

Annex 4. Environmental and Social Management Framework and System (ESMFS) of the Green Cities Facility (integrating Land Acquisition and Resettlement Framework, Stakeholder Engagement Plan and Grievance Redress Mechanism)

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Glossary

BAT	Best available technique
CITES	The Convention on International Trade in Endangered Species of Wild Fauna and Flora
CSO	Civil Society Organisation
EBRD	European Bank for Reconstruction and Development
EC	Exceeding Compliance
EC	European Commission
EEC	European Economic Community
EU	European Union
ESAP	Environmental and Social Action Plan
ESCO	Energy Service Company
ESD	Environment and Sustainability Department
ESDD	Environmental and Social Due Diligence
ESIA	Environmental and Social Impact Assessment
ESMFS	Environmental and Social Management Framework and System
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
ESMS	Environmental and Social Management System
ESP	Environmental and Social Policy
ESSF	Environmental and Social Sustainability Framework
EU	European Union
E2C2	Energy Efficiency and Climate Change
E&S	Environmental and Social
FC	Fully compliant
FI	Financial Intermediary
FYR	Former Yugoslav Republic
GCAP	Green City Action Plan
GCF	Green Climate Fund
GDP	Gross Domestic Product
GIP	Good International Practice
IFI	International Financial Institution
IFC	International Finance Corporation
IMO	International Maritime Organisation
km	Kilometre
KPI	Key Performance Indicator
LRP	Livelihood Restoration Plan
MARPOL	International Convention for the Prevention of Pollution from Ships
MN	Material non-compliance
MOU	Memorandum of Understanding
NA	non-applicable
NB	nota bene
NOP	No opinion possible
PC	Partial Compliance
PCB	Polychlorinated biphenyls

PCM	Project Complaint Mechanism
PM	Particulate Matter
ODS	Ozone Depleting Substance
OECD	Organisation for Economic Co-operation and Development
RAP	Resettlement Action Plan
RPF	Resettle Policy Framework
PSD	Project Summary Document
SEP	Stakeholder Engagement Plan
SOLAS	International Convention for the Safety of Life at Sea
tCO ₂ eq	one tonne of CO ₂ equivalent
ToR	Terms of Reference

Executive Summary of the ESMF

EBRD has adopted a comprehensive Environmental and Social Sustainability Framework (ESSF) consisting of an Environmental and Social Policy (ESP) and a set of environmental and social Performance Requirements. The ESSF is aligned with other IFIs, such as the IFC and Equator Banks. EBRD also maintains Environmental and Social Procedures, which outline the process by which Bank staff process and monitor projects in accordance with the overall ESP framework.

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 risks and impacts should be addressed in its planning, implementation and operation. The appraisal process also identifies opportunities for additional environmental or social benefits. EBRD seeks with its ESSF and environmental and social appraisal and monitoring processes that projects are designed, implemented, and operated in compliance with applicable regulatory requirements and good international practice.

EBRD has experience of carrying out social assessments. Through instruments such as surveys and focus groups, impacts of activities on different social groups with particular attention paid to more vulnerable groups can be identified and assessed. Appropriate mitigation measures will then be identified and implemented in consultation with the affected group. Furthermore, such assessments can provide opportunities to improve the socio-economic quality of people's lives, by better understanding their aspirations and priorities.

This Environmental and Social Management System (ESMS) has been prepared to ensure that the subprojects would be designed and implemented in an environmentally and socially sustainable manner. The ESMF sets out principles, rules, procedures and guidelines for conducting environmental and social due diligence of the potential subprojects. These procedures and guidelines will also describe the process for developing measures to avoid and mitigate potential adverse impacts as well as opportunities to improve the environmental and social outcomes of the subprojects. The ESMF will assist the municipalities and cities in screening sub-projects' eligibility; determining their environmental and social impacts; identifying appropriate mitigation measures to be incorporated into the subproject reports; and specifying institutional responsibilities for implementing preventive, mitigation and compensation measures, and monitoring and evaluation. The ESMF integrates the Land Acquisition and Resettlement Framework that addresses the requirements of EBRD and GCF regarding land acquisition and involuntary resettlement; the stakeholder engagement plan and a framework for developing subproject specific grievance redress mechanisms.

1. Facility Background and Description

1.1 Background

Cities play a critical role in strengthening “the global response to the threat of climate change, in the context of sustainable development and efforts to eradicate poverty” as stated in the COP21 Paris Agreement. Cities in the Caucasus, the Middle East and North Africa, Central Asia and south-eastern Europe (“Facility region”) face common challenges to reduce their energy and carbon intensity, which are beyond the global average. In addition, they face a pressing range of environmental and social issues from the impacts of climate change to deteriorating health and well-being of citizens due to poor air quality.

Building on over 25 years of experience investing in municipal and environmental infrastructure – representing over EUR 700 million invested and 800,000 tonnes of CO2 eq. mitigated annually – the EBRD has developed the relationships, tools and expertise to ensure the effective implementation of the Green Cities Facility.

The Facility will create a paradigm shift in urban planning, providing models and investments for other cities to adopt and replicate. There will be a range of opportunities for learning and knowledge transfer both within and between cities and municipal utility companies. The Green Cities Facility provides cities with the tools essential to make substantive, positive improvements to their environmental performance and establish important, globally adaptable precedents for addressing the increasingly pressing challenges related to climate change in urban areas.

1.2 Facility Description

The Green Cities Facility is designed to address the multiple barriers facing the Facility region to achieve the following objectives:

Objective 1. Deliver policy and strategy support

Set a benchmark and vision for the sustainable development of each beneficiary city and help municipal authorities and key stakeholders make climate-informed decisions about actions to address environmental challenges.

- Prepare and implement green strategy documents for identifying, benchmarking, prioritising and guiding green city actions.
- Develop legislative/regulatory amendments required to enhance the enabling environment for sustainable investments, by e.g. supporting governments in amending budget laws where this has been identified as a barrier by government.
- Provide policy support on gender equality and support municipalities in introducing principles of gender equality into their practices

Objective 2. Facilitate and stimulate green city infrastructure investments

- Facilitate and stimulate sovereign and sub-sovereign finance for climate change mitigation, adaptation and resilience investments in priority sectors including: Public building energy efficiency, water and wastewater, urban transport, urban roads and lighting, solid waste management and district heating modernisation.
- Ensure greater gender equality in access to and use of municipal services

Objective 3. Build capacity of city administrators and key stakeholders

Through targeted technical assistance, the Facility will build local capacity in the following areas:

- Systematic, comprehensive strategic planning on the city-level with focus on climate change mitigation, adaptation, and resilience
- Enhancing financial and operational performance at the municipal level.
- Establishing and managing the implementation of environmental / social safeguards
- Increasing public awareness and enhancing social, economic and environmental co-benefits
- Building capacity of city administrators and key stakeholders to ensure greater gender equality in access to employment.

Objective 4. Facilitate and provide a pathway for cities to access capital markets

- Prepare strategic input for addressing cities' barriers to accessing capital markets to support infrastructure investments.
- Build capacity of local governments and stakeholders to ensure the conditions and processes are in place to attract private finance

To achieve these objectives, the Facility will combine strategy and policy support, infrastructure investments and capacity building and technical assistance to best address cities' unique needs and

market barriers. The Green Cities Facility also aims to demonstrate “common but differentiated” actions to combat climate change and environmental challenges in cities in the Facility region by providing a holistic approach for cities to identify, prioritise and address their challenges in the context of sustainable development.

The Facility will address multiple market barriers to green city action by providing:

Component 1. Green City Action Plans and Policy Dialogue: Prepare and implement green strategy documents for identifying, benchmarking, prioritising and guiding city actions that address climate change while striving to achieve green growth, and develop legislative/ policy amendments.

Component 2. Green city infrastructure investments: Facilitate and stimulate sovereign and sub-sovereign finance for climate change mitigation and resilience investments in priority sectors, including building energy efficiency, water and wastewater, urban transport, urban roads and lighting, solid waste management and district heating modernisation. Cities will not be restricted to EBRD finance for these projects.

Component 3. Technical support and knowledge building: Enhance financial and operational performance at the municipal level; establish and manage the implementation of climate change mitigation and adaptation, economic and social safeguards; enhance public awareness and promote social and economic and environmental co-benefits. Disseminate best practice for green city develop through organised events, trainings, and participation in global urban networks.

Component 4. Green Capital Markets Roadmaps: Develop tools and skills cities need to attract private sector finance for green investments, including building awareness of engagement opportunities with capital market for green investments, identify and qualify eligible investments for green financing, and mobilising capital from new modalities.

2. Eligibility

2.1 Target cities and city eligibility to participate in the Facility

Cities will initiate their involvement in the Facility with the combination of a Green Cities Action Plan (GCAP) and an investment sub-project, referred to as a ‘trigger’ project - that meets specific performance criteria. Both commitments will act as triggers for initiating cities’ inclusion in the Facility.. Additional cities and investment projects will be able to be added to the Green Cities Facility subject to the following eligibility criteria.

An up-to-date due diligence will be in place before EBRD approves each green city project under the Facility. As part of its due diligence of each sub-project, EBRD will assess the capacity of municipalities and municipal utility companies to successfully deliver the project and comply with national regulations as well as the policies of EBRD and GCF. Assessment of the clients’ capacity in meeting environmental and social responsibilities and implementing the project in compliance with EBRD’s Performance Requirements is an integral part of EBRD’s Environmental and Social Assessment. This involves a review of the client’s E&S policies, management systems and resources against Performance Requirement 1, which includes, among others, requirements for Environmental and Social Management System, Environmental and Social Management Plan and Organisational Capacity and Commitment. Where gaps against EBRD requirements are identified, measures to strengthen the organisational capacity are included in the Environmental and Social Action Plan. Where the Client needs support, EBRD may consider providing Technical Assistance for capacity building through its Technical Cooperation funds.

At least 10 cities are expected to undertake the following actions during this phase of the Facility:

- develop a Green City Action Plan (Component 1);
- invest in between 1 and 4 green urban infrastructure projects per city (Component 2); and
- build institutional capacity to develop, maintain and operate urban infrastructures in a climate-responsible manner (Component 3).
- enhance engagement with capital markets, where feasible, by targeting opportunities to support green investments (Component 4).

2.2 Performance criteria for sub-project eligibility

The EBRD has analysed the specific CO₂ mitigation investment costs of all municipal sectors proposed in this Facility. We have found that the median of district heating, energy efficiency in public buildings, waste water treatment, solid waste and street lighting projects delivers CO₂ mitigation at an investment cost of EUR58.07/t CO₂ eq. This is based on 55 investment projects from 2013 to 2017 and calculated total mitigation finance (euros) divided by the lifetime CO₂ savings (tonnes CO₂ eq). Therefore, the Facility proposes to finance all investments in this sector that can deliver mitigation impacts at a specific CO₂ mitigation investment cost of less than EUR50/t CO₂ eq. Note that this is the total investment mitigation cost for the project – the associated GCF cost is estimated to be in the order of EUR16/t CO₂ eq.

In addition, all climate mitigation projects will reduce CO₂ emissions by at least 20 per cent or improve energy efficiency by at least 20 per cent over baseline. The Facility proposes to apply the minimum 20% CO₂ reduction or 20% energy savings thresholds, but not a EUR/t CO₂ specific mitigation cost cap as an investment criteria for transport. In place of the EUR/t CO₂ specific mitigation cost cap, the Facility has established a positive list of transformative transport technologies that will be eligible for Facility finance. The GCF funding tranche will only be used for the following transport technologies:

- a) Electric bus vehicles fleets (battery and hybrid electric)
- b) Construction, expansion or improvement of electric tram or trolleybus (including hybrid battery electric) fleets
- c) Construction, expansion or improvement of suburban rail, metro and light rapid transit fleets,
- d) Electric ferry and water taxi fleets

The Facility proposes to use a minimum Climate Resilience Benefit Ratio (CRB Ratio) of 10% as the criteria for selecting transformative climate adaptation investments. This will ensure that GCF and EBRD finance is used in the most effective way to support priority investments that deliver the most significant climate resilience outcomes, based on a robust, objective and quantifiable approach. The rationale and process for arriving at this metric is in Section C.3 of the Funding Proposal.

Box 1, Box 2 and Box 3 below summarise all of the criteria used to select transformative climate mitigation and adaptation investment projects, including the primary climate mitigation and adaptation metrics outlined above.

Box 1: Eligibility criteria for climate mitigation projects (excluding transport)

All district heating, energy efficiency in public buildings, solid waste, water and waste water and street lighting climate mitigation investment projects must meet the following criteria:

- **Impact thresholds:**
 - a) deliver climate mitigation at a specific investment cost less than EUR50/t CO₂ eq. and
 - b) Reduce GHG emissions by at least 20 per cent or improve energy efficiency by at least 20 per cent.
- **Sectors.** Fall within the municipal infrastructure sectors including district heating, water and wastewater, street lighting, solid waste management or energy-efficiency improvements and retrofits in buildings;
- **Concessionality.** Employ the minimum level of concessionality to address financing requirements, market entry barriers or incremental costs in line with the EBRD's internal process for utilising concessional instruments (see Section F.1).
- **GCAP.** All Trigger projects will covenant the development of a GCAP based on the GCAP methodology. Cities will be required to identify city staff responsible for the process of developing and implementing a GCAP.
- **Priority environmental challenges.** All district heating, energy efficiency in public buildings, solid waste, water and waste water and street lighting climate mitigation investments subsequent to the development of GCAP will address a priority climate challenge identified by the city specific GCAP. Priority climate challenges will be selected by the city stemming from the GCAP's indicators measuring urban environmental performance.

Box 2: Eligibility criteria for climate mitigation projects (transport)

All transport investment projects must meet the following criteria:

1. **Impact thresholds:**
 - a) Reduce GHG emissions by at least 20 per cent or improve energy efficiency by at least 20 per cent.
2. **Technology:**
 - a) The GCF funding tranche will only be used for the following technologies:
 - i) Electric bus vehicles fleets (battery and hybrid electric)
 - ii) Construction, expansion or improvement of electric tram or trolleybus (including hybrid battery electric) fleets
 - iii) Construction, expansion or improvement of suburban rail, metro and light rapid transit fleets.,
 - iv) Electric ferry and water taxi fleets
 - b) The EBRD's contribution to transport-related investments will be used for the following technologies:
 - i) Electric bus vehicles fleets, facilities and charging infrastructure (battery and hybrid electric)
 - ii) Construction, expansion or improvement of electric tram or trolleybus (including hybrid battery electric) fleets, systems and/or infrastructure and facilities
 - iii) Construction, expansion or improvement of suburban rail, metro and light rapid transit fleets, systems and/or infrastructure and facilities
 - iv) Electric ferry and water taxi fleets, facilities and charging infrastructure
 - v) Non-motorised transport networks and facilities (bicycle, pedestrian mobility)
 - vi) Transport integration systems and facilities, promoting increased public transport usage (fare collection systems, interchange terminals and facilities)
3. **Sector cap.** No more than 30 per cent of the total GCF funding will be invested in transport projects, unless otherwise agreed between the EBRD and the GCF Secretariat during implementation.
4. **Concessionality.** Employ the minimum level of concessionality to address financing requirements, market entry barriers or incremental costs in line with the EBRD's internal process for utilising concessional instruments (see Section F.1).
5. **GCAP.** All Trigger projects will covenant the development of a GCAP based on the GCAP methodology. Cities will be required to identify city staff responsible for the process of developing and implementing a GCAP.
6. **Priority environmental challenges.** All transport investments subsequent to the development of GCAP will address a priority climate challenge¹ identified by the city specific GCAP. Priority climate challenges will be selected by the city stemming from the GCAP's indicators measuring urban environmental performance.

Box 3: Eligibility criteria for climate adaptation projects

All climate adaptation investment projects must meet the following criteria:

1. **Target threshold.** All adaptation investment projects will have a **Climate Resilience Benefit Ratio of at least 10%**
2. **Environmental Integrity.** Ensure that the funded adaptation activities will not lead to an increase in GHG emissions;
3. **Concessionality.** Employ the minimum level of concessionality to address financing requirements, market entry barriers or incremental costs in line with the EBRD's internal process for utilising concessional instruments (see Section F.1).
4. **GCAP.** All Trigger projects will covenant the development of a GCAP based on the GCAP methodology. Cities will be required to identify city staff responsible for the process of developing and implementing a GCAP.
5. **Priority environmental challenges.** All adaptation investments subsequent to the development of GCAP will address a priority climate challenge identified by the city specific GCAP. Priority climate challenges will be selected by the city stemming from the GCAP's indicators measuring urban environmental performance.

2.3 Potential environmental and social risks and impacts of Sub-projects and mitigation

The Facility, and especially the GCAP process, are built on the model of strategic environmental assessment and have similar objectives, resulting in a document that articulates the City's green vision, strategic objectives and priority actions and investments to address priority environmental challenges that effectively contribute to achieving the City's environmental objectives. Moreover, the GCAP process reflects the strategic environmental assessment process steps from baseline setting through assessment of sub-project specific environmental and social benefits, risks and impacts stakeholder engagement to priority action setting. This strategic approach which integrates environmental and social considerations and stakeholder participation in the selection of priority sub-projects throughout the process will in itself effectively contribute to avoiding or minimizing environmental and social risks associated with the priority projects. This will be complemented by sub-project specific environmental and social assessments, which will specify the necessary mitigation measures to structure the projects to meet the sustainability outcomes set out in EBRD Performance Requirements.

The sub-projects are predominantly expected to be in priority sectors including: public and residential building energy efficiency, water and wastewater, urban transport, urban roads and lighting, solid waste management and district heating. Priority sub-projects are required to meet high environmental performance criteria (as specified above) and will mainly result in significant environmental benefits, and are typically associated with limited and temporary environmental and social risks and impacts limited to the modernization or construction works. The potential environmental risks and impacts are typically of different nature, depending on whether the project involves modernisation of existing facilities or construction of new facilities or installations:

- For sub-projects involving modernisation and upgrading of the existing facilities, where no land use change is required, these risks are expected to be site-specific and can readily be mitigated by adhering to good international practices.
- Sub-projects that involve construction of new installations, such as new water, sanitation or district heating networks, new urban roads, large scale wastewater treatment plants, district heating plants or solid waste management facilities, specific attention will need to be paid to spatial planning constraints arising from implementation of such projects in an urban environment. These types of projects may require participatory stakeholder engagement process to identify the optimal solution, especially in regard with the location, and effective ways to avoid or minimise and mitigate potential environmental and social risks and impacts arising from the land use changes. Effective and meaningful stakeholder engagement will be a key in identifying and addressing neighbourhood concerns.

For both types of projects, action plans will be prepared to agree on the specific measures to avoid or mitigate the potential environmental and social risks and impacts.

3. Urban, Environmental and Social Context

3.1 Urban Context

Urban regions in South Eastern Europe face similar challenges, many of which cover the use of energy. In Serbian cities there is a particularly great potential for energy efficiency improvements. Such potential is higher than in many other countries of the EBRD region due to neglected maintenance of industrial equipment and buildings (especially public ones) as well as the presence of a large stock of equipment beyond its economic and also physical life. This potential is driven by increasing energy prices, out-dated and inefficient industrial equipment, as well as lack of metering and control devices. Such energy price increases create an additional cost burden on businesses and buildings owners/administrators that are already challenged in the current economic climate. Improving energy efficiency is an effective response to this challenge.

Urban regions in Albania face similar challenges in that both residential and public sector buildings are often inefficient, which open opportunities for energy cost savings investments. What is more, Albania and its cities entirely depend on hydropower and imports to meet its electricity demands while Albania still experiences more power outages than the rest of the south east European countries. The undiversified electricity generation is accompanied by serious climate adaptation investment needs, because hydropower generation is forecast to be affected by climate-driven shifts in hydrology and reductions in surface runoff.

In FYR Macedonia, air pollution levels are some of the highest in Europe, and contribute to serious public health issues. This is most pronounced in urban areas with over 45% of the health impacts occurring in Skopje alone. Much of this pollution can be attributed to energy infrastructure and transportation, where outdated devices and processes and an old vehicle fleet contribute to pollution levels. Transport is particularly emissions intensive compared to other countries due to both fleet conditions and poor conditions of road and transportation networks. Personal car ownership is rising, particularly in cities, which are categorised by urban sprawl and inefficiency land use. Such development patterns have contributed to intermittency in water supply, solid waste collection and power supply, lack of wastewater treatment, and limited access to public transportation.

In Moldova, in particular residential buildings are highly inefficient. The residential sector of Moldova is the largest energy user with about 40% share of the national final energy consumption and around 70% of residential energy consumption related to space heating. However, market barriers to investing in sustainable energy projects, both in the industrial and residential sector, are still high in Moldova at all levels.

In Tunisia the largest consumer of electricity is the industrial sector with 36%. Several barriers for increasing energy efficiency still exist, including a lack of awareness, low technical capacity and lack of trust among key stakeholders (such as ESCOs, banks, industrial companies and governmental entities). What is more, Tunisia is behind on waste management and resource efficiency, since 85% of the municipal solid waste ends up in landfills and less than 1% of it is recycled.

Urban centers in the Caucasus region, namely in Armenia and Georgia, particularly inherited a diverse set of generation old, public transport networks. With a typical city having established networks for trams, trolleybuses and buses, today's cities struggle to even maintain the existing service networks, let alone finance the modernisation or expansion of new public transport networks. Severe lack of maintenance since the 1990s has caused the partial closure of public transport systems around the region.

In Mongolian urban regions regulatory legislation of the municipal infrastructure is weak and political interference in the regulatory process remains prevalent. Metering is rare and billing based on actual use is almost non-existent, providing little incentive for efficient use. In terms of transport provision, a deregulated, private mini-bus service is prevalent and profitable. However, it has limited capacity to renew its mostly depreciated fleet. More general issues are cost inefficiencies (mismanagement and allocation of employee resources, high energy use), poor revenue collection (low collection rates), high water losses and low water quality.

In Jordan the percentage of people living in urban areas amounts to 83 per cent. This is one of the highest percentage rates of all countries covered in the Facility. While Jordan has one of the lowest levels of water availability in the world, its urban regions have poor water infrastructure too. Water distribution networks were estimated to have lost 68 per cent of water supplies on average due to pipe leakage and inadequate metering systems. Authorities responsible for the maintenance and upkeep of water networks do not have appropriate cost-recovery mechanisms in place, as water costs are extremely below rates of comparable markets

3.2 Environmental and Social Context

The Facility's components directly respond to the environmental and social challenges of the Facility region. The Facility region is characterized by inefficient use of energy, acute environmental issues such as air pollution, and high carbon intensity (tCO₂eq/GDP) - with some countries almost eight times as carbon intensive as the global average. This energy inefficiency is reflected in the poor energy performance of both public and private buildings in urban areas.

Waste management is another prevalent issue, which contributes substantially to GHG emissions through methane leaks from old landfill sites. Many cities in the EBRD region produce significantly more municipal solid waste per capita annually than the EU average. For example, in Georgia, this is about double the EU average. Much of this waste ends up in the landfills that "are simply dumpsite areas where the municipal services (or contractors) pile up or simply deposit waste". In addition, recycling of waste in the Facility region's urban areas is negligible compared to an EU average of 39 per cent and an EU target of 50 per cent of municipal solid waste recycling by 2020.

Furthermore, residents of some cities in the region are exposed to much higher levels of urban air pollution than other populations. Per the World Bank (2015), 100 per cent of Jordan's urban population is exposed to levels of dangerous particulate matter (PM_{2.5}) that exceed World Health Organisation guidelines, compared to a world average of around 92 per cent.

Deteriorating or obsolete urban infrastructures in the Facility region are degrading the quality of life, exacerbating the causes of climate change, and preventing communities from adapting or improving resilience. Nevertheless, several barriers hinder the development of green city planning and infrastructure investments. These include:

- Lack of a systematic and comprehensive approach to address climate change in urban planning. Although various governments have attempted to address urban sustainability issues, these efforts have tended to be delivered in an ad hoc manner depending on the demand of city administrations. What is needed is a systematic and comprehensive approach to green city development that can accommodate the complexity of urban sustainability.
- Legal and regulatory barriers including lack of policy incentives or city-level instruments and low energy tariffs to stimulate the demand for green actions and investments
- Financial barriers including lack of access to financing, an absence of adequate pricing (interest rate and tenor) to incentivize investments, affordability issues of the citizens, IMF conditionalities limiting non-concessional debt, higher upfront costs of high performing technologies and lack of budgets for feasibility studies and energy audits
- Technical barriers, in particular the lack of capacity in municipalities with regards to: experience and skills in assessing green infrastructure investment opportunities, technical know-how, human resources, and adequate institutional set-up.
- Lack of awareness among local stakeholders of the benefits of the green cities approach and its social, economic and environmental co-benefits
- Lack of capacity among civil society organisations (CSOs) for effective communication/outreach and skills transfer that would enable them to effectively reach out to their constituencies/ urban populations in general to raise public awareness and effectively promote public participation and positive behavioural changes.
- Lack of access to capital for infrastructure investments. Cities have difficulty securing capital, particularly from private sources, to finance infrastructure projects due to a range of factors including: high initial capital costs and have long payback periods of infrastructure investments compared to other sectors; lack of credit ratings for cities and underdeveloped local capital markets.

4. The Environmental and Social Management System (ESMS)

EBRD will apply its comprehensive Environmental and Social Sustainability Framework (ESSF) for the Facility. EBRD ESSF is based on the environmental and sustainability mandate in the Articles establishing the EBRD, the Environmental and Social Policy (ESP) and Performance Requirements, updated from time to time, and a dedicated Environmental and Sustainability Department (ESD) discharged with the responsibility of its implementation, and dedicated Gender and Energy Efficiency and Climate Change (E2C2) 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 Performance Requirements was approved by EBRD's Board of Directors on 7 May 2014. 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 2008 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. The ESMS is described in more detail in the Environmental and Social Procedures, which were updated in 2015 <http://www.ebrd.com/what-we-do/strategies-and-policies/environmental-procedures.pdf>, and which outline the process by which Bank staff process and monitor projects in accordance with the overall ESP framework.

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 Facility will be categorised and structured to meet EBRD Performance 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.

5. Performance Requirements, Exclusions, and Compliance with Relevant Laws and Regulations

General

EBRD requires its projects to meet Good International Practice related to environmental and social sustainability. To help clients and/or their projects achieve this, EBRD has defined specific Performance Requirements (PRs) for key areas of environmental and social sustainability. EBRD has adopted ten PRs, which are consistent with and mirror the overall structure, approach and issue coverage of the IFC's 2012 Performance Standards while specifically requiring projects to meet EU environmental standards.

Specific Performance Requirements

EBRD's ten Performance Requirements are:

- PR 1 - Assessment and Management of Environmental and Social Impacts and Issues
- PR 2 - Labour and Working Conditions
- PR 3 - Resource Efficiency, Pollution Prevention and Control
- PR 4 - Health and Safety
- PR 5 - Land Acquisition, Involuntary Resettlement and Economic Displacement

PR5 establishes a Resettlement Policy Framework (RPF) that applies to all EBRD projects that involve land acquisition or land use change that could result in involuntary resettlement in form of physical displacement (relocation or loss of shelter) and/or economic displacement (loss of assets or resources, and/or loss of access to assets or resources that leads to loss of income sources or means of livelihood) while complying with the national laws and regulations of the country. The RPF set out in PR5 aims to:

- avoid or, when unavoidable, minimise, involuntary resettlement by exploring alternative project designs;
- mitigate adverse social and economic impacts from land acquisition or restrictions on affected persons' use of and access to assets and land by: (i) providing compensation for loss of assets at replacement cost; and (ii) ensuring that resettlement activities are implemented with appropriate disclosure of information, consultation, and the informed participation of those affected;
- restore, or where possible, improve the livelihoods and standards of living of displaced persons to pre-displacement levels; and

- improve living conditions among physically displaced persons through the provision of adequate housing, including security of tenure at resettlement sites

For the Facility, a Land Acquisition and Resettlement Framework (LARF) is developed and includes the screening, eligibility criteria, assessment and implementation procedures, specific consultation requirements, institutional arrangements, valuation methods, generic entitlement matrix, grievance and monitoring mechanisms, expected budget and capacity development plan (where necessary). The LARF provides the requirements and procedures to develop a subproject specific Land Acquisition and Resettlement Action Plan.

- PR 6 - Biodiversity Conservation and Sustainable Management of Living Natural Resources
- PR 7 - Indigenous Peoples

There are no Indigenous Peoples in the Facility's region, therefore an Indigenous Peoples Planning Framework is not expected.

- PR 8 - Cultural Heritage
- PR 9 - Financial Intermediaries
- PR 10 - Information Disclosure and Stakeholder Engagement

PR10 establishes the stakeholder engagement framework for the Facility and encompasses a range of activities and approaches, from information sharing and consultation, to participation, negotiation, and formation of partnerships to ensure the timely provision of relevant and understandable information on the Facility sub-projects and to create a process that provides opportunities for all stakeholders, including those who are vulnerable and/or socially excluded, to express their views and concerns, and allows the Client to consider and respond to them.

For the Facility, a Stakeholder Engagement Framework (SEF) is developed and the SEF provides an outline of the requirements for sub-project level stakeholder engagement plans. The SEF also includes the description of processes, strategies and responsibilities for developing and carrying out sub-project specific stakeholder engagement plans. A template of a sub-project specific Stakeholder Engagement Plan (SEP) is also included.

Each PR defines, in its objectives, the desired outcomes, followed by specific requirements for projects to help clients achieve these outcomes. Compliance with relevant national law is an integral part of all PRs.

The full PRs can be found following [this link](#).

6. Categorisation

Each sub-project under the Facility will undergo environmental and social screening and be categorised either as A, B or C at the initial stage of the project cycle, to determine the nature and level of environmental and social 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 adverse future environmental and social impacts. The rationale and justification for the assigned category of the project will be documented. Where insufficient information for screening and categorization is available, an Initial Environmental and Social Examination will be carried out to collect sufficient amount of information on the nature, location, sensitivity and scale of the project, and the significance of its potential adverse future

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

A project is categorised:

- “A” when it could result in potentially significant adverse future environmental and/or social impacts which, at the time of categorisation, cannot readily be identified or assessed, and which, therefore, require a formalised and participatory environmental and social impact assessment process. A list of indicative Category A projects is presented in Appendix 2 to the ESP.
- “B” when its potential adverse future 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 minimal or no potential adverse future environmental and/or social impacts, and can readily be addressed through limited environmental and social appraisal.

In addition, a project will be categorised as “FI” if the financing structure involves the provision of funds through financial intermediaries (FI) whereby the FI undertakes the task of sub-project appraisal and monitoring.

Category A Projects

Within the Green Cities Facility, projects likely to be categorised as A include: waste-processing and disposal installations for the incineration, chemical treatment or landfill of hazardous, toxic or dangerous wastes; large-scale waste disposal installations for the incineration or chemical treatment of non-hazardous wastes; municipal wastewater treatment plants with a capacity exceeding 150,000 population equivalent; large-scale municipal solid waste processing and disposal facilities. Such activities are also likely to be categorised as I1, defined by the GCF as, “When an intermediary’s existing or proposed portfolio includes, or is expected to include, substantial financial exposure to activities with potential significant adverse environmental and/or social risks and/or impacts that are diverse, irreversible, or unprecedented.”

EBRD seeks full approval from the GCF Board for projects categorised as All Category A projects will be approved through EBRD’s established processes and implemented in line with the Bank’s stringent Environmental and Social Sustainability Framework. Sub-projects categorised as A, or I1, will adhere to a multi-tiered approval process from the EBRD Board. All Category A sub-projects within the Green Cities Facility will seek approval from EBRD Board of Directors, following the preparation and disclosure of the ESIA disclosure documents to ensure the projects meet EBRD’s Performance Requirements and public disclosure requirements detailed below, and the projects’ potential environmental and social risks are appropriately identified, mitigated and addressed. This will ensure that all Category A sub-projects also conform to GCF’s environmental and social assessment and, stakeholder engagement and disclosure requirements. .

Category B and C Projects

EBRD seeks full approval from the GCF Board for projects categorised as B or C. Such projects will not be required to be brought to GCF’s Board for further assessment and approval, All Category B and C projects will be approved through EBRD’s established processes and implemented in line with

the Bank's stringent Environmental and Social Sustainability Framework. Projects will be required to meet the Bank's Performance Requirements and public disclosure requirements detailed below.

7. Environmental and Social Assessment

7.1 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 PRs, 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 categorization process described above by EBRD's Environment and Sustainability Department ("ESD"). The scope and content for the ESDD, information disclosure and stakeholder engagement requirements will be proportionate to the potential environmental and social risks, issues and impacts associated with the project. For more environmentally and/or socially complex or high-risk projects, the ESD may decide that a formalised ESDD plan and Terms of Reference ("ToR") also need to be prepared.

Category A projects will require a comprehensive Environmental and Social Impact Assessment (ESIA), which will include a formalized and participatory public disclosure and consultation process. The ESIA process starts with a scoping stage to identify the potential future environmental and social impacts associated with the project. The ESIA will also include an examination of technically and financially feasible alternatives to the source of such impacts, including the non-project alternative, and document the rationale for selecting the particular course of action proposed. It will also identify potential improvement opportunities and recommend any measures needed to avoid, or where avoidance is not possible, minimise and mitigate adverse impacts. The ESIA may need to be carried out or verified by independent experts. The ESIA process will result in an Environmental and social Management Plan ("ESMP"), Stakeholder Engagement Plan ("SEP") and, where relevant, Resettlement Action Plan, Biodiversity Management Plan or Cultural Heritage Management Plan, or other specific management plans.

Category B 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.

Projects (both Category A and B) which involve existing facilities, require an assessment of the environmental and social issues of past and current operations will be required. 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 PRs. Any investigations of existing facilities must be carried out by experts that are independent from the facility that is being investigated.

7.2 Reviewing existing information

The ESDD starts with identification and a review of available relevant environmental and social information related to the project. Such information is determined by the Operation Team and/or ESD together with the client.

7.3 Site visits

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

7.4 Commissioning environmental and social assessment

The client is responsible for ensuring that the environmental and social assessment complies with the PRs and provides the Bank with adequate information to undertake the environmental and social appraisal. The ESD's role is to assist the client with this task and advise on the scope and content of the due diligence studies required to meet the PRs.

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 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.

8. 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 PRs.

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, a Biodiversity Action Plan, Emergency Response Plan, Resettlement Action Plan, Livelihood Restoration Framework, Indigenous Peoples' Development Plan, Human Rights Action Plan, Stakeholder Engagement Plan and/or other specific plans. Alternatively, these may be stand-alone documents.

Where the project does not meet the PRs from the outset, the client and the Bank will in addition to the ESMP agree on an ESAP, which will include technically and financially feasible, and cost-effective measures for the project to achieve compliance with the PRs within a time frame acceptable to EBRD. The ESAP is the key tool to structure projects to meet the PRs 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 PRs in their other operations that are associated with but not part of the project (see paragraphs 37 of the ESP and 17-20 of PR 1).

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

9. Roles and Responsibilities for Managing Environmental and Social Requirements

9.1 EBRD's Clients role and responsibilities

The Bank expects its clients to manage the environmental and social issues associated with the projects to meet the PRs over a reasonable period of time. Projects involving new facilities or business activities will be designed to meet the PRs from the outset. If a project involves existing facilities or activities that do not meet the PRs 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 PRs within a time frame acceptable to EBRD. In addition, EBRD will work with its clients to manage environmental and social risks consistent with the PRs in their other operations that are associated with but not part of the project.

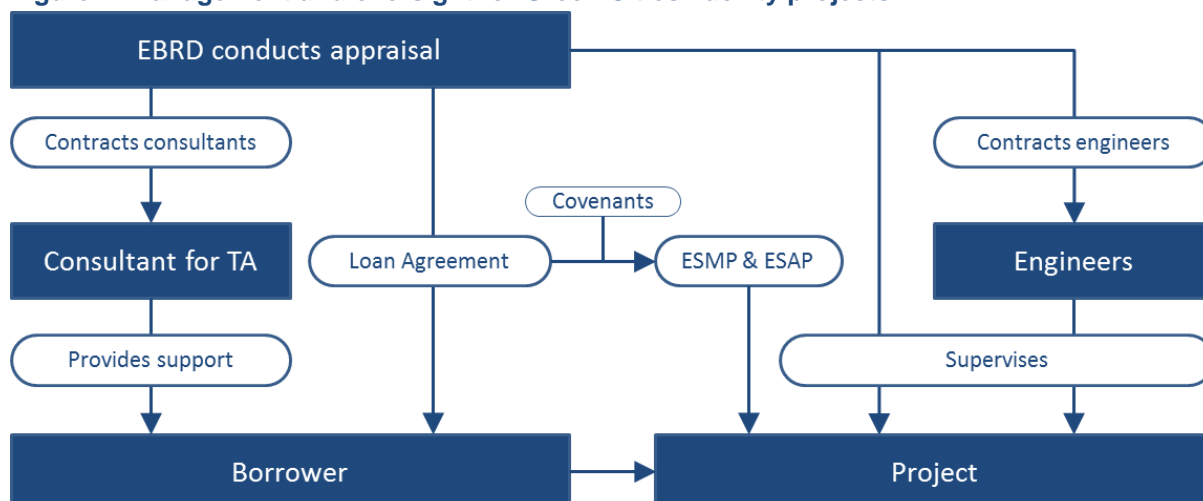
It is also the client's responsibility to ensure that adequate information is provided so that the Bank can undertake an environmental and social assessment in accordance with the ESP. The client may be required to commission appropriate environmental and social studies and conduct stakeholder engagement 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").

9.2. 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 body. 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 included, as Appendix 1 to this Policy.

The diagram below provides an overview of the management processes and responsibilities applied to the Facility's projects in line with EBRD practice.

Figure 1. Management and oversight for Green Cities Facility projects

10. 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 Performance Requirement 10 (PR10), as part of its larger Environmental and Social Policy, requires all projects that are likely to have adverse environmental and social impacts and issues on the environment, workers or the local communities directly affected by the project (Category A) to identify and engage with stakeholders as an integral part of their overall environmental and social management system (ESMS), the project's environmental and social assessment process and the environmental and social management plan.

Projects required to meet PR10 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 PR10 can be found in EBRD's Environmental and Social Policy.

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. 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.

For Category A projects, the client and the Bank will make available to the public the ESIA documents. For private sector projects, the ESIA documents shall be available for a minimum of 60 calendar days prior to consideration of the project by the Board of Directors, for public sector projects 120 calendar days prior to Board consideration. The ESIA documents are produced by clients, and the EBRD makes them available without any comment or implied endorsement. However, before disclosure, the ESD must consider the ESIA documents appropriate and fit for purpose for the consultation process.

In addition, EBRD PRs contain specific requirements for consultation on projects that could result in physical and/or economic displacement or affect Indigenous Peoples.

PR10 establishes the stakeholder engagement framework for the Facility and encompasses a range of activities and approaches, from information sharing and consultation, to participation, negotiation, and formation of partnerships to ensure the timely provision of relevant and understandable information on the Facility sub-projects and to create a process that provides opportunities for all stakeholders, including those who are vulnerable and/or socially excluded, to express their views and concerns, and allows the Client to consider and respond to them.

For the Facility, a Stakeholder Engagement Framework (SEF) is developed and the SEF provides an outline of the requirements for sub-project level stakeholder engagement plans. The SEF also includes the description of processes, strategies and responsibilities for developing and carrying out sub-project specific stakeholder engagement plans. All projects are required to establish a formalised procedure or process for stakeholder engagement in a form of a Stakeholder Engagement Plan (SEP). The SEF includes a template of a sub-project specific SEP. The SEF is included in this ESMF as appendix ?.

11. 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 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; and
- 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.

Managing grievances, including avoiding and minimising them, is an integral part of a sound stakeholder engagement strategy. Experience indicates that significant numbers of grievances arise from misunderstandings, and that such grievances can be avoided, or their numbers minimised, through consistent engagement with both workers and communities. Engagement also helps preventing community or workers concerns from escalating into grievances.

For the facility, a Grievance Redress Mechanism (GRM) is developed and the GRM outlines the requirements for sub-project grievance management systems. The document details the EBRD requirements for complaints handling, provides guidance on grievance mechanism key principles and administration. All projects are required to establish a formalised procedure or process for dealing with grievances from both workers and communities. The GRM includes a sample flow chart for a typical grievance management procedure or process and an example grievance form. The GRM is included in this ESMF as appendix ??.

EBRD has also established its own accountability mechanism, the Project Complaint Mechanism (PCM), that has been established to assess and review complaints about Bank-financed projects. It provides individual(s) and local groups that may be directly or adversely affected by an EBRD project, as well as civil society organisations, a means of raising complaints or grievances with the Bank, independently from banking operations.

PCM has two functions:

- a Compliance Review function which seeks to assess whether a Bank approved project complies with relevant the EBRD's policies, specifically relevant environmental policies and project-specific provisions of the Public Information Policy, and
- a Problem-solving Initiative which has the objective of restoring dialogue between the parties, where possible, to trying to resolve the underlying issues giving rise to the complaint or grievance. A problem-solving initiative might include independent fact-finding, mediation, conciliation, dialogue facilitation, investigation or reporting.

Following the assessment of a complaint, there may be a recommendation for a Compliance Review and/or Problem-solving Initiative, or neither.

12. 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 Performance Requirements. 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.

13. Sub-Annexes

Sub-Annex 1: Exclusion list (list of activities that the Facility will not finance)

Sub-Annex 2: Screening checklist

Sub-Annex 3: Land Acquisition and Resettlement Framework

Sub-Annex 4: Stakeholder Engagement Framework

Sub-Annex 5: Guidance for a Stakeholder Engagement Plan

Sub-Annex 6: Generic Environmental and Social Assessment ToR - Brownfield Category A Project

Sub-Annex 7: Sample ESIA Format

Sub-Annex 8: Green Cities Facility Grievance Redress Mechanism

Sub-annex 1: EBRD Environmental and Social Exclusion List

EBRD will not knowingly finance, directly or indirectly, projects involving the following:

- (a) the production of or trade in any product or activity deemed illegal under host country (i.e. 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 PCBs.¹
 - (ii) Production of or trade in pharmaceuticals, pesticides/herbicides and other hazardous substances subject to international phase-outs or bans.²
 - (iii) Production of or trade in ozone depleting substances subject to international phase out.³
 - (iv) Trade in wildlife or production of or trade in wildlife products regulated under CITES.⁴
 - (v) Transboundary movements of waste prohibited under international law.⁵
- (b) Production or use of or trade in unbonded asbestos fibres or asbestos-containing products.
- (c) Activities prohibited by host country legislation or international conventions relating to the protection of biodiversity resources or cultural heritage.⁶
- (d) Drift net fishing in the marine environment using nets in excess of 2.5 km. in length.
- (e) Shipment of oil or other hazardous substances in tankers which do not comply with IMO requirements.⁷

¹ PCBs: Polychlorinated biphenyls are a group of highly toxic chemicals. PCBs are likely to be found in oil-filled electrical transformers, capacitors and switchgear dating from 1950-1985.

² Reference documents are Council Regulation (EEC) No 2455/92 of 23 July 1992 Concerning the Export and Import of Certain Dangerous 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; Convention on the Prior Informed Consent Procedures for Certain Hazardous Chemicals and Pesticides in International Trade (Rotterdam Convention); Stockholm Convention on Persistent Organic Pollutants; World Health Organisation Recommended Classification of Pesticides by Hazard.

³ Ozone Depleting Substances (ODSs): Chemical compounds which 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.

⁴ CITES: The Convention on International Trade in Endangered Species of Wild Fauna and Flora. A list of CITES listed species is available from the CITES secretariat.

⁵ Reference documents are: Regulation (EC) No 1013/2006 of 14 June 2006 on shipments of waste; 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; Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal.

⁶ Relevant international conventions include: Convention on the Conservation of Migratory Species of Wild Animals (Bonn Convention); Convention on Wetlands of International Importance, especially as Waterfowl Habitat (Ramsar Convention); Convention on the Conservation of European Wildlife and Natural Habitats (Bern Convention); Convention Concerning the Protection of the World Cultural and Natural Heritage; Convention on Biological Diversity.

⁷ This includes: tankers which do not have all required International Convention for the Prevention of Pollution from Ships (MARPOL), International Convention for the Safety of Life at Sea (SOLAS) certificates (including, without limitation International Safety Management Code compliance), tankers blacklisted by the European Union or banned by the Paris Memorandum of Understanding on Port State Control (Paris MOU) and tankers due for phase out under MARPOL regulation 13G. No single hull tanker over 25 years old should be used.

- (f) Trade in goods without required export or import licenses or other evidence of authorization of transit from the relevant countries of export, import and, if applicable, transit.

Sub-annex 2: Screening Checklist

Introduction

The Compliance Summary provides a checklist for a systematic review for identifying environmental and social risks and impacts in line with the EBRD Environmental and Social Policy, as defined through the applicable Performance Requirements (PRs). Scope of compliance is all PRs 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 PRs (Indicators with whole number references) provide a summary of overall compliance with the PR. Justification for any derogation from a PR should be summarised and supporting documents referenced.

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

- 1. Decide whether the indicator is applicable.** For Category A 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.

EC	Exceeding Compliance: The project has gone beyond the expectations of EBRD's PR requirements. EBRD should be able to use projects rated EC as a role model for positive Environmental and Social effects.
FC	Fully Compliant: The project is fully in compliance with EBRD's requirements, and EU and local environmental, health and safety policies and guidelines.
PC	Partial Compliance: 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	Material Non-compliance: 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.

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. PR Summary: Provide an overall summary against the PR, using the above compliance definitions with supporting commentary. In some cases it may be sufficient to address a PR at summary level only, depending on Stage 1 above.

Note: The Material Non-compliance score (at both Indicator and PR 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.	Performance Requirement	Score	Comments/ Issues	Actions Required	ESAP Ref.
1	Assessment and Management of Environmental and Social Impacts and Issues				
	Summary:				
1.1	Environmental and Social Assessment				
1.2	Environmental and Social Management Systems				
1.3	Environmental and Social Policy ⁸				
1.4	Environmental and Social Management Plan				
1.5	Organisational Capacity and Commitment				
1.6	Supply Chain Management				
1.7	Project Monitoring and Reporting ⁹				
2	Labour and Working Conditions				
	Summary:				
2.1	Human Resource Policies and Working Relationships				
2.2	Child and Forced Labour				

⁸ 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.

⁹ 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.

KPI Ref.	Performance Requirement	Score	Comments/ Issues	Actions Required	ESAP Ref.
2.3	Non-Discrimination and Equal Opportunity				
2.4	Workers Organizations				
2.5	Wages, benefits, and conditions of work and accommodation				
2.6	Retrenchment ¹⁰				
2.7	Grievance Mechanism				
2.8	Non-Employee Workers				
2.9	Supply Chain				
2.10	Security Personnel Requirements				
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				
3.2	Pollution Prevention and Control - Air emissions				
3.3	Pollution Prevention and Control - Waste waters				
3.4	Greenhouse Gases ¹¹				
3.5	Water				
3.6	Wastes				

¹⁰ Will not be applicable to many projects at appraisal stage. However evidence, within the last 3 years of client approach to retrenchment which is not compatible with the Policy should be taken into consideration.

¹¹ Particular attention should be given to client demonstration of consideration of alternatives. Projects expected annually to produce more than 25,000 tonnes of Co2 equivalent should provide an emission inventory and plans for annual reporting.

KPI Ref.	Performance Requirement	Score	Comments/ Issues	Actions Required	ESAP Ref.
3.7	Hazardous Substances and Materials				
4	Health and Safety				
	Summary:				
4.1	Occupational Health and Safety				
4.2	Community Health and Safety				
4.3	Infrastructure, Building, and Equipment Design and Safety				
4.4	Hazardous Materials Safety				
4.5	Product and Services Safety				
4.6	Traffic and Road Safety				
4.7	Natural Hazards				
4.8	Exposure to Disease				
4.9	Emergency Preparedness and Response				
5	Land Acquisition, Involuntary Resettlement and Economic Displacement				
	Summary:				
5.1	Avoid or minimise displacement				
5.2	Consultation				
5.3	Compensation for displaced persons				
5.4	Grievance mechanism				
5.5	RAP/LRP documentation				

KPI Ref.	Performance Requirement	Score	Comments/ Issues	Actions Required	ESAP Ref.
5.6	RAP/LRP implementation				
5.7	Monitoring				
6	Biodiversity and Living Natural Resources				
	Summary:				
6.1	Assessment of Biodiversity and Living Natural Resources				
6.2	Conservation of Biodiversity				
6.3	Sustainable Management of Living Natural Resources				
7	Indigenous People				
	Summary:				
7.1	Indigenous People Assessment				
7.2	Adverse Effects Avoidance and Indigenous Peoples Development Plan				
7.3	Information Disclosure, Meaningful Consultation and Informed Participation				
7.4	Grievance Mechanism and Prevention of Ethnically Based Discrimination				
7.5	Compensation and Benefit-Sharing				
7.6	Impacts/Relocation on Traditional or Customary Lands and Cultural Heritage				

KPI Ref.	Performance Requirement	Score	Comments/ Issues	Actions Required	ESAP Ref.
8	Cultural Heritage				
	Summary:				
8.1	Assessment and Management of Impacts on Cultural Heritage				
8.2	Consultation with affected communities and other stakeholders				
8.3	Project use of Cultural Heritage				
10	Information Disclosure and Stakeholder Engagement				
	Summary:				
10.1	Stakeholder Engagement Plan				
10.2	Operational Grievance Mechanism				
	Overall Compliance				
	National Environmental, Social, Health and Safety Requirements				
	EU Environmental, Social, Health and Safety Requirements				

Sub-Annex 3: Land Acquisition and Resettlement Framework

Please return this form to: [name], Health and Safety Manager, [company name],
Address _____: Tel.: _____ or E-mail:
_____@_____.com .

LAND ACQUISITION AND RESETTLEMENT FRAMEWORK

FOR GCF-EBRD GREEN CITIES FACILITY

OFFICIAL USE

A P R I L 2 0 1 8

G C F - E B R D G R E E N C I T I E S
F A C I L I T Y

OFFICIAL USE

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DEFINITIONS

Affected Persons	People, Households, or Legal Entities affected by project-related changes in use of land, water, natural resources, or income losses.
Compensation	Payment in cash or kind to which the Affected People are entitled in order to replace land or other assets taken for project use.
Cut-off-date	Date after which people WILL NOT BE considered eligible for compensation, i.e., they are not included in the list of APs as defined by the census.
Encroachers	People who move into the project area, or who have trespassed into government land adjacent to their own, after the cut-off date and are therefore not eligible for compensation or other rehabilitation measures provided by the project. Persons informally using or occupying land prior to the cut-off date are eligible for compensation or alternative forms of assistance.
Entitlement	Entitlement means the range of measures comprising compensation in cash or kind, relocation cost, income rehabilitation assistance, transfer assistance, income substitution, and business restoration which are due to APs, depending on the type, degree and nature of their losses, to restore their social and economic base.
Household	Household means all persons living and eating together as a single-family unit and eating from the same kitchen whether or not related to each other. The census used this definition, and the data generated by the census forms the basis for identifying a household unit.
Livelihood restoration	Income Restoration means re-establishing productivity and Livelihoods of affected persons.
Involuntary Resettlement	Any resettlement, which does not involve willingness of the persons being adversely affected, but who are forced through an instrument of law.
Land acquisition	Land Acquisition means the process whereby a person is compelled by a public agency to alienate all or part of the land she/he owns or possesses, to the ownership and possession of that agency, for public purposes in return for fair compensation.
Rehabilitation	Assistance provided to affected persons to supplement their income losses in order to improve, or at least achieve full restoration of, their pre-project living standards and quality of life.
Vulnerable groups or people	Vulnerable groups or people refers to people who, by virtue of gender identity, sexual orientation, religion, ethnicity, indigenous status, age, disability, economic disadvantage or social status may be more adversely affected by project impacts than others and who may be limited in their ability to claim or take advantage of project benefits.
Land Owner	Physical or legal entity, who uses land plot based on the right of private property, i.e., has purchased the right to the property from the state.
Lease-Holders	A person or a legal entity who holds a right of leasing the land (long or short term) on contractual bases.

INTRODUCTION

DESCRIPTION OF THE PROPOSED FACILITY

The Green Cities Facility is designed to address the multiple barriers facing the Facility region to achieve the following objectives:

Objective 1. Deliver policy and strategy support

Set a benchmark and vision for the sustainable development of each beneficiary city and help municipal authorities and key stakeholders make climate-informed decisions about actions to address environmental challenges.

- Prepare and implement green strategy documents for identifying, benchmarking, prioritizing and guiding green city actions.
- Develop legislative/regulatory amendments required to enhance the enabling environment for sustainable investments, by, e.g., supporting governments in amending budget laws where this has been identified as a barrier by the government.
- Provide policy support on gender equality and support municipalities in introducing principles of gender equality into their practices

Objective 2. Facilitate and stimulate green city infrastructure investments

- Facilitate and stimulate sovereign and sub-sovereign finance for climate change mitigation, adaptation and resilience investments in priority sectors including Public building energy efficiency, water and wastewater, urban transport, urban roads and lighting, solid waste management and district heating modernisation.
- Ensure greater gender equality in access to and use of municipal services

Objective 3. Build capacity of city administrators and key stakeholders

Through targeted technical assistance, the Facility will build local capacity in the following areas:

- Systematic, comprehensive strategic planning on the city-level with focus on climate change mitigation, adaptation, and resilience
- Enhancing financial and operational performance at the municipal level.
- Establishing and managing the implementation of environmental / social safeguards
- Increasing public awareness and enhancing social, economic and environmental co-benefits
- Building capacity of city administrators and key stakeholders to ensure greater gender equality in access to employment.

Objective 4. Facilitate and provide a pathway for cities to access capital markets

- Prepare strategic input for addressing cities' barriers to accessing capital markets to support infrastructure investments.
- Build capacity of local governments and stakeholders to ensure the conditions and processes are in place to attract private finance

To achieve these objectives, the Facility will combine strategy and policy support, infrastructure investments and capacity building and technical assistance to best address cities' unique needs and market barriers. The Green Cities Facility also aims to demonstrate "common but differentiated" actions to combat climate change and environmental challenges in cities in the Facility region by providing a holistic approach for cities to identify, prioritise and address their challenges in the context of sustainable development.

The Facility will address multiple market barriers to green city action by providing:

Component 1. Green City Action Plans and Policy Dialogue: Prepare and implement green strategy documents for identifying, benchmarking, prioritising and guiding city actions that address climate change while striving to achieve green growth, and develop legislative/policy amendments.

Component 2. Green city infrastructure investments: Facilitate and stimulate sovereign and sub-sovereign finance for climate change mitigation and resilience investments in priority sectors, including building energy efficiency, water and wastewater, urban transport, urban roads and lighting, solid waste management and district heating modernisation. Cities will not be restricted to EBRD finance for these projects.

Component 3. Technical support and knowledge building: Enhance financial and operational performance at the municipal level; establish and manage the implementation of climate change mitigation and adaptation, economic and social safeguards; enhance public awareness and promote social and economic and environmental co-benefits. Disseminate best practice for green city development through organised events, trainings, and participation in global urban networks.

Component 4. Green Capital Markets Roadmaps: Develop tools and skills cities need to attract private sector finance for green investments, including building awareness of engagement opportunities with capital market for green investments, identify and qualify eligible investments for green financing, and mobilising capital from new modalities.

Cities will initiate their involvement in the Facility with the combination of a GCAP and an investment sub-project, referred to as a 'trigger' project - that meets specific performance criteria. Both commitments will act as triggers for initiating cities' inclusion in the Facility. Additional cities and investment projects will be able to be added to the Green Cities Facility subject to the following eligibility criteria.

An up-to-date due diligence will be in place before EBRD approves each green city project under the Facility. As part of its due diligence of each sub-project, EBRD will assess the capacity of municipalities and municipal utility companies to successfully deliver the project and comply with national regulations as well as the policies of EBRD and GCF. Assessment of the clients' capacity in meeting environmental and social responsibilities and implementing the project in compliance with EBRD's Performance Requirements is an integral part of EBRD's Environmental and Social Assessment. This involves a review of the client's E&S

policies, management systems and resources against Performance Requirement 1, which includes, among others, requirements for Environmental and Social Management System, Environmental and Social Management Plan and Organisational Capacity and Commitment. Where gaps against EBRD requirements are identified, measures to strengthen the organisational capacity are included in the Environmental and Social Action Plan. Where the Client needs support, EBRD may consider providing Technical Assistance for capacity building through its Technical Cooperation funds.

At least 10 cities are expected to undertake the following actions during this phase of the Facility:

- develop a Green City Action Plan (Component 1);
- invest in between 1 and 4 green urban infrastructure projects per city (Component 2); and
- build institutional capacity to develop, maintain and operate urban infrastructures in a climate-responsible manner (Component 3).
- enhance engagement with capital markets, where feasible, by targeting opportunities to support green investments (Component 4).

SCOPE OF THE DOCUMENT

This **Land Acquisition and Resettlement Framework (LARF)** outlines the general principles, overall strategy and processes framework should any sub-project under the Facility cause any physical or economic displacement, in conformance with the national laws and EBRD requirements, in particular EBRD's Performance Requirement (PR) 5 of EBRD's Environmental and Social Policy (2014)¹²: *Land Acquisition, Involuntary Resettlement and Economic Displacement*.

This **LARF serves as a basis for the development of detailed Land Acquisition and Resettlement Plans (LARPs)** for sub-projects, which will be developed once the exact nature and magnitude of the land acquisition, restrictions on land use or resettlement related to the specific sub-project are known. The LARPs will provide detailed information on the Project Affected People, the eligibility criteria and the procedures to be applied for the sub-project in line with this LARF and in compliance with EBRD PR5.

A sample annotated outline for LARP is provided in **Appendix 1** of this document.

PRINCIPLES AND OBJECTIVES

The following principles of land acquisition and resettlement shall be adhered to during Project implementation:

¹² The full text of the Policy is available at:

<http://www.ebrd.com/news/publications/policies/environmental-and-social-policy-esp.html>

1. Involuntary resettlement and economic displacement will be avoided, or when unavoidable, alternative sub-project designs will be considered to minimise involuntary resettlement and economic displacement.
2. Where involuntary resettlement is unavoidable, affected people shall be identified and compensated for any associated losses. All categories of affected people, with and without legal property rights, should be entitled to compensation.
3. Where displacement is unavoidable, improve or, at a minimum, restore the livelihoods and standards of living of displaced persons, through measures that can be land-based, wage-based and/or enterprise based, so as to facilitate sustainable improvements to their socio-economic status.
4. Land acquisition will be carried out in compliance with the **applicable national legislation**, the **EBRD Environmental and Social Policy 2014** and its Performance Requirement 5 (*Land Acquisition, Involuntary Resettlement and Economic Displacement*), this document (**LARF**) and good international practice.
5. **Detailed Land Acquisition and Resettlement Plans (LARPs) in compliance with PR 5 will be developed** for each sub-project that requires the expropriation of land, physical displacement of population, or loss of income due to changes in land use or access to resources. Each LARP shall be subject to public consultation. The LARPs will be based on reliable, up-to-date information and will include basic information about the project, project impacts, affected people and assets, entitlements for all categories of affected people as well as any legal issues relating to resettlement or any gaps between the domestic law and PR 5. Each LARP shall also include a detailed budget and timetable.
6. **All affected persons will be informed and consulted** during LARP preparation, implementation and monitoring.
7. The **baseline socio-economic survey and census** for each LARP will identify both formal and informal land/property users, including vulnerable persons/households, such as single mothers, widows and widowers, disabled people, minority groups, or those living in extreme poverty.
8. The **cut-off date** for the establishment of eligibility (for both formal and informal landowners/users) will be established. Persons who have settled in the project area after the cut-off date will not be eligible for any compensation. The cut-off-date will be disclosed and disseminated publicly for example in the daily newspapers, on public bulletin boards in settlements and consultation meetings in the concerned affected communities.
9. **All owners, occupants and users** of affected land at the time of the cut-off date, whether with or without fully recognized ownership rights, **are eligible for compensation and/or assistance**.
10. **Temporary occupation of land for construction purposes will be compensated** and land subsequently restored.

11. **Standards of living and/or livelihoods of affected persons will be restored and potentially improved**, in as short a period as possible.
12. Compensation will be provided before displacement or imposition of access restrictions. Issues related to **payment of cash compensation will be discussed and agreed with owners and all affected members** of households. Cash compensation will be paid in full or in installments as agreed with the owners and affected members of the households and as defined by contracts, to the bank accounts specified by the owners, with the agreement of all affected members of the household. In cases where there is more than one owner of the property (i.e., co-ownership of married couples), compensation amounts will be divided and paid to the bank accounts they specify.
13. **Project Affected People and communities will be provided with information and consulted** in order to facilitate their early and informed participation in the decision-making process related to resettlement. **Access to information and assistance for vulnerable persons/households will be facilitated** according to their specific needs, on the basis of case-by-case screening to be carried out.
14. An effective grievance mechanism will be in place for receiving and addressing in a timely fashion specific concerns about compensation and relocation raised by displaced persons.
15. **The implementation of the land acquisition and livelihood restoration processes** shall be monitored through institutional arrangements identified in individual LARPs.

GAP ANALYSIS: LEGAL AND ADMINISTRATIVE FRAMEWORK

The sub-projects will meet the requirements of national legislation and EBRD policies, notably EBRD performance requirement 5 on Land Acquisition, Involuntary Resettlement and Economic Displacement. Where disparities exist between national law and the EBRD's requirements, the projects undertake to comply with the EBRD PR. The potential issues and gaps between national legislations and policies and EBRD requirements are presented in Table 1 below. When preparing sub-project specific LARPs, legal review along with gap analysis will be reviewed and updated as needed to assure that identified impacts and affected persons are included in the analysis and all potential gaps between requirements are addressed.

Table 1 EBRD requirements, potential main gaps and measures to fill them

Potential issues	EBRD requirement	Potential gaps and measures to fill them
Involuntary resettlement, physical and economic displacement	<p>Involuntary resettlement per the PR covers both physical and economic displacement:</p> <p>Land acquisition, which includes: (a) purchases of property, (b) purchases of property rights (i.e., easements; rights of way)</p> <p>Imposition of restrictions that result in people experiencing loss of access to physical assets or natural resources</p>	<p>Objectives may not explicitly include restoration of livelihood and standard of living.</p> <p>Develop Livelihood Restoration Plans or Frameworks (LRF) to be implemented in all phases of the project.</p>
Planning process	<p>In case of economic displacement (not physical), that can be full, partial, permanent, or temporary the compensation will be offered to the affected persons and communities. This shall take the form of nLRF. The LRF will establish the entitlements of affected persons or communities. It should ensure that affected people understand the compensation procedures and know what to expect at the various stages of the project.</p>	<p>A census and socio-economic survey of affected households will be undertaken to identify and assist vulnerable groups and guide the development and implementation of subproject specific Livelihood Restoration Plans or Frameworks.</p>
Socioeconomic survey and census	<p>The socioeconomic survey should: (i) identify persons who will be displaced by the project; (ii) determine who will be eligible for compensation and assistance; and (iii) take inventory of affected land and property. The census should take into account the needs of seasonal resource users who may not be present in the project area during the time of the census. Census should be conducted as early as possible to prevent inflows of population ineligible for compensation. A cut-off date should be defined after the census is completed.</p>	<p>Socioeconomic survey and census will be undertaken to fill any potential gap.</p> <p>Depending on the final locations of subprojects, additional census may be required.</p>
Vulnerable groups or persons	<p>Particular attention should be given to vulnerable groups living in the project area. These groups may include households headed by women or children, people with disabilities, the extremely poor, the elderly, and groups that suffer social and economic discrimination, including indigenous peoples and minorities.</p>	<p>Vulnerable groups identified and specific compensation measures provided including any additional assistance to restore or improve living conditions</p>

Potential issues	EBRD requirement	Potential gaps and measures to fill them
Compensation value and timing	<p>Livelihoods and standards of living to be restored regardless of tenure or legal status. If monetary compensation is preferred by a displaced party in lieu of in-kind, compensation at full replacement cost shall be made *</p> <p>Affected persons without legal rights and requirements have the right for compensation for loss of harvest, trees and structures (non-land assets).</p>	<p>Compensation may be based on established valuation system and based on market value, not replacement cost. As there may not be functioning land markets, it is often difficult to get accurate information on the value. Third party valuator should identify compensation at replacement cost. Alternative compensation methods, such as in-kind, may be considered and as agreed.</p>
Grievance mechanism	<p>A grievance mechanism should be set up as early as possible in the process, to receive and address in a timely manner specific concerns about compensation and relocation that are raised by displaced persons.</p> <p>The grievance mechanism process should address concerns promptly and effectively, using an understandable and transparent process that is culturally appropriate and readily accessible to all segments of the affected communities. At no cost and without retribution.</p>	<p>There may be gaps on provision for an non-judicial grievance and redress.</p> <p>The grievance and redress mechanism will be implemented throughout all phases of programme and subproject implementation.</p>
Information disclosure and consultation	<p>To obtain cooperation, participation, and feedback, the project affected people need to be systematically informed and consulted during preparation of the livelihood restoration plan about their options and rights.</p> <p>Regular meetings between project officials and communities should be provided for affected persons and other stakeholders to communicate their concerns about the restoration program to project staff throughout planning and implementation.</p> <p>Grievance mechanism shall be developed.</p>	<p>Include specific provisions for stakeholder engagement when developing LARP for the consultation and engagement with the affected parties</p>

** the cost of purchasing or building a new structure, with an area and quality similar to or better than those of the affected structure, including labour and contractors' fees and transaction costs such as registration and transfer taxes. Depreciation of structures and assets should not be taken into account.*

OVERVIEW OF PROCESS

Should any sub-project require land acquisition and cause involuntary resettlement, the land acquisition, resettlement and livelihood restoration measures will be undertaken in accordance with national legislation and EBRD PR5 requirements. Once the sub-project

impacts are identified and detailed project designs are ready, the detailed Land Acquisition and Resettlement Plan shall be developed based on the steps identified below.

- Identification of Project impacts and affected people involving:
 - Mapping of the Project area and affected households/land plots including the class of land, owners and land use patterns, private and communal land, businesses and assets
 - Census of affected plots, assets and persons to establish a list of people with formal and informal land rights and livelihoods and to identify those who will be eligible for compensation and/or assistance
 - Socio-economic survey to complement the census data and gather detailed information on the socio-economic background of affected people and evaluate the impacts on their livelihoods in order to establish fair compensation and livelihood restoration measures. This will also help to identify any vulnerable individuals or groups who may need additional assistance.
 - Inventory of affected assets, properties and structures based on mapping and census work that will be used to monitor LARP activities.
 - Public consultation meetings to provide information on the project, scheduling, land acquisition, LARP procedures, peoples' rights and the process for establishing entitlements, compensation and livelihood restoration measures. Affected persons will be provided opportunities to discuss the approach to compensation and livelihood restoration and ask any questions they may have regarding the processes.
- Entitlements matrix and compensation framework based on the information from the above steps, an entitlements matrix will be established and compensation and livelihood restoration measures will be designed in line with the national legislation and EBRD's requirements.
 - The entitlements matrix will establish the categories of affected persons and the assistance, compensation and livelihood restorations they are entitled to receive. Public consultation meetings shall inform the development of affected persons categories and entitlement measures.
 - A cut-off date will be established for eligibility according to EBRD's requirements and national legislation. Information regarding the cut-off date will be widely publicised throughout the project area.
- Valuation of land and compensation including structures, buildings, crops, interrupted economic activities and lost access to natural resources and compensation offers will be made.

The procedure of valuation shall be undertaken in line with national legislation, however, in line with EBRD requirements; the valuation of assets will not take account of asset depreciation. Whilst the approach shall aim to achieve appropriate compensation levels, in cases where affected people reject compensation offers, appeal and legal procedures in line with national legislation can be initiated.

- Payment of compensation made prior to land acquisition and resettlement.

- In the case of physical relocation, the displaced people will be offered choices among feasible resettlement options, including adequate replacement housing or cash compensation; and be provided with relocation assistance suited to the needs of each group of displaced persons, with the particular attention paid to the poor and vulnerable.
- Livelihood restoration assistance to be provided as identified in the LARP.

In addition, the overall LARP process will involve the following elements which will be discussed in more detail in the LARP:

- On-going public consultation and information disclosure;
- Establishment of a Grievance mechanism;
- Monitoring and Evaluation of LARP implementation.

STAKEHOLDER ENGAGEMENT AND CONSULTATION

AllLARPs will include provisions for consultations and engagement with project-affected people and other relevant stakeholders. Affected men and women shall be involved from the earliest stages and through all resettlement activities. This will facilitate early and informed participation of affected persons in decision-making processes related to resettlement. Necessary action may need to be taken to ensure that vulnerable groups are not disadvantaged in the resettlement process, are fully informed of their rights, and are able to benefit equally from the resettlement opportunities.

GRIEVANCE MECHANISM

A grievance mechanism will be put in place early in the process to receive and address stakeholder comments and questions in a timely manner and provide further information on compensation and livelihood restoration measures to the people affected by physical or economic displacement. The grievance mechanism shall include a recourse mechanism designed to resolve disputes in an impartial manner. Grievances will be addressed in a timely manner and will be recorded in a grievance log with details of the issue, acknowledgment of receipt, actions taken and date of resolution. A sample grievance form is provided as Annex 2 of this document.

MONITORING

Monitoring of the land acquisition, resettlement and livelihood restoration process shall be carried out with EBRD PR1 and should involve the participation of key stakeholders such as affected communities. Depending on the scale and complexity of land acquisition and resettlement, it may be appropriate to commission an external resettlement completion audit to determine that the LARP provisions have been met. If needed, the audit may identify further corrective actions as needed.

ANNEX 1. SAMPLE LAND ACQUISITION AND RESETTLEMENT PLAN OUTLINE

- 1. SCOPE OF THE LAND ACQUISITION AND RESETTLEMENT PLAN**
- 2. PROJECT DESCRIPTION AND PROJECT POTENTIAL IMPACTS**
- 3. LEGAL FRAMEWORK**
- 4. PRINCIPLES, OBJECTIVES, AND PROCESSES**
 - 4.1. PRINCIPLES AND OBJECTIVES
 - 4.2. PROCESS OVERVIEW
- 5. AFFECTED ASSETS, AFFECTED PEOPLE AND ENTITLEMENTS**
 - 5.1. CENSUS OF AFFECTED ASSETS AND AFFECTED HOUSEHOLDS AND EXPROPRIATION STUDY
 - 5.2. SOCIO-ECONOMIC BASELINE SURVEY
 - 5.3. AFFECTED LAND
 - 5.4. AFFECTED STRUCTURES
 - 5.5. BUSINESSES
 - 5.6. PEOPLE
 - 5.7. ENTITLEMENTS
 - 5.7.1. *Eligibility for Compensation*
 - 5.7.2. *Entitlement Matrix*
- 6. RESETTLEMENT AND COMPENSATION**
 - 6.1. METHODS FOR VALUATION OF AFFECTED ASSETS
 - 6.2. PHYSICAL RESETTLEMENT
 - 6.3. LIVELIHOOD RESTORATION
 - 6.4. CASH COMPENSATION
 - 6.4.1. *Rates*
 - 6.4.2. *Payment*
 - 6.5. IN-KIND COMPENSATION
 - 6.6. ADDITIONAL ASSISTANCE
- 7. CONSULTATION AND DISCLOSURE**
 - 7.1. MAIN RESULTS OF CONSULTATION CARRIED OUT FOR PREPARING THE RAP
 - 7.2. DISCLOSURE
- 8. GRIEVANCE MANAGEMENT MECHANISMS**
- 9. VULNERABLE PEOPLE**
 - 9.1. IDENTIFICATION OF VULNERABLE PEOPLE
 - 9.2. POTENTIAL ASSISTANCE ACTIVITIES TO VULNERABLE PEOPLE
- 10. MONITORING AND EVALUATION**
- 11. IMPLEMENTATION RESPONSIBILITIES AND FUNDING**
 - 11.1. IMPLEMENTATION RESPONSIBILITIES
 - 11.2. BUDGET
 - 11.3. ARRANGEMENTS FOR FUNDING

ANNEX 2. SAMPLE GRIEVANCE FORM

GRIEVANCE FORM	
Reference No: _____	
Full Name <i>Note: you can remain anonymous if you prefer or request not to disclose your identity to the third parties without your consent</i>	My first name _____ My last name _____ <input type="checkbox"/> I wish to raise my grievance anonymously <input type="checkbox"/> I request not to disclose my identity without my consent
Contact Information Please mark how you wish to be contacted (mail, telephone, e-mail).	<input type="checkbox"/> By Post: Please provide mailing address: _____ _____ _____ <input type="checkbox"/> By Telephone: _____ <input type="checkbox"/> By E-mail: _____
Preferred Language for communication	<input type="checkbox"/> Language 1 <input type="checkbox"/> Language 2
Description of Incident or Grievance:	What happened? Where did it happen? Who did it happen to? What is the result of the problem?
Date of Incident/Grievance	
	<input type="checkbox"/> One-time incident/grievance (date _____) <input type="checkbox"/> Happened more than once (how many times? _____) <input type="checkbox"/> On-going (currently experiencing problem)
What would you like to see happen to resolve the problem?	

Sub-Annex 4: Stakeholder Engagement Framework

A STAKEHOLDER ENGAGEMENT FRAMEWORK

for GCF-EBRD GREEN CITIES FACILITY

April 2018

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TABLE 1 Example Stakeholder Identification and Planning Tool

TABLE 2 Community Contacts and bulletin board locations

ANNEX TEMPLATE OF A STAKEHOLDER ENGAGEMENT PLAN

INTRODUCTION

This stakeholder engagement framework provides an outline of the requirements for sub-project level stakeholder engagement plans. This framework also includes the description of processes, strategies and responsibilities for developing and carrying out sub-project specific stakeholder engagement plans. A template of a stakeholder engagement plan is included in the annex to this framework.

Stakeholder engagement is about building and maintaining constructive relationships over time with people who are affected by or interested in the project or Client's activities. It is an ongoing process between a Client and its project stakeholders that extends throughout the life of the project and encompasses a range of activities and approaches, from information sharing and consultation, to participation, negotiation, and formation of partnerships. The nature and frequency of this engagement should reflect the level of project risks and impacts. The purpose of a Stakeholder Engagement Plan (SEP) is to describe a Client's strategy and program for engaging with stakeholders in a culturally appropriate manner (whether it be for a single project or a range of Client activities). The goal is to ensure the timely provision of relevant and understandable information and to create a process that provides opportunities for **all** stakeholders, including those who are vulnerable and/or socially excluded, to express their views and concerns, and allows the Client to consider and respond to them.

KEY PRINCIPLES OF STAKEHOLDER ENGAGEMENT

Key principles of effective engagement include:

- Providing meaningful information in a format and language that is readily understandable and tailored to the needs of the target stakeholder group(s);
- Providing information in advance of consultation activities and decision-making;
- Providing information in ways and locations that make it easy for stakeholders to access it and that are culturally appropriate;
- Respect for local traditions, languages, timeframes, and decision-making processes;
- Two-way dialogue that gives both sides the opportunity to exchange views and information, to listen, and to have their issues heard and addressed;
- Inclusiveness in representation of views, including ages, women and men, vulnerable and/or minority groups;
- Processes free of intimidation or coercion or incentivisation;
- Clear mechanisms for responding to people's concerns, suggestions, and grievances; and
- Incorporating, where appropriate and feasible, feedback into project or program design, and reporting back to stakeholders.

CONTENTS OF A STAKEHOLDER ENGAGEMENT PLAN (SEP)

The Stakeholder Engagement Plan (SEP) is prepared by the Client and should do the following:

- Describe regulatory, lender, company, and/or other requirements for consultation and disclosure
- Identify, categorise and prioritise key stakeholder groups
- Provide a strategy and timetable for sharing information and consulting with each of these groups
- Provide a list of specific locations and methods of information to be made available (e.g., names of specific newspapers, radio, website details, hotline numbers, street addresses of information put in libraries or offices) and contact information for responsible company representative. Stakeholders should be able to comment on whether these are accessible or make suggestions for additional, alternative locations and/or methods.
- Describe resources and responsibilities for implementing stakeholder engagement activities
- Describe how stakeholder engagement activities will be incorporated into a company's management system
- Be reviewed regularly to see if it needs adjusting—and ensure the stakeholders are advised of material changes
- Be adaptable: different groups of stakeholders may need different types of communication. For example, some people are more comfortable in small groups rather than big public meetings; in some cultures, women should meet separately from men.

Where possible, stakeholders should be consulted on the development or refining of the SEP, and can advise how best they can be contacted, participate, and provide feedback. This is important, and is often left out of many engagement processes. Stakeholders are a source of free advice on local processes, procedures, norms, and the most effective way of communication. Often, there are limited options for some of the technical components of the project on which consultation can provide advice; however, stakeholders can always provide input on the way that communication can be improved. It is important to let stakeholders have input where their comments can influence the various decisions being made.

Important Note: Most Clients will wish to separate the information provided to workers on communication, Human Resources policies, and the Grievance Mechanism (see PR2) from the information and communication channels for stakeholders in civil society. Different mechanisms will be used, and the way in which the Client communicates with workers is not required to be in the public domain.

The scope and level of detail of the plan should be scaled to fit the needs of the project (or company operations), whether it is categorised by EBRD as A or B.

3.1 INTRODUCTION

Briefly describe the project (or the company's operations) including design elements and potential social and environmental issues. Where possible, include maps of the project site and surrounding area, identifying communities and highlighting sensitive protected areas and particular stakeholders, so that readers will be able to clearly identify the project location and proximity to sensitive areas or facilities, such as hospitals and schools.

3.2 REGULATORY REQUIREMENTS

Summarize any legal, regulatory, lender, or company requirements pertaining to stakeholder engagement applicable to the project or company operations:

- Identify the national requirements for information disclosure and public consultation for the particular project, if any, and how they will be met, including any requirements for public meetings or hearings. In most jurisdictions, these requirements will be contained in the local EIA regulations, and sometimes from space planning regulations, particularly when the Project entails changes to the designation of land. Clarify who organises the meeting (authorities, company), what the approved format, input, and reporting are, and how the comments should be taken into account. Clarify what the role of the Client is during the meetings.
- Identify lender requirements and compare with local requirements. If there are gaps or conflicts, identify how they are resolved.
- Identify national obligations, if any, under international conventions, such as the UNECE Aarhus Convention that applies to projects listed in the annex to the Convention and to any project that is required to go through a national EIA process that includes public consultation requirements. [Please note that in some countries, local permitting authorities may not be aware of the obligations under the Aarhus Convention, so it is critical to build a robust stakeholder engagement process that will meet the necessary requirements and therefore not cause delay to the project at a later point if deficiencies are identified.]
- In accordance with the Aarhus Convention, it is important that consultation is undertaken before final decisions have been made. Stakeholders are unlikely to want to participate if decisions have already been taken. Stakeholder identification and engagement should begin at the earliest opportunity in project preparation.

3.3 SUMMARY OF ANY PREVIOUS STAKEHOLDER ENGAGEMENT ACTIVITIES

If the Client or authorities have undertaken any activities to date, including information disclosure and/or consultation, provide the following details:

- Type of information disclosed, in what forms (e.g. oral, brochure, reports, posters, radio, etc.), and how it was released or distributed
- The locations and dates of any meetings undertaken to date
- Individuals, groups, and/or organizations that have been consulted

- Key issues discussed and key concerns raised
- Company response to issues raised, including any commitments or follow-up actions
- Process undertaken for documenting these activities and reporting back to stakeholders

3.4. STAKEHOLDERS IDENTIFICATION AND ANALYSIS

List the key stakeholder groups who are affected by or interested in the project (or the company's operations). These should include persons or groups who:

- are directly and/or indirectly affected by the project (or the company's operations)
- have "interests" in the project or parent company that determine them as stakeholders
- have the potential to influence project outcomes or company operations

Examples of stakeholders are the following:

- Employees, labour unions
- Contractors
- Members of the public who are affected by the project directly—these would be broken down into groups or categories; for example, those who must be resettled, a nearby hospital, local schools
- People who may be affected by changes the project brings (e.g., higher inflation, change in employment levels, increased tariffs, population shifts)
- Vulnerable groups who may need special attention and who may not engage without special assistance, such as the elderly, disabled, and ethnic minorities.
- Special interest organisations, such as NGOs.
- Members of the public who are interested in the project
- Academics, institutions, business groups who may be interested in the project, the development, or the impacts and opportunities associated with the project.
- Affected communities
- Government authorities
- Stakeholders can also include politicians, other companies, academics, religious groups, national social and environmental public sector agencies, and the media.

While a representative mixture of stakeholders is not always possible, it is important to include men and women, ethnic and racial diversity, different ages and social backgrounds.

It is also important that the consultation does not focus on vocal stakeholders, such as NGOs to the exclusion of locally affected stakeholders. Some key things to remember are to look beyond the vocal stakeholders and try to identify a wide range of opinions. A wide range of stakeholders can bring a balance to the issues and moderate some of the stronger concerns of one stakeholder group.

3.5 DISCLOSURE OF INFORMATION

Describe what information will be disclosed, in what formats, and the types of methods that will be used to communicate this information to each of the stakeholder groups identified in section 3.4 above. Methods used may vary according to target audience, for example:

- Newspapers, posters, radio, television, social media
- Information centres and exhibitions or other visual displays
- Brochures, leaflets, posters, non-technical summary documents and reports

Use specific details: names of proposed newspapers, radio stations, television channels, addresses of libraries and other locations for information disclosure and where announcements of public consultation opportunities will be made (e.g. notification of meeting logistics). It is only by using details that stakeholders can comment on the effectiveness of the plan or if additional or different media would reach more stakeholders.

Some stakeholder groups may require different or additional means of communication. The more directly impacted a stakeholder group is, the more efforts need to be made to ensure that they have been informed about the project and its impacts, and can communicate their questions and concerns. For example, an ethnic or minority community which will be impacted by a project, may not speak or know the local language well enough to read the relevant newspaper notification, and the SEP should identify how these people will be reached.

Information on company or project websites on environment, health and safety, and social issues should be visible and readily retrievable. Information on grievance mechanisms should also be readily available without too many links to reach the information.

3.6 STAKEHOLDER ENGAGEMENT PROGRAMME

This section should be used to summarise the methods of consultation and information planned in the foreseeable future. For meetings where dates, etc. are known, these should be listed. If only general information is known, such as an open house is planned in 4Q 2012, then information on the process of notification should be included (i.e., “an open house is planned in 4Q 2012 and people will be notified in the local [name] newspaper three weeks prior to the meeting.”).

- Summarise the purpose and goals of the programme (either project specific or corporate). Clarify if decisions are being made on which people will be consulted, or if the objective is for information sharing only.
- Describe the methods that will be used to consult with each of the stakeholder groups identified in section 3.4. Methods used may vary according to target audience, for example:
 - Interviews with stakeholder representatives and key informants
 - Surveys, polls, and questionnaires

– Public meetings, open houses, workshops, and/or focus groups with specific groups – while broadly used and often required as part of the local permitting / ESIA process, public meetings are the most ineffective method of public consultation: they tend to be “hijacked” by the most vocal stakeholders, such as NGOs, local officials or politically motivated individuals or groups; in most cases, a SEP providing only for public meetings will be unacceptable to the Bank.

– Participatory methods

– Work sessions with specific representative committees on specific themes (for example a work session on noise and vibration only with those people living in close vicinity of facilities generating noise and vibration)

– Other traditional mechanisms for consultation and decision-making

- Describe how the views of women and other relevant sub-groups (e.g. ethnic minorities, elderly, youth, vulnerable groups, etc.) will be taken into account during the process.
- Describe the processes and mechanisms that will be used to make engagement both “meaningful” and “culturally appropriate”, particularly in terms of languages used and communication with illiterate people where relevant
- Describe any other engagement activities that will be undertaken, including participatory processes, joint decision-making, and/or partnerships undertaken with local communities, NGOs, or other project stakeholders. Examples include benefit-sharing programs, community development initiatives, resettlement and development programs, and/or training and micro-finance programs.
- Vulnerable people/groups may have other issues that are not readily apparent. More resources may be needed to understand their concerns and impacts, particularly if they speak another language or have different education or literacy levels. Vulnerable people do not often come to public meetings.
- In areas where the concept of public consultation and stakeholder engagement are not widely known, it is useful to have an educational component prior to beginning consultation on the actual project to increase some stakeholders’ capacity to be involved in a constructive way, particularly in respect of local officials who may be obtrusive to the process if they view it as a potential threat to their pre-eminence and usual way of governance. Such education may usefully target company managers as well. Its purpose is to explain to these stakeholders the process, the opportunities that they will have to comment, and how their comments will be taken into account and to get feedback on the Stakeholder Engagement Plan. This often leads to a smoother environmental (and social) impact assessment or permitting process, as people are informed.
- In rural areas of some countries, local residents may have little or no experience of public engagement in the Western sense and the very concept

of engagement may not be “culturally appropriate”, making it extremely difficult to have “meaningful” consultation. However, holding public consultation as political meetings with a strict agenda and Open ended discussions will generally not work.

- Some stakeholder groups can be very reluctant to participate, and may need a different format (e.g., a small focus group for women; a separate discussion for elderly people) rather than a large public meeting, particularly if some stakeholders are expected to travel.
- Some public meetings may have low attendance—it is important to ensure that people are able to attend the meeting at convenient times, taking into account particular employment or lifestyle restrictions or patterns. More vulnerable stakeholders may need special assistance, such as transport to the meeting. Without a wide range of stakeholders, a meeting with low attendance will have a focus on the issues of the groups or individuals that attend, which may skew the report towards or bias against certain issues.
- Information should be sent out in advance of any meetings. The general guidance is three weeks prior to a meeting, so that people can come with questions and comments.
- Invitations are often by notices in media, such as newspapers or radio, and on billboards in locations near the project area. Direct invitations should go to people who are materially affected, such as people who are being relocated because of the project; however for key groups like this, special meetings on specific topics may be advisable so that the public meeting does not become focused on just one topic.
- Informal networks are another way of reaching people, such as through school teachers, organisations, residential associations, unions, churches or other religious organisations.

3.7 GRIEVANCE MECHANISM

The SEP needs to include a detailed description of the principles and the process by which people affected by the project (or company’s operations) can bring their grievances or comments to the company for consideration and redress. The SEP can include a copy of the Grievance Mechanism as an annex. The text should indicate which office will receive and manage public communications and complaints, how and by whom they will be resolved and in what timeframe , and how the response will be communicated back to the complainant. Include details, such as address, contact name, hotline number, e-mail address, simple grievance form. Information on grievance mechanisms should be readily available from the company/project website, and key people who might interact with the local community, such as management, security guards.

There is a specific guidance note available on grievance mechanisms.

Summarise the Client’s commitment to acknowledge communication and to respond in a timely manner, including, where appropriate, a specific number of days.

EBRD, for example, has a procedure for handling communications from the public and acknowledges the communication or request for information within 5 working days and responds to the request or complaint within 20 working days (unless the request is particularly complex or needs translation, in which case a longer time period is possible). EBRD also has an appeal mechanism when requests for information are denied, and a project complaint process.

3.8 MONITORING AND REPORTING

Once commitments have been made within an SEP, it is important to monitor their implementation and report on the status of the plan's implementation, along with explanations for delays or changes. The SEP should articulate how the public will be informed of the implementation of the plan.

- Describe any plans to involve project stakeholders (including affected communities) or third-party monitors in the monitoring of project impacts and mitigation programs, where such are deemed necessary (only for the more complex projects).
- Describe how and when the results of stakeholder engagement activities will be reported back to affected stakeholders as well as broader stakeholder groups. Examples include social and environmental assessment reports; company newsletters; annual monitoring reports submitted to lenders; company annual report; company or corporate sustainability report.
- Describe how the engagement process will be evaluated and adapted, based on lessons learned, identifying methods that are more effective (where needed – for the more complex projects).
- Once promises have been made to stakeholders, it is critical that commitments are met. If delays occur, stakeholders should be informed about new deadlines and the reason for the delay. Many changes are understandable if the reasons are given—but not delivering on commitments without any explanation can lead to lack of trust and credibility.

3.9 RESOURCES AND RESPONSIBILITIES

The Stakeholder Engagement Plan should indicate what staff and resources will be devoted to managing and implementing the SEP. It should clarify who within the company will be responsible for carrying out these activities and give assurance that an appropriate budget and other resources have been allocated toward these activities.

For projects (or multiple company operations) with significant or diverse impacts and multiple stakeholder groups, it is good practice for a company to consider the benefits of a qualified Community Liaison Officer(s) to arrange and facilitate these activities at the project or site level. Integration of the community liaison function with other core business functions is also important, as is management involvement and oversight.

See section 4 for information submitted to EBRD on implementation of the SEP, which does not have to go into the public domain.

3.10 TIMETABLE

Provide a schedule outlining dates and locations when various stakeholder engagement activities, including consultation, disclosure, and partnerships will take place and the date by which such activities will be incorporated into the Client's management system (at either the project or corporate level).

4. SUBMISSION OF SEP TO EBRD

4.1 TIMING

The SEP should be submitted as early as possible to EBRD for review, at the end of the scoping stage of the Environmental and Social Impact Assessment or Appraisal process. EBRD staff will review it for adequacy and provide comments. EBRD social specialists will be looking for identification of stakeholders that will be affected by the project, including vulnerable stakeholders, and impacts to clarify social appraisal or assessment requirements.

4.2 IMPLEMENTATION

The SEP should have an annex or separate document, which does not need to be released into the public domain, which clarifies the practical arrangements for SEP implementation.

- Who will have management oversight for the program?
- What are the plans for hiring, training, and deploying staff to undertake stakeholder engagement work?
- What will be the reporting lines between community liaison staff and senior management?
- How will the company's stakeholder engagement strategy be communicated internally?
- What management tools will be used to document, track, and manage the process? (e.g. stakeholder database, commitments register, etc.)
- For projects or company operations involving contractors, how will the interaction between contractors and local stakeholders be managed to ensure good relations?
- What the budget for the implementation of the SEP is?

*The EBRD gratefully acknowledges excerpts included and adapted from IFC Stakeholder Engagement: A Good Practice Handbook for Companies Doing Business in Emerging Markets, 2007, which has been adapted for EBRD's use.

Table 1 **Example Stakeholder Identification and Planning Tool**

Types	Who are they?	Why communicate?	How could this be achieved?	What is success?	Are there any barriers to overcome?
Shareholders	Company shareholders	Want to know about production levels, accident rates, environmental concerns, risks, budget items <i>etc</i>	Monthly (quarterly from Industrial Safety & Environment Dept) and yearly Plus special analysis upon request Prospective, annual business plan Monthly accident report. Notification of events, accidents beyond threshold levels	Informed shareholders and no surprises. Better preparation for Board meetings	Check legislation regarding joint stock company matters
Employees	Direct employees	HR policies, Grievance Procedure, code of conduct, environment, health and safety info	Monthly newsletter (Includes safety and environmental information); Safety committee meetings weekly; Staff bulletin board; union meetings. Supervisors to inform teams. Comment box. Appeals Committee.	That all staff receive the same message in a timely fashion Complaints and grievances handled systematically	Variable commitment of managers (Could use incentives rather than penalties)
Contractors	Construction contractor Sub-contractors Suppliers Transport	They need to know EHSS requirements and expectations; how they will be monitored. Interaction with local community.	Communication messages in Invitations to Tender, Contract Award, Contract Start-ups <i>etc</i> EHSS audits during construction. Monitoring grievances. Community liaison officer.	Contractors reveal work practices reflecting learned messages, during EHS audit. Good relationship with local community; grievances handled promptly before	Lowest bidder syndrome – lack of resources. Possible language barriers.

OFFICIAL USE

				they escalate.	
Mass Media	TV, papers, radio (federal, regional and local)	Good stories – often bad news	Daily items Special press releases Monthly General Director press conference Announcements to communities prior to works that will affect them.	Daily Press monitors with weekly, quarterly etc evaluations Contract visit, provide advice Good relationship with local community; grievances handled promptly before they escalate.	Resistance by the media to cover good news.
Neighbours	Residents nearby site to west, bordering sanitary protection zone.	Specific info. on problems at site, emissions, noise, changes in traffic, schedules for impacts. Grievance Procedure	Regular community presentations/meetings Updates through resident's association Social media	Good relationship between community liaison officers and local community. Grievances handled promptly at lower level.	Potential reluctance to release information
Vulnerable Stakeholders	Pensioners, minority ethnic groups, schools, hospitals, etc.	Depends on impacts—may need additional support to allow participation	Small focused meetings—convenient to particular group. May need more resources to communicate effectively. Ensure gender and cultural issues are handled sensitively.		
General Public	Anyone not specifically defined	General interest - establish credentials prior to bad news	Readable stories in newspapers, clips on TV, posters, social media etc	Social laboratories carry out surveys to determine effect	Hard-to-reach groups are excluded
Regulators	Ministry of	Compliance with			

OFFICIAL USE

	Natural Resources, Technical Safety, Labour, Health, Environment, State Firefighting Control, financial and taxation authorities	Federal, Regional, Local laws, norms, standards, codes guidelines <i>etc</i>	Issuing of data reports and other documents as required	Compliance with all requirements	Difficult regulators
Industry Bodies	Peer industry associations, cooperatives	Cooperation between peers, sharing information on regulations, training	Cooperation on development of indicators, response planning, reporting, raw material and product safety information		
Action Groups (NGOs)	Environmental NGOs Women's groups, other local, national, or international NGOs	They want to be heard and listened to	Regular presentations and meetings	NGO being an advocate rather than an adversary for company	Institutional resistance on both sides
Customers	This is particularly important for companies which have high name recognition and for those in sensitive sectors	They do not want their own reputation eroded	Regular bulletins	Quarterly updates	Their own standards

OFFICIAL USE

Suppliers	Many	They want to be supplier of choice	Regular bulletins; exhibitions (e.g. Sea Gold – international exhibition)	Improvement/reliability of supplier product or service	Lack of resources in supplier
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TABLE 2 COMMUNITY CONTACTS AND BULLETIN BOARD LOCATIONS

REGION	COMMUNITY	POP.	KEY PROJECT FACILITIES /IMPACT NEAR COMMUNITY	NEAREST LOCATION OF FULL INFORMATION DISCLOSED	BULLETIN BOARD LOCATION	NAME CONTACT PHONE	DISTRICT NEWSPAPER Radio
Region 1/ county/ district name	Town A	2,010	Worker camp	Library, Town A	Mayor's office, Town A Community Liaison Officer	Name tel/e-mail Address	Newspaper name Radio station name
	Village B	55	traffic	Town A	Mayor's office, Village B Elementary school office	Name tel/e-mail Address	
	Village C	8	traffic	Town A	Mayor's office, Village C		
	Town D	8,000	Equipment yard	Library District Administration	District administration Public Library		
Region 2/ county/	Village E	24	Worker camp	Town F	Grocery store bulletin board	Name tel/e-mail	Newspaper name

REGION	COMMUNITY	POP.	KEY PROJECT FACILITIES /IMPACT NEAR COMMUNITY	NEAREST LOCATION OF FULL INFORMATION DISCLOSED	BULLETIN BOARD LOCATION	NAME CONTACT PHONE	DISTRICT NEWSPAPER Radio
district name	Town F	16,020	Train station, materials transport	Library District Administration	Mayor's office, Town F Community Liaison Officer	Address	Radio station name

The idea of Table 2 is that anyone can identify the community they live in, and immediately see where the nearest information is located, contact point, and how notifications for meetings, etc. will be announced

ANNEX: TEMPLATE 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
- Identify all stakeholders, including stakeholder maps (if relevant)
- Identify any specific 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
- 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
- State the beginning and end dates of the consultation
- Provide a table or list of meetings, activities or opportunities for comment. 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 grievances will be handled (including a specific public grievance process)
- Define the monitoring and reporting activities for the stakeholder engagement process
- Define the responsibilities for delivering the stakeholder engagement process

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>

Sub-annex 5: 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
- Identify all stakeholders, including stakeholder maps (if relevant)
- Identify any specific 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
- 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
- State the beginning and end dates of the consultation
- Provide a table or list of meetings, activities or opportunities for comment. 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 grievances will be handled (including a specific public grievance process)
- Define the monitoring and reporting activities for the stakeholder engagement process
- Define the responsibilities for delivering the stakeholder engagement process

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>

Sub-Annex 6: Generic Environmental and Social Assessment ToR - Brownfield Category A Project



European Bank
for Reconstruction and Development

Environmental and Social Assessment for EBRD
TERMS OF REFERENCE
Brownfield Category A Project

[Insert unique project name or reference, including country]

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BACKGROUND

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]

As this Project involves the significant expansion/ transformation of an existing facility, the EBRD has assigned it a Category A, which means that a comprehensive Environmental and Social¹³ Impact Assessment (ESIA) and review of associated documents must be carried out, followed by their public disclosure for a minimum period of 60-120 days. A detailed national Environmental Impact Assessment (EIA) has been prepared [by.....] for this Project, and has been approved by local environmental authorities. [Insert any other pertinent information about the existing process or EIA]

The Bank/Client now intends to engage a consultant (“the Consultant”) to carry out an Environmental and Social Impact Assessment of the Project and the Client’s existing operations (the “Assignment”). “The Assignment” relates to a requirement to critically review the ESIA disclosure package against the EBRD requirements for ESIA.

APPLICABLE REQUIREMENTS

The EBRD’s requirements are as follows:

The Project will be structured to meet relevant EU substantive environmental standards, including (but not limited to) the pertinent requirements of the EIA Directive (as updated in 2014), Industrial Emissions Directive, and Birds and Habitat Directives. When host country regulations differ from EU substantive environmental standards, the Project will be expected to meet whichever is the more stringent;

Compliance with the EBRD’s ESP and PRs 2014;

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 PR10);

The Project shall include all reasonable measures to avoid, minimise or mitigate any adverse change in environmental and social conditions and impacts on public health and safety, especially with respect to any disproportionate impacts on any group of people as a result

¹³ The Bank’s ESP (2014) defines social as “those issues which pertain to project-affected people and their communities and workers and related to socioeconomic status, vulnerability, gender identity, human rights, sexual orientation, cultural heritage, labour and working conditions, health and safety and participation in decision making”.

of their gender, age, ethnicity, disability, socio-economic status and/or other personal characteristics.

Requirements of other potential lenders, such as other International Financial Institutions (IFIs) and commercial banks adhering to the Equator Principles¹⁴; and,

Relevant international conventions and protocols relating to environmental and social issues, as transposed into national legislation.

OBJECTIVES OF THE ASSIGNMENT

The objective of the Assignment is to identify and assess any potentially significant future adverse environmental and social impacts associated with the proposed Project, assess compliance with applicable laws and the EBRD ESP and PRs, determine the measures needed to prevent or minimise and mitigate the adverse impacts, and identify potential environmental and social opportunities, including those that would improve the environmental and social sustainability of the Project.

The assessment process will be commensurate with, and proportional to, the potential risks, aspects and impacts of the Project, and will cover, in an integrated manner, all relevant direct and indirect environmental and social aspects and impacts of 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 Audit (as defined in Section 3.4) is required to assess the Client's current operations and management practices in terms of compliance with national legislation, national or local permitting requirements, the relevant provisions of the EBRD Environmental and Social Policy and Performance Requirements (2014) and relevant EU environmental standards. Further, the audit shall assess historical environmental and social issues, such as risk of potential contamination of soil and/or groundwater or land acquisition disputes. Reasonably available data shall be assessed to quantify the risks and assess any liabilities.

SCOPE OF WORK

The Consultant will undertake the following work in accordance with the requirements of the Bank's ESP (2014).

ESIA SCOPING

Consultant will prepare a description of the Project including details of any alternatives¹⁵ considered for the project and information on neighbouring operations and activities. The project description will include (but not necessarily be limited to) the following key factors driving potential environmental and social impacts:

In accordance with EBRD PR1, paragraph 9, the Consultant will identify:

Any potentially significant environmental and social issues or risks associated with relevant other activities or facilities, which are not part of the Project but which may be directly or

¹⁴ Information on the Equator Principles is available at: www.equator-principles.com

¹⁵ Project alternatives to include: zero alternative ("no project"), siting and routing alternatives, infrastructure and traffic connection alternatives, design alternatives.

indirectly influenced by the Project, exist solely because of the Project or could present a risk to the Project;

Cumulative impacts of the Project in combination with impacts from other relevant past, present and reasonably foreseeable developments;

Unplanned but predictable activities enabled by the Project that may occur later or at a different location; and,

Environmental and social risks associated with the primary supply chains central to the Project's core operational functions.

By means of a scoping process, the Consultant shall identify all key issues, in particular by consulting the affected public on the project and taking their comments into account. This scoping process will involve contact by the project sponsor with representatives of the affected public, government agencies, local authorities and other organisations.

During scoping, the Consultant will review the environmental and social baseline data already gathered and available through local governmental and possibly non-governmental organisations. Where available data is insufficient, the Consultant will identify requirements for any further studies that would be needed to comply with the Bank's Performance Requirements (e.g., intrusive investigations for soil contamination, modelling studies, review of Resettlement Action Plan requirements or a Livelihood Restoration Framework).

Due diligence should identify and assess relevant regional and strategic environmental and social assessments or studies that might 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.

As part of the scoping process the Consultant will 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 ESIA work. 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]*

The Consultant will acquaint themselves with the Project and prepare a brief Scoping Report (about 10 to 20 pages) summarising the following:

- Brief Project description and justification;
- Site description and justification of site selection;
- Main potential environmental and social issues;
- The proposed ESIA process;
- The results of the scoping stage stakeholder engagement;
- Work programme, covering both the environmental and social baseline information that needs to be acquired and the impact assessment yet to be done.

This document will be submitted to scoping stage consultation in line with the EU EIA Directive and the EBRD PR1 and PR10 (see also Section 3.5 of this ToR).

ESIA

Project Description

Based on the scoping the Consultant will prepare a description of the Project to be included in the ESIA report.

Analysis of Applicable 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. **In EU Member States, provide copies of permitting documents issued by Competent Authorities and opine whether the EIA screening process has met relevant EU requirements.**

As required, the Consultant will identify any issues that require legal interpretations for the Bank to raise with its legal advisors. The Consultant is not required to provide legal opinions.

The Consultant will identify, review and take into consideration any relevant strategic level assessment documentation.

Baseline Conditions

The ESIA will include a detailed review of the aspects of the physical, biological and socio-economic environment likely to be affected by the proposed Project. The environmental baseline for the ESIA will be largely based on data already gathered and available through local governmental and possibly non-governmental organisations. Where available data is insufficient, and subject to contractual agreement on the scope and budget, the Consultant will be required to carry out further studies as defined during the ESIA Scoping (Section 3.1). Indicative guidance on the contents of the overall assessment is provided in [Annex 1](#).

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 and climate change.

Assessment of Impacts

In accordance with the Bank's ESP (2014), the Consultant will assess 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 detailed 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. Maps shall be prepared wherever needed to show the extension of relevant thresholds.

Impacts on the different components of the physical, biological and human environment will be assessed over the lifetime of the facility in terms of:

Direction (positive or negative) – positive Project socio-economic impacts will be assessed as well particularly in terms of employment at construction and operations phases, enhancement of the local tax basis, etc.

Magnitude or significance

Likelihood

Duration

Reversibility

The ESIA should include an assessment of relevant alternative scenarios, including the “Do Nothing” scenario, based on the current status of the Project site.

[Annex 1](#) provides an indicative structure for the ESIA.

Environmental and Social Management Plan

Taking into account the findings of the environmental and social assessment process and the outcomes of stakeholder engagement, the Consultant will develop a programme of actions to address the identified project’s environmental and social impacts and issues and other performance improvement measures to meet the PRs. 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).

The ESMP will reflect the mitigation hierarchy and, where technically and financially feasible, favour the avoidance and prevention of impacts over minimisation, mitigation or compensation, and ensure that all relevant stages of the project are structured to meet applicable laws and regulatory requirements and the PRs. Where affected individuals or groups are identified as disadvantaged or vulnerable during the appraisal process, the ESMP will include differentiated measures so that adverse impacts do not fall disproportionately on them and they are able to take advantage of opportunities to benefit from the project. Where relevant, the ESMP will also cover management of third party and supply chain issues.

The level of detail and complexity of the ESMP will be commensurate with the project’s impacts and issues addressing risks, impacts and opportunities specific to the project. The ESMP will define desired outcomes as measurable events to the extent possible with elements such as targets and performance indicators that can be tracked over defined time periods. Recognising the dynamic nature of the project development and implementation process, the ESMPs will be responsive to changes in project circumstances, unforeseen events, regulatory changes and the results of monitoring and review, and will be updated from time to time.

STAKEHOLDER ENGAGEMENT

The Consultant will prepare a draft Stakeholder Engagement Plan (“SEP”) in compliance with the PR10 and the specific requirements for Category A projects (clauses 21-25). The scope and level of detail of the SEP will be scaled to fit the needs of the Project and the objectives of EBRD PR10. 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 [Annex 2](#).

The European Bank attaches particular importance to public consultation in its pre-investment activities. The ESIA process includes engagement with stakeholders and affected groups in conformance with the EBRD's PR1 and PR10, where possible the national Law,

Guidance on consultation and disclosure is provided under [Annex 3](#).

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 and associated activities or facilities, as identified during the ESIA scoping (Section 3.1). The audit will make recommendations on potential need for further physical investigations. Guidance for key issues to be covered under the E&S Audit is provided under [Annex 4](#). The Consultant will be guided by the relevant requirements of the Bank's E&S Performance Requirements.

EBRD PR COMPLIANCE ASSESSMENT

Based on the results of the ESIA and E&S Audit, the Consultant shall evaluate the compliance status of the Project with the EBRD PRs using the Compliance Summary format provided in [Annex 5](#).

ENVIRONMENTAL AND SOCIAL ACTION PLAN (ESAP)

The Consultant shall develop a comprehensive ESAP to address gaps and issues identified during the Project appraisal. When circumstances dictate, corporate level provisions shall also be separately identified. 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 should also inform the Client about any material budget implications of ESAP items (although this information may not be required in the public domain). A guide for presenting the ESAP is provided in [Annex 6](#).

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.

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 to be included in the NTS is provided in [Annex 7](#).

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.

OR

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

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. Scoping Report and participation in scoping stage public consultation: within ** weeks of the Assignment Start Date
2. Draft Environmental and Social Impact Assessment (see [Annex 1](#)) – within ** weeks of the Assignment Start Date
3. Draft Stakeholder Engagement Plan (SEP) (see [Annex 2](#)) – within ** weeks of the Assignment Start Date
4. Draft Environmental and Social Audit Report (see [Annex 4](#)) – within ** weeks of the Assignment Start Date
5. PR Compliance Assessment Report, which includes a PR compliance table (see [Annex 5](#)) – within ** weeks of the Assignment Start Date
6. Environmental and Social Action Plan (see [Annex 6](#)) - within ** weeks of the Assignment Start Date

7. Draft Non-Technical Summary (NTS) for disclosure to the public (see [Annex 7](#)) – within ** weeks of the Assignment Start Date
8. **Draft Resettlement Action Framework and/or Livelihood Restoration Framework:** within ** weeks of the Assignment Start Date
9. Final documentation - within ** weeks of receiving the Bank's comments on the draft versions. The final versions of the Disclosure Package (Scoping Report, NTS, SEP, ESIA, **RAF/LRF**, ESAP (insert other public documents where relevant)) will be translated into the local language(s).
10. Amendment to Final Documentation (if comments received from public for the Disclosure Package): within ** weeks of the end of 60/120 days disclosure period

All final documents and reports prepared for this contract will be prepared in **English/Russian/French** and local language(s), and delivered in Word and PDF versions.

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 ESIA's 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 (see [Annex 8](#));

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 ESIA's and E&S due diligence audits in the EBRD's countries of operations, with excellent communication skills
Environmental specialist with experience in ESIA's 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

Financial Proposal:

Proposals will be quoted in Euros using the format provided in [Annex 8](#).

ANNEX 1

SAMPLE ESIA FORMAT

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.

Layout of the different facilities, with a particular focus on waste and fuel storage, and any components that may generate emissions, noise, vibrations or spill risks

Process flow chart

Detailed description of technologies involved in the successive steps of the process

Vehicular traffic associated with the plant during construction and operations

Workforce requirements during construction and operations phase

Identification of all process liquid and gaseous effluents and emissions, with flows and biochemical characteristics in normal operating conditions

BAT assessment of the proposed operations, as defined by the Industrial Emissions Directive (if relevant) and

Identification of potential emergency situations, with related characteristics of effluents and emissions.

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 & forestry, 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;
- Material assets;
- Mitigation potential and impacts relevant to adaptation;
- 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;
- Traffic
- 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, National and Regional/Global 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 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

ANNEX 2**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
- Identify all stakeholders, including stakeholder maps (if relevant)
- Identify any specific 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
- 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
- State the beginning and end dates of the consultation
- Provide a table or list of meetings, activities or opportunities for comment. 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 grievances will be handled (including a specific public grievance process)
- Define the monitoring and reporting activities for the stakeholder engagement process
- Define the responsibilities for delivering the stakeholder engagement process

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 3

ENVISAGED PUBLIC CONSULTATION AND DISCLOSURE PROCESS

The consultant will be required to carry out specific public consultation process as well as ongoing consultation with the public throughout the ESIA process in accordance with the requirements of EBRD's Environmental and Public Information Policy. This public consultation process will also need to take account of any other relevant requirements (e.g. the country EIA procedure and the Convention on ESIA in the Transboundary Context – “Espoo Convention”) and Aarhus Convention.

Public engagement is a critical part of the ESIA process and more generally of the Project preparation process, which must be carefully planned and implemented. Public meetings are usually part of the engagement process, but in this case they are not necessarily the most useful channel for engagement at all stages and other methods such as workshops with groups of stakeholders (for example administrative authorities, representatives of local residents, local civil society organisations, or business decision makers) may need to be used.

It is essential that any public consultation activities to be undertaken to meet EBRD's requirements be as consistent as possible with national requirements so that the two public consultation processes envisioned by EBRD and national requirements be integrated into one general public consultation process.

The EBRD requires public consultation at the scoping stage and during the ESIA public disclosure period, to seek input from stakeholders:

At scoping stage:

- on the Project itself and potential alternatives;
- on the proposed scope for the ESIA;
- on the proposed stakeholder engagement plan and programme.;

Once a draft ESIA is available:

- on the impact assessment;
- on proposed environmental and social impact management measures.

In practice the following two stages are envisioned.

Scoping stage:

- Public disclosure of project presentation documents, on the Internet as well as in local information points;
- Scoping workshops to present the project at conceptual stage to selected stakeholders, potentially including local administrative authorities, selected representatives of local residents, NGOs, local mass media;
- All workshops to be documented (minutes of meetings);
- Preparation of a short report summarising the inputs;
- Inputs from scoping meetings to be taken into consideration in the final Terms of Reference for the ESIA;

The scoping stage consultation process will be supported by a scoping leaflet (one page A4) describing in summary terms the project and the ESIA process, intended for the general public, and including:

A summary Project description and potential alternatives;

A summary description of the ESIA process, and of the preliminary identified at the scoping stage;

A summary description of the engagement process and of the grievance mechanism, with relevant contact details for further information and for grievances.

This document will be publicly disclosed and submitted to public consultation according to arrangements outlined in the Stakeholder Engagement Plan. The objective of this stage of public consultation is to obtain feedback on the work programme. The Consultant will work closely with the Company to finalise the leaflet and ensure that it is broadly circulated ahead of the scoping stage public consultation. Public consultation shall be organised by the Company with technical support from the Consultant.

Draft ESIA stage:

Public disclosure of the draft ESIA, on the Internet as well as in local information points for a minimum of 60 or 120 days (60 days for private sector and 120 days for public sector projects);

During this public disclosure period, ideally public meetings in the neighbouring settlements (location to be determined) should be held to present the results of the draft ESIA;

All meetings to be documented (minutes of meetings);

Preparation of a summary report summarising the inputs;

Inputs from these meetings to be taken into consideration in the final version of the ESIA.

The Consultant shall assist the Company during the final phase of public consultation, which shall be carried out in conformance with the Stakeholder Engagement Plan.

ANNEX 4**ISSUES TO BE COVERED UNDER THE E&S AUDIT**

Summary of the E&S Audit to include, inter alia:

- A review of the Client's existing corporate and site specific environmental and social management systems, policies and practices;
- Organisational capacity and resources;
- Human Resources and employment (e.g. child labour, forced labour, non-discrimination and equal opportunity, workers' organisations, contractor management, retrenchment and employment) policies;
- 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 programme, summary of regulatory compliance status, summary of health and safety expenditures, emergency response etc.);
- 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;
- Assessment of Key Performance Indicators (KPI's), using sector specific KPI's;
- 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 of 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, inclusive of duty of care;
- 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 PR10.

ANNEX 5**ENVIRONMENTAL AND SOCIAL APPRAISAL: COMPLIANCE SUMMARY TABLE****Introduction**

The Compliance Summary provides a systematic review of project compliance with the EBRD Environmental and Social Policy, as defined through the applicable Performance Requirements (PRs). Scope of compliance is all PRs 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.

Between 2 and 10 indicators are identified for each of the applicable PRs: 1, 2, 3, 4, 5, 6, 7, 8 and 10.

Guidance

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

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

- 7. Decide whether the indicator is applicable.** For Category A 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).
- 8. 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.

9. Score the indicator as follows and provide brief justification.

EC	Exceeding Compliance: The project has gone beyond the expectations of EBRD's PR requirements. EBRD should be able to use projects rated EC as a role model for positive Environmental and Social effects.
FC	Fully Compliant: The project is fully in compliance with EBRD's requirements, and EU and local environmental, health and safety policies and guidelines.
PC	Partial Compliance: 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	Material Non-compliance: 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.

10. Comments/Issues: Provide a brief commentary on the relevance of this requirement for the project and an explanation of the chosen score.

11. 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.

12. PR Summary: Provide an overall summary against the PR, using the above compliance definitions with supporting commentary. In some cases it may be sufficient to address a PR at summary level only, depending on Stage 1 above.

Note: The Material Non-compliance score (at both Indicator and PR 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.	Performance Requirement	Score	Comments/ Issues	Actions Required	ESAP Ref.
1	Assessment and Management of Environmental and Social Impacts and Issues				
	Summary:				
1.1	Environmental and Social Assessment				
1.2	Environmental and Social Management Systems				
1.3	Environmental and Social Policy ¹⁶				
1.4	Environmental and Social Management Plan				
1.5	Organisational Capacity and Commitment				
1.6	Supply Chain Management				
1.7	Project Monitoring and Reporting ¹⁷				
2	Labour and Working Conditions				
	Summary:				
2.1	Human Resource Policies and Working Relationships				
2.2	Child and Forced Labour				
2.3	Non-Discrimination and Equal Opportunity				

¹⁶ 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.

¹⁷ 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.

KPI Ref.	Performance Requirement	Score	Comments/ Issues	Actions Required	ESAP Ref.
2.4	Workers Organizations				
2.5	Wages, benefits, and conditions of work and accommodation				
2.6	Retrenchment ¹⁸				
2.7	Grievance Mechanism				
2.8	Non-Employee Workers				
2.9	Supply Chain				
2.10	Security Personnel Requirements				
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				
3.2	Pollution Prevention and Control - Air emissions				
3.3	Pollution Prevention and Control - Waste waters				
3.4	Greenhouse Gases ¹⁹				
3.5	Water				
3.6	Wastes				
3.7	Hazardous Substances and Materials				

¹⁸ Will not be applicable to many projects at appraisal stage. However evidence, within the last 3 years of client approach to retrenchment which is not compatible with the Policy should be taken into consideration.

¹⁹ Particular attention should be given to client demonstration of consideration of alternatives. Projects expected annually to produce more than 25,000 tonnes of Co2 equivalent should provide an emission inventory and plans for annual reporting.

KPI Ref.	Performance Requirement	Score	Comments/ Issues	Actions Required	ESAP Ref.
4	Health and Safety				
	Summary:				
4.1	Occupational Health and Safety				
4.2	Community Health and Safety				
4.3	Infrastructure, Building, and Equipment Design and Safety				
4.4	Hazardous Materials Safety				
4.5	Product and Services Safety				
4.6	Traffic and Road Safety				
4.7	Natural Hazards				
4.8	Exposure to Disease				
4.9	Emergency Preparedness and Response				
5	Land Acquisition, Involuntary Resettlement and Economic Displacement				
	Summary:				
5.1	Avoid or minimise displacement				
5.2	Consultation				
5.3	Compensation for displaced persons				
5.4	Grievance mechanism				
5.5	RAP/LRP documentation				
5.6	RAP/LRP implementation				
5.7	Monitoring				

KPI Ref.	Performance Requirement	Score	Comments/ Issues	Actions Required	ESAP Ref.
6	Biodiversity and Living Natural Resources				
	Summary:				
6.1	Assessment of Biodiversity and Living Natural Resources				
6.2	Conservation of Biodiversity				
6.3	Sustainable Management of Living Natural Resources				
7	Indigenous People				
	Summary:				
7.1	Indigenous People Assessment				
7.2	Adverse Effects Avoidance and Indigenous Peoples Development Plan				
7.3	Information Disclosure, Meaningful Consultation and Informed Participation				
7.4	Grievance Mechanism and Prevention of Ethnically Based Discrimination				
7.5	Compensation and Benefit-Sharing				
7.6	Impacts/Relocation on Traditional or Customary Lands and Cultural Heritage				

KPI Ref.	Performance Requirement	Score	Comments/ Issues	Actions Required	ESAP Ref.
8	Cultural Heritage				
	Summary:				
8.1	Assessment and Management of Impacts on Cultural Heritage				
8.2	Consultation with affected communities and other stakeholders				
8.3	Project use of Cultural Heritage				
10	Information Disclosure and Stakeholder Engagement				
	Summary:				
10.1	Stakeholder Engagement Plan				
10.2	Operational Grievance Mechanism				
	Overall Compliance				
	National Environmental, Social, Health and Safety Requirements				
	EU Environmental, Social, Health and Safety Requirements				

ANNEX 6

ENVIRONMENTAL AND SOCIAL ACTION PLAN TEMPLATE

No.	Action	Environmental & Social Risks (Liability/Benefits)	Requirement (Legislative, EBRD PR, Best Practice)	Resources, Investment Needs, Responsibility	Timetable	Target and Evaluation Criteria for Successful Implementation	Status
PR1	Assessment and Management of Environmental and Social Impacts and Issues						
1.1	Develop and implement an EMS	Optimisation of environmental management through a formalised system. Provide resources for training and monitoring of emissions	EBRD PR1 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	
PR2	Labour and Working Conditions						
2.1							
PR3	Resource Efficiency and Pollution Prevention and Control						
3.1							
PR4	Health and Safety						
4.1							
PR5	Land Acquisition, Involuntary Resettlement and Economic Displacement						
5.1							

No.	Action	Environmental & Social Risks (Liability/Benefits)	Requirement (Legislative, EBRD PR, Best Practice)	Resources, Investment Needs, Responsibility	Timetable	Target and Evaluation Criteria for Successful Implementation	Status
PR6	Biodiversity and Living Natural Resources						
6.1							
PR7	Indigenous People						
7.1							
PR8	Cultural Heritage						
8.1							
PR10	Information Disclosure and Stakeholder Engagement						
10.1							

ANNEX 7

LIST OF INDICATIVE ISSUES FOR A NON-TECHNICAL SUMMARY

The following is a list of indicative 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
Proposed construction works and subsequent maintenance/operation
Scheme map, where available

2 | Background

Rationale of the Project
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 Project's current state of compliance with national regulatory requirements and relevant EU requirements
Public consultations and disclosure and dealing with objections

4 | Summary of Environmental Benefits, Potential Adverse Impacts, Mitigation and Management Measures

Air quality
Associated infrastructure
Biodiversity and nature conservation
Consistency with policy, law and other plans
Cumulative impacts
Induced (indirectly consequential) impacts
Land use planning and changes
Landscape and visual impacts
Raw material sourcing and transportation, including borrow pits
Road safety
Traffic, noise and vibration
Waste management
Water resources

5 | Summary of Social Benefits Potential Adverse Impacts, Mitigation and Management Measures

Community impacts
Contractor management, including the siting and management of worker camps

Cultural heritage

Disruption and public health and safety during construction

Impacts on businesses and employment

Impacts to existing infrastructure and public services

Labour issues and standards

Land acquisition and resettlement (cross reference any resettlement report that is being developed)

Local traffic and access impacts

Occupational and public health and safety issues

Socio-economic impacts; including vulnerable groups (taking into account gender specificities and needs)

7 Communications

Contact details

Process for addressing any issues arising

Link to Stakeholder Engagement Plan (or similar)

ANNEX 8**BREAKDOWN OF COSTS (EXCLUSIVE OF VAT)****DIRECT EXPENSES****1. Fees (Remuneration):**

Name of Experts	Job Titles	Working Period	In the Field	In Home Office	Total Period	Expert Rate	Total
Total Fees							

2. Per Diem Allowance:

Place	Number	Rate Period	Per Diem	Total
Total Per Diem				

REIMBURSABLE EXPENSES

(may include indirect taxes, such as VAT which are not otherwise recoverable by the Consultant)

3. Air Travel: (Full Economy Class or Equivalent)

Routing	Air Fare	No. of Flights	Total
Total Air Travel			

4. Local Travel: (Travel from home to departure airport & return, and reasonable local travel abroad)

Journey	Cost	No. of Journeys	Total
Total Local Travel			

5. Miscellaneous

Item	Description	Number	Total
Visas			

OFFICIAL USE

Interpretation and Translation			
Reports			
Communications			
Equipment Purchase			
Accommodation for long term experts (not listed in Per Diem)			
Other Miscellaneous Expenses (to be specified)			
Total Miscellaneous			

6. Contingencies: (utilisation only after prior approval in writing by the Bank)

Item	Amount
Total Contingencies	

Total Financial Proposal	
---------------------------------	--

Sub-Annex 7: Sample ESIA Format

SAMPLE ESIA FORMAT

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.

- Layout of the different facilities, with a particular focus on waste and fuel storage, and any components that may generate emissions, noise, vibrations or spill risks
- Process flow chart
- Detailed description of technologies involved in the successive steps of the process
- Vehicular traffic associated with the plant during construction and operations
- Workforce requirements during construction and operations phase
- Identification of all process liquid and gaseous effluents and emissions, with flows and bio-chemical characteristics in normal operating conditions
- BAT assessment of the proposed operations, as defined by the Industrial Emissions Directive (if relevant) and
- Identification of potential emergency situations, with related characteristics of effluents and emissions.

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

Grievance Redress Mechanism

for GCF-EBRD GREEN CITIES FACILITY

April 2018

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INTRODUCTION

This document constitutes a facility level grievance redress mechanism that outlines the requirements for subproject grievance management systems. The document details the EBRD requirements for complaints handling, provides guidance on grievance mechanism key principles and administration. The document also includes a sample flow chart for a typical grievance management and an example grievance form.

EBRD's Requirements

PR 10 – Information Disclosure and Stakeholder Engagement

Key Bank requirements relating to grievance management are contained in PR10:

28. The client will need 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:
 - a. The grievance mechanism process or procedures should address concerns promptly and effectively, in a transparent manner that is culturally appropriate 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; and
 - b. 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.

PR 2 – Labour and Working Conditions

PR2 contains the following requirements in respect of management of workers' grievances:

20. The client will provide an effective grievance mechanism for workers (and their organisations, where they exist) to raise workplace concerns. The client will inform the workers of the grievance mechanism at the time of hiring, and make it easily accessible to them. The mechanism should 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 retribution. The mechanism should also allow for confidential complaints to be raised and addressed. The mechanism should not impede access to other judicial or administrative remedies that might be available under law or through existing arbitration or mediation procedures, nor should it substitute for grievance mechanisms provided through workers unions or collective agreements.

According to para. 21 of PR2, this requirement also applies to "Non-Employee Workers" (e.g. "engaged by the Client through contractors or other intermediaries to work on project sites or perform work directly related to the core functions of the Project").

PR 5 – Land acquisition, involuntary resettlement and economic displacement

PR5 establish specific requirements in relation to grievance management:

21. The client will establish an effective grievance mechanism as early as possible in the process. It will be consistent with this PR and with the objectives and principles of PR 10 in order to receive and address in a timely fashion specific concerns about compensation and relocation that are raised by displaced persons and/or members of host communities. It will include a recourse mechanism designed to resolve disputes in an impartial manner.

PR 7 – Indigenous Peoples

Similarly, PR7 includes some specific provisions as follows:

24. The client will ensure that the grievance mechanism established for the project, as described in PR 10 is culturally appropriate and accessible for Indigenous Peoples; this may entail less reliance on written procedures and more use of verbal reporting channels.

SUMMARY: SCOPE OF APPLICATION OF THE GRIEVANCE MANAGEMENT REQUIREMENTS IN THE DIFFERENT PRs

While “the grievance mechanism should be scaled to the risks and potential adverse impacts of the project”, the above grievance management requirements in PR10, PR5 and PR7 will apply to all direct investments.

PR	Direct Investments
10	<input checked="" type="checkbox"/>
2	<input checked="" type="checkbox"/>
5 ²⁰	<input checked="" type="checkbox"/>
7 ³	<input checked="" type="checkbox"/>

WHY A SPECIFIC GRIEVANCE MECHANISM

Managing grievances, including avoiding and minimising them, is an integral part of a sound stakeholder engagement strategy. Experience indicates that significant numbers of grievances arise from misunderstandings, and that such grievances can be avoided, or their numbers minimised, through consistent engagement with both workers and communities. Engagement also helps preventing community or workers **concerns** from escalating into **grievances**.

However, a typical comment heard from Clients is “Why do we need a specific grievance mechanism as long as we are operating in a country governed by rule of law and where people can resort to existing administrative or judicial redress mechanisms”. The following may be useful responses:

- Existing administrative or judicial redress mechanisms are often overwhelmed and slow, and may entail upfront expenses that are beyond the reach of ordinary people,
- A specific Project grievance mechanism effectively reduces Client exposure to litigation – and related risks and costs,
- Having a responsive and relatively flexible grievance mechanism helps address community and individual concerns and complaints before they escalate beyond control,

20 Subject to PR5 or PR7 being triggered

- Being seen to be ready to respond to concerns and grievances enhances the reputation of a company and helps acquire and sustain the 'social licence to operate'.

ESD, and particularly social advisors, can provide detailed guidance to clients on grievance management in each specific case.

KEY PRINCIPLES

All projects should establish a formalised procedure or process for dealing with grievances from both workers and communities. This will include as a minimum:

- assigning a responsible person, team or function to organise the resolution of the grievances,
- defined timeframes for acknowledgement of receipt and resolution,
- practical arrangements for maintaining confidentiality, reviewing and resolving grievances, including resources and organisational arrangements.
- Information on the grievance mechanism should be readily retrievable from a company website, locations where project information in hard copy has been placed, and from company representatives.

Grievance mechanisms intended for communities and for workers will need to be kept separate: they are generally managed by different entities within the Project, and their respective timeframes, reporting requirements and potential legal implications are different. However, several key management principles apply to both communities' and workers' grievances.

This section describes common requirements and principles relevant to both workers and communities grievance mechanisms for all projects (except FIs), while Section 4 addresses specifics applicable to communities grievance management systems, or applicable only to certain types of projects. ***Guidance on workers' grievance mechanisms can be found in the PR2 labour toolkit.***

GRIEVANCE ADMINISTRATION

Grievances should be registered and logged regardless of the way in which they were received (e.g. in writing, or verbally). The complainant should receive an acknowledgement of receipt (preferably in writing) within a prescribed and reasonable timeframe. Lodging a grievance should not entail any expenses to the complainant. Generally the Client should allow for flexibility and make sure that grievances are not dismissed on grounds of formality and/or procedure.

The resolution proposal should be formally sent or delivered to the complainant with acknowledgement of receipt.

A simple database is often useful to manage and monitor grievances. Good practice is to log all grievances, even recurrent ones or grievances that will eventually be dismissed as unreasonable. Regardless of the actual establishment of such a database, documentation of grievances should, as a minimum, keep track of:

- the name and contact details of the complainant;
- the date and nature of the complaint;
- any follow up actions taken;
- the proposed resolution of the complaint;

- how and when relevant Project decisions were communicated to the complainant; and
- whether longer term management actions have been taken to avoid the recurrence of similar grievances in the future, if applicable.

The following indicative timeframe can be used as a guideline for most projects, both for workers and communities:

- Written acknowledgement of receipt of the grievance: within 7 days of receiving the grievance;
- Proposed resolution: within 30 days of receiving the grievance.

Whether the Project applies the above recommendations or not, the Client must be required to state and disseminate to the workers and to the community clear commitments in terms of the time period within which grievances shall be acknowledged receipt of and processed until proposed resolution. These should be reflected in the Stakeholder Engagement Plan (or PCDP) and/or in the ESAP.

Complaints should be reviewed as soon as they are received, and prioritised for resolution. Regardless of general response and resolution timeframes, some complaints may require immediate attention (urgent safety issue or livelihood of vulnerable people in jeopardy for example). Experience also indicates that many grievances deal with rather minor construction or disruption issues that can be addressed and fixed promptly.

DOCUMENTATION AND REPORTING

Client procedures for grievance management (both workers and communities) should be reflected in the Stakeholder Engagement Plan²¹, including:

- Timeframes for acknowledgement of receipt and resolution,
- Practical arrangements for maintaining confidentiality, reviewing and resolving grievances, including resources and organisational arrangements,
- Independent second tier mechanism (if applicable), with identification of objectives and functions as well as external parties involved.

Periodic Project monitoring reports should include the following indicators in respect of grievances for both workers and communities:

- Number of grievances:
 - o Opened in the period,
 - o Resolved in the period,
 - o Closed in the period,
- Trend in time (against previous reporting periods)
- Categorisation of grievances (as relevant to the Project – for example Noise / Compensation / Smell / Safety).
- Keeping a profile of those who lodge a grievance could prove useful in terms of knowing who is most affected by potentially negative impacts of the project. So data such as gender, age etc could be gathered. However, it is paramount that those who wish to register a grievance can remain anonymous and should feel free to give as little personal information as they wish.

²¹

Also referred to as Public Consultation and Disclosure Plan (PCDP).

WHEN TO ESTABLISH THE PROJECT GRIEVANCE MECHANISM

In the case of large new developments with potentially complex issues, a community grievance mechanism should be established from the beginning of the ESIA process and be in place during construction, operations and decommissioning to the end of the project. For projects entailing land acquisition, it is of critical importance that the grievance mechanism should be in place during the census of affected properties, as this particular phase is likely to give rise to numerous concerns and grievances. As far as workers are concerned, grievance mechanisms must be established at the earliest possible time and at a minimum in place as soon as significant workforces (more than 50) are gathered at Project sites.

For existing facilities, the grievance mechanism should be in place at the time of effectiveness of the EBRD's financing.

RESPONSIBILITIES

From the Bank's perspective, the sole responsibility in relation to the management and resolution of grievances rests with the Bank's Client. This should be clear to the Client, particularly in situations where third parties (notably contractors) are involved.

Where a grievance is passed to a third party for resolution, it is important to identify where the ultimate responsibility lies if the third party fails to reach an acceptable settlement. The Client may be required to become involved in some cases. For example, in respect of a community grievance related to noise or vibrations generated by Contractor traffic within a residential area, the Client would usually hand it over to their Contractor for resolution, but the Bank may require that the Client take ultimate responsibility for eventual resolution should the Contractor's attempts fail to reach an acceptable settlement.

For large or sensitive/complex projects, experience indicates that contracts between the Client and its EPC²² or other contractors should address grievance management and resolution, and clarify responsibilities in managing and resolving grievances. The grievance management will need to be able to address typical concerns such as damage by Project related construction activities to community or public infrastructure, roads or networks. The Bank will hold the Client accountable for the development and implementation of the grievance management regardless of its contractual arrangements with contractors.

WHAT IS A "CLOSED" GRIEVANCE

Typically, a grievance will be "closed" if a settlement has been reached that both parties are satisfied with. In certain situations, however, the Client may "close" a grievance even if the complainant is not satisfied with the outcome. This could be the case, for example, if the complainant is unable to substantiate a grievance, or if there is an obvious speculative or fraudulent attempt. In such situations, the Client's efforts to investigate the complaint and to arrive at a conclusion should be well documented and the complainant advised of the situation.

Clients (or contractors working for Clients) should not dismiss grievances based on a cursory review and close them in their grievance record unless the complainant has been notified and had the opportunity to provide additional information.

²²

EPC: Engineering, Procurement, Construction

RELATIONSHIP WITH OTHER COMPLAINT OR GRIEVANCE MECHANISMS INCLUDING LITIGATION

Depending upon the scale and organization arrangements of the Project as well as on the local context, other recourses may be available to aggrieved individuals:

- For workers' grievances:
 - Unions,
 - Labour inspectorates or other relevant Government authorities,
 - Labour courts or other relevant tribunals,
- For community related grievances:
 - Lawyers acting on behalf of aggrieved parties,
 - Government authorities such as environmental agencies or agencies in charge of land acquisition,
 - Civil courts or other relevant tribunals.

Using the Client's grievance mechanisms must not impede a worker or community from referring the matter to the national judicial system or other available mechanisms, at any time. Nor should prior referral of the matter to the judicial or other existing mechanisms (such as national ombudsman services or the Bank's IRM) preclude amicable negotiations, arbitration or mediation.

3.7 TAKING ACCOUNT OF GENDER

Consideration should be given to how men and women communicate their grievances differently and the different needs of men and women in dealing with grievances. (See also section 4 below).

SPECIFIC REQUIREMENTS

COMMUNITY GRIEVANCES

Organisational Arrangements

In most projects, the Client will allocate responsibility of dealing with community grievances to an organisational structure also in charge of the Community Liaison function:

- In smaller projects, the Client can simply designate a point of contact, for instance within the PR or communications offices, to whom grievances should be addressed. Once the grievance has been acknowledged receipt of, one or several trained staff should be allocated resolution responsibilities depending on the grievance scope,
- In larger projects, the Client can establish one or several Community Liaison Officers, who will also deal with grievances, and possibly several different avenues to lodge grievances.
- Anyone who has lodged a grievance should be afforded the opportunity to have someone accompanying them to meetings and interviews held in the investigation of the grievance.
- It is important that all reported grievances are taken seriously and handled accordingly. In this regard, it is worth noting that women and men might report different issues and those receiving the complaints should avoid subjective and valued judgements that might lead to perceiving some issues as being trivial.

Information on Grievance Mechanisms

It is of critical importance that broad and repeated information be disseminated to potentially affected communities and stakeholders on available ways to make complaints. Leaflets, specific

mentions on websites, posters in administrative offices and public places, complaint boxes at strategic locations are all good ways to make sure that potential complainants are aware of available avenues. It is also good practice that all individuals within the Project organisation who are likely to interact with communities be aware of the Project mechanisms to lodge a grievance so that they can direct potential complainants to the right avenues, even if these individuals are not part of the Community Liaison function.

The methods used to publicise the availability of the grievance mechanism should be culturally appropriate, that is in accordance with how stakeholders usually get information. Women and men may access information differently and account should be taken of this to ensure both have equal access to information in an appropriate form and are aware, therefore, of the procedure involved in registering a grievance and what the client's arrangements are for dealing with grievances. Women's general literacy may be such as to require alternate modes of communication.

Avenues to Lodge a Grievance

For large or complex projects, community members willing to lodge a grievance should be able to use one or several of the following avenues:

- Directly at main Project offices; however, where specific security arrangements prevent easy access of Community members to Project offices, this will generally not be sufficient, and the Client may need to open dedicated community offices outside of their main bases or use other, better located offices, at certain hours,
- At local authorities' offices such as municipalities or district administration (particularly useful in the early stages of Project development) – grievance boxes can be located in local authorities' offices for example near a community information board,
- Telephone hot lines and on-line grievance filing can be useful but are usually not sufficient, especially for rural, remote and poor communities.
- Where an independent mediator or arbitrator is involved per arrangements described below, at this mediator's or arbitrator's offices.
- In situations where women or men might feel uncomfortable discussing a grievance with a person of the opposite sex, the client should offer the option to hold discussions with someone of the same sex, both at the time of registering the complaint as well as during the review process.

WORKERS' GRIEVANCES

Please refer to the guidance material on employee grievance mechanisms in the PR2 labour toolkit

THIRD PARTY INVOLVEMENT: INDEPENDENT MEDIATION OR ARBITRATION

For projects likely to give rise to significant numbers of grievances or to sensitive grievances (including but not limited to particularly complex projects, projects involving land acquisition or indigenous peoples), a second tier of grievance management should be established with a degree of independence from the Client. Depending upon local circumstances, this second tier could involve a local legal practice, a well regarded NGO, well regarded individuals, etc... The second tier would consider only those grievances which have been reviewed by the internal mechanism and have been declared resolved without the complainant being satisfied by the proposed resolution. Appendix 1 presents an overview of the interrelation between the different levels in a typical

grievance management mechanism. Depending on local and Project circumstances, the second tier could be assigned either or both of the following objectives/functions:

- Mediation, which is the facilitation of both parties' efforts to reach an acceptable solution²³,
- Binding arbitration, whereby both parties agree to be bound by the decision of an independent arbiter.

SPECIFICITIES OF GOVERNMENT LED PROJECTS

Many governments in the EBRD Countries of Operation have their own grievance procedure, sometimes but not always based on specific ombudsman services, in addition to the possibility to resort to Justice to challenge an administrative decision. Experience indicates that the efficiency of these systems may not meet the Bank's expectations and requirements for timely resolution.

For such projects, the Bank should insist on the establishment of a Project specific grievance management mechanism wherever possible, unless adequate evidence can be provided by Government that existing mechanisms are effective and timely responsible.

In a Government led project, it is usually best to rely on the different levels of local Government (for example Municipality / District) to establish a two tiered system on the basis presented below. Where grievance review is to be performed by administrative commissions, it is desirable (and often legally possible) that such commissions include members representing affected people or non government organisations.

APPLICATION OF PR5 REQUIREMENTS – LAND ACQUISITION

Grievances related to land acquisition and resettlement may need to be managed separately from other community grievances, particularly if the institutional arrangements would require this. PR5 requires the Client to establish a recourse mechanism, for example along the principles outlined in 5.3 above and in Appendix 1.

Land acquisition often gives rise to considerable numbers of complaints and disputes, particularly if land records are not up to date and land markets not fully developed; (ratios of one grievance per two land acquisition cases are not unheard of. It is important that the Client's organisation dealing with land acquisition be sufficiently staffed and trained to handle such numbers of grievances.

APPLICATION OF PR7 REQUIREMENTS – INDIGENOUS PEOPLES

Where PR7 applies, the Client will need to assess and/or seek advice as to whether a specific grievance mechanism needs to be established for Indigenous People. This may be the case if certain aspects of the general community grievance process (such as language issues or the need to file a grievance in writing) are deemed unsuitable for the indigenous community in question.. Whatever the arrangement, the Bank will have to be satisfied that the grievance management system is sensitive and appropriate to specific cultural requirements of IPs.

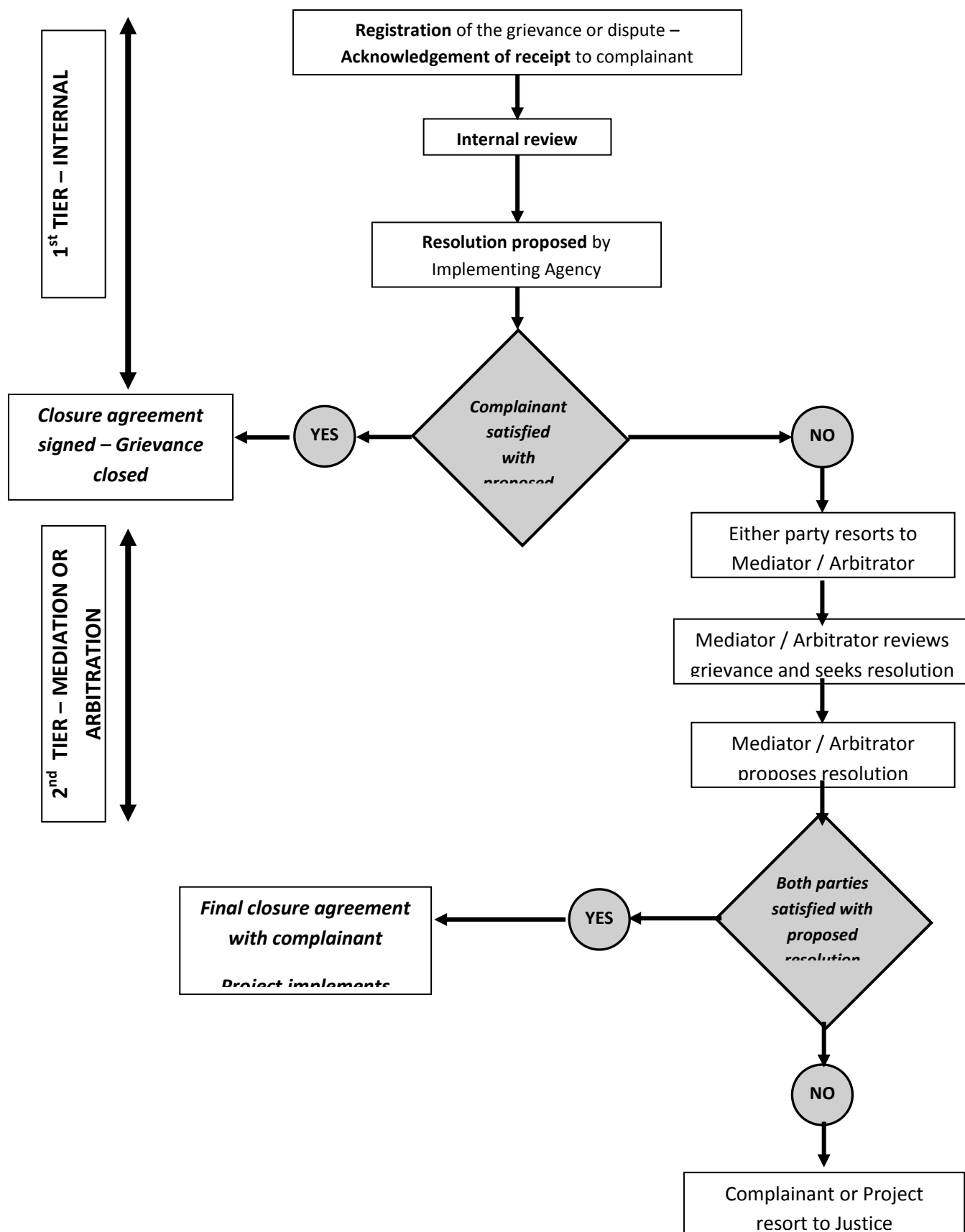
²³ It is worth noting that mediation is often widely used in traditional communities and can be a very useful tool in disputes involving indigenous peoples.

AUDITS

For complex or sensitive projects, the Bank may require periodic external audits of the grievance management system as part of its monitoring activities. Such audits would typically include:

- A review of logging, tracking and documentation systems including acknowledgement of receipts and resolution agreements,
- A check that deadlines and timeframes committed upon by the Client are generally met,
- A check that potentially affected people, workers and other stakeholders are generally aware of the avenues available to lodge a grievance,
- A check of the variations in time of the number of open and closed grievances,
- A check on a sample of grievances of:
 - How resolution responsibility is assigned,
 - Complainant satisfaction with the process (timely, fair),
 - Evidence that “closed” grievances have been closed following a satisfactory due process,
 - Complainant satisfaction with the outcomes.

APPENDIX 1 – TYPICAL GRIEVANCE MANAGEMENT FLOW CHART



APPENDIX 2 – EXAMPLE OF GRIEVANCE FORM

Reference No:	
Full Name Note: <i>you can remain anonymous if you prefer or request not to disclose your identity to the third parties without your consent</i>	My first name _____ My last name _____ <input type="checkbox"/> I wish to raise my grievance anonymously <input type="checkbox"/> I request not to disclose my identity without my consent
Contact Information Please mark how you wish to be contacted (mail, telephone, e-mail).	<input type="checkbox"/> By Post: Please provide mailing address: _____ _____ <input type="checkbox"/> By Telephone: _____ <input type="checkbox"/> By E-mail _____
Preferred Language for communication	<input type="checkbox"/> Russian <input type="checkbox"/> Ukrainian
Description of Incident or Grievance: What happened? Where did it happen? Who did it happen to? What is the result of the problem?	
Date of Incident/Grievance	<input type="checkbox"/> One time incident/grievance (date _____) <input type="checkbox"/> Happened more than once (how many times? _____) <input type="checkbox"/> On-going (currently experiencing problem)
What would you like to see happen to resolve the problem?	

Signature: _____ Date: _____

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 & forestry, 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;
- Material assets;
- Mitigation potential and impacts relevant to adaptation;
- 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;
- Traffic
- 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, cumulative and transboundary 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, National and Regional/Global 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 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