



ADAPTATION FUND

## CASE STUDY 3:

# Project/programme with ESP principles issues: Access & Equity and Public Health

**This case study describes a project proposal that provides risks identifications for the Environmental and Social Policy (ESP) principles on Access & Equity and on Public Health that are inadequate.**

## THE CASE

### **HOLLOW CITY CLOSED GOLD MINE WASTE AND FLOOD MANAGEMENT PILOT PROJECT.**

Hollow City is known for its rich gold reserves contained in hard rock. The region is located on a volcanic plateau and foothills and is otherwise known for its favorable conditions for grain crops and livestock development. For years exploited gold quarries in the area have had negative impacts on the environment. Rocks mined from blasted areas are crushed into a fine powder allowing for the water-based extraction of small gold particles. Many mines were closed due to falling returns after the most accessible rich deposits had been mined out. No conservation and reclamation work on these closed mines were carried out, perpetuating existing and creating additional environmental problems. Hundreds of hectares of agricultural and natural landscapes have been degraded. Dust caused by strong winds and heavy metals from snowmelt and rainfall spread over great distances polluting natural agriculture landscapes. As a result, there is a decrease in the yield of agricultural crops, crop quality, and adaptive capacity of natural landscapes to climate change.

Unusually high spring temperatures are increasing the frequency of severe floods. As a result, snowmelt accelerates, causing strong floods. Industrial waste of the mines dumped into two storm canals passing through Hollow City significantly reduced their water carrying capacity. During intense spring snowmelt and heavy rains, flood waters now overflow every year into residential and public buildings, lands, streets and yards, spreading contaminated sludge over large areas. The city does not have the resources or capacity to address the problem.

The project objectives are to:

1. Increase adaptive ability of natural and agricultural landscapes,
2. Prevent floods and eliminate their consequences,
3. Restore the natural landscape of the area affected by climate change and anthropogenic impacts, at the same time to demonstrate the possibilities of adaptation-related rehabilitation of degraded natural landscapes,
4. Improve the adaptation potential of community producers, institutions, and other relevant stakeholders under current climate change conditions.

The main characteristics of the project are the following:

EXPECTED CONCRETE OUTPUTS	
Component	Outputs
<b>Component 1: Restoration, management and increase of adaptation potential of natural landscapes of the area affected by climate change and anthropogenic factors.</b>	<ul style="list-style-type: none"> <li>● Restored soil cover of abandoned mines</li> <li>● Restored soil layer protected against winds and intense adverse effects of rain</li> <li>● The area provided with irrigation water</li> <li>● Resilience of adjacent natural landscapes to climate change impacts increased</li> <li>● Crop yield and crop quality of the adjacent agriculture landscapes increased</li> <li>● Adverse effects on the health of the population of adjacent communities decreased</li> <li>● Flood risk reduced</li> <li>● Favourable conditions created for the recreation of the residents</li> <li>● Forested area increased</li> </ul>
<b>Component 2: Prevention and management of floods</b>	<ul style="list-style-type: none"> <li>● Restored storm canals that carry heavy snowmelt and rainwater</li> <li>● Protected the storm canals from fresh waste blocking these canals</li> <li>● Improved sanitary condition of Hollow City</li> <li>● Reduced risk of epidemics</li> </ul>
<b>Component 3: Raising awareness and knowledge level of population for the management of gold mine wastes and floods</b>	<ul style="list-style-type: none"> <li>● The level of knowledge on effective recovery methods of degraded natural and agriculture landscapes increased</li> <li>● The knowledge level of the population on natural and agriculture landscape adaptation to climate change increased</li> <li>● Increased knowledge level of the population on the occurrence and prevention possibilities of floods</li> <li>● Promoted importance of the sustainable thinking related to the landscape adaptation to climate change in communities</li> <li>● The involvement of local media and environmental NGOs in the process of mitigating the negative effects of climate change increased</li> <li>● Project results available to all interested parties</li> </ul>

The project will work with local authorities and institutions to identify and prioritise in a fair and transparent manner the beneficiaries of the activities aimed at improving farm productivity (component 1).

The population of Hollow City is 20,360, of which 9,870 are male, 10,490 are female. The number of families is 6,120. There are 3,320 pensioners registered in the community, of whom 1,107 are single. The number of socially vulnerable families is 1,855, of which 1,182 are recipients of benefits. 1,446 disabled people of different degrees are registered in the community. Three of the five clans in the city dominate public life, with clan leaders having built up a level of wealth from profits of the gold mining. Migration, socio-economic inadequacy, low birth rate, illness, increased number of deaths due to polluted atmosphere and the increasing level of outbound employment, lack of financial resources and the lack of market access for finished products are the major obstacles and challenges for the development in the community.

## THE ISSUE

The issue with this case is that the risk findings for the principles on Access and Equity and Public Health were **inadequate**.

### What was the approach taken by the IE?

The project proposal included the outcome of the required environmental and social risks identification. The following risk findings were presented in section II.K:

Environmental and social principles	Assessment of compliance, justification of risk findings	Risk to Project
<b>Principle 2:</b> Access and Equity	<p>The project will provide fair and equitable access to the project beneficiaries and will facilitate access to robust institutions, sustainable livelihoods, knowledge, as well as in decision making processes. The compact area affected communities makes it easier to share information and transfer knowledge using mediums like community groups such as, youth and women organizations, staff of operating mines, beneficiary farmer and family groups.</p> <p>No further assessment of potential impacts and risks is required for compliance, since the project planned activities will not reduce or prevent communities in the target areas from accessing basic health services, clean water and sanitation, energy, education, housing, safe and decent working conditions and land rights.</p>	Very Low
<b>Principle 13:</b> Public Health	The stability of ecosystem balance will contribute to the improvement of public health. Thus, no adverse impact on public health related issues is envisaged.	N.A.

For the **Principle 2: Access and Equity**, the implementing entity (IE) arrived at the finding that the risk was very low. Reference was made to the intention to provide fair and equitable access for the project beneficiaries and the relative ease of effective and comprehensive communications. Further, there would be no restrictions to existing access.

For the **Principle 13: Public Health**, the IE concluded that the principle does not apply. The justification provided refers to the anticipated project outcome of 'ecosystem balance stability', which will contribute to improving public health. The risk finding does not further refer to the existing public health issues in the project area, nor to the project activities.

### What are the shortcomings of their approach?

- ▶ The risks findings do not describe the process of allocating benefits and does not provide much other evidence to substantiate the risk findings.
- ▶ The description of the social setting in the city, and the methodology of identifying (part of) the beneficiaries, do suggest that the dominant clans may impede a fair and equitable allocation of access to project benefits. This risk should be acknowledged in the risk findings.
- ▶ A further impact assessment should be carried out to ascertain the magnitude of the negative impact, and to identify any measures that could be taken to mitigate the risk.

For the principle on Public Health, it is clear from the proposal that the project will be implemented in an area of significant environmental pollution-related public health issues. This is stated in the description of the challenge the project addresses. It is further evident from the high number of people with disabilities and the relative low number of pensioners.

- ▶ The activities of soil works, agriculture and clearing of likely contaminated waste deposits all do involve manipulation and transport of potentially hazardous materials. The risks of these materials to public health has been clearly described elsewhere but not in the risk identification section.
- ▶ The scope of the risk identification is too narrow, has not examined the actual risks and seems to have only taken anticipated positive project outcomes into consideration.

The outcome of ESP risks identification as 'not applicable' for a principle may only be found in very exceptional cases. These may be in the cases where the scope of the activities is very limited and narrow, and by their nature would eliminate a certain risk. E.g. the principle on Lands and Soil Conservation for a project to develop remote sensing methods of sea ice dynamics determining access to certain arctic deep-sea fishing grounds.

## THE SOLUTION

The proposal already contains much of the information required for adequate ESP risks identification, for both principles.

**For the principle on Access and Equity**, acknowledging the risk that access to project benefits could be distorted by the ruling clans would then have led to the identification of measures to prevent such a risk, or to a redesign of the mechanism to allocate access to project benefits. As such, this case illustrates very well the importance of the ESP and GP as project design tools that generate the best results when applied from the very beginning of project formulation.

**For the principle on Public Health**, the risks are widespread and substantial, and cannot be easily mitigated. The potential negative impacts of the project activities will also be difficult to identify against the already existing poor public health situation. In this case, a health impact screening should have been carried out, to rapidly and systematically identify the project's potential impacts on public health and determine if a further, thorough public health impact assessment and the development of a management plan was needed.