



GREEN  
CLIMATE  
FUND

# Development of the GCF Environmental and Social Safeguards

## Stage 1. Scoping phase

25<sup>th</sup> November 2021



# Content of this presentation

## 1. Summary of Environmental and Social analysis:

- Analysis of the IEU's evaluation of GCF ESS and ESMS.
- Comparisons of recently updated ESS standards of various institutions.

## 2. Guiding principles for the update of GCF ESS

# Summary of Environmental and Social analysis

# Analysis of IEU Report

The GCF interim ESS “are not aligned with the GCF’s mandate and ESP in that they do not focus on generating – and integrating – positive, measurable social and environmental impacts (or co-benefits) and instead focus on preventing and addressing risks and impacts”.

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**Overarching conclusion**

# Analysis of IEU Report

Key recommendations by the IEU for the update of GCF's interim ESS include:

**1**

GCF framework to provide guidance to identify co-benefits

**2**

Alignment of the updated ESS to other peer climate funds

**3**

“Emerging issues” of human rights, gender and equity concerns (among others)

# Analysis of recently adapted ESS

Benchmarking exercise where other institutions' standards go beyond the current GCF ESS ("IFC plus")



2017



European Bank  
for Reconstruction and Development

2019



2021



2020



2021



CONSERVATION  
INTERNATIONAL

2020



2020



2020

# Analysis of recently adapted ESS

## Climate Change in the ESS

Two potential approaches:

**1**

Use of standalone  
standard on  
climate change  
and disaster risk

**2**

Incorporating  
climate change as  
a cross-cutting  
element

A “do no harm” approach to the inclusion of climate considerations is dominant in the ESS reviewed.

# Analysis of recently adapted ESS. IFC Plus

## PS1. Environmental and Social Risks and Impacts

- Private and public sector
- Emerging issues
- New standalone ESSs.

## PS2. Labour and Working Conditions

- Workers' terms and conditions.
- Project induced influx
- Gender-based violence

## PS3. Resource Efficiency and Pollution Prevention

- Water balance / assessments
- Circular economy
- Gross GHG emissions

## PS4. Community Health, Safety and Security

- Security requirements
- Road safety and traffic
- Disaster risk management, dam safety, and antimicrobials.

## PS5. Land Acquisition and Involuntary Resettlement

- Women's involvement in land acquisition and displacement.
- Climate exposure protection in replacement land.
- Provision of legal assistance

## PS6. Biodiversity Conservation and Natural Resources

- Precautionary principle.
- Genetically modified organisms
- Finance and offsets in critical habitats

## PS7. Indigenous Peoples

- Legal rights of IPs
- Transborder peoples.
- Right to legal personality
- SIA and consultation with IP groups.

## PS8. Cultural Heritage

- Emphasis on consultation
- Considerations for different types of cultural heritage



# Guiding principles for the update of GCF ESS

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Focus	Continuity	Harmonization	Accountability	Capability
<ul style="list-style-type: none"><li>● <b>Positive</b> social and environmental <b>outcomes and co-benefits</b></li><li>● Support <b>climate proofing</b> in GCF projects</li><li>● Tailor to GCF's <b>implementation mechanism</b> through Accredited Entities and Executing Entities.</li></ul>	<ul style="list-style-type: none"><li>● Retaining the basic <b>structure and thematic content</b> of the interim GCF ESS</li><li>● Integrate recently updated <b>GCF policies</b> (gender, indigenous peoples, information disclosure, and SEAH).</li></ul>	<ul style="list-style-type: none"><li>● <b>Enhance complementarity</b> with other climate funds</li><li>● Greater emphasis on <b>emerging E&amp;S issues</b> such as human rights, gender, vulnerability and climate change.</li></ul>	<ul style="list-style-type: none"><li>● Enhance the identification of <b>roles and responsibilities of stakeholders</b></li><li>● Portfolio and sub-project <b>monitoring and reporting</b> of ESS compliance and performance.</li><li>● <b>Identification, assessment and management</b> of E&amp;S risks, impacts and co-benefits.</li></ul>	<ul style="list-style-type: none"><li>● Consideration of the <b>capacity of GCF</b> as a young institution.</li><li>● Consideration of the <b>capacity of implementing institutions</b> (AE and EE)</li></ul>



# Next steps

# Next steps

1.

Update the scoping report with the outcomes of today's discussion and call for inputs

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2.

Prepare a draft update of GCF Environmental and Social Standards

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3.

Organise a second workshop to discuss draft ESS

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# Mott MacDonald team today



**Cristobal Martinez  
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Project Principal



**Lucy Morton**  
Team Leader



**Joshua Stroud**  
Project Manager



**Marielle Rowan**  
Social Expert



**Mihai Coroi**  
Biodiversity Expert



**Liesl Keam**  
Climate Change Expert

# We want to hear from you...

- What other aspects should be included in the scoping?
- What themes/content should be added to the new ESS?



**Thank you**

