



**ADAPTATION FUND**

**Understanding the AF  
Environmental and Social  
Policy and the Gender  
Policy**

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# THE ENVIRONMENTAL AND SOCIAL POLICY

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## What is the Environmental and Social Policy?

- An Operational Policy and Guideline (OPG), determining the modalities for financing by the Fund
- AF Board adopted in November 2013
- New OPG, operationalisation with tiered introduction
- Has implications for all actors involved: AF Board, AFB Secretariat, AFB panels, Designated Authorities, Implementing Entities, Executing Entities and ultimately beneficiaries

# THE ENVIRONMENTAL AND SOCIAL POLICY

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## Some history

- Applicable to funding applications since October 2013
- Applicable to Implementing Entities (IEs) accredited since October 2013
- Application form has been adapted to include the requirements of the ESP
- Accreditation process has been updated

# THE ENVIRONMENTAL AND SOCIAL POLICY

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## Some history (ctd.)

- The review process by AF Secretariat and Board of applications for project/ programme financing has been modified to include compliance with the ESP
- May 2015: *Guidance Document* finalised
- September 2015: *Manual of basic Environmental and Social Management System procedures and functions at National Implementing Entities* prepared

[www.adaptation-fund.org](http://www.adaptation-fund.org)

# THE ENVIRONMENTAL AND SOCIAL POLICY

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## Main characteristics of the ESP

- Goal: avoid unnecessary environmental and social harms as a result of AF-funded projects/programmes
- Compared to other, similar policies – e.g. World Bank, African Development Bank – similarities and differences
- Underlying principles and concepts:
  - Not prescriptive on how compliance is achieved or demonstrated
  - Evidence-based
  - Risk-based
  - Comprehensive

# THE ENVIRONMENTAL AND SOCIAL POLICY

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## Main characteristics of the ESP (ctd.)

- ▶ Underlying principles and concepts: (ctd.)
  - Safeguarding efforts commensurate with the risks
  - Categorisation
  - Risks to be identified against 15 principles
- ▶ Integrated in Direct Access modality
  - Key role for IEs (and EEs)
  - Identification of risks → risk/impact assessment → Environmental and Social Management Plan → monitoring and reporting
  - Link with the Environmental and Social Management System of the IE

# THE ENVIRONMENTAL AND SOCIAL POLICY

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## The 15 principles of the ESP

- The substance of the ESP is built on 15 principles of environmental and social safeguarding
- Some principles always apply (\*), some may or may not be relevant for a specific project/programme
  1. Compliance with the Law\*
  2. Access and Equity
  3. Marginalized and Vulnerable Groups
  4. Human Rights\*

# THE ENVIRONMENTAL AND SOCIAL POLICY

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## The 15 principles of the ESP (ctd.)

5. Gender Equality and Women's Empowerment (*also see Gender Policy*)
6. Core Labour Rights\*
7. Indigenous Peoples
8. Involuntary Resettlement
9. Protection of Natural Habitats
10. Conservation of Biological Diversity



# THE ENVIRONMENTAL AND SOCIAL POLICY

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## The 15 principles of the ESP (ctd.)

11. Climate Change
12. Pollution Prevention and Resource Efficiency
13. Public Health
14. Physical and Cultural Heritage
15. Lands and Soil Conservation

# THE GENDER POLICY

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## What is the Gender Policy?

- An Operational Policy and Guideline (OPG), determining the modalities for financing by the Fund
- AF Board adopted in March 2016
- New OPG, operationalisation with tiered introduction
- Has implications for all actors involved: AF Board, AFB Secretariat, AFB panels, Designated Authorities, Implementing Entities, Executing Entities and ultimately beneficiaries

# THE GENDER POLICY

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## Link with AF Environmental and Social Policy

- ▶ The Gender Policy (GP) builds on the ESP, in particular its principles on
  - ▶ Access and Equity
  - ▶ Marginalised and vulnerable groups
  - ▶ Human rights
- ▶ The GP expands the ESP principle of Gender equity and women's empowerment' to gender equality: equal rights, responsibilities and opportunities and access of women and men; equal consideration of their respective interests, needs and priorities

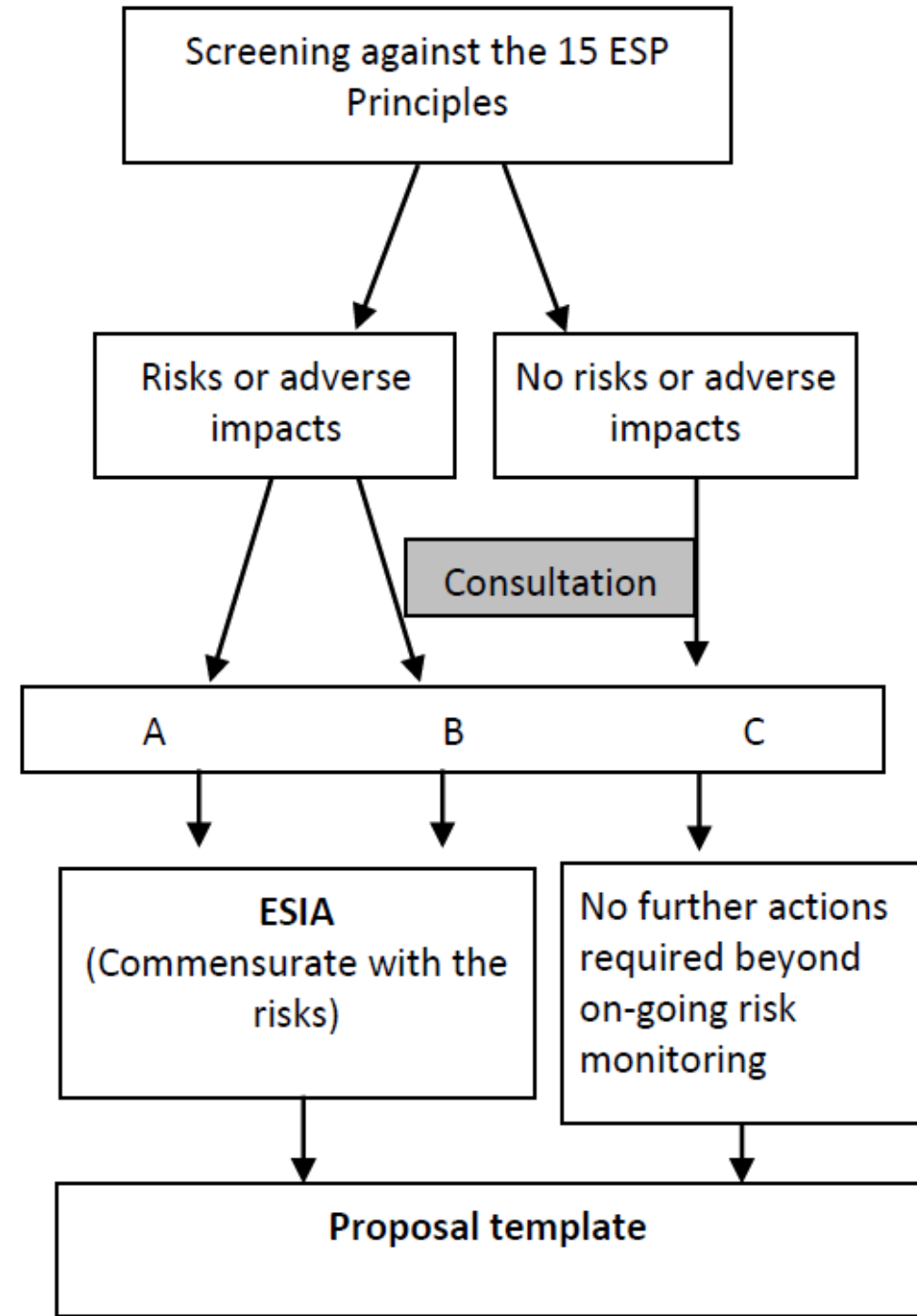
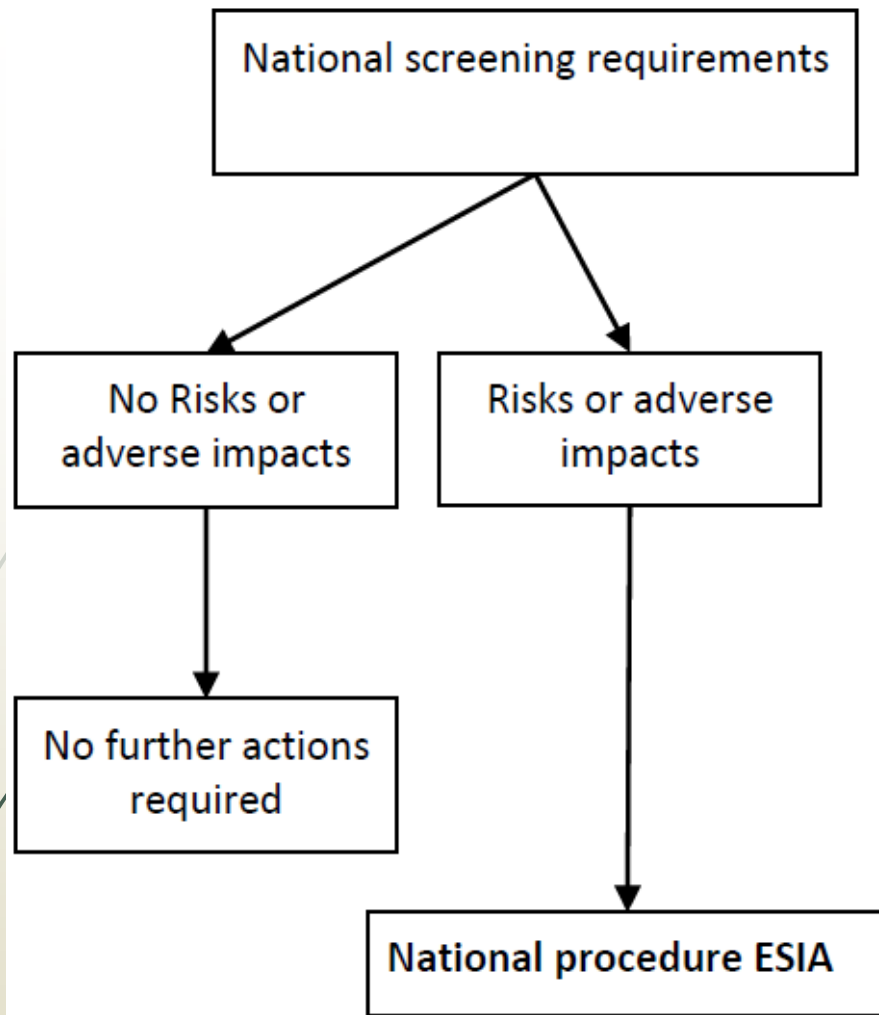
# THE ENVIRONMENTAL AND SOCIAL POLICY

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## The screening and assessment process

- Policy is firm: “shall be...”, “shall not support...”
- Application form
  - main tool for AF Secretariat to review and appreciate the adequacy of compliance with the ESP; basis for AF Board to approve applications
  - several locations where ESP relevant issues occur

At the project or programme formulation stage, the risks and impacts of the activity are identified and as needed assessed. Mitigation or management activities are included in an Environmental and Social Management Plan (ESMP)



# THE GENDER POLICY

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## Gender Policy in project/programme proposals

- Comprehensive
- Initial gender assessment
  - Selecting gender-responsive indicators
  - Designing gender-responsive implementation and monitoring arrangements
- Screening of proposals for gender responsiveness by AFS and partners
- Consultation of stakeholders in a gender-equal way
- Guidance document (March 2017)

# IMPLEMENTING THE ESP

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## Common issues and problems *with ESP compliance* in project/programme applications

- Unsubstantiated (lack of) risk assessment
- Risk management must be comprehensive
- Unknown/unidentified activities, programme/Unidentified Sub-Projects (USP) approach → need for a mechanism to identify risks during implementation as an element of the ESMP
- ESMP: structure, roles and responsibilities

## Common issues and problems *with ESP compliance* in project/programme applications (ctd.)

- ▶ Link between project/programme-level environmental and social safeguarding measures and the IE's ESMS, how will IE's capability (→ accreditation process) be applied to this project/programme?
- ▶ Difficulties in risk assessment and ensuing categorisation (often reverse)
- ▶ Inconsistencies in application documents



# IMPLEMENTING THE ESP

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## Common issues and problems with *ESP compliance* in project/programme applications (ctd.)

- Too much/irrelevant information in the application documents
- Structure and contents of an ESMP
- Steep learning curves with NIEs
- Direct guidance sessions with NIEs are very effective
- Progress reports – to be seen.

# IMPLEMENTING THE ESP

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## Common issues and problems with *applying the 15 principles* in project/programme applications

- Unsubstantiated claims regarding risks
- No information on the processes that were used to formulate the project/programme
- Information included inadequate
- Insufficient or not evidence-based
- Lack of consultation

# IMPLEMENTING THE ESP AND GP: HELP!

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## To assist you:

- Guidance Document for IEs
- Manual of basic Environmental and Social Management System procedures and functions at National Implementing Entities
- Compendium of Reference Materials for Environmental and Social Safeguarding in Adaptation Fund Projects and Programmes
- Gender Policy action plan
- Readiness Programme workshops
- Dialogue with the AF Secretariat during the evaluation of funding applications.

# IMPLEMENTING THE ESP AND GP

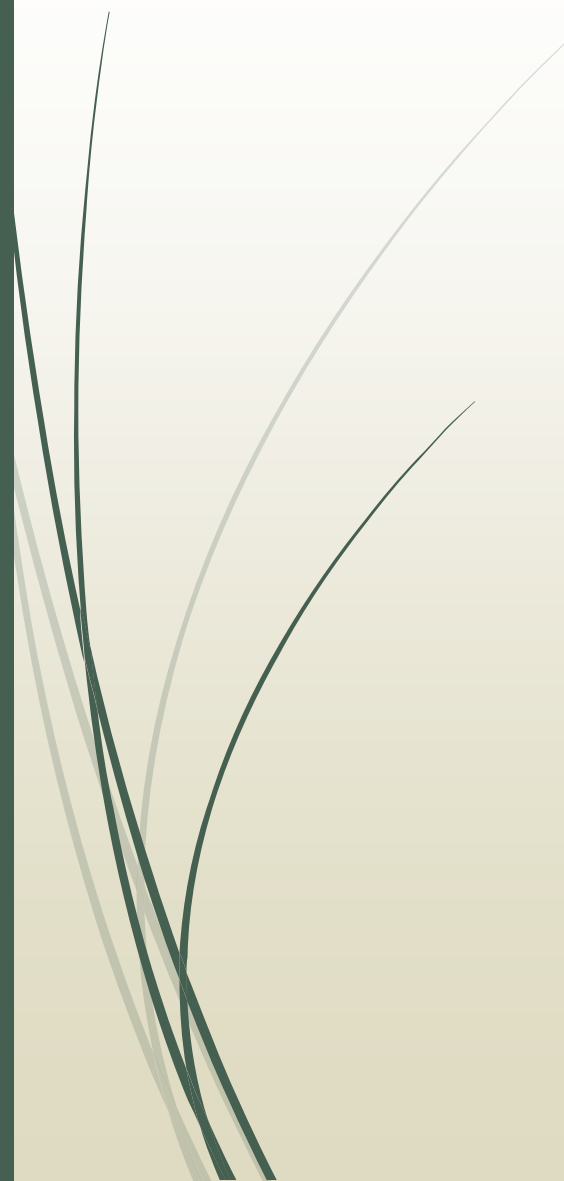
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## To assist you (ctd.):

- Project/programme formulation grants
- NIEs experience exchange
- Capacity building technical assistance grants

# IMPLEMENTING THE ESP AND GP: CASE STUDY

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# IMPLEMENTING THE ESP

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Checklist of environmental and social principles	No further assessment required for compliance	Potential impacts and risks – further assessment and management required for compliance
<i>1. Compliance with the Law</i>		
<i>2. Access and Equity</i>		
<i>3. Marginalized and Vulnerable Groups</i>		
<i>4. Human Rights</i>		
<i>5. Gender Equity and Women’s Empowerment</i>		
<i>6. Core Labour Rights</i>		
<i>7. Indigenous Peoples</i>		
<i>8. Involuntary Resettlement</i>		
<i>9. Protection of Natural Habitats</i>		
<i>10. Conservation of Biological Diversity</i>		
<i>11. Climate Change</i>		
<i>12. Pollution Prevention and Resource Efficiency</i>		
<i>13. Public Health</i>		
<i>14. Physical and Cultural Heritage</i>		
<i>15. Lands and Soil Conservation</i>		

# THE 15 ESP PRINCIPLES

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## **Principle 1: Compliance with the Law**

- ▶ **Projects/programmes supported by the Fund shall be in compliance with all applicable domestic and international law.**

# THE 15 ESP PRINCIPLES

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## **Principle 1: Compliance with the Law**

- ▶ In support of the Proposal, the IE will provide, when relevant, a description of the legal and regulatory framework for any project activity that may require prior permission (such as planning permission, environmental permits, construction permits, permits for water extraction, emissions, and use or production or storage of harmful substances). For each such a requirement, the IE will describe the current status, any steps already taken, and the plan to achieve compliance with relevant domestic and international laws.



# THE 15 ESP PRINCIPLES

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## Principle 2: Access and Equity

- ▶ **Projects/programmes supported by the Fund shall provide fair and equitable access to benefits in a manner that is inclusive and does not impede access to basic health services, clean water and sanitation, energy, education, housing, safe and decent working conditions, and land rights. Projects/programmes should not exacerbate existing inequities, particularly with respect to marginalized or vulnerable groups.**

# THE 15 ESP PRINCIPLES

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## Principle 2: Access and Equity

- The *process* of allocating access to project/programme benefits should be fair and impartial.
- Not impede access of any group to essential services and rights

# THE 15 ESP PRINCIPLES

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## **Principle 3: Marginalized and Vulnerable Groups.**

- ▶ **Projects/programmes supported by the Fund shall avoid imposing any disproportionate adverse impacts on marginalized and vulnerable groups including children, women and girls, the elderly, indigenous people, tribal groups, displaced people, refugees, people living with disabilities, and people living with HIV/AIDS. In screening any proposed project/programme, the implementing entities shall assess and consider particular impacts on marginalized and vulnerable groups.**

# THE 15 ESP PRINCIPLES

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## Principle 3: Marginalized and Vulnerable Groups.

- identify and quantify the groups mentioned
- Identify adverse impacts that each marginalized and vulnerable group are likely to experience
- Describe how the impacts are not disproportionate compared to non-marginalized and non-vulnerable groups
- Describe monitoring

# THE 15 ESP PRINCIPLES

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## **Principle 4: Human Rights**

- ▶ *Projects/programmes supported by the Fund shall respect and where applicable promote international human rights.*

# THE 15 ESP PRINCIPLES

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## Principle 4: Human Rights

- The host country or countries of the project/programme are cited in any Human Rights Council Special Procedures, be they thematic or country mandates
- Human rights issues should be an explicit part of consultations with stakeholders during the identification and/or formulation of the project/programme.

## **Principle 5: Gender Equality and Women's Empowerment**

- *Projects/programmes supported by the Fund shall be designed and implemented in such a way that both women and men 1) have equal opportunities to participate as per the Fund gender policy; 2) receive comparable social and economic benefits; and 3) do not suffer disproportionate adverse effects during the development process.*

# THE 15 ESP PRINCIPLES

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## Principle 5: Gender Equality and Women's Empowerment

- ▶ Do not include elements that are known to exclude or hamper a gender group based on legal, regulatory, or customary grounds
- ▶ Do not maintain or exacerbate gender inequality or the consequences of gender inequality.



# THE 15 ESP PRINCIPLES

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## **Principle 6: Core Labour Rights**

- ▶ *Projects/programmes supported by the Fund shall meet the core labour standards as identified by the International Labour Organization.*

# THE 15 ESP PRINCIPLES

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## Principle 6: Core Labour Rights

- ▶ the project/programme will incorporate the ILO core labour standards in the design and implementation of the project/programme and create awareness with all involved on how these standards apply.

# THE 15 ESP PRINCIPLES

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## Principle 7: Indigenous Peoples

- *The Fund shall not support projects/programmes that are inconsistent with the rights and responsibilities set forth in the UN Declaration on the Rights of Indigenous Peoples and other applicable international instruments relating to indigenous peoples.*

# THE 15 ESP PRINCIPLES

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## Principle 7: Indigenous Peoples

- Identify the presence of indigenous peoples in the project/programme area
- Consistency with 2007 UN Declaration on the Rights of Indigenous Peoples (UNDRIP)

## Principle 8: Involuntary Resettlement

- ▶ *Projects/programmes supported by the Fund shall be designed and implemented in a way that avoids or minimizes the need for involuntary resettlement. When limited involuntary resettlement is unavoidable, due process should be observed so that displaced persons shall be informed of their rights, consulted on their options, and offered technically, economically, and socially feasible resettlement alternatives or fair and adequate compensation.*

# THE 15 ESP PRINCIPLES

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## Principle 8: Involuntary Resettlement

- ▶ Involuntary resettlement refers to both physical displacement (relocation or loss of shelter) and to economic displacement (loss of assets or access to assets that leads to loss of income sources or other means of livelihood).

# THE 15 ESP PRINCIPLES

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## Principle 9: Protection of Natural Habitats

- ▶ *The Fund shall not support projects/programmes that would involve unjustified conversion or degradation of critical natural habitats, including those that are (a) legally protected; (b) officially proposed for protection; (c) recognized by authoritative sources for their high conservation value, including as critical habitat; or (d) recognized as protected by traditional or indigenous local communities.*

# THE 15 ESP PRINCIPLES

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## Principle 9: Protection of Natural Habitats

- identify: 1) the presence in or near the project/programme area of natural habitats, and 2) the potential of the project/programme to impact directly, indirectly, or cumulatively upon natural habitats.
- If such habitats exist and there is a potential of the project/programme to impact the habitat, the IE will:
  - 1) Describe the location of the critical habitat in relation to the project and why it cannot be avoided, as well as its characteristics and critical value.
  - 2) For each affected critical natural habitat, provide an analysis on the nature and the extent of the impact



# THE 15 ESP PRINCIPLES

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## **Principle 10: Conservation of Biological Diversity**

- *Projects/programmes supported by the Fund shall be designed and implemented in a way that avoids any significant or unjustified reduction or loss of biological diversity or the introduction of known invasive species.*

# THE 15 ESP PRINCIPLES

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## Principle 10: Conservation of Biological Diversity

- identify:
- 1) the presence in or near the project/programme area of important biological diversity;
- 2) potential of a significant or unjustified reduction or loss of biological diversity, and
- 3) potential to introduce known invasive species.

# THE 15 ESP PRINCIPLES

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## **Principle 11: Climate change**

- ▶ ***Projects/programmes supported by the Fund shall not result in any significant or unjustified increase in greenhouse gas emissions or other drivers of climate change.***

# THE 15 ESP PRINCIPLES

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## Principle 11: Climate change

- Compliance with the principle may be demonstrated by a risk-based assessment of resulting increases in the emissions of greenhouse gasses or in other drivers of climate change.

# THE 15 ESP PRINCIPLES

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## **Principle 12: Pollution Prevention and Resource Efficiency**

- *Projects/programmes supported by the Fund shall be designed and implemented in a way that meets applicable international standards for maximizing energy efficiency and minimizing material resource use, the production of wastes, and the release of pollutants.*

# THE 15 ESP PRINCIPLES

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## Principle 12: Pollution Prevention and Resource Efficiency

- ▶ minimize in a reasonable and cost-effective way the resources that will be used during implementation. This applies to all sources and forms of energy, to water, and to other resources and materials inputs.
- ▶ minimize the production of waste and the release of pollutants (including GHGs).

# THE 15 ESP PRINCIPLES

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## **Principle 13: Public Health**

- ▶ *Projects/programmes supported by the Fund shall be designed and implemented in a way that avoids potentially significant negative impacts on public health.*

## Principle 13: Public Health

- Possible public health impacts of a project/programme can be determined by assessing its impact on a range of so-called determinants of health. Public health is determined not just by access to medical care and facilities and lifestyle choices, but also by a much broader set of social and economic conditions in which people live.



# THE 15 ESP PRINCIPLES

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## Principle 14: Physical and Cultural Heritage

- **Projects/programmes supported by the Fund shall be designed and implemented in a way that avoids the alteration, damage, or removal of any physical cultural resources, cultural sites, and sites with unique natural values recognized as such at the community, national or international level. Projects/programmes should also not permanently interfere with existing access and use of such physical and cultural resources.**

# THE 15 ESP PRINCIPLES

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## Principle 14: Physical and Cultural Heritage

- The IE will identify the presence of cultural heritage in or near the project/programme. If cultural heritage exists, the IE will:
- Describe the cultural heritage, the location and the results of a risk assessment analysing the potential for impacting the cultural heritage; and
- Describe the measures to be taken to ensure that cultural heritage is not impacted, and if it is being accessed by communities, how this access will continue.

# THE 15 ESP PRINCIPLES

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## Principle 15: Lands and Soil Conservation

- ▶ *Projects/programmes supported by the Fund shall be designed and implemented in a way that promotes soil conservation and avoids degradation or conversion of productive lands or land that provides valuable ecosystem services.*

# THE 15 ESP PRINCIPLES

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## Principle 15: Lands and Soil Conservation

- *Soil conservation*
- The IE will identify:
  - 1) the presence of fragile soils (e.g. soils on the margin of a desert area, coastal soils, soils located on steep slopes, rocky areas with very thin soil) within the project area or
  - 2) project/programme activities that could result in the loss of otherwise non-fragile soil.

# THE 15 ESP PRINCIPLES

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## Principle 15: Lands and Soil Conservation

- *Valuable lands*
- The IE will identify productive lands and/or lands that provide valuable ecosystem services within the project/programme area.

# IMPLEMENTING THE ESP AND GP

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## Recommendations:

- Ensure risk identification and impact assessments are comprehensive, as well as the management response
- For projects/programmes with unidentified sub-projects or activities, the risk identification mechanism must be included in the ESMP, which is mandatory for such projects/programmes
- An ESMP needs a clear structure and a clear allocation of roles and responsibilities.
- The link between the environmental and social safeguard measures of a project/programme and the Environmental and Social Management System (ESMS) of the IE must be clear.

# IMPLEMENTING THE ESP AND GP

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## Recommendations:

- ▶ Make an appointment for an individual session with us at the AF Secretariat



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