

Funding Proposal

Resilient Water Systems for All (RWS4All): Deep Adaptation Pathways for Water Infrastructure in Kyrgyz Republic and Tajikistan

European Bank for Reconstruction and Development (EBRD)

Annex 6 Environmental and Social Management Framework



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Glossary

AESR	Annual Environmental and Social Report
AMA	Accreditation Master Agreement
APR	Annual Performance Reports
BAT	Best available technique
CSO	Civil Society Organisation
CSD	Climate Strategy and Delivery
EBRD	European Bank for Reconstruction and Development
EC	Exceeding Compliance
EMS	Environmental Management System
ESAA	Environmental and Social Audit and Assessment
ESAP	Environmental and Social Action Plan
ESD	Environment and Sustainability Department
ESDD	Environmental and Social Due Diligence
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
ESMS	Environmental and Social Management System
ESP	Environmental and Social Policy
ESR	Environmental and Social Requirements
ESSF	Environmental and Social Sustainability Framework
E&S	Environmental and Social
FAA	Funded Activity Agreement
FC	Fully compliant
FI	Financial Intermediary
FP	Funding Proposal
GCF	Green Climate Fund
GDP	Gross Domestic Product
G&EI	Gender and Economic Inclusion
GIP	Good International Practice
IFI	International Financial Institution
IFC	International Finance Corporation
IPAM	Independent Project Accountability Mechanism
KPI	Key Performance Indicator
LRF	Livelihood Restoration Framework
MN	Material non-compliance
MOU	Memorandum of Understanding
NA	non-applicable
NAPs	National Adaptation Plans
NDA	National Designated Authority
NDC	Nationally Determined Contribution
NOP	No opinion possible
NTS	Non-Technical Summary
PC	Partial Compliance
PCM	Project Complaint Mechanism
PR	Performance Requirement
PSD	Project Summary Document
RAP	Resettlement Action Plan
LRP	Livelihood Restoration Plan
R-LRF	Resettlement /Livelihood Restoration Framework
RPF	Resettlement Plan Framework
SEP	Stakeholder Engagement Plan
SPEI	Standardized Precipitation Evapotranspiration Index
tCO ₂ eq	One ton of CO ₂ equivalent

ToR Terms of Reference

Executive summary

1. Programme Overview

The **Resilient Water Systems for All (RWS4All)** Programme (the "Programme") aims to operationalise 'deep adaptation pathways' for water services in the **Kyrgyz Republic** and **Tajikistan**. Facing accelerating climate change impacts - including glacial retreat, hydrological variability, and extreme weather events - the Programme facilitates a transition from reactive rehabilitation to forward-looking, systemic resilience. It combines national-level governance reforms (Component 1) and utility-level capacity building (Component 2) with targeted infrastructure investments (Component 3) to ensure water systems can withstand projected climate conditions for 2030-2050.

Investments will focus on climate-resilient water supply rehabilitation, wastewater treatment modernisation, digital innovations (e.g., smart metering), and nature-based solutions. The Programme anticipates reaching **1.8 million beneficiaries**, improving water security, public health, and economic stability for vulnerable communities.

2. Environmental and Social Policy and Standards

The ESMF is underpinned by the **EBRD's 2024 Environmental and Social Policy (ESP)** and its comprehensive **Environmental and Social Requirements (ESRs)**. The Programme is committed to meeting Good International Practice (GIP) and, as a signatory to the European Principles for the Environment, requires all projects to meet **European Union (EU) substantive environmental standards** (e.g., [EU Drinking Water Directive](#), [EU Urban Waste Water Treatment Directive](#)) where these can be applied at the project level, regardless of geographic location.

The Programme will apply the following EBRD ESRs:

- **ESR 1:** Assessment and management of environmental and social risks and impacts.
- **ESR 2:** Labour and working conditions.
- **ESR 3:** Resource efficiency and pollution prevention and control.
- **ESR 4:** Health, safety and security.
- **ESR 5:** Land acquisition, restrictions on land use and involuntary resettlement.
- **ESR 6:** Biodiversity conservation and sustainable management of living natural resources.
- **ESR 7 - Indigenous Peoples**
- **ESR 8:** Cultural heritage.
- **ESR 10:** Stakeholder engagement.

Exclusions: The sub-projects that may have a negative impact on Indigenous Peoples and could trigger **ESR 7 (Indigenous Peoples)** will not be considered under this Programme. **ESR 9 (Financial Intermediaries)** is not applicable as the Programme provides direct sovereign lending.

3. Screening, Categorisation, and Risk Management

All sub-projects under the Programme will undergo rigorous environmental and social (E&S) screening against the **EBRD Environmental and Social Exclusion List and applicable EBRD Environmental and Social Requirements**.

- **Categorisation:** The Programme will **only** support projects categorised as **Category B** (potential impacts are site-specific and readily mitigated) or **Category C** (minimal or no adverse impacts). **Category A** projects (high risk, greenfield, or major significant impacts) are strictly excluded from the Programme.

- **Risk Rating:** Each project is allocated an E&S risk rating (Low to High) which determines the intensity of due diligence and monitoring required. This rating is revised periodically throughout the project lifecycle.

4. Environmental and Social Audit and Assessment (ESAA)

For every Category B project, an **Environmental and Social Audit and Assessment** will be conducted in line with EBRD ESRs, proportionate to the nature and scale of risks. This assessment will:

- Identify risks related to construction (noise, dust, safety), labour rights, resource efficiency (water/energy), and community health.
- Assess the capacity of the client (water utilities/municipalities) to manage these risks.
- Include an audit of existing facilities to identify past liabilities and current compliance gaps with national law and EU standards.

Typically, independent consultants will define the scope of the ESAA (or "Due Diligence") involving site visits and reviews of existing documentation.

5. Environmental and Social Management and Action Plans

To ensure compliance with the ESRs, the Programme utilises two key instruments:

1. **Environmental and Social Management Plan (ESMP):** A set of operational policies and procedures (e.g., Waste Management Plan, Emergency Response Plan) to mitigate identified risks during construction and operation, as relevant to the specific sub-project and in line with GIP, EBRD ESRs and the respective guidance documents on [How to implement our ESRs](#).
2. **Environmental and Social Action Plan (ESAP):** A time-bound, committed plan of actions agreed between the EBRD and the Client to bring existing facilities or operations into compliance with the ESRs over a reasonable timeframe. The ESAP is included in the financing legal agreements.

6. Stakeholder Engagement

Stakeholder engagement is central to the Programme's success and must be initiated early in the project cycle.

- **Stakeholder Engagement Plan (SEP):** Each Category B project requires an SEP that identifies affected parties (including vulnerable groups) and outlines how information will be disclosed and how consultation will be conducted. SEP for each sub-projects will need to be prepared in line with Annex 4: Guidance for a Stakeholder Engagement Plan and the respective SEP guidance.
- **Consultation:** Meaningful consultation must be free of manipulation, culturally appropriate, and gender-responsive. It should allow stakeholders to influence project design and mitigation measures.
- **Information Disclosure:** Appropriate E&S information, including Project Summary Documents (PSD), project-specific Stakeholder Engagement Plan (SEP) and Non-Technical Summaries (NTS), will be disclosed on the EBRD website and locally.

7. Grievance Redress Mechanisms

Accountability is ensured through two distinct channels:

1. **Client-Level Grievance Mechanism:** Clients must establish an effective, accessible, and culturally appropriate grievance mechanism for workers and affected communities to resolve

concerns promptly and without retribution. It must allow for anonymous complaints and include specific protocols for gender-based violence (GBVH) and sexual exploitation, abuse and harassment (SEAH).

2. **EBRD Independent Project Accountability Mechanism (IPAM):** Stakeholders can also submit complaints directly to IPAM, which functions independently of Bank management to facilitate problem-solving or conduct compliance reviews regarding EBRD's adherence to its own policies.

8. Roles and Responsibilities

- **EBRD:** Responsible for conducting E&S due diligence, categorising projects, approving ESAPs, and conducting ongoing monitoring and supervision.
- **Clients (Executing Entities):** Responsible for the day-to-day implementation of the project in compliance with national laws, EBRD 2024 Environmental and Social Policy and the ESAP. They must provide adequate resources, qualified personnel, and regular reporting to the Bank.

9. Monitoring and Reporting

Monitoring ensures that E&S commitments are translated into practice.

- **Client Reporting:** Clients are required to submit **Annual Environmental and Social Reports** to the EBRD, detailing performance against the ESAP, regulatory compliance, and stakeholder grievances.
- **EBRD Monitoring:** The Bank's Environment and Sustainability Department (ESD) will review annual reports and conduct periodic site visits to verify compliance.
- **Reporting to GCF:** The EBRD will provide the Green Climate Fund (GCF) with annual performance reports (APRs) on the implementation status and E&S performance of the Funded Activity.

1 Programme Overview

1.1 INTRODUCTION

Water systems in the Kyrgyz Republic and Tajikistan are critically exposed to the accelerating impacts of climate change. Both nations face a dual threat: intensified hydrological variability driven by glacier retreat and changing precipitation patterns, leading to chronic water stress, alongside increased frequency of extreme events such as flash floods, mudflows, and glacial lake outburst floods (GLOFs). Current municipal water supply and last-mile irrigation infrastructure, already deteriorated due to age and under-investment, are ill-equipped to withstand these shifting conditions. Without intervention, these systems face systemic failure, threatening public health, economic stability, and the livelihoods of the most vulnerable populations.

To enable a transformational shift in how water services are planned and delivered, the **Resilient Water Systems for All (RWS4All)** Programme (the "Programme") has been designed to operationalise 'deep adaptation pathways'. This approach moves beyond reactive, one-off rehabilitation projects towards a systemic, forward-looking resilience transition. By integrating national-level governance reforms with utility-level risk-based planning and targeted infrastructure investments, the Programme ensures water systems can withstand the projected hydrological regimes of 2030-2050.

The Programme targets municipal water utilities and water sector institutions in the Kyrgyz Republic and Tajikistan. In these sectors, significant barriers exist, including weak institutional governance, low cost-recovery tariffs, lack of climate risk data, and insufficient technical capacity to manage climate uncertainties.

In response to these barriers and to support the region's water sector in securing long-term resilience, the Programme has been structured under three components:

- **Component 1: National-level Water Sector Reforms and Climate Resilience Transition Platforms.** This component strengthens the enabling environment by supporting legal and regulatory reforms, including the integration of climate resilience Key Performance Indicators (KPIs) into Public Service Contracts (PSCs) and the operationalisation of tariff methodologies. It establishes Climate Resilience Transition Platforms (CRTPs) in each country to coordinate stakeholders, scale best practices, and mainstream gender-responsive climate adaptation standards.
- **Component 2: Utility-level climate resilience baselining and technical support for adaptation pathway development.** This component addresses capacity barriers by helping utilities develop specific adaptation pathways. It provides technical assistance for multi-hazard climate risk quantification, investment prioritisation, and corporate development programmes (CDPs) to enhance operational robustness and financial management. It also establishes Water Operator Partnerships (WOPs) for international peer-to-peer learning.
- **Component 3: Catalyse climate investments for the implementation of adaptation pathways.** This component provides the necessary financing to implement the priority infrastructure identified in Component 2. It utilises a blended finance structure (EBRD loans and GCF grants) to make climate-resilient capital works financially viable without imposing unaffordable tariffs on vulnerable households.

Overall, the Programme is expected to benefit **1.5 million people** (524,000 direct and 1,000,000 indirect beneficiaries) by ensuring reliable access to safe water despite climate pressures. It will modernise infrastructure to reduce water losses and energy intensity, protecting critical assets from climate hazards and preventing service collapse.

1.2 PROGRAMME SELECTION CRITERIA

Investments funded under the Programme must adhere to a strict set of eligibility criteria designed to ensure they deliver genuine climate resilience and institutional sustainability. The EBRD will only approve and fund priority investments that meet the following:

(a) Investment Archetypes: The investment must fall within one or more of the following categories:

- Climate resilient water supply systems (expansion and rehabilitation).
- Wastewater networks and treatment (rehabilitation, new construction, and expansion).
- Climate-sensitive and digital innovations in water infrastructure (including smart metering and automation).
- Nature-based solutions (NBS) for improved urban climate risk management.

(b) Adaptation Pathway Approach: An adaptation pathway must be developed as part of the investment formulation. This ensures that measures are prioritised based on multi-hazard risk analysis over decision-relevant timescales (2030-2050), rather than traditional static planning.

(c) Climate Resilience Outcome: The investment must demonstrate a measurable Climate Resilience Outcome (as defined within the [EBRD Green Finance Methodology](#)) exceeding a specific threshold.

(d) Institutional and Financial Commitment: Participating utilities must commit to:

- Engaging in a Corporate Development Programme (CDP) with a specific focus on climate resilience.
- Incrementally closing the cost-recovery gap to ensure long-term financial sustainability, supported by the Programme's tariff reform and social support mechanisms.

1.3 COUNTRY CONTEXT

Both the Kyrgyz Republic and Tajikistan are highly vulnerable to the impacts of climate change on the cryosphere and hydrological cycles.

- **Kyrgyz Republic:** Mean air temperature has increased by approximately 0.8-1.2°C over the 20th century and is projected to rise by up to 3°C by mid-century. The country faces intensifying drought conditions (declining Standardized Precipitation Evapotranspiration Index or SPEI) and a loss of over 16% of glacier area since the mid-20th century. Conversely, the frequency of heavy rainfall events is increasing flood and mudflow hazards, which cause significant damage to water intakes and networks. The Programme aligns with the Kyrgyz Republic's updated Nationally Determined Contribution (NDC) 3.0, which prioritises adaptation in the water resources sector.
- **Tajikistan:** Average temperatures are projected to rise by roughly 3°C by mid-century, with the number of extremely hot days (>35°C) expected to double. The country is highly exposed to flash floods and mudflows, which frequently disrupt water services by damaging infrastructure and spiking turbidity levels beyond treatment capacities. Tajikistan's NDC identifies water resources as a priority sector for adaptation due to the critical need to secure water for consumption and agriculture amidst rapid glacier retreat in the Pamirs.

In both countries, the water sector suffers from high physical water losses (often exceeding 40-50%) and intermittent supply. The Programme addresses the urgent need for grant financing to bridge the viability gap for climate resilience investments, as sovereign debt constraints and affordability issues prevent these projects from being funded through commercial finance or municipal budgets alone.

1.4 TYPICAL PROGRAMME INVESTMENT PROJECTS

Projects are expected to improve existing facilities and operations through the implementation of "deep adaptation pathways." Investments will typically include a combination of hard infrastructure, digital solutions, and nature-based interventions, such as:

- **Climate-resilient water supply systems, expansion, rehabilitation and modernization of infrastructure**
- **Climate resilient wastewater networks and treatment rehabilitation, new construction and expansion**
- **Climate-resilient rehabilitation and modernisation of water conveyance and distribution infrastructure, including multi-purpose irrigation systems**
- **Nature-based solutions for improved urban climate risk management**

1.5 POTENTIAL PROJECT ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS AND MITIGATION

The Programme is classified as **Category B** regarding Environmental and Social (E&S) risks. While the projects are expected to generate significant public health and environmental benefits - including improved water quality, reduced pollution, and enhanced ecosystem resilience - there are inherent risks associated with infrastructure works.

Typical Project and sector operational impacts include:

- **Construction Impacts:** Temporary disruption to local communities, noise, dust, and waste generation during the rehabilitation of pipe networks and plants.
- **Pollution Risks:** Potential runoff or sludge management issues during the construction or operation of wastewater treatment facilities.
- **Health and Safety:** Occupational health and safety risks for workers during civil works and operations. Community health and safety risks during construction, including risks associated with the construction site and interactions with workers.
- **Social and Affordability Risks:** Economic displacement or temporary disruption of services during construction. There is also a risk related to affordability for vulnerable households as utilities move towards cost-recovery tariffs.
- **Supply Chain Risks:** During construction, assessment of the supply chain will be required to determine risks associated with sourcing of materials and labour and working conditions for contractors and suppliers.

Mitigation Measures: All investments will be subject to the EBRD's Environmental and Social Management Framework (ESMF) and GCF standards. Key mitigation measures include:

- **Environmental and Social Action Plans (ESAPs):** Developed for each sub-project to manage construction and operational risks.
- **Social Support Programmes:** To mitigate affordability risks, the Programme includes specific activities to design social support mechanisms and tariff structures that protect low-income households while allowing for utility financial sustainability.
- **Gender Action Plans:** The Programme is gender-responsive, with specific targets to increase women's representation in utility decision-making and ensure equal opportunities in employment and training.
- **Stakeholder Engagement:** Comprehensive Stakeholder Participation Programmes (SPPs) will be implemented to ensure community consultation, including grievance redress mechanisms, particularly for rural and peri-urban populations.

2 Environmental and Social Management Framework (ESMF)

EBRD will apply its comprehensive Environmental and Social Sustainability Framework (ESSF) for the Resilient Water Systems for All Programme (the Programme). The ESSF underpins the Environmental and Social Management Framework (ESMF) for the Programme. The EBRD ESSF is based on the environmental and sustainability mandate in the Articles establishing the EBRD, the Environmental and Social Policy (ESP) and Environmental and Social Requirements (ESRs), updated from time to time. A dedicated Environmental and Sustainability Department (ESD) has the responsibility of its implementation, and dedicated Gender and Economic Inclusion (G&EI) and Climate Strategy and Delivery (CSD) teams mandated to systematically identify environmental, social and gender-related opportunities. EBRD was accredited by GCF Board in September 2015. The latest version of the ESP and its ESRs was approved by EBRD's Board of Directors in October 2024 and came into effect on 1 January 2025. The ESP was revised to ensure EBRD remains aligned with other IFIs, such as the IFC and Equator Banks, to address issues that had arisen during implementation of the previous 2019 ESP, and to recognise a number of emerging sustainability issues. The revisions to the ESP followed an extensive consultation with stakeholders, including civil society organisations, industry associations, clients, other international financial institutions, and international organisations. More detail on how the Bank implements the EBRD ESRs can be found here: <https://www.ebrd.com/home/who-we-are/ebrd-values/ebrd-environmental-social-sustainability/reports-and-policies/ebrd-performance-requirements.html> with specific ESR Guidance Notes and training tools published by the EBRD.

In accordance with EBRD's ESSF, all projects undergo environmental and social appraisal both to help EBRD decide if the project should be financed and, if so, the way in which environmental and social issues should be addressed in its planning, implementation and operation. The appraisal process also identifies opportunities for additional environmental or social benefits. EBRD seeks within its mandate to ensure through its environmental and social appraisal and monitoring processes that projects are designed, implemented, and operated in compliance with applicable regulatory requirements and good international practice.

All projects under the Resilient Water Systems for All Programme will be categorised and structured to meet EBRD E&S Requirements. These are further outlined below. Comprehensive monitoring, also further outlined below, will be carried out by EBRD and technical consultants implementing the support of the projects. Reporting to the GCF will be based on the results of this monitoring.

3 Environmental and Social Requirements, Exclusions, and Compliance with Relevant Laws and Regulations

3.1 GENERAL

EBRD requires its projects to meet Good International Practice (GIP) related to environmental and social sustainability. To help clients and/or their projects achieve this, EBRD has defined specific Environmental and Social Requirements (ESRs) for key areas of environmental and social sustainability. EBRD has adopted ten ESRs, which specifically require projects to meet European Union (EU) substantive environmental standards where these can be applied at the project level.

3.2 ENVIRONMENTAL AND SOCIAL REQUIREMENTS

EBRD's ten Environmental and Social Requirements (ESRs) are:

- ESR 1 - Assessment and management of environmental and social risks and impacts
- ESR 2 - Labour and working conditions
- ESR 3 - Resource efficiency and pollution prevention and control
- ESR 4 - Health, safety and security
- ESR 5 - Land acquisition, restrictions on land use and involuntary resettlement
- ESR 6 - Biodiversity conservation and sustainable management of living natural resources
- ESR 7 - Indigenous Peoples (please see Section 3.3 and Annex 8 of this ESMF)
- ESR 8 - Cultural heritage
- ESR 9 - Financial intermediaries (not applicable in this case)
- ESR 10 - Stakeholder engagement

Each ESR defines, in its objectives, the desired outcomes, followed by specific requirements for projects to help clients achieve these outcomes.

With respect to the Programme, the following Environmental and Social Requirements are not applicable:

- ESR 9 - Financial Intermediaries - This ESR sets out EBRD's requirements for intermediated finance. The Programme will provide direct finance to Projects (sovereign loans on-lent to utilities).

The 2024 Environmental and Social Policy and ESRs can be found on the EBRD website: <https://www.ebrd.com/home/news-and-events/publications/institutional-documents/environmental-and-social-policy-2024.html>

As a signatory to the European Principles for the Environment, EBRD is committed to ensuring that projects are structured to meet EU environmental principles, practices and substantive standards, where these can be applied at the project level, regardless of their geographic location. When host country regulations differ from EU substantive environmental standards, projects will be required to meet whichever is more stringent.

Potential EU substantive environmental standards relevant to the Programme include:

- [EU EIA Directive](#) requirements
- [EU Drinking Water Directive](#)
- [EU Urban Waste Water Treatment Directive](#)
- [EU Water Framework Directive](#)

Where EU standards do not exist, the EBRD will refer to other relevant GIP, including [IFC/World Bank EHS guidelines](#).

Projects financed by the EBRD are required to meet the ESRs. In addition, where Projects are located within existing facilities or operations, such facilities or operations will be required to align with the ESRs over time through commitments in the financing agreements. This takes the form of an Environmental and Social Action Plan (ESAP). The Programme is expected to finance Projects at existing facilities (expansion and rehabilitation) and therefore EBRD's financing will result in environmental and social improvements at the Project level as well as within the facilities at which the Project will be located.

3.3 EXCLUSIONS

EBRD's ESP has, under Annex A, an Environmental and Social Exclusion List. This list is presented under Annex 1 of this ESMF. This list complements the EBRD's Bank-wide existing restriction on defence-related activities, tobacco, alcohol or gambling activities and facilities.

Every sub-project under the Programme will be screened against the above exclusions, Category A list and all applicable ESRs (as per ESMF Annex 2 Screening Checklist/ ESR compliance summary table) in line with [2024 ESP & ESRs](#) and the respective [EBRD Guidance Notes](#) on how to implement our ESRs.

In addition, the Programme **will not support the following Projects**:

- Categorised as A. The Programme will only support Projects which are categorised B and C under the EBRD ESP and GCF ESS.
- Sub-projects that may have a negative impact on Indigenous Peoples and could trigger ESR 7 (see also IP screening clarification in Annex 8 below).

Projects under the Programme may trigger ESR 5 on "Land Acquisition, Restrictions on Land Use and Involuntary Resettlement" due to construction or expansion activities. If Projects trigger ESR 5, EBRD will require documented evidence to show how the project has sought alternatives to avoid or minimise impacts considered under ESR 5.

3.4 COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

Compliance with relevant national laws related to the environment, health and safety, labour and social issues is an integral part of all ESRs. A list of relevant national legislation requirements will typically be confirmed during E&S assessment for each sub-project by the Feasibility Study consultants.

4 Project Screening, Categorisation and Risk

4.1 PROJECT SCREENING

Each project under the Programme will undergo environmental and social screening to: (a) Determine whether they, and the facility and/or operation at which they are located, are not on the EBRD Environmental and Social Exclusion List or involved in defence-related activities, tobacco, substances banned by international law or gambling facilities; (b) Determine whether they meet the eligibility criteria for the Programme; (c) Categorise the Project B or C; (d) Allocate a Project risk rating; (e) Determine the approach to environmental and social appraisal.

Screening of potential Project environmental and social risks and impacts is informed by the content of the ESRs. A screening checklist is used which reflects the key topic areas of each ESR. This is presented in Annex 2 of the ESMF.

4.2 CATEGORISATION

Each project under the Programme will be categorised either as B or C at the initial stage of the project cycle. No Category A projects will be included in the Programme. EBRD's indicative list of Category A projects is presented in Annex B of the 2024 ESP and will be used to screen Projects. Category A projects are typically "greenfield", major extension or transformation-conversion projects with potentially significant environmental and/or social impacts which the Programme will not support. EBRD's categorisation is determined by the Project, i.e. the use of financing. The categorisation further considers cumulative impacts.

This categorisation will determine the nature and level of environmental and social appraisal and due diligence, investigations, information disclosure and stakeholder engagement required. The categorisation will be commensurate with the nature, location, sensitivity and scale of the project, and the significance of its potential environmental and social impacts.

The rationale and justification for the assigned category of each project will be documented. Where insufficient information for screening and categorisation is available, an Initial Environmental and Social Examination (IESE) will be carried out to collect a sufficient amount of information on the nature, location, sensitivity and scale of the project, and the significance of its potential environmental and social impacts to inform screening and allow for determining the appropriate category and scope of the environmental and social investigations, information disclosure and stakeholder engagement required. The issues considered in IESE would include but not be limited to, for example, project location(s), capacities of the proposed project facilities, significant impacts on sensitive environmental/biodiversity areas, protected areas or cultural heritage locations, any significant land take that may require physical resettlement or displacement, any negative impacts on indigenous peoples, any public concerns or complaints, etc.

A project is categorised:

- **“B”** when its potential environmental and/or social impacts are typically site-specific and/or readily identified and addressed through mitigation measures. Environmental and social appraisal requirements may vary depending on the Project and will be determined by EBRD on a case-by-case basis.
- **“C”** when it is likely to have limited environmental and/or social impacts that can be readily identified and mitigated.

Such projects will not be required to be brought to GCF's Board for further assessment and approval, and will be approved through EBRD's established processes and implemented in line with the Bank's stringent ESSF. Projects will be required to meet the Bank's Environmental and Social Requirements and public disclosure requirements detailed below.

4.3 RISK RATING

In addition to Project Categorisation, and as per the E&S Procedures, each Project is allocated an E&S risk rating (Low, Low-Medium, High-Medium and High). The risk rating considers various criteria including the nature of the Project, its impact, E&S sensitivities, contextual issues, and the capacity and performance of the Project developer in managing E&S risks and impacts. Risk ratings are revised at certain key stages of the project life cycle (at initial concept, following due diligence and prior to decision making and then annually during monitoring) and are used to inform the extent of due diligence, resources required, Project developer capacity building and monitoring approach and intensity. Typically, the Bank expects that Project risk ratings will reduce over time.

5 Environmental and Social Assessment

5.1 DEFINING THE SCOPE AND CONTENT OF ENVIRONMENTAL AND SOCIAL ASSESSMENT

EBRD's environmental and social appraisal includes consideration of three key elements: (i) the environmental and social impacts and issues associated with the project, (ii) the capacity and commitment of the client to implement the project in accordance with the relevant ESRs, and (iii) to the extent appropriate, the facilities and activities that are associated with the project, but are not financed by EBRD. The scope of EBRD's environmental and social appraisal will be defined on a case by case basis through the screening and categorisation process described above by EBRD's Environment and Sustainability Department ("ESD"). The scope and content for the E&S assessment, information disclosure and stakeholder engagement requirements are proportionate to the potential environmental and social risks, issues and impacts associated with the project.

Category B and C projects require an environmental and social assessment that is proportionate to the Project's nature, size and location, as well as the characteristics of the potential impacts and risks. The assessment will characterise potential future adverse impacts associated with the project, identify potential improvement opportunities, and recommend any measures needed to avoid, or where avoidance is not possible, minimise and mitigate adverse impacts.

Category B and C projects which involve existing facilities require an assessment of the environmental and social issues of past and current operations. The purpose of this assessment is to identify potential risks, liabilities and opportunities associated with the existing facilities and operations, to confirm the current status of regulatory compliance and to assess the client's existing management systems and overall performance against the ESRs.

5.2 REVIEWING EXISTING INFORMATION

The environmental and social appraisal starts with identification and a review of available relevant environmental and social information related to the project. Such information is determined by the EBRD's Operation Team and ESD together with the client.

5.3 SITE VISITS

Depending on the nature of the project and the information received from the client, the Bank's ESD may undertake a site visit to the project at the initial stage of the due diligence to determine the detailed scope and content for the environmental and social due diligence (ESDD). Specific objectives will be defined for such visits.

5.4 COMMISSIONING ENVIRONMENTAL AND SOCIAL ASSESSMENT

The environmental and social assessment is expected primarily to be conducted by independent consultants or other third party experts. In some cases the project or client may have in-house specialist staff or retained consultants who can conduct the necessary work. The Bank will typically retain its own consultants to support Project appraisal (a typical terms of reference is attached as Annex 3 under this ESMF). The Bank may in exceptional situations decide that the environmental and social assessment of a project is appropriate to be undertaken internally by the Bank's environmental and social specialists. This may be the case for category C projects and Category B projects with lower risk ratings. Consultants will make use of existing documentation and assessment (such as Environmental Impact Assessments, EIAs) and conduct their own assessments and studies depending on the nature of the Project.

6 ENVIRONMENTAL AND SOCIAL MANAGEMENT AND ACTION PLANS

The client is required to take into account the findings of the environmental and social assessment process and the outcomes of stakeholder engagement in order to develop and implement a programme of actions to address the identified environmental and social impacts and issues of the project as well as to determine any performance improvement measures to meet the ESRs.

Depending on the project, the programme may consist of a combination of documented operational policies, management systems, procedures, plans, practices and capital investments, collectively known as Environmental and Social Management Plans (“ESMP”). Components of such plans or programmes may include, for example, Construction Environmental and Social Management Plan, Emergency Response Plan, Waste Management Plan and/or other specific plans. Alternatively, these may be stand-alone documents.

Where the Project does not meet the ESRs from the outset, the client and the Bank will in addition to the ESMP agree on an Environmental and Social Action Plan or ESAP, which will include technically and financially feasible, and cost-effective measures for the project, as well as the facilities or operations at which the Project is located, to achieve compliance with the ESRs within a time frame acceptable to EBRD. The ESAP is the key tool to structure projects to meet the ESRs as well as a key instrument for monitoring of the project’s ongoing environmental and social performance by EBRD. The ESAP may also include measures for the client to manage environmental and social risks and/or to improve their practices in line with the ESRs in their other operations that are associated with but not part of the project.

If no corrective actions have been identified in the environmental and social assessment, an ESAP would not be required.

7 Roles and Responsibilities for Managing Environmental and Social Requirements

7.1 EBRD'S CLIENTS ROLE AND RESPONSIBILITIES

The EBRD expects its clients to have adequate resources either in-house or through contracting of consultants to manage the environmental and social issues associated with the projects to meet the ESRs over a reasonable period of time. Projects involving new facilities or business activities will be designed to meet the ESRs from the outset. If a project involves existing facilities or activities that do not meet the ESRs at the time of Board approval, the client will be required to adopt measures satisfactory to EBRD, that are technically and financially feasible and cost-effective to achieve compliance of these facilities or activities with the ESRs within a time frame acceptable to EBRD. In addition, EBRD will work with its clients to manage environmental and social risks consistent with the ESRs in their other operations that are associated with but not part of the project.

It is also the client's responsibility to ensure that adequate information is provided so that the Bank can undertake an environmental and social assessment in accordance with the ESP. The client may be required to commission appropriate environmental and social studies and conduct stakeholder engagement and cover the costs of these. The client is also expected to allow EBRD representatives and independent consultants to access project facilities and records. The client's role also includes agreeing on the Environmental and Social Action Plan (ESAP) and the environmental and social content of the Project Summary Document (PSD) and Non-Technical Summary (NTS).

7.2 EBRD'S ROLE AND RESPONSIBILITIES

EBRD's responsibilities are consistent with its role as an international financial institution providing bank financing for projects through the use of EBRD's resources approved by its management and Board of Directors or other decision-making bodies. With respect to any particular investment or technical co-operation project, the level of EBRD's engagement is determined by the nature and scope of the project, availability of donor funding, as well as the specific circumstances of the collaboration and relationship with the client.

EBRD may refrain from financing a project on environmental or social grounds. EBRD will not knowingly finance projects which either involve or result in forced evictions. In addition, there are several types of activities that EBRD does not finance in accordance with the EBRD Environmental and Social Exclusion List (see Annex 1).

The EBRD's organisational structure is provided in Section B.4 of the Funding Proposal. Key units for the ESMF are: the dedicated Environmental and Sustainability Department (ESD) discharged with the responsibility of implementing the Environmental and Social Policy (ESP) and Environmental and Social Requirements, and the dedicated Gender and Climate Strategy and Delivery (CSD) teams mandated to systematically identify environmental, social and gender-related opportunities.

8 STAKEHOLDER ENGAGEMENT

EBRD recognises the importance of open and transparent engagement between clients, workers, local communities directly affected by projects and, where appropriate, other stakeholders as an essential element of Good International Practice (GIP) and corporate citizenship. Such engagement is also a way of improving the environmental and social sustainability of projects. In particular, effective community engagement, appropriate to the nature and scale of the project, promotes sound and sustainable environmental and social performance, and can lead to improved financial, social and environmental outcomes, together with enhanced community benefits. Stakeholder engagement is central to building strong, constructive and responsive relationships which are essential for the successful management of a project's environmental and social impacts and issues. To be effective, stakeholder engagement should be initiated at an early stage of the project cycle.

The Bank's Environmental and Social Requirement 10 (ESR 10) requires all projects that are likely to have adverse environmental and social impacts and issues on the environment, workers or the local communities to identify and engage with stakeholders as an integral part of their overall environmental and social management framework (ESMF), the project's environmental and social assessment process and the environmental and social management plan.

Projects required to meet ESR 10 will need to conduct stakeholder engagement on the basis of providing local communities that are directly affected by the project and other relevant stakeholders with access to timely, relevant, understandable and accessible information, in a culturally appropriate manner, and free of manipulation, interference, coercion and intimidation. More information on stakeholder engagement activities and ESR 10 can be found in [EBRD's ESP 2024](#).

For projects that could have adverse environmental and social impacts, clients are expected to, as an integral part of the assessment process, identify all the project's stakeholders and design a plan for engaging with the stakeholders, a Stakeholder Engagement Plan or SEP. Consultation should be meaningful to take the views and concerns of stakeholders into consideration in planning, implementing and operating the project. The client will identify the stakeholders potentially affected by and/or interested in the project, disclose sufficient information about the impacts and issues arising from the project and engage with relevant stakeholders, in proportion to the potential impacts associated with the project and level of concern.

Each Project under the Programme will require a Stakeholder Engagement Plan (SEP), including a grievance mechanism. If Project impacts are limited, the EBRD will require the client to identify stakeholders and implement a grievance mechanism as an alternative to an SEP (see ESR 10 for detail on stakeholder engagement commensurate with Project risk). EBRD will disclose on its website appropriate E&S information in the form of a Project Summary Document (PSD), including a Non-Technical Summary (NTS), for each Project under the Programme as per its Access to Information Policy (2024) and Directive on Access to Information (2024).

An outline of a SEP for a Project under the Programme is provided in Annex 4 of this ESMF.

Programme SEP

While the transformational shift sought by the Programme is to operationalise deep adaptation pathways for water services and catalyse a fundamental shift in water management under climate uncertainty, the Programme's entry point is with municipal water utilities and national water sector institutions. However, a wide range of other stakeholders come into play as crucial influencers, enablers, supporters, financiers, and beneficiaries, including consumers, vulnerable groups, and civil society organisations.

Therefore, the Programme's vision of stakeholder engagement is: to engage in a participative manner with utilities and in a consultative way with the larger stakeholder community to ensure efficient, effective and appropriate engagement in participating Countries, consistent with both the EBRD and

GCF requirements. Particular attention will be on (a) engaging with the NDCs and NAPs via the sectoral windows of water resources and infrastructure; (b) leveraging value from the multi-country programmatic approach through Climate Resilience Transition Platforms (CRTPs) and Water Operator Partnerships (WOPs); and (c) linking national and international stakeholders to share best practices.

The Programme's consultation process that has contributed to the formulation of the Programme has been outlined in Annex 7 (of the FP), including consultations with NDAs and stakeholders in the Kyrgyz Republic and Tajikistan in 2025, and stakeholder roles and engagement activities have been identified.

9 Grievance Redress Mechanism

EBRD requires its clients to be aware of and respond to stakeholders' concerns related to the project in a timely manner. For this purpose, the client will establish an effective grievance mechanism, process, or procedure to receive and facilitate resolution of stakeholders' concerns and grievances, in particular, about the client's environmental and social performance. The grievance mechanism should be scaled to the risks and potential adverse impacts of the project:

- The grievance mechanism process or procedures should address concerns promptly and effectively, in a transparent manner that is culturally appropriate, rights-compatible, and readily accessible to all segments of the affected communities, at no cost and without retribution. The mechanism, process or procedure must not prevent access to judicial or administrative remedies. The client will inform the affected communities about the grievance process in the course of its community engagement activities, and report regularly to the public on its implementation, protecting the privacy of affected individuals.
- Handling of grievances should be done in a culturally appropriate manner and be discreet, objective, sensitive, and responsive to the stakeholders' needs and concerns. The mechanism should also allow for anonymous complaints to be raised and addressed.
- The grievance mechanism must be gender inclusive and responsive, including tailored arrangements for vulnerable people. It must include dedicated reporting channels and specialist support for complaints relating to gender-based violence and harassment (GBVH) and sexual exploitation, abuse and harassment (SEAH), including survivor-centred confidential reporting with safe and ethical documentation of cases and required follow up actions. This may require the hiring of and training of specialised staff, including their GBVH focal points responsible for handling GBVH complaints. Additional guidance on developing SEAH/GBVH protocols for handling grievances can be found in Annex 7 of EBRD's guidance note: [GBVH Good Practise Note](#).
- A workers grievance mechanism compliant with ESR2 and ESR4 requirements is to be established either as a standalone process or as an integrated element of the existing grievance mechanism. All project workers will be informed of the grievance mechanism at the time of hiring and make it easily accessible to them. The mechanism will involve an appropriate level of management and address concerns promptly, using an understandable and transparent process that provides timely feedback to those concerned, without any retaliation. The mechanism will include provisions for complaints requiring special protection measures, such as reports of GBVH and SEAH as per ESR2 requirements. Workers will also retain the right to escalate complaints to EBRD's internal, Bank-level grievance mechanism. In addition, the Independent Project Accountability Mechanism (IPAM) serves as a third, independent layer.

EBRD has also established its own accountability mechanism, the Independent Project Accountability Mechanism ([IPAM](#)), which has been established to assess and review complaints about Bank-financed projects. The IPAM is formed under the Project Accountability Policy (2019) and replaces the previous Project Complaint Mechanism (PCM). The purpose of the mechanism is to facilitate the resolution of social, environmental and public disclosure issues among Project stakeholders; to determine whether the Bank has complied with its Environmental and Social Policy and the Project-specific provisions of its Access to Information Policy; and where applicable, to address any existing non-compliance with these policies, while preventing future non-compliance by the Bank. IPAM is an independent function, governed outside the Bank's investment operations (i.e., outside of Bank management), with a direct reporting line to the Board of Directors through its Audit Committee.

IPAM has two functions:

- The **Problem Solving function**, which supports dialogue between Requesters (the individual(s) or Organisation(s), as the case may be, submitting a Request to IPAM) and Clients to resolve the environmental, social and public disclosure issues underlying a Request, without attributing

blame or fault. IPAM engages with Project-affected People, Clients, and other stakeholders as a neutral third party, in order to help find mutually satisfactory resolutions through flexible, consensus-based problem-solving approaches; and

- The **Compliance function**, which determines whether EBRD has complied with its Environmental and Social Policy or the Project-specific provisions of its Access to Information Policy in respect of a Project. As such, the Compliance function only deals with the compliance of the Bank, rather than the compliance of the Client. IPAM engages with Project-affected People, Bank staff, Clients and other stakeholders in order to determine whether the Bank, through its actions or inactions, has failed to comply with any provision of the Environmental and Social Policy (including any provision requiring the Bank to monitor Client commitments), or the Project-specific provisions of the Access to Information Policy. If EBRD is found to be non-compliant with either of the policies above, the Compliance function also proposes Project-specific and procedural changes to Bank practices to address existing non-compliance, prevent future non-compliance and promote institutional learning and capacity building.

Following the assessment of a Request, there may be a recommendation for: Problem Solving, followed by Problem Solving Agreement Monitoring, if applicable; Compliance Assessment, followed by a Compliance Review and Management Action Plan Monitoring, if applicable; or neither.

Project-affected persons and other stakeholders can access the [IPAM](#), the EBRD's direct complaints process, or the client's grievance mechanisms, which collectively represent the accountability architecture of the Bank, at any time.

Additional guidance on Grievance Management, in line with ESR 10 which will apply to the Programme, is provided here: <https://www.ebrd.com/downloads/about/sustainability/grievance-mechanism.pdf>

10 Monitoring

EBRD's Environmental and Social Policy and Environmental and Social Procedures outline the approach and process for monitoring Environmental and Social performance in its investments based on tracking the implementation of the Environmental and Social Requirements (ESRs). This covers monitoring activities being undertaken by our clients, and the monitoring undertaken by EBRD staff through the review of reports received, site visits and third-party monitoring. The monitoring activities for each project are determined on the basis of the environmental and social risks and impacts associated with the project identified during the environmental and social assessment. They may also reflect any significant stakeholder concerns and include an environmental and social project completion review or audit, where relevant. As a minimum, EBRD reviews the Annual Environmental and Social Reports prepared by clients on the environmental and social performance of the project, including updates on the implementation of the Environmental and Social Management and/or Action Plans. EBRD staff may also, as necessary, undertake site visits to review the compliance of the project with agreed environmental and social requirements.

If the client fails to comply with its social and environmental commitments, as set out in the legal agreements, EBRD may agree with the client remedial measures to be taken by the client to achieve compliance. If the client fails to comply with the agreed remedial measures, the Bank may take such action and/or exercise such remedies contained in the financing agreements that it deems appropriate. EBRD will also review with the client any performance improvement opportunities related to projects.

Project risk ratings are revised routinely during monitoring.

10.1 PROGRAMME MONITORING AND REPORTING

The Programme's monitoring is described in the Funding Proposal, section E.7.

Monitoring for the Programme will be in line with EBRD's policies and the terms of the AMA/FAA. Specifically, the implementation of each project and sub-project under the **Resilient Water Systems for All Programme** will be managed and monitored at project and Programme level by EBRD's in-house staff, project management units, procured international and local consultants, as relevant. The EBRD has dedicated staff in its sectors team, risk departments and regional offices that will conduct due diligence, monitor project risks, and prepare mitigation measures throughout the Programme's lifecycle.

Reporting of project companies/utilities to the EBRD: As specified in Loan Agreements and Grant Agreements between project companies/utilities and EBRD, project companies are obliged to report on the use of proceeds of the Programme and the environmental and social performance of the project to the EBRD on an annual basis, including indicators listed in Section E.5, in line with EBRD's standard reporting requirements, reflecting also the agreed GCF information requirements.

Reporting of the implementation consultants to the EBRD: The implementation consultants will officially report progress on a periodic basis to EBRD staff throughout the Programme's lifecycle. The consultant team will communicate with EBRD managers on the progress of the Programme and report on a regular basis. At completion date, the operational team will prepare a completion report at Programme-level.

Reporting of EBRD to the GCF: EBRD will provide to the GCF a) annual activity performance reports on the status of GCF funded activities throughout the relevant reporting period, b) mid-term evaluation reports at the midpoint of the implementation period of the Programme, and c) final evaluation report at the end of the implementation period. All reporting will include analysis of the project Grievance Redress Mechanisms, the nature of complaints, how they are handled and preventative measures put into place as a result. Special attention will be paid to grievances in relation to community health and safety, management of environmental risks and impacts, occupational health and safety, SEAH and GBVH both from interactions with the community and workers and within the workforce.

Annual performance reports will include the disbursements made during the relevant period, the implementation status of the Funded Activity and the monitoring of results and impacts of such Funded Activity.

Evaluation: As part of the overall project implementation, two evaluations are planned: one interim independent evaluation following year 7 of Programme implementation and one final independent summative evaluation focusing on the impact of the Programme upon completion date. These evaluations will be conducted in compliance with the GCF Evaluation Policy.

Impacts will be reported to the GCF through the indicators reporting required for all projects as set out in the Loan Agreements and EBRD staff or contracted consultants responsible for monitoring the impacts of the Programme where consultant reports will be used as a means of verification.

Outcomes will predominantly rely on EBRD staff or contracted consultants to monitor and report on the indicators using the means of verification specified above.

Outputs will be monitored in line with the means of verification described above as provided either by consultants, the Bank's treasury department or clients. Both EBRD staff and contracted consultants will be responsible for ensuring the Bank fully and successfully reports all listed indicators and information to GCF.

Annexes

1. EBRD Environmental and Social Exclusion List
2. Screening Checklist
3. Standard Terms of Reference for Environmental and Social Assessment and Audit
4. Stakeholder Engagement Plan Outline
5. Non-Technical Summary Content
6. Sample Resettlement Framework (RF) Contents
7. Environmental and Social Action Plan Template
8. Indigenous peoples screening Clarification

Annex 1: EBRD Environmental and Social Exclusion List

The EBRD will not knowingly finance, directly or indirectly through FIs, projects where Bank proceeds are used for activities relating to the following:

- a. the production of or trade in any product or activity deemed illegal under host country (that is, national) laws or regulations, or international conventions and agreements, or subject to international phase-out or bans, such as:
 - i. production of or trade in products containing polychlorinated biphenyls (PCBs)¹²
 - ii. production of or trade in pharmaceuticals, pesticides/herbicides and other hazardous substances¹³
 - iii. production of or trade in ozone-depleting substances (ODSs)¹⁴
 - iv. production or use of or trade in persistent organic pollutants¹⁵
 - v. trade in wildlife or production of or trade in wildlife products regulated under the [Convention on International Trade in Endangered Species of Wild Flora and Fauna \(CITES\)](#)¹⁶
 - vi. transboundary movements of waste prohibited under public international law¹⁷
- b. child and forced labour
- c. forced evictions¹⁸
- d. fossil fuel-related exploration and development or fossil fuel-based electricity generation, per the requirements of the EBRD's current Energy Sector Strategy
- e. activities involving the force-feeding of ducks and geese
- f. the keeping of animals for the primary purpose of fur production or any activities involving fur production
- g. the manufacture, placing on the market and use of asbestos fibres, and of articles and mixtures containing these fibres added intentionally¹⁹

12 PCBs are a group of highly toxic chemicals likely to be found in oil-filled electrical transformers, capacitors and switchgear dating from 1950 to 1985.

13 Reference documents: Regulation (EU) No. 649/2012 of the European Parliament and of the Council of 4 July 2012 concerning the export and import of hazardous chemicals as amended from time to time; United Nations Consolidated List of Products whose Consumption and/or Sale have been Banned, Withdrawn, Severely Restricted or not Approved by Governments; the Convention on the Prior Informed Consent Procedures for Certain Hazardous Chemicals and Pesticides in International Trade (Rotterdam Convention); World Health Organisation Recommended Classification of Pesticides by Hazard.

14 ODSs are chemical compounds that react with and deplete stratospheric ozone, resulting in the widely publicised "ozone holes". The Montreal Protocol on Substances that Deplete the Ozone Layer lists ODSs and their target reduction and phase-out dates. A list of the chemical compounds regulated by the Montreal Protocol, which includes aerosols, refrigerants, foam-blowing agents, solvents and fire-protection agents, together with details of signatory countries and phase-out target dates, is available from the United Nations Environment Programme.

15 Reference document: Stockholm Convention on Persistent Organic Pollutants (POPs) as amended in 2009.

16 A list of CITES-listed species is available from the CITES Secretariat.

17 Reference documents: Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal; Regulation (EC) No 1013/2006 of 14 June 2006 on shipments of waste; and Decision C(2001)107/Final of the OECD Council concerning the revision of Decision C(92)39/Final on the control of transboundary movements of wastes destined for recovery operations.

18 "Forced eviction" refers to the acts and/or omissions involving the coerced or permanent or temporary involuntary displacement of individuals, groups and communities from homes and/or lands and common property resources which they occupy or depend on, thus eliminating or limiting the ability of an individual, group or community to reside or work in a particular dwelling, residence or location, without the provision of, and access to, appropriate forms of legal or other protection.

19 Commission Regulation (EU) 2016/1005 of 22 June 2016 amending Annex XVII to Regulation (EC) No 1907/2006 of the European Parliament and of the Council concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) as regards asbestos fibres (chrysotile).

- h. the export of mercury and mercury compounds, and the manufacture, export and import of a large range of mercury- added products²⁰
- i. activities prohibited by host-country legislation or international conventions relating to the protection of biodiversity resources or cultural heritage
- j. drift net fishing in the marine environment using nets in excess of 2.5 km in length
- k. shipment of oil or other hazardous substances in vessels that do not comply with International Maritime Organization (IMO) requirements²¹
- l. trade in goods without required export or import licences or other evidence of authorisation of transit from the relevant countries of export, import and, if applicable, transit
- m. projects that impact the following areas: (i) Alliance for Zero Extinction (AZE) sites, (ii) UNESCO Natural and Mixed World Heritage Sites and (iii) free-flowing sections of rivers 500 km or longer in length, with the exception of those projects specifically designed to contribute to the conservation of such areas.

20 Regulation (EU) 2017/852 of the European Parliament and of the Council of 17 May 2017 on mercury.

21 International Convention for the Safety of Life at Sea (SOLAS) certificates (including, without limitation International Safety Management Code compliance), tankers blacklisted by the EU or banned by the Paris Memorandum of Understanding on Port State Control and tankers due for phase-out under [International Convention for the Prevention of Pollution from Ships \(MARPOL\)](#) regulation 13G. No single-hull vessel over 25 years old should be used.

Annex 2: Screening Checklist (ESR Compliance Summary Table for ESP 2024)

Introduction

The Compliance Summary provides a systematic review of project compliance with the EBRD Environmental and Social Policy, as defined through the applicable Environmental and Social Requirements (ESRs). Scope of compliance is all ESRs applicable to non-FI projects. The review is intended to provide a baseline against which to judge future performance of projects through the annual environmental and social reporting process.

Guidance

For all ESRs (Indicators with whole number references) provide a summary of overall compliance with the ESR. Justification for any derogation from a ESR should be summarised and supporting documents referenced.

For each indicator within a ESR, please complete the 3 steps below:

1. **Decide whether the indicator is applicable.** For Category A (**not** to be included in the Programme) and B projects the starting point is that all indicators are applicable unless the project has no significant aspects relevant to the indicator (i.e. no risks), in which case the indicator should be scored "NA" and a brief summary of the reason given. For Category C projects the starting point is all indicators are NA unless the project has a significant aspect relevant to the indicator (i.e. there is a material risk).
2. **Decide whether an opinion is possible.** If not (for example if the indicator will apply, but it is too early in the project) score as "NOP" and provide a brief summary of why. Where lack of opinion represents a material omission to the review refer to where this is addressed in the report and summarise any recommendations.
3. **Score the indicator as follows and provide brief justification.**

<i>EC</i>	<i>Exceeding Compliance:</i> The project has gone beyond the expectations of EBRD's ESR requirements. EBRD should be able to use projects rated EC as a role model for positive Environmental and Social effects.
<i>FC</i>	<i>Fully Compliant:</i> The project is fully in compliance with EBRD's requirements, and EU and local environmental, health and safety policies and guidelines.
<i>PC</i>	<i>Partial Compliance:</i> The project is not in full compliance with EBRD's requirements, but has systems, processes or mitigation measure in place which are working towards addressing the deficiencies.

MN	<p><i>Material Non-compliance:</i> The project is not in material compliance with EBRD's requirements, and the systems, processes and mitigation measures in place are not working towards addressing the deficiencies.</p>
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4. **Comments/Issues:** Provide a brief commentary on the relevance of this requirement for the project and an explanation of the chosen score.
5. **Actions Required:** Where applicable, briefly describe any actions required by the client to achieve full compliance with each requirement. Where a relevant action is included in the ESAP for this project, please provide a reference to the ESAP.
6. **ESR Summary:** Provide an overall summary against the ESR, using the above compliance definitions with supporting commentary. In some cases it may be sufficient to address a ESR at summary level only, depending on Stage 1 above.

Note: The Material Non-compliance score (at both Indicator and ESR level) has significant implications for Project approval and requires particular care. In judging whether the measures sufficiently address deficiencies the consultant should consider in a structured way both the level of residual (post-approval) risk and the level of confidence that the Project can successfully bring the issue into compliance with the Policy through the ESAP. The table below illustrates the approach to be taken.

Risk	High	PC	MN	MN
	Medium	PC	PC	MN
	Low	FC	PC	PC
		High	Medium	Low
		Confidence		

KPI Ref.	Environmental and Social Requirement	Score	Comments/ Issues	Actions Required	ESAP Ref.
1	Assessment and Management of Environmental and Social Risks and Impacts				
	Summary:				
1.1	Environmental and Social Management Systems				
1.2	Environmental and Social Policy ¹				
1.3	Environmental and Social Assessment				
1.4	Environmental and Social Management Plan				
1.5	Organisational Capacity and Commitment				
1.6	Contractors				
1.7	Project Monitoring and Reporting ²				
2	Labour and Working Conditions				
	Summary:				
2.1	Human Resource and Labour Management Policies and Procedures				
2.2	Working Relationships				
2.3	Wages, Benefits and Conditions of Work				
2.4	Migrant Workers				
2.5	Self-employed Workers				

¹ Where the project represents a substantial extension to the client activities, confirm that Policy and supporting management systems and plans are appropriate for the new activities.

² At appraisal stage there will be limited information. Compliance assessment should address specific plans for monitoring and reporting (against for example ESAP requirements) and also consider whether there is evidence of weak monitoring/reporting by client on other relevant projects - which may reduce confidence in future performance.

PUBLIC

KPI Ref.	Environmental and Social Requirement	Score	Comments/ Issues	Actions Required	ESAP Ref.
2.6	Workers Organisations				
2.7	Child and Forced Labour				
2.8	Non-Discrimination and Equal Opportunity				
2.9	Collective dismissals				
2.10	Grievance Mechanism				
2.11	Contracted Workers				
2.12	Supply Chain Workers				
3	Resource Efficiency and Pollution Prevention and Control <i>NB. Appraisal should carefully consider (and state) what regulations or standards have been applied to compliance assessment (eg EU, National, Sector Best Practice). Assessments should address consideration of the performance of alternative techniques.</i>				
	Summary:				
3.1	Resource Efficiency and Circular Economy				
3.2	Water				
3.3	Wastes				
3.4	Pollution Prevention and Control - Air emissions				
3.5	Pollution Prevention and Control - Waste waters				
3.6	Greenhouse Gas Emissions ³				

³ Particular attention should be given to client demonstration of consideration of alternatives.

For projects that either have, or are expected to have, gross emissions in excess of 20,000 tonnes CO₂-equivalent annually, or are expected to result in a net change in emissions, positive or negative, of more than 20,000 tonnes of CO₂-equivalent annually post-investment, the client will quantify these emissions in accordance with the EBRD Protocol for Assessment of Greenhouse Gas Emissions. The client will report emissions data to the EBRD on a yearly basis.

PUBLIC

KPI Ref.	Environmental and Social Requirement	Score	Comments/ Issues	Actions Required	ESAP Ref.
3.7	Safe Use and Management of Hazardous Substances and Materials				
3.8	Pest Management				
3.9	Noise and Vibration				
4	Health, Safety and Security				
	Summary:				
4.1	Occupational Safety and Health				
4.2	Community Health and Safety				
4.3	Gender-Based Violence and Harassment and Child Sexual Abuse for both community and workers.				
4.4	Contractor and Sub-contractor Management				
4.5	Infrastructure, Building, and Equipment Design and Safety				
4.6	Hazardous Materials Safety				
4.7	Product Safety				
4.8	Psychosocial Risks				
4.9	Health and Safety Risks in Community Services				
4.10	Traffic and Road Safety				
4.11	Natural and Climate Change Hazards				
4.12	Exposure to Disease				
4.13	Emergency Preparedness and Response				
4.14	Security				

PUBLIC

KPI Ref.	Environmental and Social Requirement	Score	Comments/ Issues	Actions Required	ESAP Ref.
4.15	Worker Welfare and Accommodation				
5	Land Acquisition, Restrictions on Land Use and Involuntary Resettlement				
	Summary:				
5.1	Avoidance or Minimisation of Displacement				
5.2	Forced Eviction				
5.3	Negotiated Settlements				
5.4	Consideration of Vulnerable People				
5.5	Consideration of Gender Aspects				
5.6	Socio-economic Surveys				
5.7	Census, Inventory of Affected Assets and Cut-off Date				
5.8	Valuation of Affected Lands and Assets				
5.9	Eligibility Classification				
5.10	Compensation and Benefits for Affected Persons				
5.11	Temporary Land Use Restrictions				
5.12	Land Acquisition for Associated Facilities				
5.13	Voluntary Land Donations				
5.14	Loss of Community Facilities, Utilities and Public Amenities				
5.15	Stakeholder Engagement				
5.16	Grievance Mechanism				
5.17	Planning and Implementation				

PUBLIC

KPI Ref.	Environmental and Social Requirement	Score	Comments/ Issues	Actions Required	ESAP Ref.
5.18	Organisational Capacity and Commitment				
5.19	Private-sector Projects with Government-Managed Land Acquisition and Resettlement				
5.20	Monitoring and Evaluation				
5.21	Physical Displacement and Resettlement Assistance				
5.22	Economic Displacement and Livelihood Improvement or Restoration				
6	Biodiversity Conservation and Sustainable Management of Living Natural Resources				
	Summary:				
6.1	Biodiversity Conservation				
6.2	Sustainable Management of Living Natural Resources				
6.3	Supply Chains				
7	Indigenous Peoples (IP)				
	Summary:				
7.1	Screening of applicability against ESR7 IP criteria (see also IP screening clarification in Annex 8 of ESMF).				
7.2	Assessment of Impacts to IP				
7.3	Meaningful Consultation and Free, Prior and Informed Consent				
7.4	Compensation and Benefit Sharing				

PUBLIC

KPI Ref.	Environmental and Social Requirement	Score	Comments/ Issues	Actions Required	ESAP Ref.
7.5	Grievance Mechanism				
7.6	Other Considerations				
8	Cultural Heritage				
	Summary:				
8.1	Requirements for specific types of cultural heritage				
8.2	Underwater cultural heritage				
8.3	Consultation with Cultural Heritage Users, Custodians, Affected Communities, and Other Stakeholders				
8.4	Assessment of Risks and Impacts				
8.5	Chance Finds Procedure				
8.6	Legally Protected and Internationally Recognised Areas				
8.7	Sustained and Safe Access to Cultural Heritage				
8.8	Project's Use of Cultural Heritage				
8.9	Monitoring and Evaluation				
10	Stakeholder Engagement				
	Summary:				
10.1	Engagement Planning				
10.2	External Communication				
10.3	Grievance Mechanism				
10.4	Monitoring and Reporting				

PUBLIC

KPI Ref.	Environmental and Social Requirement	Score	Comments/ Issues	Actions Required	ESAP Ref.
	Overall Compliance				
	National Environmental, Social, Health and Safety Requirements				
	EU Environmental, Social, Health and Safety Requirements				

Annex 3: Standard ToR for Environmental and Social Assessment and Audit

1. Background

This Annex describes the scope of work of an Environmental and Social Assessment for a generic infrastructure project categorised B in accordance with the Bank's ESP (2024).

1.1. Project Description

The European Bank for Reconstruction and Development (the “EBRD” or the “Bank”) is considering providing finance to:

[Insert information to make project specific, including:

- Name of Client (the “Client”)
- Name of Project
- Location
- Any other pertinent details]

The Loan will be used to finance [insert specific information about use of proceeds] (the “Project”). [Insert any other specific information, including loan type and any other pertinent information on client or project]

The Loan will be used to finance [insert specific information about use of proceeds] (the “Project”). [Insert any other specific information, including loan type and any other pertinent information on client or project]

It is understood that the Project may be/may have been subject to local environmental impact assessment (EIA) with associated public consultation and public disclosure in accordance with local/national legal and permitting requirements.

The Project is categorised “B” in accordance with the EBRD Environmental and Social Policy (ESP) (2024). The Bank therefore wishes to engage a consultant (the “Consultant”) to carry out an Environmental and Social (E&S) Assessment of both the Project and the Client's existing operations (the “Assignment”).

1.2. Applicable Requirements

The E&S Assessment is to be carried out in accordance with:

- Applicable local, national and regional requirements, including those related with environmental and social impact assessments / EIAs and associated public disclosure and consultation requirements;
- The EBRD's Environmental and Social Policy (ESP) 2024⁴ (and the incorporated Environmental and Social Requirements (ESRs)), and relevant European Union (EU) substantive environmental requirements, including (but not limited to) the pertinent requirements of the EIA Directive (as updated in 2014), Industrial Emissions Directive, and Birds and Habitat Directives, EU Drinking Water Directive, EU Urban Waste Water Treatment Directive and EU requirements for sewage sludge;

⁴ Available at <https://www.ebrd.com/home/news-and-events/publications/institutional-documents/environmental-and-social-policy-2024.html>

- Public consultation and stakeholder engagement will be tailored for the Project, be meaningful and will allow for disclosure of information and public participation in decision-making (in accordance with ESR10);
- Requirements of other potential lenders, such as other International Financing Institutions (IFIs) and commercial banks adhering to the Equator Principles⁵; and,
- Relevant international conventions and protocols relating to environmental and social issues, as transposed into national legislation

2. Objectives of the E&S Assignment

The objective of the E&S Assessment is to critically assess the existing Project documentation against the requirements of the Bank's ESP and ESRs and identify and assess the potentially significant existing and future adverse environmental and social impacts associated with the Client's current operations and the proposed Project, assess compliance with applicable laws and the EBRD ESP and ESRs, determine the measures needed to prevent, minimise, mitigate or as a last resort, offset and/or compensate any adverse impacts, and identify potential environmental and social opportunities, including those that would improve the environmental and social sustainability of the Project and/or the associated current operations.

The E&S assessment process will be appropriate to the nature and scale of the project and commensurate with the level of its environmental and social risks and impacts of the Project and the Client's existing operations. The assessment will cover, in an integrated way, all relevant direct and indirect environmental and social risks and impacts of the Client's operations, the Project and the relevant stages of the project cycle (e.g. pre-construction, construction, operation, and decommissioning or closure and reinstatement).

The Environmental and Social Assessment (as defined in Section 3.2.1) will also determine whether further studies are required, focusing on specific risks and impacts, such as climate change, human rights, labour, supply chain, and / or gender equality.

The Environmental and Social Audit (as defined in Section 3.2.2) is required to assess the Client's current operations in terms of compliance with national legislation, national or local permitting requirements, the relevant provisions of the EBRD Environmental and Social Policy and E&S Requirements (2024) and relevant EU environmental standards. Further, the audit must review possible historical environmental and social issues, such as potential contamination of soil and/or groundwater or land acquisition disputes.

3. Scope of Work

The Consultant will:

- Identify existing and Project-related environmental and social impacts and risks;
- Describe and characterise a relevant environmental and social baseline commensurate with the risks posed by the current site operations and the Project;
- Develop a draft E&S Assessment report in accordance with the Bank's requirements as defined in the ESP, including a Compliance Summary table with the Bank's ESRs and other documents as agreed with EBRD as necessary (such as a biodiversity offset strategy or biodiversity offset management plan);
- Prepare a draft Stakeholder Engagement Plan (SEP), draft Resettlement Framework (RF) (only as appropriate/if required under ESR5), draft Environmental and Social Action Plan (ESAP) and draft Non-Technical Summary (NTS);

⁵ Information on the Equator Principles is available at: www.equator-principles.com

- Identify if any additional studies will be required to cover relevant aspects in greater detail (e.g. biodiversity, resettlement, retrenchment, gender, etc.). (Any such work will be commissioned under separate Terms of Reference); and,
- Finalise all documentation further to the EBRD, other lenders' (if involved) and Client's comments.

3.1. TASK 1: Review of Available Data and Site Visit

The Consultant will review the following studies and baseline data available from the Client:

- Identify and assess relevant regional and strategic environmental and social assessments or studies that affect the Project. Where regional or strategic assessments or studies are identified and assessed, these will be included in the summary of due diligence undertaken, including the Non-Technical summary.
- Complete a media search about the Project, Client, sector, country, etc. to determine the extent to which there has been relevant news coverage and, if so, whether any of the issues will require additional verification during the initial review and site visit. If no relevant issues are identified through this process the Consultant will include a statement to this effect within its results.
[Delete if completed within other due diligence activities]

Data and documentation are in English and [relevant country language, e.g. Kyrgyz or Tajik]. This list is not exhaustive and the Consultant must be prepared to review, and also request, further documentation that does not appear above.

Following the review of available data, the Consultant will visit the site, to obtain any supplemental information needed to complete the E&S Assessment (Section 3.2.1) and carry out the on-site activities necessary to fulfil the E&S Audit reporting requirements (Section 3.2.2).

The site visit may include the following tasks:

- Review the status of site activities, and controls implemented to address environmental, social and health and safety issues by the site contractors and the Client.
- Review the potential for the presence of any historical environmental and social issues present on site.
- Obtain an understanding of the site setting, in terms of environmental and social issues, to complement available background data. It is assumed that various maps and other visual documents will be available from personnel on site to assist in this understanding. This task should include a review of facilities in the proximity of the site and a review of residences, local businesses (including informal activities), public buildings, social/leisure spaces, forms of livelihood and communities located directly adjacent to or near the site.
- Conduct discussions with site personnel regarding on-site control and management of environmental and social issues including contractor management and project implementation arrangements, Environmental and Social Management Plans, etc.

Following completion of the data review and site visit the Consultant will deliver a summary of key findings (see section 3.3.1).

3.2. TASK 2: Environmental and Social Assessment and Audit

3.2.1. Environmental and Social Assessment

Project Description & Identification of Relevant Associated Activities & Operations

The Consultant will prepare a description of the Project including details of any alternatives⁶ considered for the project and information on neighbouring operations and activities. In accordance with EBRD ESR1, paragraphs 12, 13 and 21, the Consultant will identify:

- (i) Any potentially significant environmental and social issues or risks associated with relevant other activities or facilities that are not financed by the EBRD as part of the Project but which, in the view of EBRD, are significant in determining the success of the project or in producing agreed project outcomes. These are new facilities or activities: (i) without which the project would not be viable, and (ii) which would not be planned, constructed, expanded or carried out if the project did not exist;
- (ii) Cumulative risks and impacts of the Project in combination with the risks and impacts of other relevant past, present and reasonably foreseeable developments;
- (iii) Unplanned but predictable activities enabled by the Project that may occur later or at a different location; and,
- (iv) Environmental and social risks associated with the core supply chains central to the Project's operational functions.

When a project involves existing facilities or business activities, and/or associated facilities, the environmental and social assessment will consider the environmental and social risks and impacts associated with such facilities and activities. The environmental and social assessment process will also identify and characterise, to the extent appropriate, cumulative risks and impacts of the project in combination with risks and impacts from other relevant past, present and reasonably foreseeable developments as well as unplanned but predictable activities enabled by the project that may occur later or at a different location.

Analysis of Legal Requirements

The Consultant will identify applicable local, regional and national environmental and social laws and regulatory requirements of the jurisdictions in which the Project operates, including those laws implementing host country obligations under international law. The Consultant will analyse local/national assessment and permitting requirements and the EBRD environmental and social requirements and compare them within a gap analysis in tabular format, presented to the structure of the EBRD ESRs.

The Consultant will review the compliance of the Project with the applicable requirements, together with the status of any material permits or authorisations that are required. For example, if a RAP or LRF etc. are available the Consultant shall review the information on legal requirements to confirm if any gaps exist with the ESR5 requirements.

Baseline Conditions

The E&S Assessment will include a review of the aspects of the physical, biological and socio-economic environment likely to be affected by the proposed Project. Indicative guidance on the contents

⁶ Project alternatives to include: Zero ("no project") alternative, siting and routing alternatives, infrastructure and traffic connection alternatives, design alternatives

of the overall assessment is provided in an annex to this ToR.

The baseline assessment will include consideration of the inter-relationship between the relevant factors, as well as the exposure, vulnerability and resilience of these factors to natural and manmade disaster risks.

The Consultant will include an analysis of potential contamination risks affecting soil or water bodies within or near the Project site which will be completed without intrusive investigations at this stage.

In the event that the E&S due diligence for this project involves any biodiversity data surveys, the consultant shall format, upload and publish the biodiversity data collected (raw or processed, baseline and/or monitoring data, as appropriate and agreed with EBRD and the client) to the Global Biodiversity Information Facility (GBIF) following the instructions in the EBRD's GBIF data upload guidance document. This action shall be tracked via an appropriate reporting channel, such as the AESR or ESAP, as agreed between the client and EBRD.

Project Assessment

In accordance with the Bank's ESP (2024), the Consultant will analyse the potential environmental and social impacts and risks of the Project, as well as opportunities that the Project may provide, including infrastructure development (e.g. water, wastewater, a heat and electricity distribution networks, transportation access) and other associated facilities, for which the EBRD financing is being sought.

The E&S Assessment will include a review of the likely effects of the proposed Project on the physical, biological and socio-economic environment to provide an identification and characterisation of potential E&S impacts, including beneficial (as well as adverse) impacts. This review will be structured to include all relevant stages of the Project's life, e.g. construction, operation and maintenance, closure and decommissioning, and residual E&S impacts. The level of analysis and reporting will be commensurate with the risk magnitude of the identified issues. Indicative guidance on the contents of the overall assessment is provided in an annex to this ToR.

Management of Impacts and Issues

For each identified adverse future risks and/or impact, the Consultant will propose measures to avoid, minimise, mitigate or as a last resort, offset and/or compensate for them.

EBRD ESR Compliance Assessment

Based on the results of the E&S Assessment, the Consultant shall evaluate the compliance status of the Project with the EBRD ESRs using the format provided in an annex to this ToR (Annex 2 of this ESMF).

3.2.2. Environmental and Social Audit

The E&S Audit is required to review the current and, to a limited extent, past operational performance of the Client's existing operations. Key issues to be covered under the E&S Audit may include, but not be limited to:

- A review of the Client's existing environmental and social management systems, policies and practices;
- Organisational capacity and resources;
- Human Resources and employment policies, including those of its contractors and suppliers where relevant (e.g. child labour, forced labour, non-discrimination and equal opportunity, workers' organisations, working conditions (including gender-specific requirements, contractor management, supply chain management, GVBH/SEAH, retrenchment and employment);
- Occupational health and safety (local and national requirements, applicable EU/ international requirement and standards, key health and safety issues, control and major accident hazards, current health and safety monitoring and reporting programme, summary of regulatory

compliance status, summary of health and safety expenditures, emergency response, code of conduct, GBVH/SEAH policies⁷, OSH committee, etc.);

- Cybersecurity, data protection and privacy policies/processes;
- Pollution prevention measures available at both facilities and overall regulatory compliance with national requirements and pertinent EU standards including applicable Best Available Techniques and Best Available Techniques Reference Documents. In addition, this assessment will need to review compliance with best international practice as a benchmark against current operations and planned plant upgrades;
- Industrial hygiene (including worker exposure, and rates of industrial diseases) and worker health and safety;
- Use and management of hazardous substances;
- Community health, safety and security as it relates to the Company's existing operations;
- Major hazards assessment and management; environmental management plans in the event of an incident, accident or spill both on land and at sea;
- Current company policy and practice in relation to avoidance of third party intrusion into potentially hazardous areas (fences, security, personnel, others);
- Management of potentially hazardous works;
- Waste management;
- Noise and vibrations both during construction and operation of the Company's facilities;
- Overview of current Client's policy and procedures regarding land acquisition (compensation policy, consultation activities related to land acquisition including grievance management, if applicable);
- Identification of potential past environmental liabilities which may affect the Bank (e.g. soil and ground water contamination as a consequence of past and present operations);
- Overview of the Client's supply chain (e.g. suppliers of main materials and resources including energy) and identification of relevant environmental, social, labour and/or reputation issues; and
- Public interaction, including historical responsiveness to public comments, complaints and questions. The audit should also identify the Company's main stakeholder groups and current stakeholder engagement activities in line with ESR10.

The Consultant will be guided by the relevant requirements of the Bank's E&S Requirements and consider Key Performance Indicators (KPIs), using sector specific KPIs.

3.3. TASK 3: Reporting

Upon completion of Tasks 1 and 2, the Consultant shall prepare the following reports of the assessment findings.

3.3.1. Summary of Key Findings

On completion of the data review and site visit the Consultant will deliver a Summary of Key Findings to present the initial findings of the work to-date. This report will summarise the key issues that have been identified and, if necessary, will highlight the need for any additional studies, e.g. in relation to resettlement, livelihood, retrenchment, biodiversity, etc. This document will be delivered by email or (preferably) in presentation format.

⁷ Guidance on assessing and addressing SEAH can be found here: [EBRD Sexual exploitation abuse and harassment Briefing Note](#) and [GBVH-Good-Practise](#)

This summary report will also provide a justification summary for project E&S categorisation for EBRD's review and confirmation.

3.3.2. E&S Audit and Assessment Report

The Consultant will provide a concise but comprehensive report of the overall E&S Audit and Assessment. The guidance for the report content provided in an Appendix 1 to this TOR may be used to structure the report but the Consultant is expected to use their professional experience to determine the final contents.

3.3.3. Environmental and Social Action Plan (ESAP)

The Consultant shall develop a comprehensive ESAP to address issues identified during the E&S Appraisal and the E&S Audit. The ESAP will focus on those issues that are required to bring the operations into compliance with the EBRD's requirements and will be presented and sequenced by ESRs. Actions identified must be numbered, clearly defined, indicate a time frame for completion (with specific reference to those actions that must be completed before financial close if appropriate) and a responsible party specified. Further, each item must contain a description of the factors that will be used to determine when the identified action is closed/completed. The Consultant will also inform the Client about any material budget implications of ESAP items (although this information may not be required in the public domain).

The ESAP will be compact and, if needed, details will be included in sub-plans referenced in the main ESAP. The required format the ESAP is given in an annex to this ToR.

New projects with an existing client

For any new project with an existing client, the ESDD will include a review of existing projects' E&S performance. Where material non-compliances are identified, corrective measures will be included as appropriate in the financing agreements for the new project. These measures can be set either as conditions precedent for disbursements or as covenants under the financing agreements for the new project, for example, by including remedial measures to address any outstanding ESAP actions in the new ESAP. Summary of the findings may also be reported to the Board or other decision making bodies.

3.3.4. Stakeholder Engagement Plan (SEP)

The Consultant shall prepare a draft SEP in compliance with the ESR10. The scope and level of detail of the SEP will be scaled to fit the needs of the Project and the objectives of EBRD ESR10. Following review of the Project operations, the Consultant will propose a format best suited for the specific Project needs. Guidance for the contents of an SEP is provided in an annex to this ToR.

3.3.5. Non-Technical Summary (NTS)

The Consultant will prepare, in consultation with the Client, a concise, over-arching, standalone NTS. The NTS will be written in non-technical language and the Consultant will ensure that the NTS can be used to demonstrate compliance with the EBRD requirements, and provide confirmation that the documents are ready for public disclosure. An indicative list of issues for the NTS is given in an annex to this ToR.

3.3.6. Resettlement Framework (if required)

The Consultant will look into land issues in line with EBRD ESR5 to confirm expected land impacts (permanent or temporary). If such impacts are not expected, the Consultant will need to confirm that no RF would be required. If, however, there are impacts, a project-specific RF will be prepared for the project.

The Consultant shall prepare based on the results of the desktop review, site visit and initial consultations in the form of a RF. The Framework should be agreed to by the Client and most prominently affected people and specific groups therein, particularly vulnerable people and women.

The RF shall aim at:

- Avoiding and minimizing impacts;
- Avoiding any forced eviction;
- Identifying key categories of project affected people (PAP) who will experience physical and/or economic displacement, and characterizing on a preliminary basis their baseline socio-economic circumstances (detailed surveys will be undertaken in the further stage of preparing a full Resettlement Plan (RP));
- Providing compensation for loss of assets at replacement cost and preparing a preliminary entitlement matrix that accommodates both local legislation and EBRD's ESR5;
- Improving, or at least restoring livelihoods of affected people;

A sample RF Table of Contents has been provided in an annex to this ToR.

Implementation Arrangements

The Consultant will report on all aspects of the Assignment to the Bank's Operation Leader (the OL), and the Bank's Environmental and Sustainability Department representative, based at EBRD headquarters in London; and liaise with the Client.

The Client will provide the Consultant with access to, or copies of all, relevant information (all or most in [local/national] language(s)). The Consultant will make a detailed review of this information, either in the local language, or by translating, or agreeing with the Client the translation of, the information into English/Russian/French. The Consultant will bear the cost of any necessary translations.

The Consultant will be expected to work with a variety of stakeholders including xxxxxx.
The EBRD's Resident Office in XXX shall be the point of contact for logistical issues (tel:) [insert].

Deliverables

The Consultant will submit the following deliverables in English/Russian/French to the Client/Bank's OL:

1. Summary of Key Findings - within ** weeks of the Assignment Start Date
2. Draft Environmental and Social Audit and Assessment Report, which includes a PR compliance table- within ** weeks of the Assignment Start Date
3. Draft Environmental and Social Action Plan (ESAP) - within ** weeks of the Assignment Start Date
4. Draft Stakeholder Engagement Plan (SEP)- within ** weeks of the Assignment Start Date
5. Draft Resettlement Framework (RF) (if required) - within ** weeks of the Assignment Start Date
6. Draft Non-Technical Summary (NTS) for disclosure to the public - within ** weeks of the Assignment Start Date
7. Final documentation - within ** weeks of receiving the Bank's comments on the draft versions. The final versions of the SEP, NTS, RF (if relevant) and ESAP (insert other public documents where relevant) will be translated into the local language(s).

Proposal and Key Experts

The Consultant's technical proposal shall include:

- A general statement of the Consultant's capabilities (3 pages), outlining the following:

- Experience in the host country
- Experience in ESIAs and E&S due diligence for similar projects
- Experience in ***** (insert relevant, e.g. RPF/LRF)
- The proposed team, with CVs (2 pages maximum per individual) and respective levels of efforts of all relevant experts presented in tabular form in man-days (both in the field and elsewhere) for each phase of the services;
- The Consultant's methodology and approach to the Assignment (10 pages maximum); and,
- A timeframe presenting the E&S Assessment milestones in graphical form.

Consultant's Team

A suggested composition of the E&S Assessment team is as follows (key team members, to be complemented as appropriate):

- Project manager: a consultant with experience in managing ESIAs and E&S due diligence audits in the EBRD's countries of operations, with excellent communication skills
- Environmental specialist with experience in ESIAs and E&S due diligence audits in the ***** industry
- Health and safety specialist with experience in the ***** industry
- Other environmental specialists
- Social specialist(s) with experience in the host country, including public consultation in the local context, gender expertise, and/or resettlement expertise, as required

Appendix 1

Sample Report Format for an E&S Audit and Assessment Report (Brownfield)

Note: The following is an indicative list of issues for possible inclusion in an E&S Audit and Assessment report for a Brownfield Project. The Consultant is expected to use its professional judgement to determine what issues (either listed below or additional) are relevant to the Project. Issues which are not relevant to this project should be covered by a short statement that they have been considered but do not apply in this case.

Executive Summary

A concise summary description of the Project, its rationale, the existing operations and overall setting, significant environmental and social impacts, recommended mitigation and enhancement measures, monitoring proposals, and the extent of the Client's commitment to these recommendations and proposals.

1. Project Description

Precise description of the Project within its geographical, environmental and socio-economic context. This should include information on whether and how the Project is part of a wider development plan/programme. A systematic comparison of feasible alternatives to the project in terms of location, project technology or design in terms of potential environmental and social impacts. This should include the 'do-nothing' option.

2. Legal Requirements

Outline of the policy, legal and administrative context of the ESIA summarising the environmental and social and project approval requirements of the Bank, co-financiers and applicable regional/global conventions or agreements. The timeframe for public consultation, project appraisal and implementation should be outlined.

- Applicable IFI Environmental and Social Assessment procedures
- Host Country, Regional and International Regulatory Framework, standards and guidelines, treaties applicable
- Approach to benchmarking

3. Baseline Conditions

A description of relevant aspects of the physical and natural environment and socio-economic conditions in areas affected by the existing operations and the Project to include, inter alia:

- Air emissions and noise;
- Biological and ecological resources (fauna, flora, biodiversity, protected species, critical habitats, ecosystems);
- Climatic factors and climate change (e.g. greenhouse gas emissions, including from land use, land use change and forestry, and sectors of population more affected by climate change);
- Cultural heritage, including architectural and archaeological heritage;
- Geomorphology and geology;
- Land (past and current use, permanent or temporary acquisition);
- Land use patterns
- Landscape and visual aspects; and,
- Material assets;

- Mitigation potential and impacts relevant to adaptation;
- Community health and safety including prevalence and response to Gender Based Violence and Harassment (GBVH) and Sexual Exploitation Abuse and Harassment (SEAH)
- Other social issues: community, settlement patterns and residential properties, vulnerable groups
- Public and / or site specific transportation system;
- Socio-economic status of the population (disaggregated by gender, age, ethnicity, and other social characteristics);
- Soil (organic matter, erosion, compaction, sealing);
- Stakeholder engagement practices
- Water (accessibility, quantity and quality, surface and groundwater) and waste water management;
- Worker and public health and safety;

4. Potential Impacts

Identification of the potential environmental and social impacts that could be associated with the existing operations and the Project, including those of an indirect and cumulative nature. Impacts which are unlikely to arise or be insignificant should be recorded, together with the rationale for why they are considered to be unlikely or insignificant. Potential impacts must be considered at the following levels:

- Local impacts
- National impacts
- Regional/Global impacts
- Where applicable, transboundary impacts

5. Characterisation of Impacts and Opportunities

Identification and characterisation of positive and negative environmental and social impacts in terms of magnitude, significance, reversibility, extent and duration. The possibility for cumulative impacts is to be considered. Quantitative data must be employed to the greatest extent possible. The chapter should also identify opportunities for environmental and social enhancement and identify key uncertainties and data gaps. Both the existing operations and the following Project stages must be considered in this evaluation where appropriate:

- Construction phase
- Operation and maintenance
- Closure and decommissioning
- Residual environmental and social impacts

6. Management of Impacts and Issues

An outline of the feasible cost-effective measures to avoid, minimise, mitigate or compensate for environmental and social impacts to acceptable levels and address other environmental and social issues; such as the need for worker health and safety improvements, inter-agency coordination, community involvement, institutional strengthening or training (including on SEAH prevention, reporting and

survivor support⁸) within the executing agency/ governmental agencies/Client or at the community level. Additionally, an outline of any measures that would enhance environmental and social aspects within the area affected by the Project and the existing operations and characterisation of the nature of any residual environmental and social impacts or issues that have not been addressed. A description of the financial provisions for potential risks (for example escrow accounts and insurance cover to provide for *inter alia* abandonment and decommissioning, site remediation and oil spills and other emergencies). Both the existing operations and the following Project stages must be considered where appropriate:

- Construction
- Implementation and maintenance
- Closure and decommissioning
- Residual environmental and social impacts

7. Monitoring and Supervision

A description of how environmental and social impacts and issues will be monitored and managed in practice; including an indication of how the Project will be supervised by lenders and governmental agencies. Estimates should be provided for capital expenditure and operation and maintenance costs where possible. The following stages must be considered where appropriate:

- Construction
- Implementation and maintenance
- Closure and decommissioning

8. Mitigation and Management Plan

A record of all measures required to address environmental and social impacts and issues as well as monitoring and supervisory activities associated with these should be consolidated in tabular form. This should also indicate institutional responsibilities, timeframes and associated costs.

Appendices

- Names of those responsible for preparing the E&S Assessment
- References and sources of information
- Records of public meetings and consultations held
- Supporting technical data
- EBRD Compliance Summary Table

⁸ Guidance on assessing and addressing SEAH can be found here: [EBRD Sexual exploitation abuse and harassment Briefing Note](#) and [GBVH-Good-Practise](#)

Annex 4: Guidance for a Stakeholder Engagement Plan

The following is an indicative list of issues for possible inclusion in a Stakeholder Engagement Plan. The Consultant is expected to use its professional judgement to determine what issues (either listed below or additional) are relevant to the Project.

A Stakeholder Engagement Plan will need to:

- Briefly identify the Project location and areas subject to impact (e.g., list of communities).
- Record what the Project is legally required to do regarding disclosure and consultation to meet the requirements of National Law, EBRD and other financier E&S requirements as well any other standards or corporate frameworks to which the Project must comply).
- Identify affected stakeholders (or their legitimate representatives) and assess the types and degree of Project impacts they will likely experience as well as other interested parties and summarise this analysis in a stakeholder map (if relevant).
- Identify any specific measures to ensure disclosure and consultation is gender responsive. Identify any specific people or groups who might be considered vulnerable or need more support in the consultation process, e.g. because of their level of literacy, gender, socio-economic level, ethnicity/language, or location (e.g., proximity of the project to school, hospital, etc.). For each identified group, specify how meaningful consultation will be undertaken.
- Define measures proposed to prevent and mitigate these risks and the process to investigate allegations or occurrences of such activities (for Projects where salient risks of retaliation are identified, as agreed with EBRD).
- Report on any previous consultation and disclosure activities.
- Define which documents will be released, including a schedule, and in what language(s).
- Define where documents will be available (physical and online addresses) , e.g. provide names of specific newspapers, bulletin board locations, etc.
- Define how people will be notified of the document availability.
- Outline future consultation activities with affected stakeholders, vulnerable people/groups and interested parties including the consultation format and topics to be address, including awareness raising on specific mitigation measures such as community health and safety and SEAH mitigation measures.
- If locations/dates are not yet known, state how people will be informed of the dates.
- State who/where should comments be sent to, what will happen to them and how people will be advised of the outcomes.
- Define how external communications received from stakeholders will be handled.
- Define how grievances will be handled (including a specific public grievance process and management of survivor centred and gender responsive grievance handling and reporting).
- Define the monitoring and reporting activities for the stakeholder engagement process.
- Define measures to ensure protection of personal data and privacy of stakeholders.
- Define the responsibilities for delivering the stakeholder engagement process.
- Define process for additional disclosure and consultation in the event of material changes to the Project.

The SEP should be concise and not exceed 15 pages in length, excluding annexes.

Please also see guidance note: <http://www.ebrd.com/downloads/about/sustainability/grievance-mechanism.pdf>

Annex 5: Non-Technical Summary Content

The following is an indicative list of issues for possible inclusion in a Non-Technical Summary. The Consultant is expected to use its professional judgement to determine what issues (either listed below or additional) are relevant to the Project.

Non-Technical Executive Summary

1 | Project Description

- A concise and comprehensive description of the Project and Associated Facilities
- Scheme map and typical cross sections
- Proposed works and subsequent maintenance/operation
- Associated infrastructure
- Available information on material assets, including borrow pits and quarries

2 | Background

- Rationale of the Project, the need for the scheme and scheme objectives
- Legal aspects and compliance with relevant environmental and social laws
- Current environmental and social situation and considerations
- History of the Project development and planning; including an outline of the main alternatives that were studied, their environmental and social impacts, and the reasons for making the final selection

3 | Process

- ESIA process carried out and integration with design
- A statement of the national EIA process's compliance with the EU EIA Directive
- Public consultations and disclosure and dealing with objections

4 | Environmental Benefits, Adverse Impacts and Mitigation Measures

- Land use planning and changes
- Water resources, impacts and management measures
- Habitats, ecology (flora and fauna) and nature conservation, impacts and management measures
- Landscape and visual impacts, impacts and management measures
- Air quality, impacts and management measures
- Traffic, noise and vibration; impacts and management measures
- Waste management
- Raw material sourcing and transportation, including borrow pits
- Road safety, impacts and management measures
- Associated infrastructure impacts and management measures
- Cumulative impacts
- Induced (indirectly consequential) impacts
- Occupational health and safety issues; including explosives safety
- Disruption, health and safety during construction

- Consistency with policy, law and other plans
- Environmental management plans, mitigation measures and compensatory measures

5 | *Social Benefits, Adverse Impacts and Mitigation Measures*

- Socio-economic impacts; including gender and management measures (taking into account gender specificities and needs)
- Impacts on businesses and employment
- Impacts to existing infrastructure and public services
- Local traffic and access impacts
- Land acquisition and resettlement (cross reference any resettlement report that is being developed)
- Contractor management, including the siting and management of worker camps,
- Community impacts including health and safety and risks associated with GBVH and SEAH
- Labour issues and standards
- Public road safety; including health and safety mitigation in the design
- Social management plans, mitigation measures and compensatory measures
- Cultural heritage, impacts and management measures

6 | *Monitoring of Impacts*

- Process for monitoring the identified impacts
- On-going solicitation of further comments
- Process for addressing any issues arising

7. *Summary of the ESAP*

- A summary of the key ESAP measures, including any action relevant to affected people and local communities

8. *Communications*

- Contact details
- Process for addressing any issues arising

Link to Stakeholder Engagement Plan (or similar)

Annex 6. Sample Resettlement Framework (RF) Contents

This is an example of what a RF Table of Contents might include at a minimum; however, the expected R-LRF deliverable of the Assignment is not limited to this content or format.

- I. INTRODUCTION**
 - a. Project description and context
 - b. Nature and scope of likely resettlement and economic loss impacts for PAPs...
- II. PRINCIPLES AND OBJECTIVES**
 - a. Policy principles governing expropriation, resettlement, economic displacement and related social impacts
 - b. Objectives of the R-LRF ...
- III. LEGAL REVIEW AND GAP ANALYSIS**
 - a. Gap Analysis**
 - i. Local laws and regulations and EBRD policy
 - ii. Measures to address gaps identified (table format)
- IV. ELIGIBILITY AND ENTITLEMENTS**
 - a. Entitlement measures**
 - b. Eligibility criteria**
 - c. Entitlements Matrix**
- V. PUBLIC CONSULTATION AND GRIEVANCE**
 - a. Required public consultation
 - b. Recommendations and plans for grievance redress procedures
 - c. Project-specific social aspects to be addressed at design stage
 - d. Institutional responsibilities ...
- VI. MONITORING**
- VII. TIMETABLE AND BUDGET**
 - a. Integrated timetable and budget for RAP/LRP
 - b. Estimated timetable and budget
- ANNEX A: RAP/LRP OUTLINE**
 - a. Introduction and Project description
 - b. Baseline socioeconomic studies and definitions
 - c. Legal and institutional framework/Gap Analysis
 - d. Compensation and rehabilitation
 - e. Transport and other transitional issues
 - f. Environmental mitigation
 - g. Public consultation and grievance procedures
 - h. Schedule and responsibilities for implementation of the resettlement plan
 - i. Costs
 - j. Monitoring and evaluation (M&E) ...

Annex 7. Environmental and Social Action Plan Template

No.	Action	Environmental & Social Risks (Liability/Benefits)	Requirement (Legislative, EBRD ESR, Best Practice)	Resources, Investment Needs, Responsibility	Timetable	Target and Evaluation Criteria for Successful Implementation	Status
ESR1	Assessment and management of environmental and social risks and impacts						
1.1	Develop and implement an EMS	Optimisation of environmental management through a formalised system. Provide resources for training and monitoring of emissions	EBRD ESR1 Voluntary and best practice	Own resources, external consultants Cost Assign responsibilities	20xx	Develop and implement an EMS Attain ISO 14001 or equivalent certification Annual EHS Report to the Bank	
ESR2	Labour and working conditions						
2.1							
ESR3	Resource efficiency and pollution prevention and control						
3.1							
ESR4	Health, safety and security						
4.1							
ESR5	Land acquisition, restrictions on land use and involuntary resettlement						
5.1							

No.	Action	Environmental & Social Risks (Liability/Benefits)	Requirement (Legislative, EBRD ESR, Best Practice)	Resources, Investment Needs, Responsibility	Timetable	Target and Evaluation Criteria for Successful Implementation	Status
ESR6	Biodiversity conservation and sustainable management of living natural resources						
6.1							
ESR7	Indigenous Peoples						
7.1							
ESR8	Cultural heritage						
8.1							
ESR10	Stakeholder engagement						
10.1							

Annex 8. Indigenous peoples screening approach

EBRD has ESR 7 covering indigenous peoples. Where ESR7 and the GCF IPP differ, EBRD will consult with the GCF or ensure the requirements of both are complied with. ESR 7 is part of the ESP and is supported by a guidance note, “[Guidance note – Environmental and Social Requirement 7: Indigenous Peoples \(June 2025\)](#)”. ESR 7 recognises that Indigenous peoples are social groups with identities and livelihoods distinct from dominant groups in national societies. They may be among the most marginalised and vulnerable segments of the population. Their economic, social, and legal status may limit their capacity to defend their rights to and interest in lands and resources (both natural and cultural). This, combined with their economic and spiritual dependence on these lands and resources, may make them particularly susceptible to any adverse impacts of projects. This ESR also acknowledges that Indigenous peoples have unique knowledge and abilities and are potential partners in sustainable development, contributing to and benefiting from the planning and implementation of project-related activities.

In ESR 7, the term “Indigenous peoples” is used in a technical sense to refer to a social and cultural group, distinct from dominant groups within national societies, possessing all the following characteristics:

- self-identification as members of a distinct Indigenous ethnic or cultural group and recognition of this identity by others;
- collective attachment to geographically distinct habitats, traditional lands or ancestral territories in the project area and the natural resources in these habitats and territories;
- customary cultural, economic, social, or political institutions, laws or regulations that are separate from those of the dominant society or culture; and
- a distinct language or dialect, often different from the official language or dialect of the country or region.

A group or members of a group that leads a nomadic or transhumant way of life, lives in mixed or urban communities and/or only visits their traditional lands on a seasonal basis may also experience forced severance. Neither their present mode of living nor this forced severance renders such a group ineligible for the application of ESR 7.

ESR 7 sets out the requirements for determining its applicability, assessing impacts on Indigenous peoples and ensuring meaningful consultation and free prior informed consent (FPIC) if they are affected, and the mitigation measures required to mitigate potential impacts on Indigenous peoples.

With respect to this proposal, Clients and their E&S due diligence Consultants will be required to screen for the potential for sub-projects to impact Indigenous peoples and discuss with the EBRD. This will include early information gathering and high level engagement with relevant stakeholders to gain an understanding of the local population within the sub-project location, their ethnic, cultural and linguistic composition and other relevant data points. As stated in the Exclusion List of this ESMF, the EBRD will exclude all sub-projects that may have a negative impact on Indigenous Peoples and could trigger ESR 7. This does not preclude potential Indigenous Peoples from accessing project benefits afforded by this proposal with each sub-project to be developed based on EBRD ESP and ESRs 2024 and the principles of non-discrimination and access for all including those who are experiencing vulnerability, marginalisation and/or discrimination or are underrepresented, and includes tailored measures to ensure their effective participation