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# **GCF's Environmental and Social Safeguards**

Empowering Direct Access Workshop  
Songdo, Republic of Korea, 23-25 May 2017



# Safeguards

Environmental and social considerations in planning, development, and implementation of GCF-financed projects

- *principles, applicability, criteria, requirements*
- *framework for due diligence and monitoring*
- *'do no harm' and 'do good'*

Part of an environmental and social management system (ESMS)

Interim ESS based on IFC's Performance Standards



# Safeguards

## **anticipating and assessing**

What are the issues, risks, and potential impacts of the activities?

## **planning and managing**

How should the risks and impacts be avoided, reduced, and managed?

## **engaging and consulting**

Who should know? Who should participate?

What do they think?

If with problems and issues, how to resolve?



# Standards

## Consistency of approach and expectations through standards

IFC Performance Standards for Environmental and Social Sustainability (2012)  
IFC Guidance Notes on the Performance Standards for Environmental and Social Sustainability

- **PS1:** S&E Assessment and Management Systems
- **PS2:** Labor and Working Conditions
- **PS3:** Pollution Prevention and Abatement
- **PS4:** Community Health, Safety & Security
- **PS5:** Land Acquisition and Involuntary Resettlement
- **PS6:** Biodiversity Conservation and Sustainable Natural Resource Management
- **PS7:** Indigenous Peoples
- **PS8:** Cultural Heritage

# Roles

## Accredited entities

- ensures due diligence including assessment and management measures
- identifies risk category
- ensures consultation and ongoing engagement
- disclosure of information
- grievance redress
- monitors and reports on safeguards implementation

## GCF

- confirms consistency of assessment and management plans with the Standards
- confirms risk rating
- confirms stakeholder consultation, engagement, disclosure, grievance redress
- reviews APRs/monitoring reports

## Countries

- consistency with ESS standards and country requirements
- Multi-stakeholder consultations and dialogues



# GCF funding proposals ESS documentation requirements

Requirements related to E&S risk category in line with IFC PS1, Assessment and Management of Environmental and Social Risks and Impacts

Category A/I-1 high risk	Category B/I-2 medium risk	Category C/I-3 low risk
ESIA	Limited/focused ESIA	Screening of risks and impacts
ESMP, including a <b>Stakeholder Engagement Plan</b> and a project-level or institutional –level <b>Grievance Redress Mechanism</b>	ESMP, including a <b>Stakeholder Engagement Plan</b> and a project-level or institutional –level <b>Grievance Redress Mechanism</b>	<b>Stakeholder Engagement Plan</b> , including a project-level or institutional –level <b>grievance redress mechanism</b>

In cases of programmes or where the exact location of the project is not known, but it is reasonably expected to have significant impacts the AE will prepare frameworks or management systems instead of action plans or management plans, outlining general principles and strategies for managing the relevant issues.



# GCF funding proposals ESS documentation requirements

Other requirements in line with PS 2-8, with actions to address adverse issues raised in the risks and impacts identification process

<b>PS2, Labour and Working Conditions</b>	Integrated in ESMP/ESMF – grievance redress for workers, occupational health and safety
<b>PS3, Resource Efficiency and Pollution Prevention</b>	Integrated in ESMP/ESMF – pollution abatement, water and energy conservation, GHG emissions
<b>PS4, Community Health, Safety, and Security</b>	Integrated in ESMP/ESMF – community nuisance; specific studies on critical infrastructure
<b>PS5, Land Acquisition and Involuntary Resettlement</b>	Resettlement Action Plan ( <i>physical displacement</i> ), Livelihoods Restoration Plan ( <i>economic displacement</i> ), Land Acquisition Plan or Frameworks
<b>PS6, Biodiversity Conservation and Sustainable Management of Living Natural Resources</b>	Biodiversity Action Plan, Integrated into PA management plans, supply chain
<b>PS7, Indigenous Peoples</b>	Indigenous Peoples Plan/Indigenous Peoples Planning Framework <i>or</i> Community Development Plan with separate components for IPs
<b>PS8, Cultural Heritage</b>	Integrated in ESMP/ESMF – survey of PCRs and intangible and traditional knowledge; chance find



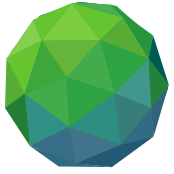
**IRM**

# **established in Governing Instrument**

## **Accountability Mechanisms**

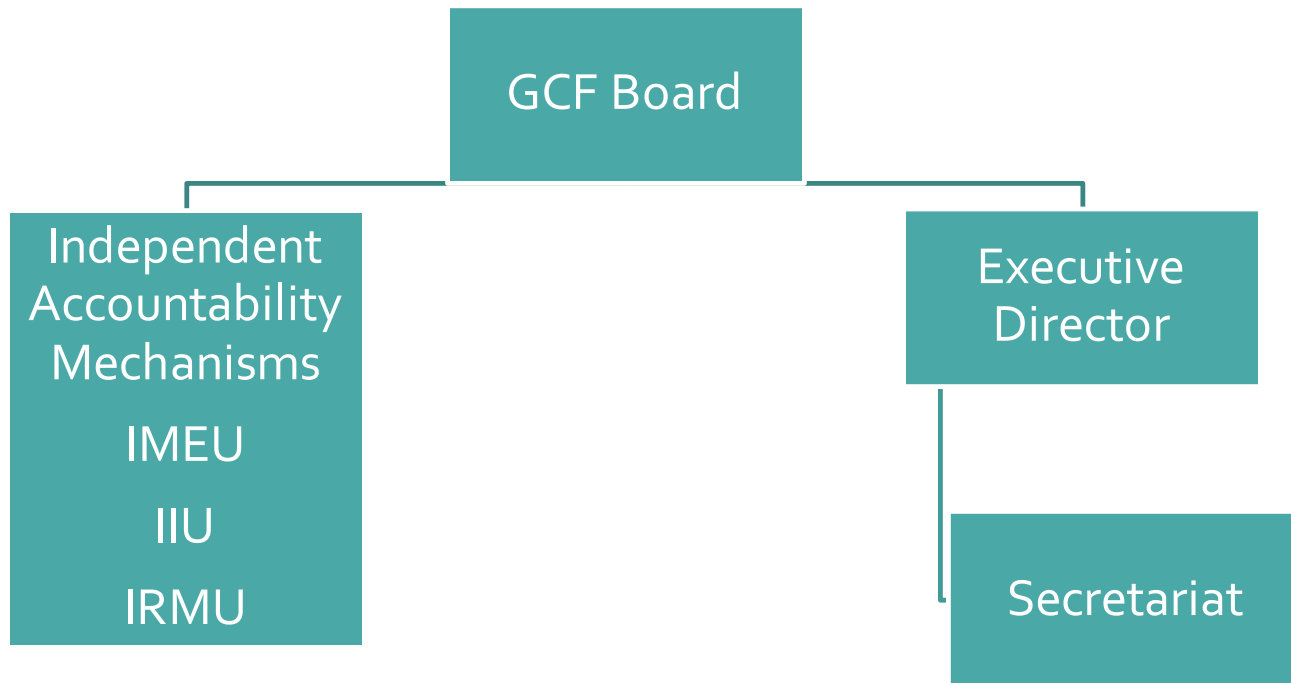
69. The Board will establish an independent redress mechanism that will report to the Board. The mechanism will receive complaints related to the operation of the Fund and will evaluate and make recommendations.





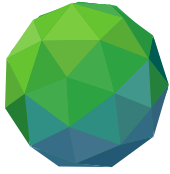
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# IRM slot in the GCF





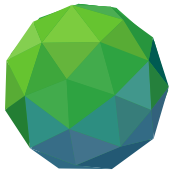
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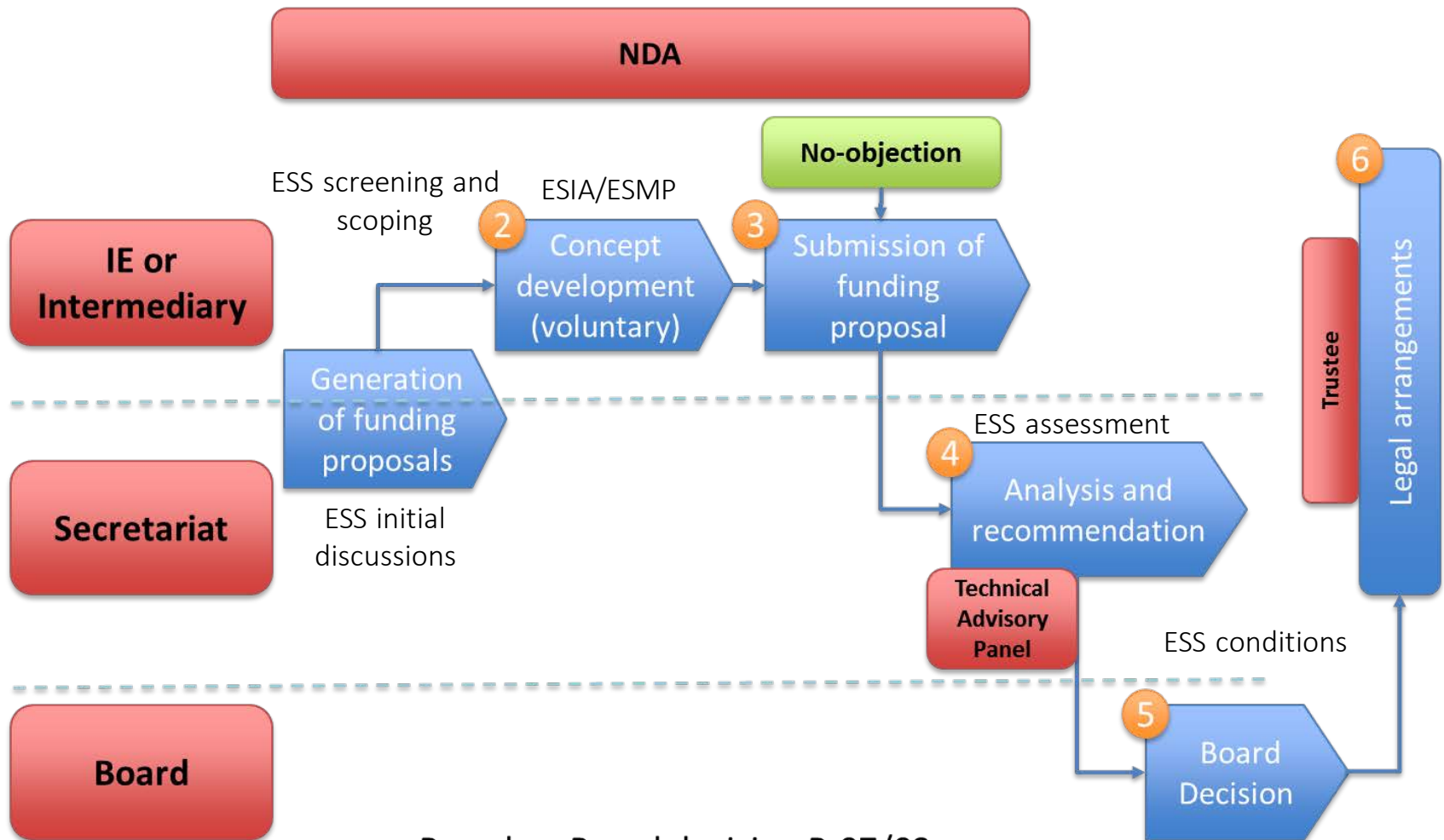
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# GCF funding proposals ESS documentation requirements

	due diligence	appraisal and decision-making	implementation
entity	<ul style="list-style-type: none"><li>• Screening – ES risk category (A,B,C or I1, I2, or I3)</li><li>• Assessment and management (ES assessments and management plans)*</li></ul>	<ul style="list-style-type: none"><li>• Description of ESS in relevant FP section (Section F.3, section on stakeholder engagement, entity capacity)</li><li>• Disclosure of ESS documents</li></ul>	<ul style="list-style-type: none"><li>• Monitoring of ESMP implementation</li><li>• Review of compliance with conditions and conformance to ESMS</li></ul>
GCF	<ul style="list-style-type: none"><li>• Review of screening and assessment</li><li>• Assessment of compliance with ESS standards and entity's ESMS</li></ul>	<ul style="list-style-type: none"><li>• Secretariat's Assessment</li><li>• Conditions on the projects or programmes</li></ul>	<ul style="list-style-type: none"><li>• Review of ESMP monitoring and compliance</li><li>• Supervision and implementation support missions for high risk projects and programmes</li></ul>



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Based on Board decision B.07/03



## \*assessments and management plans

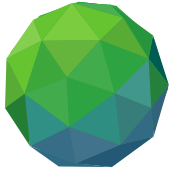
### ES assessments

### ES management

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#### **Performance Standard 1: Assessment and Management of Environmental and Social Risks and Impacts** **ES assessment determines plan to manage ES risks and impacts**

- |  |   |
|--|---|
| <ul style="list-style-type: none"><li>• Environmental and social impacts assessment (ESIA) for Category A (contents in PS 1 or Guidance Note)</li><li>• Narrow-focused ESIA for Category B (specific to identified ES issues)</li><li>• If PS 5 is applicable: Land Acquisition and Resettlement Plan or Framework; Livelihood Restoration Framework or Plan</li><li>• If PS 7 is applicable: Indigenous Peoples Plan or Framework</li><li>• ES audit for existing or brownfield projects</li><li>• Risk or hazards assessment</li><li>• Cumulative impacts assessment (CIA)</li></ul> | <ul style="list-style-type: none"><li>• Environmental and social management plan (usually a section of the ESIA)</li><li>• Environmental and social management framework (ESMF) when specific details of the projects are not known</li><li>• Environmental and social action plan (ESAP) – specific actions on how ESS will be carried out in the project</li><li>• Environmental code of practice (ECOP) – typical ES management for similar activities located in similar locations</li><li>• Follows the mitigation hierarchy of avoidance, minimization, offsets</li><li>• Various thematic management plans (GN 69)</li></ul> |
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# GCF/IRM - TOR

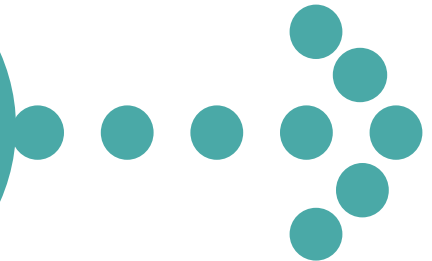
**Advisory**



**Mediation, Compliance Review,  
Reconsideration appeals**



Accountability



**Sanctions**

