

Simplified Approval Process

Annex 12: Environmental and social action plan



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Overview

This Annex provides an overview of the Federated States of Micronesia (FSM) context for environmental and social risk assessment, details the specific environmental and social risks associated with the GCF project “Increasing resilience to the health risks of climate change in the FSM” and develops an Environmental and Social Action Plan for the overall project.

Project Summary

As climate change creates more severe weather events in FSM, it will exacerbate risks to already burdened human health, in particular through increasing the exposure of humans to vector-, water- and food-borne disease (VBD, WBD, and FBD) affecting people’s right to health, food and safe drinking water. The proposed interventions for this project will contribute to reducing the risk of climate-sensitive diseases for the most vulnerable communities and to reducing health costs as a result of improved access to clean drinking water, food safety and vector control through three main outcomes:

- Outcome 1: Relevant policies, systems, processes and guidelines are institutionalized in the FSM for effective adaptation response to climate change-related vector-, water-, and food-borne diseases;
- Outcome 2: The Health Information Early Warning System becomes effective in supporting timely planning and responding to climate change sensitive diseases in the FSM.; and
- Outcome 3: Communities have increased resilience to climate-related FBDs, WBDs and VBDs as well as capacity to manage associated health burdens.

The project will build on FSM’s National Climate Change and Health Action Plan (NCCHAP) to transition from the current, highly vulnerable situation to a more climate-resilient and responsive health system through:

1. integrated policies and strategies;
2. improved human and systemic capacities;
3. increased national and state interdisciplinary and holistic collaboration;
4. harmonized climate and health information systems; and
5. on-ground adaptation interventions in priority vulnerable communities.

FSM Environmental Policy Context

In FSM, a variety of policies and laws provide the framework for environmental and social management and compliance. The SPREP legislative review for FSM summarizes the principle policies and laws below.¹ The FSM Constitution provides a high-level framework including a few references to the environment, but mostly doesn’t get into detailed specifics for different

¹ SPREP Legislative Review 2018; Available at: <https://www.sprep.org/attachments/Publications/EMG/sprep-legislative-review-fsm.pdf>

thematic sectors – the specifics are detailed in the National Environmental Law (see discussion below). Relevant general provisions include the following:

- **Preamble.** States, in part, “[t]o make one nation of many islands, we respect the diversity of our cultures. Our differences enrich us. The seas bring us together, they do not separate us. Our islands sustain us, our island nation enlarges us and makes us stronger.” Article XIII Contains additional provisions, including some that relate to the environment.
- **Section 2.** Provides that “radioactive, toxic chemical, or other harmful substances may not be tested, stored, used, or disposed of within the jurisdiction of the Federated States of Micronesia without the express approval of the national government of the Federated States of Micronesia.”
- **Section 4.** In terms of land use, “[a] noncitizen, or a corporation not wholly owned by citizens, may not acquire title to land or waters in Micronesia.”
- **Section 5.** Prohibits a lease agreement for the use of land for an indefinite term by a noncitizen, a corporation not wholly owned by citizens, or any government is prohibited.
- **Section 113 of the General Provisions [Title 1].** Empowers the High Commissioner to restrict or forbid non-citizens from acquiring interests in real property and in business enterprises.

The State constitutions provide more detail for environmental quality and particularly parameters for the enforcement of standards. Across the four State constitutions high-level descriptions of the rights and requirements for environmental quality are delineated. These provisions are similar across the State Specific State-level provisions include:

- **Chuuk** – Article XI of the Chuuk Constitution requires the legislature to “provide by law for the development and enforcement of standards of environmental quality, and for the establishment of an independent State agency vested with responsibility for environmental matters.” Article XI of the Chuuk Constitution also gives the State Government the power to take an interest in land for public interest purposes subject to negotiations and the payment of compensation.
- **Kosrae** – Article XI of the Kosrae Constitution addresses land and environment matters. It grants the people the right to “a healthful, clean and stable environment”. The State government is required to “by law protect the State’s environment, ecology, and natural resources from impairment in the public interest.” The Constitution prohibits nuclear, chemical, gas or biological weapons and hazardous radioactive material being in the State. The Constitution provides “[t]he waters, land, and other natural resources within the marine space of the State are public property, the use of which the State Government shall regulate by law in the public interest...” Rivers and streams may be designated by law as public property for use in the public interest. The State Government may acquire land for public purposes without the interested parties’ consent, subject to the payment of fair compensation and good faith attempt at negotiation. Title to State land may only be acquired by Micronesian citizens who are Kosraean by descent.
- **Pohnpei** – Under the Pohnpei Constitution, the State Governor must establish and administer “comprehensive plans for the conservation of natural resources and the protection of the environment”. Article 12 states that only Ponapean citizens, who are also pwilidak of Pohnpei, may acquire a permanent interest in real property. The

Constitution also prohibits leases of more than 25 years and indefinite land-use agreements. The Government of Pohnpei may acquire land for public purposes following consultation with local government, owners and an offer for payment of a purchase price or compensation. Article 13 of the Pohnpei Constitution prohibits the introduction, storage, use, test and disposal of nuclear, chemical, gas and biological weapons, nuclear power plants and related waste materials from Pohnpei.

- **Yap** – The Yap Constitution states that the “state Government may provide for the protection, conservation and sustainable development of agricultural, marine, mineral, forest, water, land and other natural resources.” It also prohibits testing, storing, using or disposing of radioactive and nuclear substances within the State. Land ownership and uses are restricted under the Yap Constitution. The State recognises traditional rights and ownership of natural resources and areas within the marine space of the State up to 12 miles from island baselines.

In the FSM, customary law takes strong precedence particularly in matters of land rights, land acquisition, and the like. Land is mostly owned by FSM citizens as per customary law and the State and National Governments abide by the already-established system and process that entails robust stakeholder engagement within these structures. Section 114 of the General Provisions [Title 1] in the national Constitution requires due recognition to be given to local customs in the system of law, and Section 202 of the General Provisions [Title 1] provides that customs not in conflict with other laws in Micronesia are preserved with the following aligned State-specific provisions²:

- Article IV of the Chuuk Constitution recognises and protects customary law and the role of tradition leaders in Chuuk.
- The Kosrae Constitution requires the State Government to “protect the State’s traditions as may be required by the public interest” (Art II).
- Article 5 of the Pohnpei Constitution states “[t]his Constitution upholds, respects, and protects the customs and traditions of the traditional kingdoms of Pohnpei” and that the Pohnpei Government shall respect and protect customs and traditions.
- The Yap Constitution grants due recognition to the Dalip pi Nguchol and their traditional and customary roles, and to traditions and customs in providing a system of law (Art III). In Yap, Traditional leaders who serve in the Council of Pilung and the Council of Tamol carry out traditional and customary functions. Land in Yap may only be acquired in a manner consistent with traditions and customs (Art XIII).

Given the high-level focus of the constitutional provisions at the State and national level, it will be critical for SPC to apply its own SER environmental screening to ensure appropriate management of social and environmental risks alongside FSM’s National Environmental Law and EIA provisions as outlined below. The National Environmental Law in FSM mostly centres on Title 25, Environmental Protection. Title 25 has three principal components:

² FSM Review of Natural Resource and Environment-Related Legislation (SPREP and ENDO, 2018). [sprep-legislative-review-fsm.pdf](#). Retrieved 17 March 2025.

1. **Chapter 5/Subtitle 1:** This subtitle sets out Micronesia’s public policy on the environment. Section 102 provides: “It is the policy of the Federated States of Micronesia to use all practicable means, consistent with other considerations of national policy, to improve and coordinate governmental plans, functions, programs, and resources to the end that the inhabitants of the Federated States of Micronesia may: (a) fulfil the responsibilities for each generation as trustee of the environment for succeeding generations; (b) enjoy safe, healthful, productive, and aesthetical and culturally pleasing surroundings; (c) attain the widest range of beneficial uses of the environment without degradation, risk to health or safety, or other undesirable or unintended consequences; (d) preserve important historic, cultural, and natural aspects of our Micronesian heritage, and maintain, wherever possible, an environment which supports diversity and variety of individual choice; and (e) remain responsible members of the global community by complying with the international legal obligations accepted by the Federated States of Micronesia upon ratifying or acceding to international environment agreements.”
2. **Chapter 6/Subtitle 2:** Section 208 states that the Director of the Office of Environment and Emergency Management must provide an annual environmental quality report to the President and Congress. This Act establishes the Environmental Protection Office with the following roles as set out in section 209: “The Office shall have the power and duty to protect the environment, human health, welfare, and safety and to abate, control, and prohibit pollution or contamination of air, land, and water in accordance with this subtitle and with the regulations adopted and promulgated pursuant to this subtitle, including measures undertaken to prohibit or regulate the testing, storage, use, disposal, import and export of radioactive, toxic chemical, or other harmful substances. The Office shall balance the needs of economic and social development with those of environmental quality and shall adopt regulations and pursue policies which, to the maximum extent possible, promote both these needs and the policies set forth in section 102 of this subtitle”. Section 210 grants the Environmental Protection Office a number of powers and duties in order to achieve the purposes set out in section 209. For example, the Environmental Protection Office may create regulations to implement international environment treaties, collect fees for permits or licenses, administer nationwide programs “for the protection of the environment, human health, welfare and safety” of Micronesia.
3. **Chapter 7/Subtitle 3:** This deals with enforcement and environmental impact assessment. Importantly, section 302 states that: “(1) Any person, prior to taking any action that may significantly affect the quality of the environment within the Exclusive Economic Zone of the Federated States of Micronesia, or within the boundaries of the National Capital Complex at Palikir, must submit an environmental impact statement to the Director, in accordance with regulations established by the Director. (2) The environmental impact statements required by subsection (1) of this section are public documents, and must include a detailed statement on: (a) the environmental impact of the proposed action; (b) any adverse environmental effects which cannot be avoided should the proposal be implemented; (c) the alternatives to the proposed action; (d) the relationship between local short-term uses of the environment and the maintenance and enhancement of long-term productivity; and (e) any irreversible and irretrievable commitments of resources which would be involved in the proposed action should it be implemented.”

FSM also provides regulations specific to Environmental Impact Assessments.³ The Environmental Impact Assessment (ESIA) process is intended to help the general public and government officials make decisions with the understanding of the environmental consequences of their decisions, and take actions consistent with the goal of protecting, restoring, and enhancing the environment. Project proponents are responsible for conducting Environmental Impact Assessments and submitting them to the Secretary of the Department of Human Resources for review. The FSM ESIA Process has three main elements:

- a) **Identification.** This involves the initial work of characterizing the proposed project and its alternatives, characterizing the existing environment, and developing a reasonable scope for the study.
- b) **Prediction.** During this phase, the potential impacts selected for study are analysed and quantified for each of the alternatives.
- c) **Evaluation.** This is the culmination of the ESIA based on the previous two steps, in which the predicted impacts are summed and compared for alternatives considered.

FSM also provides regulations specific to water and sanitation as well as food safety at both the Federal and State levels— these include the following:

- **Framework National Water and Sanitation Policy (2011)**⁴: The Framework National Water and Sanitation Policy sets the rationale for a national water policy and presents an overview of FSM water resources and their management. Moreover, it sets the strategic aspects of the water policy and sets a roadmap for the coordination of water and sanitation service delivery.
- **National Food Safety Act (1992)**⁵ – This Act sets out a general framework of rules regarding the safety of food, i.e., any article manufactured, sold or represented to be for human consumption, placed on the market in Micronesia and provides for food safety administration.
- **Toilet Facilities and Sewerage Disposal Regulations (1977)**⁶: The purpose of these Regulations is to establish minimum standards for toilet facilities and sewerage disposal to reduce environmental pollution, health hazards, and public nuisance from such facilities. Standards are established for i) flush toilets connected to a sewerage system available to the public, ii) flush toilets connected to septic tanks and iii) a pit privy or outside banjo. All public and private buildings require toilet disposal facilities approved by the Secretary for Human Resources (Environmental Protection Board). The Regulations make it unlawful to dispose of treated or semi-treated sewerage into any body of water in FSM, unless it can be clearly demonstrated that such activity is necessary for the economic and social benefit or research and that the activity poses no

³ FSM Environmental Impact Assessment Regulations; Available at:

<http://www.fsmlaw.org/fsm/regulations/envimp.htm>

⁴ FSM Government. (2011). Framework National Water and Sanitation Policy for the Federated States of Micronesia. FSM Government.

⁵ Accessed at:

http://fsmlaw.org/fsm/code/title41/T41_Ch10.htm#:~:text=It%20is%20the%20policy%20of,States%20to%20accomplish%20this%20objective .

⁶ https://www.sprep.org/attachments/Legal/REVIEWS_ENV_LAW/FSM.pdf, (page 4).

public health hazard. In addition to the national regulations each State has its own state-specific regulation:

- **Chuuk State Code Title 21: Health & Sanitation, Ch 13: Sanitation:** requires latrines or toilets to conform to public health regulation standards.⁷
- **Kosrae Code Section 13.1201**⁸ -regulations pertaining to toilets and the disposal of human excreta.
- **Pohnpei Environmental Protection Agency (EPA) Toilet Facilities and Sewage Disposal Regulations**⁹: The purpose of these regulations is to establish minimum standards for toilet facilities and sewage disposal to minimize environmental pollution, health hazards, and public nuisance from such facilities.
- **Yap Toilet Facilities and Sewage Disposal Regulations**¹⁰ the purpose of these regulations is to establish minimum standards for toilet facilities and sewage disposal to minimize environmental pollution and health hazards.
- **Kosrae State Code (2014)**¹¹: Chapter 12 of Title 12 provides for matters of public health in the State of Kosrae, including the establishment of sanitary standards for commercial premises such as food stores and restaurants, and the control of food for sale to the public. Food offered for public sale shall be subject to inspection by the Department of Health Services. If food is considered to be unsanitary or adulterated, the Department may destroy the food, require its use as animal food, or require it to be labelled to describe its condition.
- **Chuuk State Code (2001)**¹²: Chapter 13 provides for matters of health & sanitation, including: Latrines and toilets; Accumulation of rubbish and refuse; Standards for and inspection of service establishments; Standards for an inspection of food; and Penalties for violations.
- **Pohnpei State Code (2012)**¹³: Chapter 9 of Title 17 provides for matters of refuse collection and sanitation.
- **Yap State Code (2000)**¹⁴: Chapter 3 of Title 15 provides for matters related to food and drugs and chapter 6 of Title 15 provides for matters related to sanitation.

Given the expected negligible impact and negligible risk activities for the present project, this ESIA process will not be triggered, but it does provide some context for how E&S considerations are handled in FSM. The National and State-level toilet facilities and sewage disposal regulations will be utilized to minimize any seepage or pollution risk associated with the installation of toilets (see Environmental and Social Analysis below as well as the ESAP for the project).

⁷ http://fsmlaw.org/chuuk/code/title21/T21_Ch13.htm (2001).

⁸ https://www.sprep.org/attachments/Legal/REVIEWS_ENV._LAW/FSM.pdf

⁹ <https://pohnpeistate.gov.fm/environmental-protection-agency-epa/> (1995).

¹⁰ Received.

¹¹ Accessed at: <http://www.fsmlaw.org/kosrae/code/index.htm>

¹² Accessed at: <https://fsmlaw.org/chuuk/code/index.htm>

¹³ Accessed at: <http://www.fsmlaw.org/pohnpei/code/pdf/pohnpei%20state%202012%20code.pdf>

¹⁴ Accessed at: <http://fsmlaw.org/yap/code/index.htm>

SPC Social and Environmental Responsibility

SPC's [Social and Environmental Responsibility Policy \(SER Policy\)](#) provides the framework, including guiding principles, for SPC to ethically and sustainably manage social and environmental risks and impacts of all its activities. This will be done in an inclusive manner, so as to maximise whole-of-society benefits. The intent of this policy is to help SPC:

- to promote and drive continuous improvement of SPC's social and environmental performance by:
 - identifying, assessing and managing social and environmental risks, impacts or opportunities in all SPC activities and projects;
 - improving existing practices in the implementation of other relevant SPC policies.
- to strengthen the involvement of staff and all stakeholders' in defining and implementing social and environmental performance standards; and
- to meet the International Finance Corporation's Environmental and Social Performance Standards. This policy will be implemented through an SER action plan and integrated coherently with all other relevant SPC policies, including its human resources, financial, and monitoring and evaluation policies.

SPC is committed to improving its social and environmental responsibility along three pillars: people, operations and programmes.

- **People.** SPC is committed to providing its staff with a workplace that promotes diversity and inclusion, guarantees equal rights, and provides for a safe, healthy and dynamic working environment. SPC is committed to the prevention of abuse and to the well-being of members, children, vulnerable adults and their families.
- **Operations.** SPC is committed to being a responsible organisation in the fight against climate change and biodiversity loss and in the protection of the environment. SPC will endeavour to reduce its own environmental and carbon footprint with the ultimate goal of achieving carbon neutrality and zero waste. To this end, SPC will implement a robust in-house climate and environmental responsibility framework and ensure that relevant policies are adapted to reflect this approach, including the greening of its procurement and travel policies.
- **Programmes.** SPC is committed to supporting programmes and projects to deliver activities that maximise social benefits and minimize environmental degradation. SPC aims to prevent or, where not possible, mitigate any significant or unjustified impacts on the environment, or negative social impacts, such as those that affect gender equality or human rights.

To this end, SPC has an environmental and social management system (ESMS) to screen and appraise its activities through a dynamic and continuous process supported by management. The ESMS includes tools, methodologies and guidelines that are applied in a consistent and supportive manner with SPC's integrated programmatic approach. Overall, SPC is committed to achieving the following outcomes:

- All activities, programmes and projects are subject to a risk categorisation exercise through a screening process, which is operationalised through the SER action plan.

- Where risks are identified in the light of the SER screening process, activities, programmes and projects are assessed for the magnitude of potential social and environmental risks.
- Against these risks and potential impacts, social and environmental mitigation measures are proposed and included in the formulation of the project and its activities and monitored throughout the life of the project.
- Staff are trained in the identification and assessment of social and environmental risks and impacts, as well as in the implementation of mitigation measures.
- Openness and transparency are maintained with affected communities or stakeholders who are engaged in the identification of risks and impacts and who can express their concerns through a grievance mechanism.

All of this is designed to be compliant with GCF's Environmental and social management system (as per GCF/B.19/06). This comprises the following elements as they relate to the GCF:

- The GCF revised environmental and social policy (RESP);
- The GCF environmental and social safeguards (ESS) standards, including the relevant ESS standards;
- The ESMS manual containing the rules and procedures for the implementation of the ESMS;
- The guidance and tools, consisting of references and best practices, to guide the implementation of the ESMS;
- The stakeholder engagement consisting of guidance and related policies of GCF promoting multi-stakeholder engagement; and
- Related policies and practices of GCF relevant to, and complementing and supporting, the ESMS

As the AE, SPC shall undertake all necessary measures to ensure that activities are implemented in such a manner that:

- (i) Ensures that the environmental and social action plan, and all measures to mitigate and manage environmental and social risks and impacts and to improve outcomes are implemented, monitored and continuously improved; and
- (ii) Ensures that the 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.

In relation to environmental safeguards, SPC as the AE will:

- Confirm that the measures to manage environmental and social risks and impacts, including, as relevant, information disclosure, stakeholder engagement, and grievance redress, are incorporated by the project designer and followed by the project manager in the agreements with executing entities including tendering documents and contracts;
- Ensure the project manager does take all necessary measures to ensure the compliance with all applicable laws, including the laws, regulations, and standards of the country in which the activities are located, and/or obligations of the country or countries directly applicable to the activities under relevant international treaties and agreements (all of these will be reflected in the agreements with the executing entities);
- Undertake all necessary measures to ensure that the communities affected or potentially affected by the activities (including vulnerable populations, local communities, groups and

individuals including women, children, people with disabilities, people marginalized by virtue of their sexual orientation and gender identity, indigenous peoples and other marginalized groups of people and individuals) are properly consulted in a manner that facilitates the inclusion of local knowledge in the design of the activities, provides them with opportunities to express their views on risks, impacts and mitigation measures related to the activities, and allows the accredited entities to consider and respond to their concerns. In ensuring the meaningful and effective consultation and participation of the affected communities and vulnerable populations, the accredited entities will align their stakeholder engagement processes to best practices and standards and will make publicly available the relevant information on the activities according to the requirements of the Information Disclosure Policies of GCF and SPC.

Environmental and Social Analysis of Project Components

Below is an assessment of the **overall project risks** against the eight International Finance Corporation (IFC) performance standards.

Table 1: Assessment of Project Risks Against IFC Standards

IFC Performance Standards	Project Risk Assessment	Likelihood/ Consequence
Performance Standard 1: Assessment and Management of Environmental and Social Risks and Impacts Importance of (i) integrated assessment to identify the environmental and social impacts, risks, and opportunities of projects; (ii) effective community engagement through disclosure of project information and consultation with local communities on matters that directly affect them; and (iii) management of environmental and social performance throughout the life of the project.	<p>The Project does not generate significant negative impacts. To ensure compliance with SPC's Social and Environmental Responsibility Policy (SER Policy), an Environmental and Social Action Plan (ESAP) has been prepared (see below). The ESAP defines all the requirements to comply with SPC's policies and safeguards. The project does not trigger FSM's regulations on Environmental Impact Assessments.</p> <p>Extensive stakeholder consultation took place during project preparation and will continue through implementation. A stakeholder assessment and mapping were conducted and a specific stakeholder engagement plan has been undertaken as part of the pre-feasibility study and are included as Annex 15 to the Full Proposal.</p> <p>A Gender and Environmental and Social Safeguard (GESS) expert will be hired to ensure proper implementation and monitoring of the ESAP throughout the lifetime of the project.</p> <p>To ensure the optimised inclusion of women and vulnerable groups, a gender assessment was undertaken and action plan developed (Annex 4).</p>	Low
Performance Standard 2: Labour and Working Conditions	Under outcome 3 the project will depend on the use of rainwater harvesting as the source of secure, safe drinking water, and household-level climate-resilient	Low

<p>Employment creation and income generation should be accompanied by protection of the fundamental rights of workers (as guided by the International Labour Organization (ILO) Conventions)</p>	<p>latrine pits. These will not entail the building of any infrastructure as the rainwater harvesting tanks and latrine pits (water-sealed toilet-septic tank system) will be ‘off-the-shelf’ and will need to be installed at the household-level.</p> <p>Further, the project will seek to leverage its service contracts to actively promote non-discrimination and equal opportunity hiring practices aligned with relevant policies including Title 51, and Title 52 of the FSM Code. Compliance with ILO regulations and relevant FSM labour laws will be monitored consistently to ensure prevention of potential labour issues.</p> <p>Under Activity 3.1.1, there is a potential risk of workers being exposed to vector-borne diseases in the conduct of environmental clean-ups. This is assessed as low-risk, as it is common and standard practice to employ localised and context-appropriate mitigation measures such as health and safety orientation prior to field work; use of loose or long clothing to cover exposed skin; and preparation of applicable preventative medication such as available mosquito repellents or bug spray.</p>	
<p>Performance Standard 3: Resource Efficiency and Pollution Prevention With any potential impacts of pollution to air, water, and land, the project and its activities should identify resource efficiency and pollution prevention and control measures.</p>	<p>Mostly, the envisioned activities will focus on assessments, strategy development, training and implementing an improved surveillance system through a HIEWS. There is low anticipated risk of chemical and radiological hazards with regards to installation of laboratory equipment and during laboratory operations, in accordance with IFC Exclusion List prohibiting production or trade in radioactive materials.</p> <p>Under outcome 3 however, there is a potential risk of polluting drinking water, surface water, or groundwater due to poorly installed toilets (output 3.1), inadequate maintenance, or discharge of untreated sewage and sludge into surface water. There is also potential risk of laboratory waste from operation and maintenance and solid organic waste generated from during environmental clean-ups.</p> <p>As per consultations with the FSM government and specifically with the Environmental Protection Agency</p>	<p>Low</p>

	<p>(EPA), all installed toilets will be Type 2 toilets,¹⁵ as such these will be inspected and permitted by the EPA to ensure they meet FSM’s standards and are installed properly. The project will adhere to the National and State-level Toilet Facilities and Sewage Disposal Regulations which require the approval of a permit for toilet installation. The installation and siting of any toilet as part of this project will undergo the permitting and inspection process by the State-level EPAs (for Kosrae - Kosrae Island Resource Management (KIRMA)).</p> <p>Given these toilets will serve individual households any anticipated impacts are site specific and limited in scope. Monitoring for proper installation has been included as a mitigation measure to ensure risk remains low through the State-level EPA standard procedures (see environmental and social action plan (table 3)). In addition, activity-level monitoring for ESS compliance with Section 2 of the FSM Constitution (i.e. “radioactive, toxic chemical, or other harmful substances may not be tested, stored, used, or disposed of within the jurisdiction of the Federated States of Micronesia without the express approval of the national government of the Federated States of Micronesia”) is built into the overall project-level M&E implementation, ensuring the potential risk of inappropriate disposal of laboratory waste is sufficiently prevented and mitigated.</p>	
<p>Performance Standard 4: Community Health, Safety, and Security</p> <p>Project-level actions to avoid or minimize the risks and impacts to community health, safety, and security that may arise from project related-activities, with particular attention to vulnerable groups</p>	<p>The project is specifically working to improve the health of local communities by promoting climate-resilient health systems and services; and facilitating climate-informed advisory, risk management and services and community action.</p> <p>While there is a slight risk that project activities are not designed and implemented to optimally respond to specific local vulnerabilities, outcome 1 includes specific vulnerability and capacity assessment (VCA) processes be established which will ensure local vulnerabilities are incorporated and thereby mitigate this risk. Community health workers will also be engaged in the implementation of the project and will provide their insight as well as receive training.</p>	Low

¹⁵ Type 2 refers to a toilet which is flushed with water and connected to a septic tank, cesspool, or combination of both.

	<p>Although FSM is indicated under the World Bank’s 2025 List of Fragile and Conflict-Affected Situations (FCAS)¹⁶, the classification is specifically for ‘Institutional and Social Fragility’, “based on indicators that measure the quality of policy and institutions, and manifestations of fragility”¹⁷. This current broad assessment may be attributable to a range of sociopolitical factors and the overall governance structure that are, in context, relatively predictable. In the latest ADB Micronesia profile, it is reflected that “as a federation, each State enjoys considerable autonomy with responsibility for public services devolved from the central government. This structure could hamper coordination with development partners and place fiscal pressure on state governments. As the FSM’s small population can migrate to and work freely in the US, outward migration further contributes to capacity constraints in the public and private sectors”¹⁸. In the 2024 UN Micronesia policy brief, it is further characterised that “FSM relies heavily on external assistance, particularly from the United States under the Compact of Free Association (COFA) agreement. While this assistance is crucial for providing essential services, there is a need to strengthen domestic revenue generation and promote sustainable economic growth to reduce dependence”¹⁹. These details contextualise FSM’s inclusion in the FCAS List and demonstrate that its concrete impacts on the FSM Health SAP Project are low-risk. SPC in its capacity as Accredited Entity and Executing Entity has maintained strong positive relationships with the FSM National Government and by extension its State Governments, to ensure mitigation of any perceived risk under this standard.</p>	
<p>Performance Standard 5: Land Acquisition and Involuntary Resettlement</p> <p>Project-related land acquisition and restrictions on land use can have adverse impacts on communities and persons that use this land</p>	<p>In the FSM Constitution, sections pertaining to land acquisition and/or use indicate that “Government [has] the power to take an interest in land for public interest purposes subject to negotiations and the payment of compensation” and this is reflected in similar Articles under per-State constitutions e.g. “The State Government may acquire land for public purposes</p>	Low

¹⁶ World Bank FY25 List of Fragile and Conflict-Affected Situations ([FCSListFY25.pdf](#)). Retrieved 17 March 2025.

¹⁷ World Bank Group: [Classification of Fragile and Conflict-Affected Situations](#). Retrieved 17 March 2025.

¹⁸ [Federated States of Micronesia: In-Depth | Asian Development Bank](#). Retrieved 17 March 2025.

¹⁹ [The United Nations Micronesia Policy Brief Series No. 1: Highlights of UN Common Country Analyses for Micronesia 2024 | United Nations in Micronesia](#). Retrieved 17 March 2025.

	<p>without the interested parties’ consent, subject to the payment of fair compensation and good faith attempt at negotiation” (Kosrae Constitution, Article XI; Chuuk Constitution, Article XI; Pohnpei Constitution), and “Land ownership and uses are restricted” (Yap Constitution). However, in this context, these provisions are subject to and governed by Customary Law which upholds, respects, and protects local customs and traditions in the system of law including with regards to land ownership, acquisition, and/or use (Chuuk Constitution Article IV; Kosrae Constitution Article II; Pohnpei Constitution Article V; Yap Constitution Article III and XIII). Land is mostly owned by FSM citizens as per customary law and the State and National Governments abide by the already-established system and process that entails robust stakeholder engagement within these structures. To ensure that negative risk and impact with this standard are kept low, the Project will continue to work closely with State and National Government representatives as per the Stakeholder Engagement Strategy in the Annex 23 ‘Stakeholder Engagement Plan’ and ensure meaningful consultation at each stage.</p> <p>Installations on a community level, i.e. in non-household areas, are not included in this project, hence expropriation and/or access restrictions are not foreseen as anticipated risks. The WASH interventions of installing 500 first-flush rainwater harvesters and latrines are both designed not for communal use but for individual households. Any anticipated impacts are site-specific and limited in scope. Involuntary resettlement is not anticipated as an impact or risk as per the project activities and overall design.</p>	
<p>Performance Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources</p> <p>Protecting and conserving biodiversity, maintaining ecosystem services, and sustainably managing living natural resources are fundamental to sustainable development</p>	<p>Outcome 3, output 3.1 includes adaptation interventions that will be implemented in selected communities. Under this activity the project will install distribute rainwater tanks and will install pre-fabricated toilets at the household level (500 of each). Since the installed rainwater tanks and toilets will be at the household level, they pose minimal risk to natural habitats. To ensure minimal to no impact, the project will include screening of the installation sites as a mitigation measure to ensure risk remains low (see environmental and social action plan (table 3)).</p>	Low

	The other project activities are not expected to have any adverse impacts on biodiversity and conservation.	
<p>Performance Standard 7: Indigenous Peoples</p> <p>Indigenous Peoples may be more vulnerable to the adverse impacts associated with project development than non-indigenous communities</p>	<p>FSM is composed of several distinct indigenous cultural groups with a collective traditional attachment to geographical distinct habitats or ancestral places. The project is specifically designed to support these communities and targets the most vulnerable to support improved resilience towards climate-induced health impacts. The project will respect traditional knowledge and cultural practices around water, sanitation and hygiene. The project will work within existing cultural protocols promoting the right to culture. The risk of adversely affecting these communities is low.</p>	Low
<p>Performance Standard 8: Cultural Heritage</p> <p>Ensures the protection of cultural heritage in the course of project activities</p>	<p>The project activities do not include activities adjacent or within cultural heritage sites and do not include the utilization of cultural heritage for commercial or other purposes.</p>	Low
<p>Sexual Exploitation, Abuse, or Harassment (SEAH)</p>	<p>As per FSM's 2021 Human Rights Report²⁰ due in part to social stigma, family pressure, fear of further assault, or the belief that police would not involve themselves in what is often seen as a private family matter, sexual assault crimes are deemed to be underreported, and authorities prosecuted only a few cases in 2021.</p> <p>The national government does operate shelters in Chuuk and Pohnpei that are available to all victims of sexual, domestic, and human trafficking crimes. The Pohnpei Department of Public Safety's program against domestic violence includes a hotline to handle domestic violence cases. The national government hotline to handle possible cases of human trafficking also reported receiving domestic and sexual assault calls.</p> <p>FSM does not have a law that prohibits sexual harassment.</p> <p>While there is risk of SEAH within the context of this project, it is deemed to be low as the interventions at the household community consists of installation of WASH interventions and raising awareness on prevention and response. To mitigate any risk in this area the project will include specific provisions for</p>	Low

²⁰https://www.state.gov/wp-content/uploads/2022/02/313615_MICRONESIA-2021-HUMAN-RIGHTS-REPORT.pdf

	SEAH in its overall grievance mechanism and will ensure targeted women-only training to provide safe spaces for women to engage during implementation. These provisions have also been integrated into the Gender Action Plan (GAP – see Annex 4).	
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Further analysis of the potential risks associated with the installation of rainwater-tanks and Type 2 toilets is provided in the following paragraphs.

Rainwater-tank Installation

In certain communities across FSM, there is a lack of year-round access to climate-resilient, safe and reliable drinking water supply which increases the chance of WBD spread. During droughts, water shortages occur and increased incidences of heavy rains and cyclones cause floods, both of which affect water availability, safety and security and can exacerbate the spread of WBD.

To address this issue, the proposed project will install household rainwater tanks, which are low-cost solutions that can be installed and used immediately. Collecting rainwater will ensure the availability of water during the dry season. Proper use of water tanks will increase water safety and access among households. Water tanks will be built with a high level of climate resistance (to flooding, storm surges/wind gusts, extreme temperatures), by grounding them with fixtures, to ensure they are not damaged during fast-onset weather events. These will also be placed above the flood zone and have covers made of high-density polyethylene (HDPE). The lifespan of HDPE water tanks is expected to be 15-20 years.

Having water tanks will decrease the spread of WBDs, as well as the costs and time that is currently spent (primarily by women and children) on domestic water provision and household water collection.

A first-flush system will provide protection against sediments and contaminants accumulating in the tank, by diverting the initial flush of rainfall that contains the majority of them. First-flush systems have been found to improve significantly the water quality.

Alternative scenario

Given the geographic isolation of a number of outer islands a networked water supply would be economically unviable and would also create a larger disruption and pose a greater E&S risk. Other alternatives such as constructing concrete water tanks would also be more costly, take up more space, are fixed in space, and are harder to clean, whereas HDPE tanks are easy to clean, maintain and moved allowing for use of land for other livelihood activities. In addition, concrete tanks are usually built in the ground and are more easily flooded. The construction of concrete water tanks would overall pose greater E&S risks.

Type 2 Toilets

Only limited areas of FSM are equipped with a sewage system, while a large number of households use septic tanks or toilet pits, indicating that a number of households still use informal and unhygienic excretion disposal system. Unmonitored discharge of faeces, sewage or effluent into surface waters lead to environmental and health problems, especially diarrheal diseases. Heavy rains and floods result in rising water levels and the consequent flooding of toilets, which in turn collapse, especially where the soil is loose. In these events, WBDs increase as floodwater mixes with faeces, and also due to open defecation due to collapsed or flooded toilets.

Water-sealed toilet-septic tank systems have been identified by FSM EPA as the preferred solution for FSM's outer islands. Since these systems will be 'off-the-shelf' procurement they will not need any construction but instead can be uniformly installed. The faecal sludge will be disposed by the user or the company.

As part of the national **Toilet Facilities and Sewage Disposal Regulation**, which were developed "to establish minimum standards for toilet facilities and sewage disposal to minimize environmental pollution, health hazards, and public nuisance from such facilities," it is required that all buildings, public, private, and commercial, built for the purpose of conducting public activities, commercial operations, **or residential living**, shall have **toilet and sewage facilities in accordance with the types as provided**.

To address FBDs and WBDs from faecal-oral infections, the project will improve existing sanitation practices with the installation of 500 climate-resilient latrines in at-risk communities. The latrines will follow the FSM specifications and will support communities in main islands in all four states. In particular, latrines will follow the regulations under Type 2 toilets.²¹ The disposal of the septic waste will be ensured by the Utilities Corporation that will also ensure the proper management of the waste. Beneficiaries will be required to fulfil a number of conditions (including socioeconomic and land ownership criteria) and an agreement between the State EPA (KIRMA for Kosrae) and the beneficiary will ensure maintenance and operations of the toilet (see Appendix 2: Sample Template – Community Agreement on Operation and Maintenance).

The operational sustainability of all WASH interventions will be ensured by the project by providing maintenance training and support. The project will involve the vulnerable communities (and especially women, who will be taking a leading role in this) in the cleaning and maintenance of basic water infrastructure, among others through preparing and using a maintenance schedule. In this context, women are normatively expected to lead in the cleaning and maintenance of water infrastructure. It is not anticipated that their health or safety are at risk in the course of their

²¹ Type 2 refers to a toilet which is flushed with water and connected to a septic tank, cesspool, or combination of both.

engagement in these community-based roles. Any likelihood as such is duly mitigated as specified in the project's environmental and social safeguarding mechanisms. The project will also support the training of technical officers on the maintenance of the different assets and develop and distribute maintenance guides.

Such systems will bring people dignity, comfort and privacy. Moreover, it could eliminate unpleasant and unhygienic living or working conditions that often result from poor sanitary conditions. Overall, the installation of water-sealed toilet-septic tank systems will better protect surface water from the current informal and unmonitored systems in place and will help to further prevent the spread of WBD.

Alternative scenarios

- **Bucket latrines:** The simplest form of toilet consists of a structure in which secretions are collected in a bucket or container, which is occasionally removed for disposal or processing. The technology is low cost, but it is unhygienic because it can be easily spilled during the transfer and can easily flood during storm surges.
- **Septic tanks:** Although the technologies involved in deriving energy from waste sludge (and solid waste in general) are becoming more practical for small-scale applications, the installation of septic tanks or a sludge treatment facility would be far too expensive for island communities and would require specialised services to be brought in. As such the price and available technical capacity in country makes this an unfeasible approach.

Both alternate scenarios would also pose increased E&S risks.

Based on the above assessment of E&S risks, the project outcomes are categorized based on the IFC/GCF risk categorization as follows (**Table 2**):

- a) **Category A.** Activities with potential significant adverse environmental and/or social risks and impacts that, individually or cumulatively, are diverse, irreversible, or unprecedented;
- b) **Category B.** 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; and
- c) **Category C.** Activities with minimal or no adverse environmental and/or social risks and/or impacts.

Table 2: Risk Categorization for Project Components

Component/Sub-Component	Risk Categorization
Outcome 1 – Relevant policies, systems, processes and guidelines are	Outcome 1 focuses on addressing the policy gaps related to both climate change and health factors in the FSM. In doing so, the component will take a two-pronged approach:

<p>institutionalized in FMS the FSM for effective adaptation response to climate change-related vector-, water- and food-borne diseases</p>	<ul style="list-style-type: none"> • It will ensure that VCAs will remain up to date to support intervention planning and implementation by improving the current vulnerability and capacity assessment processes (output 1.1). • It will improve and mobilise policy instruments at the community, state and national levels. The work will involve a comprehensive, context-specific vulnerability and adaptation assessment of the health sector, mainstreamed into the NAP process to ensure informed and whole-of-government planning, and it will lay the groundwork for developing a Health National Adaptation Plan (HNAP). <p>This outcome will also include a robust training output (1.2) to develop the capacity for:</p> <ul style="list-style-type: none"> • implementing and monitoring the improved policies, • enabling ongoing intersectoral coordination, and, • ensuring public health adaptation aspects are mainstreamed in national and state-level policies. <p>All the outputs under this outcome focus on improving vulnerability and capacity assessments, capacity building, learning and training. The potential risk identified under this component is unequal opportunities for training and input from women and other vulnerable groups. To mitigate this risk the project has developed a gender assessment and action plan (Annex 4) that include women's groups and ensures women as well as other vulnerable/marginalized groups will be actively involved and will benefit from project activities. The project also includes a stakeholder involvement and engagement plan (Annex 15).</p> <p>Overall, no adverse environmental, social, gender or human rights impacts are expected to result from this outcome's activity. (Category C)</p>
<p>Outcome 2 – The Health Information Early Warning System becomes effective in supporting timely planning and responding to climate change sensitive diseases in FSM.</p>	<p>Outcome 2 focuses on establishing a health information and early warning system (HIEWS) overlaying health data to existing climate information early warning systems (CIEWS) and processes. The core elements of the climate-informed EWS envisioned for the FSM through this Component, will be to: (i) monitor environmental conditions; (ii) forecast high-risk conditions, initiate active surveillance; (iii) send alerts and communication; and (iv) establish a mechanism for early response. The component will focus on all the different elements of the HIEWS including:</p> <ul style="list-style-type: none"> • the introduction of improved health data collection techniques through improved testing facilities (this will include the procurement of the latest testing capacity and diagnostic equipment available). • the development of the structural, statistical and operational features of the HIEWS that will allow data input, data analysis, and reporting through an accessible and consolidated platform,

	<p>including the overlay of historical health data with climate and weather data,</p> <ul style="list-style-type: none"> • provision of training to key personnel concerning (i) data reporting, (ii) operation and maintenance of the HIEWS (iii) response actions including active surveillance, interpretation of alerts and communication, and early response mechanism processes. <p>All of the activities under this component focus on capacity building, operational frameworks, procurement of testing equipment, and establishment of data platforms. The laboratory equipment and associated testing agents are considered as trivial and/or adequately shielded, and associated risks are considered to be low. There will be no other physical infrastructure installations with regard to HIEWS output, beyond the specified household-level rainwater tanks and latrines under separate project output. Therefore, no adverse environmental, social and gender impacts are expected to result from this Outcome's activity. (Category C)</p>
<p>Outcome 3 - Communities have increased resilience to climate-related vector-, water- and food-borne diseases and capacity to manage associated health burdens</p>	<p>Outcome 3 focuses on implementing specific adaptation interventions in selected vulnerable communities to better address FBDs, VBDs and WBDs as major climate-sensitive health risks. Outcome 3 will provide for concrete prevention measures to be taken at the community, household and individual levels. These measures derive from a policy framework set at national level and serve to pilot the approach for validation.</p> <p>The activities under this Component aim to improve the resilience of households through the installation of climate-resilient rainwater harvesting tanks and the installation of Type 2 toilets (500 of each). At the same time, awareness-raising and education activities will be carried out at the community level, with the goal of achieving an understanding of FBDs, VBDs and WBDs and the proper application of preventive measures, both at the personal and household level. Innovative methods will also be used to manage mosquito breeding sites.</p> <p>The potential risks identified under this component relate to the installation of rainwater harvesting tanks and Type 2 toilets at the individual and household level. While the environmental and social risks from these activities are expected to be minimal due to the size and scope of the deployments, the project will still plan to avoid and mitigate any risks due to installation, in particular by undertaking screening to ensure any sanitation products and methods for installation are in compliance with SPC's and FSM's environmental safeguards, and the Type 2 toilets are installed with minimal risk to surface water, ground water, and drinking water to ensure no effluents enter surface and groundwater. In addition, screening will include an assessment of the presence of Asbestos Containing Materials (ACM) using the 2015 PacWaste Asbestos Report,</p>

	<p>FSM²². The installation of the water-sealed toilet-septic tank systems will improve the effluent discharge and better protect surface and groundwater in main island communities. The project will also maximize siting of latrines and rainwater tanks for each household to ensure minimal disruption to natural resources. FSM's Environmental Protection Agency (EPA) and the State-level governments have strict rules and regulations (see section above) on the installation and maintenance of toilet facilities. As such, the State-level EPAs (KIRMA for Kosrae) permit and inspect all Type 2 toilets, which will be included as part of the project's mitigation measures (see the ESAP below).</p> <p>The activities in outcome 3 with the inclusion of the mitigation measures as part of the project's ESAP will have minimal environmental and social risk. The Outcome is therefore expected to be Category C.</p>
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Confirmation of Category C Project

The proposed project will transform the current situation of high vulnerability to VBD, WBD and FBD risks related to climate change by developing a climate-resilient health system, as outlined in the NCCHAP, and will implement tangible human health adaptation activities at the community level. Specifically, the proposed project will work to:

1. Enhance policies, capacities and cross-sectoral collaboration to mainstream and manage climate-sensitive health risks associated with FBDs, VBDs, WBDs at national- and state-level health governance.
2. Improved surveillance of and response to FBDs, VBDs, and WBDs through harmonized climate and health information and early warning system (HIEWS) in the FSM, with health personnel and other, relevant stakeholders trained.
3. Targeted interventions designed for communities, alongside the establishment of knowledge-sharing and coordination mechanisms (for community action, prevention and response), will ensure improved awareness and prevention controls for FBDs, VBDs, and WBDs.

Specifically, the project will finance the following activities:

- Activity 1.1.1 - Perform a stocktaking exercise of existing climate VCA protocols and update (as necessary) for integration into the FSM DHSA's processes
-
- Activity 1.1.2 – Implement the updated climate VCA methodology in selected communities to ensure their applicability and relevance within the FSM setting

²² PacWaste, SPREP (2015), Survey of the Regional Distribution and Status of Asbestos Contaminated Construction Material and Best Practice Options for its Management in Pacific Island Countries; Report for the Federated States of Micronesia.

- Activity 1.2.1 – Develop the FSM Health National Adaptation Plan (H-NAP) and supporting documents
-
- Activity 1.2.2 – Formulate gender-responsive Standard Operating Procedures (SOP), that defines roles and responsibilities for cooperation and collaboration in managing FBDs, VBDs, and WBDs
-
- Activity 1.2.3 – Conduct training and sensitisation workshops to increase operational readiness of health and climate change policies and action plans at national and state level
- Activity 2.1.1 – Equip FSM Food laboratory with specialized diagnostic equipment to test FDBs
-
- Activity 2.1.2 – Development of the structural, statistical and operational features of the HIEWS
- Activity 2.1.3 – Conduct training to support effectively and timely operationalisation of HIEWS
- Activity 3.1.1 - Identify and manage high-risk vectors, such as mosquito breeding sites (using: GIS mapping, distribution of mosquito nets and conduct environmental clean-ups, and other relevant interventions)
- Activity 3.1.2 – Community-level resilient WASH interventions:
 - Installing 500 climate-resilient first-flush rainwater tanks to selected households;
 - Water sanitization tablets and household testing kits will be procured to ensure preparedness to address WBDs events; and
 - Installation of 500 climate-resilient latrine pits in at-risk communities.
- Activity 3.2.1 – Run public awareness campaigns and provide tailored training to vulnerable communities for prevention and response
- Activity 3.3.1 – Establish a project-level MEL framework
- Activity 3.3.2 – Disseminate Lessons Learnt and Best Practices on climate-sensitive disease management

ESS Category C Activities are defined by the GCF as those with minimal or no adverse environmental and/or social risks and/or impacts. The activities envisioned by the project include only activities that have minimal or no expected environmental and/or social risks and impacts. The project activities include only household level, small-scale installation of climate resilient latrine pits and the installation of household level rainwater tanks. These are primarily low touch, low impact, non-technology strategies so the potential for negative impact from the installation/ is negligible. Moreover, the systems are designed to improve water quality and mitigate the risk of WBDs.

The above activities do not present significant environmental and social impacts (see Appendix 1 for GCF risk screening template as filled by SPC). Annex 7 of the full proposal details a broader risk assessment and Annex 4 specifically targets the gender-related risks of the project. On this basis, SPC has confirmed the project status as a Category C project.

Environmental and Social Action Plan

The Environmental and Social Action Plan below summarizes the key risks for project activities, mitigation planning for those risks, the parties responsible, the cost, and the expected results.

Table 3: Environmental and Social Action Plan (ESAP)

Summary of risks	Mitigation measures	Risk significance	Responsible party/ person	Schedule	Expected results	Cost/Budget
Surface water/ground water/ drinking water as part of climate resilient latrine installation and rainwater harvesting installation (output 3.1)	<p>A basic screening will be undertaken by the GESS Officer to ensure any sanitation products and methods for installation are in compliance with SPC’s environmental safeguards and FSM’s legal and regulatory framework on Type 2 toilets. The screening will include a comparison of proposed locations against the households with confirmed presence of ACMs²³. If there is overlap with confirmed locations of ACMs, a risk assessment will be carried out and work will only proceed if asbestos risk is considered to be low.</p> <p>As per FSM’s regulations the following steps will be taken prior to the installation of any toilet:</p> <ol style="list-style-type: none"> 1) Submission of required information to EPA for permit²⁴ must be granted as per EPA’s rules. 	Minor – target	SPC, PMU, GESS. National EPA, State-level EPAs/KIRMA WASH Expert ²⁶	During consultations with target beneficiaries and initial targeting of sites for climate resilient latrine installation	Unlikely residual likelihood	Cost of GESS Officer (USD 182,500); State-level EPA/KIRMA as part of its mainstream work will issue permits and conduct inspections (at no additional cost to the government)

²³ Ibid PacWaste, SPREP (2015)

²⁴ As per section 4.2 of the Toilet Facilities Regulation: “The EPA shall require any or all of the following information on the basis of which the determination of whether to grant a permit: (a) Plot plan drawn to scale completely dimensioned, showing direction and approximate slope of surface, location of all present and proposed structures, drainage channels, utilities, roads, streams, and other surface water and sewage facilities in relation to property line and other structures; (b) Description of the complete installation of toilet and sewage disposal including quality, kind and grade of material, equipment and method of assembly and installation; and (c) A log of soil formation and ground water levels.

²⁶ A WASH specialist will be recruited to support and monitor WASH interventions and the development of O&M manuals.

Summary of risks	Mitigation measures	Risk significance	Responsible party/ person	Schedule	Expected results	Cost/Budget
	<p>2) Inspection by the State- EPA (KIRMA for Kosrae) will be completed prior to any cover being placed as per section 6.2 of the Toilet Facilities Regulation²⁵ will be required to ensure minimal risk to surface water, ground water, and drinking water. If the Officer and/or the EPA deems that the installation of a particular latrine has a greater than minor risk, the latrine will not be installed.</p> <p>3) A maintenance and operation agreement will be signed by the community with the State-level EPA/KIRMA (see Appendix 2 for a sample agreement)</p> <p>In addition, the use of ACMs as new materials for installation (including pipes, water tanks, and toilets) is prohibited.</p> <p>As per the FSM Clean Water Act and the U.S. Safe Drinking Water Act that applies to FSM, the following steps will be taken to ensure maintenance of drinking water quality from rainwater tanks</p>					

²⁵ Section 6.2: No cover shall be placed over any cesspool, septic tank system, seepage pit, nor a privy be put in use until it has been inspected and approved by the EPA.

Summary of risks	Mitigation measures	Risk significance	Responsible party/ person	Schedule	Expected results	Cost/Budget
	<p>(noting that a first-flush diverter system will already be installed for all tanks):</p> <ol style="list-style-type: none"> 1. Regular cleaning and maintenance of the tank, gutters, and roofs ideally every 6-12 months to remove sediment, algae, and debris to prevent microbial contamination. 2. Conduct routine water quality tests including checks for microbial contaminants, turbidity, and chemical pollutants, to help early detection of contamination and allow for corrective action to ensure the water meets national quality standards for safe drinking. 3. Ensure proper tank covering such as a clean, secure lid and the installation of mesh screens on the tank's inlet and outlet pipes to prevent entry of external contaminants such as insects, animals, and/or debris. <p>The GESS Officer will support the communities and coordinate with the EPA to ensure that the project completes the above steps for toilet installation and maintenance of drinking water quality from rainwater tanks.</p>					

Summary of risks	Mitigation measures	Risk significance	Responsible party/ person	Schedule	Expected results	Cost/Budget
	The EPA will actively monitor and support the overall process.					
Noise -- due to rainwater tank and latrine installations (Output 3.1)	Any noise inducing activities related to rainwater harvesting tank installation or construction of latrine pits will be mitigated through direct community engagement to effectively time and coordinate activities to minimize harmful and nuisance noise impacts on communities.	Minor	SPC, PMU	During initial targeting of households/individuals	Minor	Minimal – included in stakeholder engagement
Pollution – due to disposal of wastes and effluents from pit latrines (Output 3.1)	The type of ‘off-the-shelf’ latrines selected will allow for the ease of waste disposal and will be water sealed to ensure effluents do not seep out. The systems will contribute to better hygiene and reduce the overall risk of pollution from what is currently in place. The selected contractor will provide training for HHs for proper disposal for effluents from latrines and laboratory waste. Project-level MEL activities will include monitoring of ESS Compliance with national FSM environmental regulations with regards to appropriate waste management and disposal, including in environmental clean-ups.	Minor	SPC, PMU, selected contractor	During procurement process for latrines and during installation through proper training	Minor	Costs included in procurement of WASH interventions
Biodiversity and natural resources – due to installation of WASH	Any vegetation removal and ground disturbance shall be restricted to the minimal area required for	Minor	SPC, PMU selected contractor	During initial targeting of HHs/ individual	Minor	Costs included in procurement of

Summary of risks	Mitigation measures	Risk significance	Responsible party/ person	Schedule	Expected results	Cost/Budget
interventions (latrines and rainwater tanks)	installation by clearly marking out the site prior to commencement.			and during installation		WASH interventions
Worker Health and Safety – most of the work will be through service contracts for the installation of rainwater tanks and latrine pits	All of the new permanent and temporary jobs created by the project will be accompanied by fundamental workers’ rights protections in alignment with both FSM’s Labour Code and the International Labour Organization Conventions. The project will include specific health and safety requirements in all contracts and the project manager will monitor for compliance.	Minor – The risks are likely to be very limited in terms of magnitude and easily avoided by proactive planning.	SPC, PMU	Throughout the project	Minor	Minimal - Included in the administrative costs of PMU and in service contracts
Land Acquisition – Installation of 500 household-level rainwater harvesters and latrines entail the risk of non-compliance with beneficiaries’ land rights protected by FSM Customary Law, if without meaningful stakeholder engagement	The project will continue to work closely with State and National Government representatives as per the Stakeholder Engagement Strategy in the Annex 23 ‘Stakeholder Engagement Plan’ and ensure meaningful consultation at each stage of project implementation to secure beneficiaries’ Free, Prior, and Informed Consent (FPIC) in the installation of household-level rainwater harvesters and latrines in accordance with their land rights.	Minor – The risks are likely to be very limited in terms of magnitude and easily avoided by proactive planning	SPC, PMU, GESS Officer	During initial targeting of HHs/ individual and during installation; throughout project implementation	Minor	Minimal – included in stakeholder engagement
Gender – Given existing gender dynamics, there are risks for ensuring that	The project will be iteratively and proactively integrating gender mainstreaming and gender equity considerations into all stages of design and	Minor– The risks are likely to be	SPC, PMU, GESS Officer	Throughout project implementation	Minor	See Annex 4 for budgeted gender action plan

Summary of risks	Mitigation measures	Risk significance	Responsible party/ person	Schedule	Expected results	Cost/Budget
women are 1) effectively integrated into the planning and development of policies and strategies; 2) included in opportunities for capacity development and training; and 3) accessing and utilizing climate health information that meets their unique needs.	implementation. Additional detail on the full gender action plan and gender mainstreaming provisions can be found in Annex 4.	very limited in terms of magnitude and easily avoided by proactive planning.		(see Annex 4 of the Funding Proposal for details regarding the gender action plan)		
SEAH – From the FSM baseline gender assessment, women are at higher risk of experiencing SEAH in the workplace (see Gender Annex 4). This would apply to all project activities that involve stakeholders (e.g. FSM DHSA) and engagement of women (e.g. women employed by FSM DHSA), including capacity assessments, trainings, workshops, and participatory development	The project will establish a robust grievance and redress mechanism that will be managed by SPC as the AE and is in line with SPC’s policies to prevent sexual harassment and assault in the workplace (Manual of Staff Policies, Chapter XI D. Harassment, sexual harassment and sexual exploitation). The grievance mechanism will allow survivors of SEAH and GBV to anonymously report their claim and experiences. The grievance and redress mechanism will include both access to the GCF’s independent redress mechanism, as well as one that is specific for the project. Its development will be informed and advised by the GESS Officer to ensure that there are provisions and procedures in place for diligent accounting for	Minor– The risks are likely to be very limited in terms of magnitude and easily avoided by proactive planning.	SPC, PMU, GESS Officer	Throughout project implementation	Minor	Integrated into GRM/SEAH Training costs included as part of on-boarding of staff/contractors/co nsultants GESS Officer position to develop training, oversee and implement GRM/SEAH at project and community level

Summary of risks	Mitigation measures	Risk significance	Responsible party/ person	Schedule	Expected results	Cost/Budget
<p>of HIEWS as outlined in the Gender Action Plan (Annex 4) and Stakeholder Engagement Plan (SEP, Annex 23). This would also include project activities where communities and beneficiaries are engaged under Outcome 3</p> <p>As captured in the logframe, below are the project activities associated with this SEAH risk:</p> <p><i>Activity 1.1.1 – Perform a stocktaking exercise of current climate VCA protocol and update as necessary for integration into the FSM DHSA's processes</i></p> <p><i>Activity 1.1.2 – Implement the updated climate VCA methodology in selected communities to ensure their applicability and relevance within the FSM setting</i></p>	<p>and follow-up regarding GBV and SEAH-specific grievances.</p> <p>To address issues of women’s disenfranchisement and empowerment in the workplace (which contributes to SEAH specifically), the project plans to allocate a specific number of women-only and women-specific training opportunities (see GAP Annex 4). This will help to ensure that they are actively engaged in project implementation and viewed as equals by both the project implementation team, as well as the target beneficiaries and communities, thereby reducing their risk of experiencing GBV.</p> <p>Finally, as part of SPC’s policies training on SEAH will be mandatory for all project staff, contractors, and consultants. All project personnel, contractors, and contracts for any hired consultants will include provisions on SEAH.</p>					

Summary of risks	Mitigation measures	Risk significance	Responsible party/ person	Schedule	Expected results	Cost/Budget
<p><i>Activity 1.2.3 – Conduct training and sensitisation workshops to increase operational readiness of health and climate change policies and action plans at national and state level</i></p> <p><i>Activity 2.1.3 – Training on operational and technical aspects of the HIEWS on a national and state level</i></p> <p><i>Activity 3.1.2 – Community-level resilient WASH interventions</i></p> <p><i>Activity 3.2.1 – Run public awareness campaigns and provide tailored training to vulnerable communities for prevention and response</i></p> <p>However, this proposed project will effectively mitigate the risks through mandatory PSEAH training for project staff and consultants; and a robust</p>						

Summary of risks	Mitigation measures	Risk significance	Responsible party/ person	Schedule	Expected results	Cost/Budget
and accessible GRM addressing SEAH-specific cases. Hence, the overall SEAH risk is assessed as low.						

*Risk significance. The probability of occurrence is the likelihood for a risk to occur and can be characterized in terms of the degree to which it will happen. The impact or magnitude of risks is the description of how severe the impacts would be if it were to occur (for example, “critical, severe, moderate, minor, and negligible”). A significance value of the risk (for example low, medium, high) can be obtained by combining the probability and impact values. The risk significance indicates the relationship between probability and severity or magnitude of impacts. The entities or organizations that will be implementing the proposed activities are best positioned to define the probability of occurrence and severity or magnitude of impacts.

Exclusionary Criteria

The following exclusionary criteria will be applied to the project to ensure any activities are aligned with GCF investment criteria and GCF ESS Category C/ I-3.

The project will not fund or implement any activities that:

- Have potential environmental and social risks that are equivalent to GCF ESS Category A or B.
- Conflict with adopted plans and established uses of the target community
- Substantially affect a rare or endangered species of animal or plant or the habitat of such species.
- Interfere substantially with the movement of any resident or migratory fish or wildlife species.
- Substantially diminish habitat for fish, wildlife, or plants.
- Breach standards relating to solid waste or litter control.
- Substantially degrade water quality.
- Contaminate a public water supply.
- Substantially degrade or deplete ground water resources.
- Interfere substantially with ground water recharge.

- Extend a sewer line with capacity to serve new development.
- Encourage or result in the use of large amounts of fuel, water, or energy in a wasteful manner.
- Use fuel, water, or energy in a wasteful manner.
- Disrupt or adversely affect an archaeological site or a property of historic or cultural significance.
- Induce substantial growth or concentration of population.
- Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system.
- Displace a large number of people over the long term.
- Increase substantially the ambient noise levels for adjoining areas over the long term.
- Cause substantial flooding, erosion or siltation.
- Expose people or structures to major geological hazards.
- Create a potential public health hazard or involve the use, production or disposal of materials which pose a hazard to people or animal or plant populations in the areas affected.
- Violate any ambient air quality standard, contribute substantially to an existing or projected air quality violation, or expose sensitive receptors to substantial pollutant concentrations.
- Convert prime agricultural land to non-agricultural use or impair the agricultural productivity of prime agricultural land.
- Interfere with emergency response plans.
- Relate to the extraction or depletion of non-renewable natural resources (including inter alia forests, trees, beach sand, ghut sand and oil/gas).
- Cause involuntary resettlement of people or the removal or alteration of any physical cultural property under any circumstances.
- Use Asbestos-Containing Materials (ACMs) as new materials for installation.
- Involve asbestos risks beyond low as per asbestos risk assessments.

These criteria are meant to be an initial indicative list based on the FSM Environmental Impact Assessment Regulations, and may be amended upon the recommendation of key stakeholders during implementation.

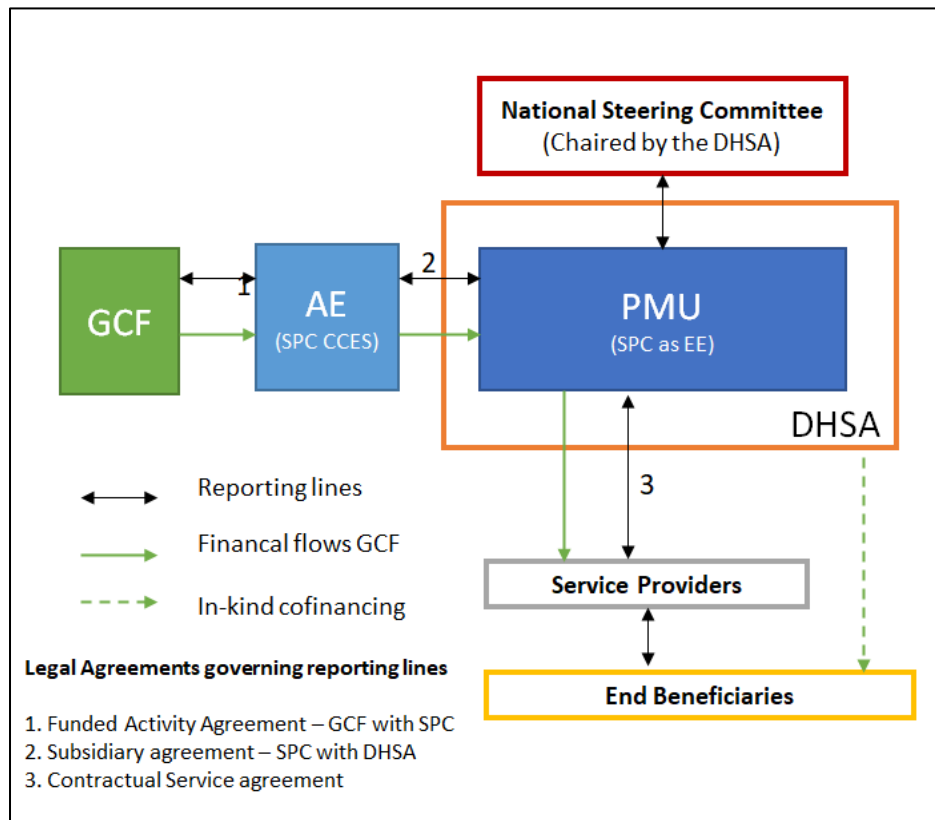
Implementation Arrangements

The various entities involved in the project are all responsible for environmental and social risk management and the effective execution of the environmental and social action plan, but each have unique and complementary roles and responsibilities as summarized below.

- **SPC Climate Change and Environmental Sustainability (CCES):** – In its role as Accredited Entity, SPC-CCES is responsible for overall compliance with the GCF Revised Environmental and Social Policy (RESP) and any required monitoring/reporting to GCF. When appropriate, SPC-CCES will also contract independent experts to monitor and ensure compliance with safeguard management and enhancement measures. SPC-CCES is ultimately responsible for ensuring that the project is implemented in alignment with FSM's national environmental regulations, SPC's SER Policy and the GCF RESP. SPC-CCES will monitor the project for compliance with safeguard management and enhancement measures, by means of self-monitoring reports from executing entities as well as, when appropriate, supervision missions by SPC-CCES staff or external experts. Safeguard management plans will be reviewed periodically and updated and adjusted as needed. SPC will address compliance concerns and other grievances in a timely manner, through SPC's Grievance and Redress Mechanism (see details below).
- **FSM Department of Finance and Administration (NDA)** – The NDA Office will provide essential backstopping support and serve as the interface between GCF and the Government of FSM as and when needed. The NDA will also remain in close contact with SPC once the project moves into the implementation phase. The NDA will receive regular updates on the project progress including any updates on the ESAP and will be engaged periodically to provide any feedback from the national perspective. during project implementation and monitoring to ensure compliance with environmental and social standards.
- **National Project Steering Committee (NPSC)** – The NPSC will oversee project implementation and review annual workplans and project reports. This will include ensuring that environmental and social measures (including the Environmental and Social Action Plan) are being followed and implemented.
- **Project Management Unit (PMU)** – Housed within the FSM Department of Health & Social Affairs (DHSA), the PMU will be responsible through the Project Manager (PM) for ensuring that the actions specified in the management plans are carried out, and for reporting regularly on compliance with these requirements via progress reports.
- **GESS Officer:** A GESS Officer will be hired to ensure compliance with the ESAP. The GESS Officer will serve as the main focal point to coordinate with the ESAP on toilet installations and will be responsible to ensure compliance with government regulations. The GESS Officer will provide oversight and support the PMU to monitor all risks

identified through the ESAP. The GESS officer has been budgeted within the following activities of the project log frame: 1.1.1, 1.1.2, 1.2.1, 1.2.3, 2.1.2, 2.1.3, 3.1.1, 3.1.2, 3.2.1.

Figure 1: Overview Implementation Arrangements Diagram



Grievance Mechanism

A grievance is a concern or complaint raised by beneficiaries of affected communities and stakeholders related to the perceived or actual impacts of the project activities. The objectives of setting up an appropriate grievance redress mechanism (GRM) are to:

- provide stakeholders with a clear process for providing comment and raising grievances and concerns in an anonymous manner;
- structure and manage the handling of comments, responses, and grievances in a timely manner; and,
- ensure that comments, responses, and grievances are handled in a fair and transparent manner and in line with local and national policies.

The GRM can serve as an effective tool for early identification, assessment and resolution of grievances and therefore for strengthening accountability to beneficiaries. The GRM is an important feedback mechanism that can improve project impact and respond to concerns and grievances of project-affected parties (e.g., related to the environmental and social performance of the project) in a timely manner. With restrictions on movement, it is important that, where possible, staff managing grievances can access systems remotely to enable GCFM processes to be conducted effectively. The SEP will keep the local communities and other stakeholders informed about the project's activities, to specifically address gender-based violence (GbV) and Sexual Exploitation, Abuse and Harassment (SEAH) as well as other cross-cutting issues.

All grievances will be closely monitored by SPC to assess the number and type of grievances and evaluate any trends over time. This will be conducted by the relevant responsible parties as highlighted under SPC's policies for accountability²⁷. All monitoring and reporting will be carried out conforming to confidentiality and consent from aggrieved parties or survivors. This applied to all reporting obligations to the GCF as imposed through the Accreditation Master Agreement and Funded Activity Agreement. The SPC-Level and Project-Level GRMs shall not impede access to GCF's GRM nor any existing legal and administrative procedures available in the country.

Grievance related to Sexual Exploitation, Abuse and/or Harassment (SEAH)

In all situations involving complaints related to gender-based violence (GBV) and sexual exploitation, abuse or harassment (SEAH), the relevant grievance redress mechanism will take on a "survivor-centered approach". This will apply to all grievance address mechanisms controlled by SPC or the PMU. In line with this approach, the following principles will be systemically applied through all steps and actions:

- The rights, needs, and wishes of the survivor is the foremost priority of everyone involved with the project.
- The survivor has a right to:
 - be treated with dignity and respect instead of being exposed to victim-blaming attitudes.
 - choose the course of action in dealing with the violence instead of feeling powerless.
 - privacy and confidentiality instead of exposure.
 - non-discrimination instead of discrimination based on gender, age, race/ethnicity, ability, sexual orientation, HIV status or any other characteristic.
 - receive comprehensive information to help her or him make their own decision instead of being told what to do.

²⁷ <https://www.spc.int/accountability>

- to a translator, for the language that the survivor feels more comfortable with in the case that further details are required.
- The safety of the survivor shall always be ensured. Potential risks to the survivor will be identified and action taken to ensure the survivor's safety and to prevent further harm including ensuring that the alleged perpetrator does not have contact with the survivor. If the survivor is an employee of the Project, reasonable adjustments may be made to the survivor's work schedule and work environment to ensure their safety.
- All actions should reflect the choices of the survivor.
- All information related to the case must be kept confidential and identities protected. Only those who have a role in the response to an allegation should receive case-level information, and then only for a clearly stated purpose and with the survivor's consent. This applies to any documentation or reports related to the case. Identities will not be revealed unless explicit written consent is provided by the survivor.
- The survivor must provide informed consent to progress with each stage of the complaints process. Survivors may withdraw their consent at any time during the process.

In the case that a case of SEAH or GBV is submitted, SPC as the Accredited Entity will carry out duty of care to the survivor in line with its policies. This includes where relevant, support for the provision of medical services (including psychosocial support), legal counsel, community driven protection measures, and reintegration of the survivor.

These mechanisms are consistent with the national standard operating procedures for GBV service providers (counselling centres, police, health) as well as the Service Delivery Protocols to Respond to Gender based Violence.

Community-level Grievance Redress Mechanism

At the community level in the FSM, concerns or grievances can be addressed through the municipal government offices managed by the mayors of individual islands and municipalities in each state and then forwarded to the state GCF focal points.

Matters raised with the representatives of the municipal governments are usually done through State Public Affairs Offices. These State offices then have the option to raise the issues for redress as follows:

- table the grievance for redress at the State level through the state GCF State Focal Point; or
- raise the grievance directly with the relevant national government representative present at the State level.

If and when the grievance is raised through the State institutional arrangements, the matter can then be elevated to the national government level for redress by the relevant government agency or department.

Communities and stakeholders will also be able to access the [grievance complaint form](#).

Project-level Grievance Redress Mechanism

For the SAP Health proposal, communities and stakeholders will be engaged in preliminary consultations specific to the finalisation of the Project-Level GRM, to ensure their preferred channels, medium, and/or language of information dissemination regarding the GRM are taken into account. It is anticipated that concrete timeframes and possible further methods for localisation of the Project-Level GRM will be available after these consultations, including the most accessible approach in sensitisation of the existing grievance process and form.

Both national level and state level government agencies will be responsible for supporting FSM communities with the information they need to properly submit a grievance letter. The national level and state level government agencies will be part of the grievance and redress mechanism by documenting grievances and coordinating with SPC the process to settle the grievances. The GESS Officer will support national- and state-level agencies in the socialisation, monitoring, and reporting of the Project-Level GRM.

The avenues by which to submit project related grievances include:

1. An email can be sent to SPC at complaints@spc.int through the online process: <https://www.spc.int/accountability>.
2. Contact made directly to the state GCF State Focal Points via email, complaint form, or phone.
3. Complaints can be lodged during the project update meetings or community awareness meetings. The complaint must then be directed to the four State Coordinators recruited through the project who will coordinate with the National Project Manager to engage SPC legal team.
4. Mail can be addressed to the key project institution (DHSA), which will then be forwarded to SPC.
5. For outer island communities that are linked for communication by UHF radios to state Public Health Offices, complaints can be lodged through the state health agencies and forwarded to the state GCF focal points.

The GCF State Focal Point is a dedicated staff member for GCF engagement/s embedded within the State governments of Chuuk, Kosrae, Pohnpei, and Yap. They will receive and register the grievance and will contact SPC legal team through a proactive outreach. S/he will provide an initial response within five business days to the person who submitted the grievance to acknowledge the grievance and explain that the grievance will be logged onto the SPC GRM. As a first timeframe, a response will be provided to the complainant within a two-month period, with indication of appropriate process to address the grievance. This duration should be sufficient to screen the complaint, outline how the grievance will be processed, screen for eligibility as well as assign organizational responsibility for proposing a response. This response will propose a methodology to reach an agreement and address the complainant's concerns. This process will possibly involve engaging with other project stakeholders to resolve the issue.

SPC GRM is responsible to inform the complainant that he/she has the right to pursue other options to resolve the complaint if unsatisfied after the SPC GRM process, noting that the GRM may respond to questions from the complainant, but does not constitute an advisor or attorney for the complainant. All grievances will be recorded, and these records will be kept at a secure place for up to three years after the life of the project.

Reporting to GCF of grievances, including SEAH-specific cases, is within the Annual Performance Reporting (APR), under section "Implementation of Grievance Redress Mechanism". All SEAH grievances received will be managed in compliance with the SPC GRM and Data Privacy Policy.

SPC Grievance Redress Mechanism

SPC has a Grievance and Redress Mechanism (GRM) in place to ensure that complaints are being promptly reviewed and addressed by the responsible units (see <https://www.spc.int/accountability>). This process aims to address complaints from affected stakeholders, including communities, about the social and/or environmental performance of the project, and to take measures to redress the situation, where necessary.

For the process to be efficient, project stakeholders have to be properly informed that SPC has such a mechanism established, and how they can access to it to settle their grievance.

The SPC GRM is operated through a web-hosted page on SPC site for the expression of concerns or complaints, which can be posted by email with the information in using the complaints' template (available on the webpage). It is also possible to submit grievances by post to:

The Pacific Community (SPC) Micronesia Regional Office
PO Box Q Suite 301, One World Plaza

Kapwaresou Street
Kolonia, Pohnpei 96941 Federated States of Micronesia

or

The Pacific Community (SPC) Headquarters
95 Promenade Roger Laroque
BP D5, 98848 Noumea Cedex
New Caledonia.

Concerns expressed shall be treated internally primarily by the division in charge of the project or transferred to the executive level if complaints are related to sensitive issues. Complaints received by the institutional GRM at complaints@spc.int will be acknowledged within 5 business days, and the indicative timeframe for resolution of a complaint is within ninety (90) calendar days.

SPC is committed to receiving any concerns or grievances from an affected community, about the environmental and social plans or performance of any SPC project, including this SAP Health proposal.

GCF Independent Redress Mechanism (IRM)

Paragraph 69 of the Governing Instrument of the Green Climate Fund (GCF) requires the Board to establish an Independent Redress Mechanism (IRM) that will report to the Board. The Board established the IRM through the adoption of the Terms of Reference (TOR) of the IRM which sets out various matters, including the role and functions, governance and administrative arrangements of the IRM.

In accordance with its TOR, the IRM is mandated to carry out the following functions:

- a. Review requests for reconsideration of a project or programme that has been denied funding by the Board and, as appropriate, make recommendations to the Board;
- b. Address grievances or complaints by a person, group of persons or community who/which have been or may be adversely impacted by a GCF funded project or programme through problem solving and/or compliance review, as appropriate;
- c. Initiate proceedings on its own to investigate grievances of a person, group of persons or community who/which have been or may be adversely impacted by a GCF funded project or programme;
- d. Monitor whether decisions taken by the Board based on recommendations made by the IRM, or agreements reached in connection with grievances or complaints through problem solving, have been implemented, and report on that monitoring to the Board;

- e. Recommend to the Board the reconsideration of existing policies, procedures, guidelines and systems of the GCF based on lessons learned or good international practices;
- f. Share best practices and give general guidance that can be helpful for the GCF's readiness activities and accreditation process and for supporting the strengthening of the capacities of accountability/redress mechanisms of the DAEs; and
- g. Provide education and outreach to GCF staff, relevant stakeholders and the public.

A request may be submitted to the IRM, by sending it to the mailing address or email address of the IRM as published on its website (<https://irm.greenclimate.fund/case-register/file-complaint>). A request may be submitted in any of the six official languages of the United Nations (UN), provided that where a request is in a language other than English, it must be accompanied by an English translation. The English version will prevail in the event of a conflict.

Monitoring and Evaluation

Per SPC's E&S screening policies, the overall project results shall be monitored by SPC to verify if the project is effectively implemented as approved. Results and outcomes as a result of the project are stipulated in SPC's PEARL policy ([Planning, Evaluation, Accountability, Reflection and Learning Policy](#)).

The PEARL policy provides a framework for Monitoring, Evaluation and Learning (MEL). It is managed by the Strategy, Planning and Learning team, which oversees all monitoring, evaluating and learning activities at SPC's corporate level. Monitoring results shall be recorded in the SPC Results Matrix and will be used to learn from project implementation towards a continuous improvement of the design, assessment, approval, administration and implementation within SPC and the SAP Health project itself. Monitoring will enable SPC to adjust and to respond to unexpected events during the implementation phase as well as to build trust and respond to stakeholders and affected communities.

Monitoring the ESAP will be the responsibility of the PMU with support from the GESS Officer. The ESAP flagged issues will be incorporated into the monitoring, evaluation and reporting of the project activities. Annual performance reports and end of project closure reports will include updated information on E&S risks, and this information will be reported to SPC and GCF.

Appendix 1: Environmental and Social Screening Checklist

Part A: Risk Factors

Please indicate your answers to the questions below and provide an explanation on the response selected. In cases when the TBD response has been selected, please explain briefly why you are not able to determine now and when in the project cycle the question will be addressed.

If the criteria is not applicable to the project you may write N/A in the justification box.

Risk Factors	YES	NO
Will the activities involve associated facilities and require further due diligence of such associated facilities?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
N/A		
Will the activities involve trans-boundary impacts including those that would require further due diligence and notification to affected states?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
N/A		
Will the activities adversely affect working conditions and health and safety of workers or potentially employ vulnerable categories of workers including women and children?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<i>On the contrary, the activities will positively affect health and safety of vulnerable populations.</i>		
Will the activities potentially generate hazardous waste and pollutants including pesticides and contaminate lands that would require further studies on management, minimization and control and compliance to the country and applicable international environmental quality standards?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
N/A		
Will the activities involve the construction, maintenance, and rehabilitation of critical infrastructure (like dams, water impoundments, coastal and river bank infrastructure) that would require further technical assessment and safety studies?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<i>Part of the 3rd component will be the installation of climate-resilient rainwater tanks at the household level which will not involve critical infrastructure.</i>		
Will the proposed activities potentially involve resettlement and dispossession, land acquisition, and economic displacement of persons and communities?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
N/A		

Will the activities be located in or in the vicinity of protected areas and areas of ecological significance including critical habitats, key biodiversity areas and internationally recognized conservation sites?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<i>The activities will make sure that protected areas, key biodiversity areas and critical habitats be respected, avoiding spread of vector-, water- and food-borne disease.</i>		
Will the activities affect indigenous peoples that would require further due diligence, free, prior and informed consent (FPIC) and documentation of development plans?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<i>The activities under component 3 will be implemented in close collaboration with communities from the four different States and will not affect negatively indigenous peoples.</i>		
Will the activities be located in areas that are considered to have archaeological (prehistoric), paleontological, historical, cultural, artistic, and religious values or contains features considered as critical cultural heritage?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
N/A		

Part B: Specific environmental and social risks and impacts

Assessment and Management of Environmental and Social Risks and Impacts	YES	NO	TBD
Has the E&S risk category of the project been provided in the concept note?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Has the rationale for the categorization of the project been provided in the relevant sections of the concept note?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Are there any additional environmental, health and safety requirements under the national laws and regulations and relevant international treaties and agreements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>There are no additional requirements under national or international agreements.</i>			
Are the identification of risks and impacts based on recent or up-to-date information?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Yes, although a broader environmental and social screening will take place at the funding proposal stage.</i>			
Labour and Working Conditions	YES	NO	TBD
Will the activities potentially have impacts on the working conditions, particularly the terms of employment, worker's organization, non-discrimination, equal opportunity, child labour, and forced labour of direct, contracted and third-party workers?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>As an accredited entity to the GCF, SPC has a strong environmental and social policy which severely control negative impacts on working conditions (i.e. child labour, forced labour, etc.)</i>			
Will the activities pose occupational health and safety risks to workers including supply chain workers?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

The activities will help to control climate-related vector-, water- and food-borne disease and thus rather induce a positive impact on health and safety, including to health officers.

Resource Efficiency and Pollution Prevention	YES	NO	TBD
Will the activities generate (1) emissions to air; (2) discharges to water; (3) activity-related greenhouse gas (GHG) emissions, (4) noise and vibration; and (5) wastes?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
N/A			
Will the activities utilize significant amount of natural resources including water and energy?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
N/A			
Will there be a need to develop detailed measures to reduce pollution and promote sustainable use of resources?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
N/A			
Community Health, Safety, and Security	YES	NO	TBD
Will the activities potentially generate risks and impacts to the health and safety of the affected communities?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>On the contrary, the activities will positively affect health and safety of affected communities.</i>			
Will there be a need for an emergency preparedness and response plan that also outlines how the affected communities will be assisted in times of emergency?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
N/A			
Will there be risks posed by the security arrangements and potential conflicts at the project site to the workers and affected community?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
N/A			
Land Acquisition and Involuntary Resettlement	YES	NO	TBD
Will the activities likely involve land acquisition and/or physical or economic displacement?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
N/A			
Biodiversity Conservation and Sustainable Management of Living Natural Resources	YES	NO	TBD
Will the activities potentially introduce invasive alien species of flora and fauna affecting the biodiversity of the area?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

N/A			
Will the activities have potential impacts on or be dependent on ecosystem services including production of living natural resources (eg. agriculture, livestock, fisheries, forestry)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
N/A			
Indigenous Peoples	YES	NO	TBD
Will the activities potentially have any indirect impacts on indigenous peoples, ethnic minorities, or vulnerable and marginalized groups?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>The activities under component 3 will be implemented in close collaboration with communities from the four different States and will not affect negatively indigenous peoples.</i>			
Cultural Heritage	Yes	NO	TBD
Will the activities restrict access to the cultural heritage sites and properties?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
N/A			
Will there be a need to prepare a chance-find procedure in case of the discovery of cultural heritage assets?	1. <input type="checkbox"/>	2. <input checked="" type="checkbox"/>	3. <input type="checkbox"/>
N/A			
Stakeholder engagement and grievance	Yes	NO	TBD
Will the activities include a continuing stakeholder engagement process and a grievance redress mechanism and integrated into the management/implementation plans?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>As an accredited entity to the GCF, SPC has a grievance redress mechanism available to stakeholders of any GCF project. In collaboration with the NDA and the Department of Health, the project will ensure through its different components that there is a continuing stakeholder consultation process.</i>			

Part C: Sign Off

Sign-off: Specify the name and designation of the person responsible for the environmental and social screening and any other approvals as may be required in the accredited entity's own management system.

Appendix 2: Sample Template – Community Agreement on Operation and Maintenance

The below is a sample agreement for operation and maintenance of a toilet with the Pohnpei State-EPA and a community member.

This agreement is made between Pohnpei Environmental Protection Agency, and applicant from the rural areas around Pohnpei. (Mr./ Mrs./ Ms/_____ has agreed to comply with the requirements of this agreement as listed below:

1. Shall agree to provide excavation of the cesspool
2. Shall agree to provide adequate water system needed for the operation of the facility
3. Shall agree to provide proposed project date started and date completed
4. Shall provide land certification of ownership
5. Before final approval indicating satisfactory completion of the project, all unsanitary toilet facilities and pigpens, located within 50 feet of river bank or shore line shall be removed.
6. Shall provide all pigpens on the applicant's property with sanitary waste disposal systems.
7. Shall agree to properly operate and maintain the facility constructed under this agreement, for a period of at least 5 years after the completion of the construction.

I hereby agree to comply with all requirements listed above, to remedy the unsanitary conditions at my residential site and abide by all Pohnpei EPA regulations.

Applicant

Date

Francisco Celestine
Executive Officer
Pohnpei EPA

Date