operated, and maintained in a manner consistent with applicable environmental and social safeguard requirements;
- (iii) Integrating environmental and social risk into its internal risk management analysis;
- (iv) Ensuring appropriate consultation and transparency in CRPP-IF's activities;
- (v) Working together with developing members to put into practice applicable environmental and social safeguard requirements; and
- (vi) Promoting investments with environmental and social benefits.

GCF's [Revised Environmental and Social Policy](#). In line with GCF's Revised Environmental and Social Policy, CRPP-IF as a GCF-supported activity will commit to: (i) avoid, and where avoidance is impossible, mitigate adverse impacts to people and the environment; (ii) avoid, and where avoidance is not possible, mitigate the risks of sexual exploitation, sexual abuse and sexual harassment (SEAH) to people impacted by GCF-financed activities; (iii) enhance equitable access to development benefits; and (iii) give due consideration to persons vulnerable positions and

⁴ See Linked Document 1. The ADB is undertaking a comprehensive review and update of the ADB SPS in view of the changing context in countries and regions and in order to respond to evolving development needs. Details can be accessed in this link [Safeguards Policy Review](#). A Policy Architecture Study related to the ongoing safeguard policy statement review and update was undertaken that include a review of ADB and other MFI safeguard frameworks and architecture. The study identified two distinct models that have emerged from the analysis that include principles-based model and performance standards model. ADB SPS falls under the principles-based model. The study is referenced as Linked Document 3.

situations marginalized populations, groups, and individuals, including women and girls, local communities, indigenous peoples, and other marginalized groups of people and individuals that are affected or potentially affected by GCF-financed project activities and are especially vulnerable to exploitation or other potentially harmful or unintended impacts.

C. Applicable Environmental and Social Safeguard Requirements

For all current and possible future investments, CRPP-IF will ensure that:

- (i) all investments are screened against the Prohibited Investment Activities List (PIAL) (Linked Document 1, ADB SPS 2009);
- (ii) all investments with risks and impacts considered limited with low to moderate magnitude are reviewed and evaluated against Safeguard Requirements 1-3⁵ of the ADB's SPS (2009);
- (iii) all investments are reviewed and evaluated against the national laws, regulations, and standards on environment, health, safety, involuntary resettlement and land acquisition, indigenous peoples, and physical cultural resources. In addition, and as required under ADB SPS, CRPP IF will apply the IFC environmental and social performance standards⁶ to CRPP IF investment.
- (iv) environmental and social risks and impacts are minimized and mitigated in line with the requirements of national laws and regulations and environmental and social safeguard requirements of ADB, GCF and international good practice as reflected in internationally recognized standards such as the World Bank Group's Environment, Health and Safety Guidelines.
- (v) all investments financed by the GCF are developed and implemented in such a manner that aligns/complies with the GCF ESS and revised Environmental and Social Policy.

V. ENVIRONMENTAL AND SOCIAL MANAGEMENT PROCEDURES

A. Screening and Categorization

The following will be undertaken by ADB for CRPP IF investments as part of screening and categorization:

- (i) screening against ADB's PIAL (Linked Document 1). If Stage (i) screening is negative against ADB's PIAL, stage 2 below will be undertaken.
- (ii) rapid environmental assessment (Linked Document 1) of the likely environmental and involuntary resettlement impacts and effects on indigenous peoples of the CRPP IF investment. The environmental assessment checklist and social safeguard screening checklist found in Linked Document 1 are intended as guide in the rapid assessment

⁵ See Appendix 1, Appendix 2 and Appendix 3 on Safeguard Requirements on Environment, Involuntary Resettlement, and Indigenous Peoples, respectively. ADB. 2009. *Safeguards Policy Statement*. Manila.

⁶ International Finance Corporation. Environmental, Health and Safety Guidelines. www.ifc.org/ehsguidelines. It is recognized that the ESS standards applied by GCF include the IFC's Environmental and Social Performance Standards. As an accredited entity of the GCF, ADB's SPS and procedures at an institutional level are aligned with GCF ESS standards.

of risk and impacts. The checklists are used to determine the significance of potential environmental and/or social impacts associated with the investment.

In line with para. 27 of GCF's Revised Environmental and Social Policy on screening and risk categories, among the risks and impacts to be considered include SEAH risks. CRPP IF will ensure that the risk category is proportional to the nature, scale and location of activity including in relation to the SEAH consistent with para. 31 of the GCF Revised Environmental and Social Policy.

CRPP IF will "Avoid, and where avoidance is impossible, mitigate the risks of SEAH to people impacted by GCF-financed activities." Operationalizing this, including the principle of zero-tolerance to SEAH calls for the requirements for environmental and social risk assessment and management, including SEAH risks, to be aligned to GCF ESS standards and to prevent and respond effectively to SEAH in a survivor-centered and gender-responsive way. It will adhere to GCF's [Action Plan for Addressing Sexual Exploitation, Sexual Abuse and Sexual Harassment](#) (SEAH Action Plan) and adopt the [SEAH risk assessment guideline](#). AE will seek guidance from GCF as necessary in undertaking SEAH risk assessment and including the use of the SEAH risk assessment tool.

Additionally, CRPP IF will be guided by the ADB's Good Practice Note⁷ (GPN) to strengthen operational approaches to addressing risks SEAH in its operations with a specific focus on sovereign projects with civil works.⁸ CRPP IF will ensure that adequate information will be provided to enable the GCF review.

- (iii) Following the results of screening and categorization, the investment will be classified according to the following categories: Category A (with potential significant environmental and/or social impacts); category B (with less significant environmental and/or social impacts), and category C (with minimal or no impacts).

The ADB risk screening categories⁹ for environment, involuntary resettlement and indigenous peoples is discussed as follows:

Environment Categorization. Proposed investments are assigned to one of the following four categories, reflecting the significance of the potential environmental impacts based on type, location, scale, and sensitivity and the magnitude of their potential environmental impacts, including direct, indirect, induced, and cumulative impacts:

Category A. A proposed project is classified as category A if it is likely to have significant adverse environmental impacts that are irreversible, diverse, or unprecedented. These impacts may affect an area larger than the sites or facilities subject to physical works. An environmental impact assessment (EIA) is required. The EIA will be disclosed in the ADB website at least 120 days prior to project approval.

Category B. A proposed project is classified as category B if its potential adverse environmental impacts are less adverse than those of category A projects. These impacts are site-

⁷ ADB. 2023. [Good Practice Note on addressing Sexual Exploitation, Abuse and Harassment in ADB Finance Projects with Civil Works](#). Manila.

⁸ The project team will use an SEAH risk assessment tool, to generate a risk categorization through the input of country and project-specific information. The four risk categories are low, moderate, substantial, and high.

⁹ See [ADB Safeguards Categories](#). ADB Safeguards page.

specific, few if any of them are irreversible, and in most cases mitigation measures can be designed more readily than for category A projects. An initial environmental examination (IEE) is required. The IEE will be disclosed in the ADB website at least 30 calendar days prior to project approval. In case the project is at an advanced development stage, the DMC will be required to review the existing reports. The reports cleared by ADB will be disclosed in its website at least 30 calendar days prior to board meeting. If gaps exist with ADB requirements, a corrective action plan (CAP) will be prepared and cleared by ADB.

Category C. A proposed project is classified as category C if it is likely to have minimal or no adverse environmental impacts. No environmental assessment is required although environmental implications need to be reviewed.

Category FI. A proposed project is classified as category FI if it involves investment of ADB funds to or through a FI.

Involuntary Resettlement. All proposed investments will be screened to determine whether it will trigger involuntary resettlement. The degree of impacts shall be determined by (i) the scope of physical and economic displacement, and (ii) the vulnerability of the affected persons. Impacts are considered significant if 200 or more persons will be physically displaced from home or lose 10% or more of their productive or income-generating assets.

Category A. A proposed project is likely to have significant involuntary resettlement impacts. The involuntary resettlement impacts of an ADB-supported project are considered significant (category A) if 200 or more persons will experience major impacts, which are defined as (i) being physically displaced from housing, or (ii) losing 10% or more of their productive assets (income generating). A resettlement plan, including assessment of social impacts, is required. A resettlement plan (RP), which includes assessment of social impacts, is required. The RP will be reviewed by ADB and will be disclosed on the ADB website at least 120 days prior to project approval.

Category B. A proposed project includes involuntary resettlement impacts that are not deemed significant (i.e., if less than 200 persons will experience major impacts, which are defined as (i) being physically displaced from housing, or (ii) losing less than 10% of their productive assets (income generating). An RP, which includes assessment of social impacts, is required. Process to be followed is the same as projects classified as Category A.

Category C. A proposed project has no involuntary resettlement impacts. No further action is required.

Category FI. A proposed project involves the investment of ADB funds to or through a financial intermediary. The financial intermediary must apply and maintain an environmental and social management system unless all the financial intermediary's business activities are unlikely to generate involuntary impacts.

Indigenous Peoples. The impacts of an ADB-supported project on indigenous peoples is determined by assessing: (i) the magnitude of impact in terms of customary rights of use and access to land and natural resources; socioeconomic status; cultural and communal integrity; health, education, livelihood, and social security status; and the recognition of indigenous knowledge; and (ii) the level of vulnerability of the affected Indigenous Peoples community.

- Category A.** A proposed project is likely to have significant impacts on indigenous peoples. An indigenous peoples plan (IPP), including assessment of social impacts, is required.
- Category B.** A proposed project is likely to have limited impacts on indigenous peoples. An IPP, including assessment of social impacts, is required.
- Category C.** A proposed project is not expected to have impacts on indigenous peoples. No further action is required.
- Category FI.** A proposed project involves the investment of ADB funds to or through a financial intermediary. The financial intermediary must apply and maintain an environmental and social management system unless all of the financial intermediary's business activities unlikely to have impacts on indigenous peoples.

GCF Revised Environmental and Social Policy requires that activities are screened for any potential adverse impacts on the promotion protection, respect for, and fulfilment of human rights including risks and impacts on SEAH. Screening may be complemented by human rights due diligence¹⁰ as deemed relevant and based on the Country Conflict Situation undertaken by CRPP IF as part of the design study.¹¹ In particular, CRPP IF will assess proposed activities in terms of potential to induce potential conflicts in relation to community health and safety, land acquisition, indigenous peoples. In case of expected adverse impacts on human rights, the preparation of an action plan will be required. The action plan will identify national laws and/or obligations of the country directly applicable to the activities under relevant international treaties and agreements and describes the mitigation measures that will be taken to comply with those obligations and national laws.

In line with the GCF Gender Policy¹² and Action Plan and in compliance with national laws and/or obligations of the country directly applicable to the activities under relevant international treaties and agreements, screening will also be undertaken for any potential adverse impacts on the promotion, protection, and respect for gender equality. In case of likely impacts, supporting and mitigating actions are to be described and costed in the activity-specific gender action plans and/or Environmental and Social Management Plan (ESMPs), as part of the considerations for GCF funding. Annex 8.2 of the CRPP funding proposal presents the gender action plan which identifies specific action, design features, and monitoring indicators and targets that will be implemented through the CRPP as part of its supported investments. It is based on the gender assessment (Annex 8.1) that describes the critical gender issues related to the types of investments that are likely to be supported by the CRPP, and how such investments can address women's vulnerability and help women to build their resilience to climate change.

Screening and assessment of potential impacts on biodiversity¹³ are required pursuant to ESS standards of GCF that governs biodiversity conservation and ecosystem services. The activities shall avoid impacts on biodiversity and ecosystem services, and if avoidance of impacts is not possible, measures to minimize impacts and compensate and restore biodiversity and ecosystem services will be implemented. For activities that have potential adverse impacts on natural habitats, the preparation of a biodiversity action plan is mandatory. The action plan will describe

¹⁰ See Section IV. Guiding Principles. Human Rights. GCF.2018. [Environmental and Social Policy](#). Seoul

¹¹ See Annex 2.1.2 of the wider Annex 2 on Design Study. The study assessed the conflict situation in the countries included in the CRPP IF.

¹² GCF.2019. [Gender Policy](#). Seoul.

¹³ See Section IV. Guiding Principles. Biodiversity. GCF.2018. [Environmental and Social Policy](#). Seoul.

the long-term mitigation, conservation outcomes, monitoring, and evaluation program. When warranted the plan will include design and measures that provide remedy or restoration and compensation or offsets to mitigate adverse impacts only as a last resort. An outline of the biodiversity action plan is referenced in Linked Document 2 (Section II).

Table 2. ADB SPS Safeguard Requirements and GCF ESS Requirements

Environmental Safeguards	Involuntary Resettlement Safeguards	Indigenous Peoples Safeguards
Category A (with potential significant impacts)		
ADB SPS		
Comply with (i) Safeguard Requirements 1 of the ADB SPS, including Environmental Impact Assessment (EIA) preparation & submission, and (ii) national laws	Comply with (i) Safeguard Requirements 2 of the ADB SPS, including Resettlement Plan (RP) preparation (with social assessment, submission, & actions (as deemed relevant by ADB) & submission, and (ii) national laws	Comply with (i) Safeguard Requirements 3 of the ADB SPS, including Indigenous Peoples Plan (IPP) submission, and (ii) national laws. Prepare and follow processes as deemed relevant by ADB. Broad community support as outlined in the ADB SPS (2009) must be obtained. Meaningful consultation must be conducted and documented. Prepare an IP Plan (IPP)
GCF ESS		
A full and comprehensive Environment and Social Impact Assessment (ESIA) and ESMP is required for Category A activities that are anticipated to have significant environmental and social, including transboundary and SEAH risks and impacts.	Preparation of a resettlement action plan (RAP) or, a resettlement policy framework (RPF) if specific activities or locations have not yet been determined. The development of livelihood restoration and compensation plans or frameworks is required in case of economic displacement	Development of an indigenous people's plan (IPP), or indigenous peoples planning framework (IPPF)
Category B (with less significant impacts)		
ADB SPS		
Comply with national laws and ADB's PIAL. An initial environmental examination (IEE) including an Environmental Management Plan (EMP), is required. Operational projects will undergo screening and compliance audit assessment instead of IEE.	Comply with national laws and ADB's PIAL, Prepare an RP with social assessment.	Comply with national laws and ADB's PIAL. An IPP, including assessment of social impacts is required. Prepare, and follow processes as deemed relevant by ADB SPS (2009). Broad community support must be obtained. Meaningful consultation must be conducted and documented.
GCF ESS		
For Category B activities with limited impacts, a fit-for-purpose ESIA and ESMP, with a more limited focus as may be appropriate, that describes the	RAP; or RPF; and/or livelihood restoration and compensation plans or frameworks	IPP or IPPF

Environmental Safeguards	Involuntary Resettlement Safeguards	Indigenous Peoples Safeguards
potential impacts, as well as appropriate mitigation, monitoring and reporting measures will be required		
Category C (with minimal or no impacts)		
ADB SPS		
Comply with national laws and ADB's PIAL. Environmental implications need to be reviewed	Comply with national laws and ADB's PIAL. Assess if there are any IR impacts and prepare a due diligence report (DDR)	Comply with national laws and ADB's PIAL. No further action is required. Assess if there any IP impacts and prepare a due diligence report
GCF ESS		
Category C activities should have no expected significant environmental and social impacts and therefore may not require any assessments, although a pre-assessment or screening should confirm that the activities are indeed in Category C.		
Category FI		
ADB SPS		
Requires an environmental and social management system, unless all of the financial intermediary's business activities have minimal or no environmental impacts or risks. For any sub-project with significant risks, ADB clearance of EIA required before subproject approval.	Requires an environmental and social management system, unless all of the financial intermediary's business activities are unlikely to generate involuntary impacts. For any sub-project with significant risks, ADB clearance of RP required before subproject approval.	Requires an environmental and social management system, if investments have potential for indigenous peoples (IP) risks (Category A and B), as part of overall risk management system. For any sub-project with significant risks, ADB clearance of IPP required before subproject approval.
GCF ESS		
High level of intermediation, or I1, when an intermediary's existing or proposed portfolio includes, or is expected to include financial exposure to category A activities;		
Medium level of intermediation, or I2, when an intermediary's existing or proposed portfolio includes, or is expected to include financial exposure to category B activities; and		
Low level of intermediation, I3, when an intermediary's existing or proposed portfolio includes financial exposure to category C activities.		

A risk categorization was done based on the type, nature and potential scope of investments and examples of projects that CRPP IF will support. The results of screening and the proposed risk rating is shown in Table 3.

Table 3. Risk Categorization of CRPP-IF Investment Portfolio

Types of CRPP IF investments	Anticipated risks		
	Environment	Social	
		Involuntary Resettlement	Indigenous Peoples
Information and systems for delivering applied climate-risk informed investments (Output 4)	Category C Risks and impacts are minimal to no adverse environmental impacts.	Category C Physical and economic displacement as a result of this type if investment is low	Category B IP maybe among target beneficiaries; Additional guidance on potential environmental and social risks and impacts can be found on the GCF Indigenous Peoples Policy, the Indigenous Peoples Policy Operational Guidelines and the IFC Guidance Note on Performance Standard 7.
Climate resilient pro-poor livelihoods investments (Output 5)	Category B Environmental risks and impacts considered limited with magnitude expected to be low and moderate and site specific. May involve small-scale facilities.	Category C Physical and economic displacement as a result of this type if investment is low	Category B IP maybe among target beneficiaries; Additional guidance on potential environmental and social risks and impacts can be found on the GCF Indigenous Peoples Policy, the Indigenous Peoples Policy Operational Guidelines and the IFC Guidance Note on Performance Standard 7.
Climate adaptation pro-poor infrastructure (Output 6).	Category B May involve physical elements or defined footprints with risk and impacts mitigable. May involve small civil works.	Category C Physical and economic displacement as a result of this type if investment is low	Category B IP maybe among target beneficiaries; Additional guidance on potential environmental and social risks and impacts can be found on the GCF Indigenous Peoples Policy, the Indigenous Peoples Policy Operational Guidelines and the IFC Guidance Note on Performance Standard 7.

Note: CRPP IF will utilize the SEAH risk assessment tool to generate risk categorization in line with ADB's [Good Practice Note](#) on addressing SEAH

ADB conducted actual risk screening using its rapid environmental assessment checklist on a selected sample project of the Climate Resilience Preparation Facility (CRPP IF). The chosen project was the Lao PDR: Flood and Drought Mitigation and Management Project (FDMMP), which was selected due to its advanced preparation status. This project represents one type of CRPP IF investment and contributes directly to the activities and deliverables of output 5 and output 6 of the CRPP. By utilizing the available documentation, the checklists not only facilitate the environmental categorization of the projects but also offer insights into the potential environmental impacts and risks associated with the CRPP IF projects, to the extent that details are available.

The scope of environmental and social safeguards due diligence consistent with the CRPP IF ESMF applies to all investments regardless of whether these are co-financed by ADB and GCF.¹⁴ In the pursuit of effective risk management, a comprehensive evaluation will be conducted to assess the outputs and activities associated with each project as an integrated whole. This valuation encompasses the entirety of the project's outputs and activities, rather than focusing solely on the anticipated outputs and activities that would be financed independently by each co-financing partner.

A sample subproject and results of rapid environmental assessment¹⁵ is presented in Linked Document 2 (Section I).

BOX 1. The Lao PDR: Flood and Drought Mitigation and Management Project (FDMMP)

The project will be implemented in the province of Bolikhamxai, Khammouan and Vientiane Capital. It calls for funding support estimated at \$10 million. This proposed investment will implement the outputs shown on the Table below which are delineated according to co-financing arrangement.

Lao: FDMMP Outputs and co-financing	
Proposed for ADB financing	CRPP IF support under GCF
Output 1	
<ul style="list-style-type: none"> improve water retention through increased vegetative cover (natural reforestation and application of bioengineering); reduce flood magnitudes by diverting surplus water to basins capable of absorption; harvest flood water for dry season use; and construct physical flood barriers to protect property and livelihoods 	<ul style="list-style-type: none"> Sustainable use and conservation of ecosystems and natural resources by communities through increasing vegetative cover (natural reforestation and application of bioengineering) Expanding vegetation and foliage through green infrastructure investments
Output 2	
<ul style="list-style-type: none"> design and construct structures to improve the supply of year-round irrigation water; promote community flood disaster and drought preparedness; and construct fish friendly infrastructure to maintain key aquatic ecosystems, increase food security and improve nutrition. 	<ul style="list-style-type: none"> climate-smart and regenerative agriculture within the irrigation schemes to increase farmer returns as well as incentives to stop and reverse land conversion into cassava production.
Output 3	
<ul style="list-style-type: none"> develop a climate and disaster information system (including both hard and soft infrastructure) to provide information on climate-sensitive farming as well as issuance of emergency flood early warning systems to vulnerable communities. 	
Output 4	
<ul style="list-style-type: none"> introduce climate friendly and nutrition-sensitive agricultural practices in the targeted provinces. improve water, sanitation, and hygiene facilities; and provide training in protection against bacterial and viral infections including COVID-19. 	<ul style="list-style-type: none"> production and post-harvest technologies to ensure proper handling of crops and livestock and reduction of post-harvest losses will be promoted. Provision of small-scale innovative technologies and equipment (e.g., solar irrigation

¹⁴ See Section 3.2 on Scope of Application. GCF.2018. *Environmental and Social Policy*. Seoul; and Section B, Para 70 of the ADB SPS. ADB. 2009. *Safeguard Policy Statement*. Manila.

¹⁵ Projects presented are indicative and contain the most up to date information available at the time of writing.

Initial results of the rapid environmental assessment (REA) and categorization is shown in Linked Document 2. The project is proposed to be classified as Category B for Environment. This category will be revisited at the preparation phase and once details on actual location, type, size of the proposed facilities to be put up (that may potentially include flood water storage and irrigation and water diversion facilities) are already known. Risk screening and categorization for Involuntary Resettlement and Indigenous Peoples will be undertaken at the project preparation phase when details become available. Indigenous peoples, as among the vulnerable sector that comprise an estimated 34% of Lao PDR's total population are likely to be living within the project location and may be positively affected by the sub that may warrant the formulation of an IPP.

Based on the anticipated risks identified in the REA corresponding to the type of potential CCRP IF investments, program level mitigation measures that can be applied include the following, among others: (i) related to occupational health and safety: eliminate, control and minimize hazards through design of safe work systems and administrative or institutional control measures, and providing personal protective equipment in conjunction with training; (ii) related to community health and safety: reduction of potential hazards during the design phase, development of emergency response plan, mandatory regular maintenance, traffic safety, ensure that drinking water sources meet applicable national standards, and ensure that air emissions, waste water effluents, oil and hazardous material and wastes should be managed according to applicable standards; (iii) related to involuntary resettlement impacts: provide timely compensation for loss of assets at replacement cost, assist displaced persons in their efforts to improve, or at least restore their livelihoods and living standards in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of implementation, whichever is higher; (iv) related to impacts on IPs: improve design and promote local support by establishing and maintaining an ongoing relationship based on meaningful consultation with the Indigenous Peoples; (v) related to cultural heritage: identify cultural heritage, and understand the nature and significance of the 's potential environmental and social risks to, and impacts on, that heritage by undertaking consultations with relevant stakeholders, including -affected parties and national or subnational cultural heritage authorities, analysis of national legislation and regulations for managing cultural heritage, and review of available heritage inventories, maps, and land or coastal surveys, among others.

B. Due Diligence

The identification of potential direct, indirect, cumulative and induced environmental and social impacts and risks and scoping to determine the significance of the risks and impacts will be undertaken by the borrowers/clients as early as during project preparation and in consultation with stakeholders and affected people. An environmental and social impact assessment (ESIA) is undertaken if project is anticipated to have adverse environmental and social impacts, including transboundary and SEAH risks and impacts. The ESIA includes an environmental and social management plan (ESMP) that addresses the potential impacts and risks identified as part of the environmental and social assessment, including (but not limited to) health and safety and SEAH issues.

Environmental and social due diligence including SEAH due diligence will be undertaken by the borrower/client with a level of review commensurate with the risks associated with the planned activities and based on the Safeguard Requirements (see below) corresponding to the risk rating.

- Safeguard requirements 1 on Environment outlines the requirements that borrowers/clients are required to meet when delivering environmental safeguards. These requirements include assessing impacts, planning and managing impact mitigations, preparing environmental assessment reports, disclosing information and undertaking consultation, establishing a grievance mechanism, and monitoring and

reporting. It also includes particular environmental safeguard requirements pertaining to biodiversity conservation and sustainable management of natural resources, pollution prevention and abatement, occupational and community health and safety, and conservation of physical cultural resources. The applicability of particular requirements is established through the environmental assessment process and compliance with the requirements is achieved through implementation of environmental management plans..

- Safeguard Requirements 2 on involuntary resettlement outlines the requirements that borrowers/clients are required to meet in delivering involuntary resettlement safeguards that include, undertaking the social impact assessment and resettlement planning process, preparing social impact assessment reports and resettlement planning documents, exploring negotiated land acquisition, disclosing information and engaging in consultations, establishing a grievance mechanism, and resettlement monitoring and reporting.
- Safeguard Requirements 3 on indigenous peoples outlines the requirements that borrowers/clients need to meet in delivering Indigenous Peoples safeguards. It underscores requirements pertaining to (i) undertaking the social impact assessment and planning process; (ii) preparing social impact assessment reports and planning documents; (iii) disclosing information and undertaking consultation, including ascertaining consent of affected Indigenous Peoples community to selected project activities; (iv) establishing a grievance mechanism; and (v) monitoring and reporting.

GCF currently adopts the IFC performance standards as its interim ESS standards that need to be adhered to in GCF supported investment projects. The standards also provide guidance on how to identify risks and impacts and in designing measures to avoid, mitigate and manage these throughout the life of the investment to enhance development opportunities and sustainability. Reference to these ESS was made as part of the risk categorization of CRPP IF investments (Section III A) as potentially being triggered by CRPP IF proposed investment portfolio supporting outputs 4,5 and 6. These are shown in Table 4 that also indicates corresponding safeguard policy instruments to help attain the standard and proposes risk mitigation measures.

Table 4. GCF Interim ESS (IFC Performance Standards) likely to be triggered by proposed CRPP IF investments

IFC Performance standards (GCF interim ESS)	Safeguard Policy Instrument	Mitigation Measures
Performance Standard 1: Assessment and Management of Environmental and Social Risks and Impacts	<ul style="list-style-type: none"> • ESMF • EIA/IEE • Stakeholder engagement plan (disclosure of information and consultation) • Indigenous Peoples informed consultation and participation • Monitoring and review 	<ul style="list-style-type: none"> • compliance with applicable national law, including those laws implementing host country obligations under international law • grievance redress mechanism • Emergency preparedness and response
Performance Standard 2: Labor and Working Conditions	<ul style="list-style-type: none"> • ESMF 	<ul style="list-style-type: none"> • safe and healthy working conditions • compliance with national employment and labor laws • non-discrimination and equal opportunity • access to grievance redress mechanism • occupational health and safety
Performance Standard 3: Resource	<ul style="list-style-type: none"> • ESMF • EIA/IEE/EMP 	<ul style="list-style-type: none"> • conserve raw materials, energy • reduce project-related greenhouse gas

IFC Performance standards (GCF interim ESS)	Safeguard Policy Instrument	Mitigation Measures
Efficiency and Pollution Prevention		<ul style="list-style-type: none"> • reduce water usage • solid and hazardous waste management • integrated pest/vector management
Performance Standard 4: Community Health, Safety, and Security	<ul style="list-style-type: none"> • ESMF • EIA/IEE/EMP • 4GIIP 	<ul style="list-style-type: none"> • ensure safety of equipment design and safety • traffic and road safety • hazardous materials management and safety • emergency preparedness and response • grievance mechanism
Performance Standard 5: Land Acquisition and Involuntary Resettlement	<ul style="list-style-type: none"> • ESMF • RP/RF • Stakeholder engagement plan (disclosure of information and consultation) 	<ul style="list-style-type: none"> • compensation and benefits for displaced persons • community engagement • resettlement and livelihood restoration planning and implementation • grievance mechanism
Performance Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources	<ul style="list-style-type: none"> • ESMF • EIA/IEE/EMP • Biodiversity action plan • Stakeholder engagement plan (disclosure of information and consultation) • Monitoring and review 	<ul style="list-style-type: none"> • implement measures to minimize habitat fragmentation, such as biological corridors; • restore habitats during operations and/or after operations • implement biodiversity offsets
Performance Standard 7: Indigenous Peoples	<ul style="list-style-type: none"> • ESMF • IPDP • Indigenous Peoples informed consultation and participation • Free, prior and informed consent • Stakeholder engagement plan (disclosure of information and consultation) • Monitoring and review 	<ul style="list-style-type: none"> • avoidance of adverse impacts • compensation and benefit sharing
Performance Standard 8: Cultural Heritage	<ul style="list-style-type: none"> • ESMF • EIA/IEE/EMP • chance find procedures • consultation • Stakeholder engagement plan (disclosure of information and consultation) • Indigenous Peoples informed consultation and participation • Monitoring and review 	<ul style="list-style-type: none"> • compliance with local cultural heritage regulations or protected area management plans • consultation • implement additional programs to promote and enhance protected area conservation

Due diligence can involve desk review (for category C investments), based on site visit (for category B projects), or a full-scale review conducted by qualified staff in charge of environmental and social safeguards, or by consultant(s) (for category A projects). Specific ADB SPS safeguards requirements for each Category are defined in Table 1.

This intervention will provide the necessary support for potential borrowers or client governments to adhere to investment agreements. These agreements will include specific environmental and social requirements, ensuring that the project involved fully comply with the relevant safeguard regulations as outlined in Section II.B.

In accordance with the SEAH provisions of the GCF Revised Environmental and Social Policy (2021), the following actions will be followed:

- a. Early identification of any risks or potential adverse impacts on women, men, girls, and boys will be carried out during the screening of GCF-financed activities. These risks will be incorporated into relevant safeguards instruments, such as the Environmental and Social Impact Assessment (ESIA) and Environmental and Social Management Plan (ESMP), as appropriate. The identification process will consider gender and age differences and will encompass issues such as sexual exploitation, sexual abuse, and sexual harassment. The scope of SEAH assessment in the subsequent phase of the cycle will differ based on the risk categorization. An in-depth assessment will be undertaken for projects with risk rating of substantial or high. Outputs of the in-depth assessment may include detailed set of SEAH prevention and mitigation measures as part of the SEAH action plan to be implemented by the project, including standard operating procedures for response and case handling; and description of the required capacity and resources to prevent, mitigate and respond to SEAH.
- b. The safeguards instruments will include measures to promote gender equality and address, prevent, and eliminate SEAH, or similar terms employed by Accredited Entities that are comparable to those of the GCF. Additionally, all measures to mitigate and manage identified risks and impacts will be implemented, monitored, and continuously improved. Progress and performance in relation to the GCF-financed activities will be monitored and reported to the GCF and stakeholders throughout the implementation process.
- c. In the event of SEAH incidents, the following measures will be in place: (i) established grievance mechanisms that are accessible, inclusive, survivor-centered, and gender-responsive. These mechanisms will have specific procedures to address SEAH, including confidential reporting and safe and ethical documentation of such cases. They will provide clear guidance on when and where to report incidents and outline the follow-up actions that will be taken; (ii) mechanisms to ensure timely services and redress for survivors. This may include medical care, psychosocial support, legal support, community-driven protection measures, and reintegration, as appropriate.

C. Information Disclosure

Relevant information about social and environmental safeguard issues is made available to affected people and other stakeholders including the general public in line with the Public Communications Policy (2011) of ADB.¹⁶ The Policy further states that the information will be publicly disclosed in a timely manner and in an accessible place, and in a form and language(s) understandable to the stakeholders so they can provide meaningful inputs into project design and implementation.

The following safeguard documents written in English and local language(s) understandable to affected person, will be submitted by the borrower/client to ADB and will be posted on the ADB

¹⁶ 2011. ADB. [Public Communications Policy](#). Manila.

website (under specific project page), other websites, and in other locations convenient to affected peoples: (i) for environment category A projects, draft environmental impact assessment reports at least 120 days before Board consideration; (ii) draft environmental assessment and review framework, draft resettlement frameworks and/or plans, and draft Indigenous Peoples planning frameworks and/or plans before project appraisal; (iii) final or updated environmental impact assessments and/or initial environmental examinations, resettlement plans, and Indigenous Peoples plans upon receipt; (iv) environmental, involuntary resettlement, and Indigenous Peoples monitoring reports submitted by borrowers/clients during project implementation upon receipt.

Disclosure periods that will apply are as follows: (i) projects classified as Category A (under any safeguards category) according to the ESMF: no later than one hundred and twenty (120) calendar days prior to the relevant ADB board meeting; and (ii) projects classified as Category B (under any safeguards category) according to the ESMF: no later than thirty (30) calendar days prior to the relevant ADB board meeting.

The GCF Information Disclosure Policy¹⁷ calls for disclosure of the necessary documentation relevant to environmental and social safeguards and meeting the required disclosure period. The scope of the policy also applies to Category A and Category B projects of GCF-funded programs and investments through medium- to high-level of intermediation. Links to the reports outlined above will be communicated to GCF by CRPP IF for posting on the GCF website and disclosure to the GCF Board and Active Observers in line with the above cited GCF policy.

In line with GCF's Revised Environmental and Social Policy (2021), the "disclosure of information, meaningful consultation, and informed participation will be designed and undertaken in a manner that is gender-sensitive, inclusive and participatory, and takes into consideration the risks and impacts, including where appropriate transboundary impacts as well as opportunities to enhance environmental and social outcomes of the proposed activities, starting from the design and development of activities and will continue throughout the lifecycle of the activities."

D. Consultation and Participation

The application of the ADB policy requires borrower/client's engagement with communities, groups, or people affected by proposed projects, and with civil society, in meaningful consultation¹⁸ that: (i) begins early in the project preparation stage and is carried out on an ongoing basis throughout the project cycle; (ii) provides timely disclosure of relevant and adequate information that is understandable and readily accessible to affected people; (iii) is undertaken in an atmosphere free of intimidation or coercion; (iv) is gender inclusive and responsive, and tailored to the needs of disadvantaged and vulnerable groups; and (v) enables the incorporation of all relevant views of affected people and other stakeholders into decision making, such as project design, mitigation measures, the sharing of development benefits and opportunities, and implementation issues.

For proposed project with significant adverse environmental, involuntary resettlement, or Indigenous Peoples impacts, ADB project teams participate in consultation activities to understand the concerns of affected people and ensure that such concerns are addressed in project design and safeguard plans.

¹⁷ 2016. GCF. *Information Disclosure Policy*. Seoul.

¹⁸ See definition, <https://www.greenclimate.fund/document/information-disclosure-policy> enhancing consultation and guidelines. ADB. 2009. *Safeguard Policy Statement*. Manila.

Accredited entities in an intermediary role will guarantee that executing entities meet the stakeholder engagement requirements at the activity level. This is essential to ensure widespread support and participation from various stakeholders throughout the lifespan of GCF-financed activities. Moreover, accredited entities must conduct thorough due diligence and oversight to ensure that environmental and social risks and impacts are adequately addressed. In summary, accredited entities will facilitate stakeholder engagement, mitigate risks, and monitor impacts, while also verifying compliance with the specified requirements.

In compliance with the Revised Environmental and Social Policy of GCF on information disclosure, stakeholder engagement, and grievance redress, CRPP IF will ensure the effective engagement of communities and individuals that are affected or potentially affected by the activities proposed for GCF funding. The operational details of disclosure of information, meaningful consultation and informed participation in a culturally appropriate and gender responsive manner, and, in certain circumstances, free, prior informed consent will be included in a stakeholder engagement plan¹⁹ (SEP) that will be required for all CRPP IF projects. The SEP will describe the disclosure of information, meaningful consultations, and informed participation in a culturally appropriate and gender responsive manner, and, in certain circumstances, free, prior informed consent, as required pursuant to the ESS standards of GCF and will be supported by the disclosure of relevant information pursuant to the GCF Information Disclosure Policy. An indicative outline of a SEP is referenced as Linked Document 2 (Section IV). The scope and process for the conduct of stakeholder consultations during implementation is described in Annex 7 of the CRPP funding proposal.

In the case of the proposed CRPP IF indicative pipeline on “Timor-Leste: Water Harvesting and Agriculture Value Chains Improvement Sector Project”, which aims to improve livelihoods and food security for climate and disaster resilience of selected rural communities in Timor-Leste, a Community Participation Framework has been developed through various consultations conducted with local residents in the proposed project sites stakeholders, relevant government agencies, and civil society organizations (CSOs). The framework will guide the subsequent conduct of consultation and participation that will be implemented continuously during various phases of the project. It also identified a number of mechanisms for meaningful consultation that will be utilized to consult with entitled parties and concerned groups including, community consultations and dissemination of information about the project and its project components/subprojects, public consultation meeting, focus group discussion, and training, among others.

E. Compliance Monitoring and Reporting

ADB integrates project level development effectiveness, as well as the monitoring and supervision of social and environmental safeguards, into its project performance management system. ADB and CRPP IF clients that include sovereign borrowers and/or recipients which are ADB DMCs, have the responsibility for implementing safeguard measures and relevant plans outlined in the legal agreements. They are also responsible for submitting periodic monitoring reports to ensure compliance with safeguards and assess performance. ADB will oversee the preparation and submission of an annual environmental and social monitoring report by the implementing entities (as outlined Section IX of Linked Document 2).

¹⁹ See Guiding Principles. GCF. 2018. [Environmental and Social Policy](#). Seoul.

Depending on the structure of the project, project level agreements will mandate the environment and social safeguards implementation and monitoring responsibilities of the borrowers/recipients. CRPP IF will work with borrowers/ recipients rectify to the extent possible any failures to comply with their safeguard commitments and exercise remedies to reestablish compliance as appropriate and require and monitor the fulfillment of obligations in the event of non-compliance including submission of corrective action plan, among others.

Additionally, ADB will review and assess the performance of sovereign borrowers/recipients –in addressing environmental and social safeguard issues. Available country safeguard systems assessments undertaken by ADB will be reviewed and assessed including efforts to facilitate alignment with ADB and international best practice to: (i) ascertain organizational capacity for environmental and social management; and (ii) determine required interventions in parallel with CRPP TF’s support for strengthening policies and regulatory frameworks and CRPP IF’s support for strengthening national and local institutions.

Consistent with GCF Revised Environmental and Social Policy, CRPP IF as AE will undertake all necessary measures to ensure that activities are implemented in a manner that ensures that: the ESMP (Section X of Linked Document 2) and all measures to mitigate and manage environmental and social risks and impacts and to improve outcomes are implemented, monitored and continuously improved; and progress and performance are monitored and reported to GCF and its stakeholders throughout the implementation of the GCF-financed activities, in accordance with the monitoring and accountability framework and allowing GCF or GCF-authorized third-party verification of such reports.

The activities²⁰ outlined below are required to be undertaken by the CRPP IF borrowers/clients:

- i. establish and maintain procedures to monitor the progress of implementation of safeguard plans;
- ii. verify the compliance with safeguard measures and their progress toward intended outcomes;
- iii. document and disclose monitoring results and identify necessary corrective and preventive actions in the periodic monitoring reports;
- iv. follow up on these actions to ensure progress toward the desired outcomes;
- v. retain qualified and experienced external experts or qualified NGOs to verify monitoring information for projects with significant impacts and risks;
- vi. use independent advisory panels to monitor project implementation for highly complex and sensitive projects, and
- vii. submit periodic monitoring reports on safeguard measures as agreed with ADB.

Environmental and social performance will be evaluated against the borrowers’/clients’ commitments as agreed in the legal documents and vis-à-vis applicable environmental and social safeguard requirements, on an annual basis until a project completion report is issued. Based on the review of the annual monitoring reports for Category A and B subprojects prepared by the clients, ADB will prepare an annual environmental and social performance report substantially in the form set out in Section IX (of Linked Document 2) and submit it to ADB.

In parallel, ADB will undertake the following safeguards compliance monitoring and reporting activities:

- i. conduct periodic site visits for projects with adverse environmental or social impacts;

²⁰ See Policy Delivery Process. ADB. 2009. [Safeguards Policy Statement](#). Manila.

- ii. conduct supervision missions with detailed review by ADB's safeguard specialists/officers or consultants for projects with significant adverse social or environmental impacts;
- iii. review the periodic monitoring reports submitted by borrowers/clients to ensure that adverse impacts and risks are mitigated as planned and as agreed with ADB;
- iv. work with borrowers/clients to rectify to the extent possible any failures to comply with their safeguard commitments, as covenanted in the legal agreements, and exercise remedies to reestablish compliance as appropriate; and
- v. prepare a project completion report that assesses whether the objective and desired outcomes of the safeguard plans have been achieved, considering the baseline conditions and the results of monitoring.

GCF reporting requirements at the program level include submission of annual performance reports (APRs), interim evaluation and final evaluation reports²¹. The APRs that ADB/CRPP IF will submit to GCF is focused on the implementation of the ESMF and environmental and social performance of the investment portfolio based on the project level monitoring to be conducted by ADB project teams. Benchmark safeguards compliance include consistency with the ESS standards and the monitoring and accountability framework of GCF.

F. Grievance Redress Mechanism

A grievance redress mechanism (GRM)²² will be established by CRPP IF and ADB clients to receive and facilitate resolution of affected peoples' concerns and grievances about the borrower's/client's social and environmental performance at project level. Linked Document 2 (Section III) presents guide to project-level GRM. The mechanism in place should be able to address affected people's concerns and complaints including on SEAH, promptly, by using an understandable and transparent process that is gender responsive, culturally appropriate, and readily accessible to all segments of the affected people. AE is responsible for incorporating and monitoring SEAH prevention, mitigation, and response measures in ADB-financed projects. (as discussed in Section B of this report) The GRM in place may serve as one of the avenues for addressing SEAH-related complaints under the program.

Towards this end, CRPP IF will undertake all necessary measures to ensure that the GRM in place address SEAH in addition to the environmental and social impacts of activities. Within the scope of its mandate, CRPP IF as AE will support and work in partnership with the borrower/recipient and assess needs to deliver SEAH-focused due diligence process, monitor its implementation, and put in place provisions for the appropriate setup and oversight of response mechanisms.

GCF mandates that accredited entities, which act as intermediaries, will be responsible for ensuring that their clients or executing entities meet the requirements of the activity-level grievance mechanism. Moreover, these intermediaries must conduct thorough due diligence and oversight to verify compliance with these requirements. The requirements stipulate the need for establishing and maintaining suitable and efficient mechanisms to receive complaints and facilitate their resolution in relation to activities financed by GCF. To address complaints specific to the SEAH issue, a survivor-centered and gender-responsive grievance redress mechanism

²¹ See General requirements for environmental and social risk management, Section 6.8 on Monitoring, and reporting. GCF. 2018. [Environmental and Social Policy](#). Seoul.

²² As stipulated in the Safeguard Requirements on Environment, Involuntary Resettlement, and Indigenous Peoples. ADB. 2009. [Safeguards Policy Statement](#). Manila.

will be implemented with guidance from GCF. GCF has also established other formal channels for seeking grievance redress, including the utilization of the GCF Independent Redress Mechanism.²³

As called for in GCF's Revised Environmental and Social Policy and in case of incidences of SEAH occur (para. 19 (b) and para. 20), CRPP IE will ensure that there are: (i) Established accessible and inclusive survivor-centered and gender-responsive grievance redress mechanisms in place, with specific procedures for SEAH including confidential reporting with safe and ethical documenting of such cases, that indicate when and where to report incidents, and what follow-up actions will be undertaken; and (ii) Modalities to provide timely services and redress to survivors, including as appropriate, medical care, psychosocial support, legal support, community driven protection measures, and reintegration.

G. Accountability Mechanism

ADB's Accountability Mechanism, established under the Accountability Mechanism Policy 2012, serves as an independent platform for individuals who have been negatively impacted by ADB-assisted projects²⁴. This mechanism allows them to voice their concerns, seek remedies for their problems, and report any suspected violations of ADB's operational policies and procedures. ADB considers an effective Accountability Mechanism as crucial for addressing the grievances of those affected by its projects and ensuring compliance with its operational policies and procedures. Furthermore, ADB acknowledges that achieving development goals necessitates upholding principles such as accountability, transparency, openness, and public participation at a high standard.

ADB's Accountability Mechanism provides an independent and effective forum for those affected by ADB-assisted projects. The core and strength of the AM is the continuum of problem prevention, problem solving, and compliance of which framework consists of: (i) project-level grievance mechanism; (ii) ADB operations departments' problem solving and compliance efforts and actions; (iii) problem solving led by the Office of the Special Facilitator (OSF); and (iv) compliance Review Panel's (CRP) compliance review. It may be mentioned that SEAH incidents are applicable and are considered under the Accountability Mechanism.

Items (iii) and (iv) above comprise the two distinct offices of the Accountability Mechanism. The OSF provides assistance to various parties, particularly those affected by projects, in finding solutions to their problems while the CRP is responsible for investigating alleged violations of the ADB's operational policies and procedures, as defined by the Board of Directors. These violations include safeguard policies that have caused or are likely to cause direct adverse and significant harm to people affected by the projects. The CRP also provides recommendations on ensuring project compliance with the policies and procedures. Both offices collaborate in conducting outreach activities to increase awareness and understanding of the mechanism, both internally within the ADB and externally.

CRPP IF as AE will support in providing awareness of accountability mechanisms options by integrating this into, e.g., safeguards training, fact-finding missions before project approval and subsequently during project launch, outreach training programs and online modules for affected people and civil society organizations.

²³ See Section 7.3 Grievance redress mechanisms. GCF.2018. [Environmental and Social Policy](#). Seoul.

²⁴ ADB. 2012. [Accountability Mechanism Policy 2012](#). Manila.

VI. IMPLEMENTATION ARRANGEMENTS

ADB, as a GCF-Accredited Entity, will serve as the host and manager of the CRPP IF operations through the CCSD. In this role, ADB will act as a financial intermediary for ADB DMCs, providing technical assistance funds from both GCF and ADB sources. The CRPP IF is under the umbrella regional partnership program “Community Resilience Partnership Program (CRPP) which is operationalized through the [Community Resilience Financing Partnership Facility \(CRFPF\)](#). [CRFPF](#) was established by ADB in August 2021 of which CRPP IF is one of two separate but interlinked component with the CRPP TF as the second component.

At the project level, the teams from ADB's operations department will have primary responsibility for ensuring that both public and private sector transactions meet the ADB safeguard requirements. The Facility Manager will verify that ADB has conducted the necessary safeguards review, ensuring ongoing compliance monitoring and reporting, and confirming that the project aligns with the relevant safeguard policies of both ADB and GCF, as outlined in the CRPP IF ESMF. Training will be provided to borrowers/clients and project developers as needed for projects, as part of the broader ADB SPS initiative aimed at strengthening country systems.

Details of financing is discussed in Section C of the Funding Proposal and relevant annexes. Regarding the implementation of level ESMF and M&E for which an estimated \$6.5 million is earmarked, each of the projected 10 to 15 projects to be supported will have a \$200,000 allotment. Experts on human rights and SEAH will be included in the roster of consultants to be engaged by the AE to contribute to the attainment of the CRPP IF ESMF objectives.