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# Session 11: Social and Environmental Considerations

September 14, 2017

USAID Climate Change Adaptation Project Preparation Facility for Asia and the Pacific  
(USAID Adapt Asia-Pacific)

- Day 1: Climate Finance and the “Evidence Base”
- Day 2: Linking to Broader Strategies and Problem Identification
- Day 3: Managing Project Prep and Economic Considerations
- **Day 4: Safeguards and Project Design**
- Day 5: M&E and the Path Forward



### Module 2: Finance for Adaptation

This module will cover the main sources of finance for adaptation, focusing on the main international funds, and how to access their resources. If the country in which the materials are being implemented has a domestic fund, the module will cover the domestic fund. Full details for localization of this module can be found in the instructor guide. In addition, it will include the global Adaptation Fund (AF), Green Climate Fund (GCF), Global Environment Facility (GEF), etc. The aim of the module is to inform participants of the various sources, their requirements for access, an orientation to their formats for project concepts and proposals, and the main features of project proposals that they seek.

**Outcomes of module 2:** *Trained government personnel who understand the basics of identifying international climate finance for use in future CCA projects in their countries.*

**Objective of module 2:** Training materials on the various sources of international financing for CCA projects. The materials will be adequate for presenting a one-day module to a group of country officials, including slides, case studies and supporting

notes/source information.



## Session 11 QUIZ

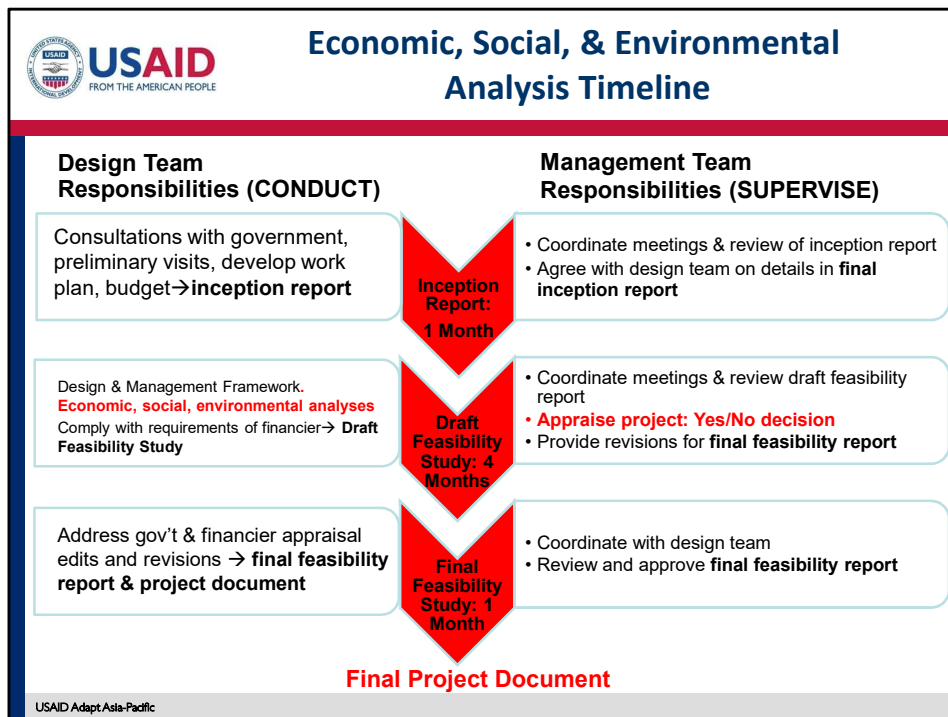
- Is your project close to any populated areas?
- Is your project close to any cultural or historic sites?
- Is your project close to any important ecosystems, watersheds, wetlands, coastal areas, or protected areas?
- Will your project produce any pollution, greenhouse gases, or solid waste?
- Will your project potentially affect any specific groups of people (e.g. minorities, migrants, poor people)?
- Does your project have differential effects on men and women?
- Does your project involve relocation or resettlement?

*If you answered "YES" to any of these questions, your project will require screenings!*



## Session 11 Outcomes

- Understand and apply decision rules related to a project's potential environmental and social impacts
- Identify the kinds of environmental and social screenings that could potentially be required for your project concept
- Describe some examples of social and environmental safeguards that have been applied in successful adaptation and development projects



As noted on the last slide, after a project concept has been selected, you will develop a terms of reference along with a budget for project preparation. This will be followed by a competitive process in which a consulting firm will be selected to produce a project **feasibility study**. The feasibility study is among the most important steps for the project; this is where the “nuts and bolts” details of the project get fleshed out. This timeline illustrates the typical milestones in conducting a feasibility study, along with the roles of the design team, and the management team.

Once the project team is selected, the feasibility study begins. The team will conduct some initial investigations. After approximately one month, the team will submit an **Inception Report** to the government. During this period the management team (government) will facilitate visits, meetings, & support requests made by the design team. To be successful, the management team should be supportive of the design team. This includes setting up meetings and visits, but also logistical considerations such as office space, Internet connection, etc. The government then reviews the report and reaches agreement on the design principles of the project.

During the next phase the real work on the feasibility study begins. The design team will conduct a number of tasks, including a socio-economic baseline survey, user

surveys, and interviews with stakeholders. The team will travel to all project sites and prepare the *project design and management framework*, a climate assessment, vulnerability assessment, social assessment, economic analysis, environmental impacts assessment, and procurement plan. Typically after 4 months of work (5 months after the initiation of the feasibility study), the team will submit a **Draft Final Report**. In this module we will focus primarily on three of the tasks associated with the preparation of the draft final report:

1. Economic analysis
2. Social analysis
3. Environmental analysis.

Upon submission, the government will review and comment on the draft final report, returning it to the design team for finalization. After approximately 1 more month (6 months after the initiation of the feasibility study), the team will submit a **Final Feasibility Study**. This will eventually become the project that is proposed to a funding agency. Emphasize here that different financiers have different format requirements, and will provide varying levels of support. For examples, ADB & WB generally send a team of experts to assist with this process. On the other hand, the Adaptation Fund & GCF provide little if any in-country support, though they do provide comments and feedback on drafts.

**Facilitator:** This last point is extremely important in the context of the move towards **direct access** funding mechanisms, which was mentioned in modules 1 & 2. Strong financier involvement in the project design stage is very characteristic of **multi-lateral access** funding, and is a characteristic of traditional multi-lateral development work. However, direct access mechanisms require a higher level of competency and capability from governments. In direct access, government officials are charged with more of the responsibilities that would otherwise be handled by multi-lateral agency staff. Therefore, it is extremely important to have a thorough understanding of all steps of project design, because the quality and hence bankability and effectiveness will be determined in part by the way that you manage the process!



## Safeguards: General Points

- All financiers have safeguards policies
- Direct Access: countries responsible for safeguards!
- Environmental and social aspects considered part of risk management
- For ADB: safeguards apply to all ADB projects
- Responsibility: Design team; funder works with clients
- Use independent experts
- For more information on ADB's safeguards policy, go [here](#)



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Safeguards is a general term for policies, procedures, and assessments designed to address potential environmental and social impacts of development projects. Safeguards have been developed and revised over time based on project experience and a general trajectory towards greater inclusiveness in project design and greater sensitivity in project implementation. For organizations, safeguards have a number of key functions, including:

- Reflecting institutional aims to address environmental and social risks and impacts in operations
- Provide a robust structure for managing operational and reputational risks of projects
- Ensure the environmental and social soundness and sustainability of operations
- Support integration of environmental and social soundness and sustainability of operations
- Support integration of environmental and social aspects of operations into decision-making processes by all parties
- Provide a mechanism for addressing environmental and social issues in project identification, development, and implementation
- Identify and manage environmental and social risks and impacts



- Provide a framework for public consultation and disclosure of information
- Improve development effectiveness and impact to increase results on the ground, both short and long term
- Support clients in the implementation of their national environmental and social legislation and related international agreements to which they are parties
- Facilitate cooperation on environmental and social matters with development partners.

(List adapted from draft Environmental and Social Framework, Asian Infrastructure Investment Bank. Download at <http://www.aiib.org/uploadfile/2015/0907/20150907061253489.pdf>; also included in participant resources pack.)

**All funders have safeguards.** Virtually every funding agency you will be working with has some sort of safeguard policy system in place. Organizations with safeguards include the following:

- World Bank: The World Bank’s current policies were developed over the last 20 years to help identify, avoid, and minimize harms to people and the environment. These safeguards require borrowing governments to address certain environmental and social risks in order to receive Bank financing for development projects. World Bank social safeguards include:
  - Labor and Working Conditions
  - Biodiversity Conservation and Sustainable Management of Living natural Resources
  - Indigenous Peoples
  - Cultural Heritage: defined as movable or immovable objects, sites, structures, groups of structures, and natural features and landscapes that have archaeological, paleontological, historical, architectural, religious, aesthetic, or other cultural significance. Physical cultural resources may be located in urban or rural settings, and may be above or below ground, or under water. Their cultural interest may be at the local, provincial or national level, or within the international community. Physical cultural resources are important as sources of valuable scientific and historical information, as assets for economic and social development, and as integral parts of a people’s cultural identity and practices. The Bank assists countries to avoid or mitigate adverse impacts on physical cultural resources from development projects that it finances.
- ADB
- International Finance Corporation
- Global Environment Facility
- UNDP

- Most bilateral development agencies
- Many leading private commercial banks
- Most export credit and insurance agencies

In the words of the Adaptation Fund, “the prevalence of environmental and social policies at international finance and development institutions reflects a broad consensus among governments, development economists, civil society, and other stakeholders that such policies are critical to achieving positive sustainable development outcomes and avoiding any unreasonable harm. Many countries, both donor and recipient countries, have also adopted domestic laws that are similar to many of these international environmental and social policies”.

**Direct Access: Countries responsible for safeguards.** As we have mentioned several times over this course, direct access financing for adaptation is gaining a great deal of momentum. Under direct access, host countries will largely be responsible for developing and implementing environmental and social safeguard policy frameworks and procedures.

**Environmental and social aspects considered part of risk management.** This means that once assessments are completed and potential risks are identified, a risk management plan needs to be developed.

**For ADB: Safeguards apply to all ADB projects.** The Safeguard Policy Statement and related procedures apply to all ADB-financed and/or ADB-administered projects and their components, regardless of the source of financing, including investment projects funded by a loan; and/or a grant; and/or other means, such as equity and/or guarantees.

In the words of the ADB, “the objectives of [the safeguards policy is] to avoid, or when avoidance is not possible, to minimize and mitigate adverse project impacts on the environment and affected people, and to help borrowers strengthen their safeguard systems and develop the capacity to manage environmental and social risks”. ADB’s 2009 safeguard policy incorporates previous safeguard policies: 1) environment; 2) involuntary resettlement; and 3) indigenous peoples. The new (2009) Safeguard Policy Statement created a consolidated policy framework on these three issues and provides a platform for participation by affected people and other stakeholders in project design and implementation.

**Responsibility: Design team.** In many cases the funder will work with the borrower/client to put into practice the requirements of the Safeguards Policy Statement. However, if the project is domestically funded (e.g. a ministry project), then the environment ministry may be asked to conduct these studies.

**Use independent experts.** Safeguard screening should be conducted by outside experts that do not have vested interests in the outcome of the screening. They should also be insulated from influence from government or third parties.

**For more information on ADB's safeguards policy,** visit <http://www.adb.org/site/safeguards/policy-statement>, where you can download the policy in any of a dozen languages.

The information on this slide addresses **learning objective 4.3.A.**



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## ADB Environmental Safeguards

- Includes environmental assessment, natural habitats, physical cultural resources
- Initial Environmental Examination
- Environmental Assessment Review Framework
- Environmental Impact Assessments
- Social and Environmental Compliance Audit Reports
- Environment and Social Management System Frameworks

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The Asian Development Bank (ADB) has a number of policies in place to help ensure that environmental damage is avoided or mitigated in ADB-funded projects. This slide describes the documents and procedures associated with environmental assessment and measures.

**Includes environmental assessment, natural habitats, physical cultural resources.**

Forest issues are also addressed through environmental safeguards and the Bank's sector policy on forestry (1995).

**Initial Environmental Examination (IEE):** This describes the environmental condition of a project, including potential impacts, the formulation of mitigation measures, and the preparation of institutional requirements and environmental monitoring for the project.

**Environmental Assessment Review Framework (EARF):** This document outlines procedures for the preparation of environmental assessment documents for a project to ensure environmental impacts are appropriately addressed and mitigated.

**Environmental Impact Assessment (EIA):** The EIA examines social and environmental consequences of the project prior to execution and provides information to decision-

makers and the public about the environmental implications of proposed actions before decisions are made.

**Social and Environmental Compliance Audit Reports:** These describe compliance to social or environmental safeguards requirements based on ADB Safeguards Policy Statement and include conclusions and recommendations

**Environmental and Social Management Systems Frameworks (ESMS):** These provide guidelines and frameworks for establishing the environmental and social management systems for a project that is consistent with the safeguard policy principles and requirements of ADB.

As noted, other funders have their own safeguard policies. Although there are some broad similarities, you will need to be familiar with the policies of different agencies. For example, the World Bank has a number of environmental safeguards, including:

- **Natural Habitats** – seeks to ensure that World Bank-supported infrastructure and other development projects take into account the conservation of biodiversity, as well as the numerous environmental services and products which natural habitats provide to human society. The policy strictly limits the circumstances under which any Bank-supported project can damage natural habitats (land and water areas where most of the native plant and animal species are still present). Specifically, the policy prohibits Bank support for projects which would lead to the significant loss or degradation of any Critical Natural Habitats.
- **Pest Management** – Rural development and health sector projects have to avoid using harmful pesticides. A preferred solution is to use Integrated Pest Management (IPM) techniques and encourage their use in the whole of the sectors concerned. If pesticides have to be used in crop protection or in the fight against vector-borne disease, the Bank-funded project should include a Pest Management Plan (PMP), prepared by the borrower, either as a standalone document or as part of an Environmental Assessment.

The information on this slide addresses **learning objective 4.3.B**.

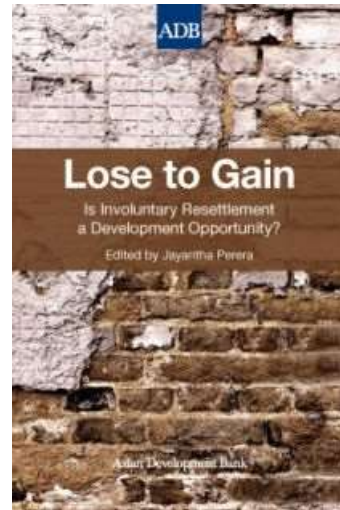
Information for this slide was sourced from <http://www.adb.org/site/safeguards/safeguards-documents>, last accessed 2/10/16. Further descriptions, examples, and forms for all of the documents described here can be accessed via this URL.



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## ADB Involuntary Resettlement Safeguards

- Objectives: Avoid/minimize involuntary resettlement, restore livelihoods of displaced, improved living standards of displaced
- Displaced people vulnerable to economic, social, environmental distress
- Project design should **minimize** physical relocation, loss of land, disturbance of livelihoods
- Applies to all ADB-involved projects



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**Objectives.** The ADB Safeguards Policy Statement (2009) objectives regarding involuntary resettlement are:

- To avoid involuntary settlement wherever possible
- To minimize involuntary resettlement by exploring project and design alternatives
- To enhance, or at least restore, the livelihoods of all displaced persons in real terms relative to the pre-project levels
- To improve the standards of living of the displaced poor and other vulnerable groups.

**Displaced people vulnerable to economic, social, environmental distress.** The policy objectives reflect the recognition that unless properly managed, people and communities displaced by development projects can suffer severe economic, social, and environmental distress, including the loss of their housing, productive lands, income sources and livelihoods as well as social tensions and diminished cultural identity. The vulnerable group and poor are more likely to be disproportionately affected, resulting in long-term hardship and impoverishment.

**Project design should minimize physical relocation, loss of land, disturbance of**

**livelihoods.** The ideal way to minimize resettlement impacts is to design projects that avoid or minimize the number of persons affected by physical relocation, loss of land, or disturbance of income generation activities. However, the context of economic, technical, ecological, and other social factors in which a development project is designed must be also considered, and therefore land acquisition and involuntary resettlement are often impossible to be eliminated altogether. If involuntary resettlement is unavoidable, the SPS mandates that ADB-supported projects meet all applicable specific requirements on compensation, assistance, benefit sharing, assessment of social impacts, resettlement planning, information disclosure, consultation, grievance redress mechanism, and monitoring and reporting, as laid out in the SPS. It is believed that the policy objectives can be achieved only if all these requirements are appropriately incorporated into project design and effectively implemented.

**Applies to all ADB-involved projects.** The SPS applies to all ADB-financed and/or ADB-administered sovereign and non-sovereign projects and project components, no matter whether they are financed by ADB, the borrower/client, or co-financiers. ADB will not finance projects that do not comply with the requirements laid out in the SPS. Nor will it finance projects that do not comply with the host country's laws and regulations, including those laws for which the implementing host country has obligations under international law.

Other funders have policies focusing on involuntary resettlement as well. The World Bank's policy, for example, regulates the involuntary taking of land and involuntary restrictions of access to legally designated parks and protected areas. The policy aims to avoid involuntary resettlement to the extent feasible, or to minimize and mitigate its adverse social and economic impacts. It promotes participation of displaced people in resettlement planning and implementation, and its key economic objective is to assist displaced persons in their efforts to improve or at least restore their incomes and standards of living after displacement.

The image on the right side of this slide is of an ADB publication entitled "Lose to Gain: Is Involuntary Resettlement a Development Opportunity" (2014) and was sourced from <http://www.adb.org/publications/lose-gain-involuntary-resettlement-development-opportunity>, last accessed 2/10/16. This book assesses the adequacy of conventional compensation and resettlement assistance programs to help policy makers, project sponsors, and project executing agencies improve resettlement planning and implementation programs and assist in reforming resettlement policies and land laws. The book can be downloaded from the URL included above. It is also included in the participant resource pack.

The information on this slide addresses **learning objectives 4.3.A, 4.3.B & 4.3.C.**



## ADB Key Principles for Involuntary Displacement



- Screen early!
- Meaningful consultations
- Restore/improve livelihoods
- Provide assistance
- Improve standards of living
- Ensure transparency
- Recognize informal title
- Enumerate entitlements
- Full disclosure
- Include costs in project
- Pay compensation
- Follow up!

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**Screen early!** Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks.

**Meaningful consultations.** Carry out meaningful consultations with affected persons, host communities, and concerned nongovernment organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs. Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, and indigenous peoples, and those without legal title to land, and ensure their participation in consultations. Establish a grievance redress mechanism to receive and facilitate resolution of the affected persons' concerns. Support the social and cultural institutions of displaced persons and their host population. Where involuntary resettlement impacts and risks are highly complex and sensitive, compensation and resettlement decisions should be preceded by a social preparation phase.

**Restore/improve livelihoods.** Improve, or at least restore, the livelihoods of all



displaced persons through: (a) land-based resettlement strategies when affected livelihoods are land based where possible or cash compensation at replacement value for land when the loss of land does not undermine livelihoods; (b) prompt replacement of assets with access to assets of equal or higher value; (c) prompt compensation at full replacement cost for assets that cannot be restored; and (d) additional revenues and services through benefit sharing schemes where possible.

**Provide assistance.** Provide physically and economically displaced persons with needed assistance, including the following: (a) if there is relocation, secure tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, and extension of project benefits to host communities; (b) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (c) civic infrastructure and community services, as required.

**Improve standards of living.** Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards. In rural areas provide them with legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing.

**Ensure transparency.** Develop procedures in a transparent, consistent, and equitable manner if land acquisition is through negotiated settlement to ensure that those people who enter into negotiated settlements will maintain the same or better income and livelihood status.

**Recognize informal title.** Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.

**Enumerate entitlements.** Prepare a resettlement plan elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.

**Full disclosure.** Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, before project appraisal, in an accessible place and a form and language(s) understandable to affected persons and other stakeholders. Disclose the final resettlement plan and its updates to affected persons and other stakeholders.

**Include costs in project.** Conceive and execute involuntary resettlement as part of a development project or program. Include the full costs of resettlement in the presentation of project's costs and benefits. For a project with significant involuntary resettlement impacts, consider implementing the involuntary resettlement component of the project as a standalone operation.

**Pay compensation.** Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation.

**Follow up!** Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports.

The information on this slide addresses **learning objectives 4.3.A, 4.3.B & 4.3.C.**

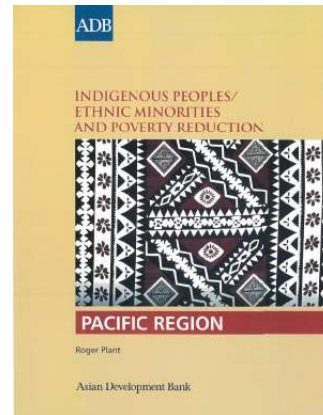
The images on the left side were both sourced from the ADB's webpage on Inclusive and Environmentally Sustainable Growth (<http://www.adb.org/features/toward-inclusive-and-environmentally-sustainable-growth-ADB-s-project-safeguards>, last accessed 2/10/2016). The story behind the top picture is that more than 1,000 members of the Co Tu ethnic minority had to be relocated to make way for the construction of the Song Bung 4 hydropower dam. A key component of the project was the active participation of the Co Tu ethnic group in the resettlement process. The bottom picture shows members of the Co Tu ethnic group attending a resettlement development group meeting.



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## ADB Indigenous Peoples Safeguards

- Designed to “foster full respect for IP identity, dignity, human rights, livelihood systems, and cultural uniqueness”
- Safeguards respond to history of marginalization in development
- Special efforts required to overcome marginalization
- Safeguards triggered by potential negative AND positive impacts
- Safeguards may apply to non-ADB activities



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**Designed to “to foster full respect for IP identity, dignity, human rights, livelihood systems, and cultural uniqueness”.** These are the policy objectives of the ADB Safeguards Policy Statement (SPS) with respect to indigenous peoples. This policy is in place so that indigenous peoples:

- Receive culturally appropriate social and economic benefits
- Do not suffer adverse impacts as a result of projects
- Can participate actively in projects that affect them.

**Safeguards respond to a history of marginalization in development.** In the words of the ADB: “the need for IP safeguards is an explicit acknowledgement of the special historical circumstances of IP as related to the development process. Due to a history of discrimination and exclusion that has often left indigenous peoples on the margins of the larger societies in which they live, they frequently face difficulties in directing the course of their own development and well-being. They are therefore disproportionately affected by poverty and exclusion. In recent years, projects have increasingly been situated in areas inhabited by IP, but project effects on their cultures and livelihoods have rarely given appropriate and adequate consideration”.

**Special efforts required to overcome marginalization.** Continuing from ADB

documents: “For this reason, special efforts are needed to overcome such marginalization to work with IP in devising development strategies that reflect their own desires and values. **Such special efforts to engage them should begin when a project that potentially affects them is first conceptualized, and then continue throughout the life of the project**”.


**Safeguards triggered by potential negative AND positive impacts.** It should be emphasized here that the safeguards apply to ANY project that has a potential impact on indigenous people, even if that impact is positive. The safeguards apply equally when projects affect lands simply claimed as ancestral domain, lands IPs actually occupy for their residential or farming sites; lands used for gathering water or forest products; or land they own. However, IPs do not necessarily need to have formal legal title to project-affected territories or resources for the safeguards to apply.

**Safeguards may apply to non-ADB activities.** In some instances, the ADB may assist governments with corrective actions in project areas where indigenous people have been resettled or otherwise affected **prior to ADB involvement**. For example in the ADB Comprehensive Socioeconomic Urban Development Project in Viet Nam, one town in Lang Son Province (Dong Dang) had already carried out some resettlement and construction activities in the project area a few years earlier—well before the project was considered—for economic reasons (the town is in a border region). The Government, as part of overall project preparation, formulated a corrective action plan to address the previous activities and bring them in line with ADB policy. The plan had both IP and involuntary resettlement actions, and became part of the ethnic minority development plan and the resettlement plan. Actions included both mitigative measures and additional benefits, ensuring that people affected by earlier projects were treated equally with those under the new project.

The image on the right side of this slide is the cover of an ADB report on Indigenous Peoples and poverty reduction in the Pacific region, produced in 2002. The image was sourced from <http://www.adb.org/publications/series/indigenous-peoples-ethnic-minorities-and-poverty-reduction>, last accessed 2/10/2016. The report can be downloaded from this URL, along with reports on other countries, including:

- Cambodia
- Indonesia
- Philippines
- Vietnam.

The information on this slide addresses **learning objectives 4.3.A, 4.3.B & 4.3.C**.

 <b>ADB Indigenous Peoples Safeguards: RESPONSIBILITIES</b>	
<b>ADB</b>	<b>Host Country</b>
<ul style="list-style-type: none"> <li>• Screen projects &amp; due diligence</li> <li>• Determine feasibility for financing</li> <li>• Determine capacity to implement IPP</li> <li>• Determine corrective measures (if necessary)</li> </ul>	<ul style="list-style-type: none"> <li>• Assess projects for impacts</li> <li>• Engage with affected communities</li> <li>• Comply with all applicable laws, regulations, &amp; standards</li> <li>• Include IP safeguard requirements in bidding documents</li> </ul>

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The borrower/client is usually responsible for preparing IP planning and design documents, while ADB is responsible for ensuring that these documents comply with its policy and for verifying that the borrower/client has the capacity to fund and implement the IPP.

**ADB:**

- ADB is responsible for screening projects to specify its safeguard requirements (Section IV). This involves reviewing and categorizing projects early, so as to identify issues that may affect IP. During IPP preparation, ADB is responsible for carrying out due diligence of the processes undertaken by the borrower/client to ensure compliance with ADB policy. It should include a review of the borrower/client’s social and environmental assessments and the plans to ensure that safeguard measures are in place to avoid, wherever possible, and minimize, mitigate, and compensate for adverse social and environmental impacts, and to ensure culturally appropriate accrual of project benefits.
- ADB should determine feasibility for ADB financing, and assess the capacity and capability of the borrower/client to fund and implement the IPP.
- ADB is also responsible for ascertaining that the borrower/client has engaged in a

process to obtain broad community support in specified projects and to assess the adequacy of the outcomes from that process. ADB should assist the borrower/client to build capacity to deliver the safeguards, and monitor and supervise its social and environmental performance throughout the project cycle. (ADB discloses safeguard plans and frameworks, including social and environmental assessments and monitoring reports, on its website.)

- If a borrower/client fails to comply with legal agreements on safeguard requirements, including those described in the safeguard plans and frameworks or Environment and Social Management System, ADB will seek corrective measures and work with the borrower/client to ensure compliance. If the borrower/client fails to ensure compliance, ADB may exercise legal remedies, including suspension, cancellation, or acceleration of loan maturity, that are available under ADB legal agreements. Before resorting to such measures, ADB should use other means to rectify the situation satisfactorily to all parties to the legal agreements, including initiating dialogue with parties.

### **Host Country**

- The borrower/client is responsible for assessing projects and their environmental and social impacts, preparing safeguard plans, and engaging with affected communities through information disclosure, consultation, and informed participation following all policy principles and safeguard requirements. The borrower/client will submit all required information—including assessment reports, safeguard plans/frameworks, and monitoring reports—for ADB's review.
- The borrower/client must comply with host-country laws, regulations, and standards, including host-country obligations under international law. Further, it must implement safeguard measures agreed with ADB to deliver the policy principles and meet the requirements.
- To ensure that contractors appropriately implement the agreed measures, the borrower/client includes the IP safeguard requirements in bidding documents and civil works contracts when deemed necessary by ADB and the borrower/client. Where national safeguard policies and regulations differ from ADB's SPS and safeguard requirements, ADB and the borrower/client will formulate and agree on specific measures to ensure that ADB's safeguard principles and requirements are fully complied with.

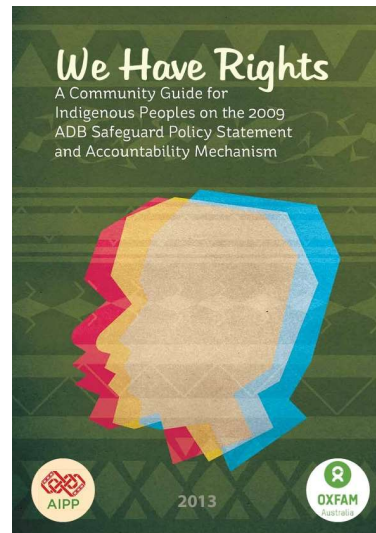
The information on this slide addresses **learning objectives 4.3.A, 4.3.B & 4.3.C.**



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## ADB Key Principles for Involvement of Indigenous Peoples

- Screen early!
- Use culturally appropriate methods
- Meaningful consultations
- Obtain consent
- Avoid restricted access
- Collaboratively develop and review Indigenous Peoples Plan
- Prepare legal recognition of rights and access
- Follow up!



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**Screen early!** Screen early on to determine: (i) whether Indigenous Peoples are present in, or have collective attachment to, the project area; and (ii) whether project impacts on Indigenous Peoples are likely.

**Use culturally appropriate methods.** Undertake a culturally appropriate and gender-sensitive assessment of social impacts or use similar methods to assess potential project impacts, both positive and adverse, on Indigenous Peoples. Give full consideration to options the affected Indigenous Peoples prefer in relation to the provision of project benefits and the design of mitigation measures. Identify social and economic benefits for affected Indigenous Peoples that are culturally appropriate and gender and inter-generationally inclusive and develop measures to avoid, minimize, and/or mitigate adverse impacts on Indigenous Peoples.

**Meaningful consultations.** Undertake meaningful consultations with affected Indigenous Peoples communities and concerned Indigenous Peoples organizations to solicit their participation: (i) in designing, implementing, and monitoring measures to avoid adverse impacts or, when avoidance is not possible, to minimize, mitigate, or compensate for such effects; and (ii) in tailoring project benefits for affected Indigenous Peoples communities in a culturally appropriate manner. To enhance Indigenous

Peoples' active participation, projects affecting them will provide for culturally appropriate and gender inclusive capacity development. Establish a culturally appropriate and gender inclusive grievance mechanism to receive and facilitate resolution of the Indigenous Peoples' concerns.

**Obtain consent.** Ascertain the consent of affected Indigenous Peoples communities to the following project activities: (i) commercial development of the cultural resources and knowledge of Indigenous Peoples; (ii) physical displacement from traditional or customary lands; and (iii) commercial development of natural resources within customary lands under use that would impact the livelihoods or the cultural, ceremonial, or spiritual uses that define the identity and community of Indigenous Peoples. For the purposes of policy application, the consent of affected Indigenous Peoples communities refers to a collective expression by the affected Indigenous Peoples communities, through individuals and/or their recognized representatives, of broad community support for such project activities. Broad community support may exist even if some individuals or groups object to the project activities.

**Avoid restricted access.** Avoid, to the maximum extent possible, any restricted access to and physical displacement from protected areas and natural resources. Where avoidance is not possible, ensure that the affected Indigenous Peoples communities participate in the design, implementation, and monitoring and evaluation of management arrangements for such areas and natural resources and that their benefits are equitably shared.

**Develop Indigenous Peoples Plan.** Prepare an Indigenous Peoples Plan (IPP) that is based on the assessment of social impacts with the assistance of qualified and experienced experts and that draw on indigenous knowledge and participation by the affected Indigenous Peoples communities. The IPP includes a framework for continued consultation with the affected Indigenous Peoples communities during project implementation; specifies measures to ensure that Indigenous Peoples receive culturally appropriate benefits; identifies measures to avoid, minimize, mitigate, or compensate for any adverse project impacts; and includes culturally appropriate grievance procedures, monitoring and evaluation arrangements, and a budget and time-bound actions for implementing the planned measures.

Disclose a draft IPP, including documentation of the consultation process and the results of the assessment of social impacts in a timely manner, before project appraisal, in an accessible place and in a form and language(s) understandable to affected Indigenous Peoples communities and other stakeholders. The final IPP and its updates will also be disclosed to the affected Indigenous Peoples communities and other stakeholders.

**Prepare legal recognition of rights and access.** Prepare an action plan for legal



recognition of customary rights to lands and territories or ancestral domains when the project involves: (i) activities that are contingent on establishing legally recognized rights to lands and territories that Indigenous Peoples have traditionally owned or customarily used or occupied; or (ii) involuntary acquisition of such lands.

**Follow up!** Monitor implementation of the IPP using qualified and experienced experts; adopt a participatory monitoring approach, wherever possible; and assess whether the IPP's objective and desired outcome have been achieved, taking into account the baseline conditions and the results of IPP monitoring. Disclose monitoring reports.

The image on the right side of this slide is the cover of a sourcebook produced by Oxfam, sourced from [http://www.iwgia.org/publications/search-pubs?publication\\_id=661](http://www.iwgia.org/publications/search-pubs?publication_id=661) last accessed 2/10/16. The guide is a tool for advocacy work and community actions. It focuses on the Asian Development Bank Safeguard Policy Statement of 2009 (ADB 2009 SPS), particularly its safeguard requirements for Indigenous Peoples. In addition, it features the ADB Accountability Mechanism of 2012 and contains the principles and process of the Free, Prior and Informed Consent (FPIC).



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## Gender Considerations & Safeguards

- Gender mainstreaming required by major financiers
- Climate change impacts men and women differently
- **Women have unique adaptive capacity and can be agents of change for (better or smart) adaptation**
- Demand growing for gender-sensitive CCA proposals
- Address gender issues throughout project cycle
  
- CHECK THE REQUIREMENTS OF YOUR FINANCIER



USAID CLIMATE CHANGE ADAPTATION PROJECT PREPARATION FACILITY FOR ASIA AND THE PACIFIC (USAID ADAPT ASIA-PACIFIC)

An Online Sourcebook:  
INTEGRATING GENDER  
IN CLIMATE CHANGE ADAPTATION PROPOSALS



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**Gender mainstreaming required by major financiers.** Because of the lessons learned by development practitioners over the past decades, the World Bank and others have focused on “the business case” for gender mainstreaming. Moreover, international and national rights-based frameworks have established that gender equity and equality are essential dimensions of basic human rights.

**Climate change impacts men and women differently.** As noted at several points in module 3 (yesterday), men and women are impacted differently by climate change, and often the impacts of climate change fall disproportionately on women. However, women also have key roles to play in adapting to climate change at the household, community, regional, and national levels, and their knowledge and skills can be harnessed to help design and implement CCA strategies, policies, and projects. Thus special recognition of these facts are needed in developing adaptation projects. Key areas of gender-based inequalities relevant to CCA projects include:

- Land rights
- Division of labor
- Existing knowledge systems and skills regarding CCA
- Power and decision-making
- Embedded inequalities in policies and institutions, both formal and

- informal
- Perceptions of risk and resilience.

Accounting for these differences in adaptation actions will enable the project to more effectively reduce risk and decrease vulnerability.

**Demand growing for gender-sensitive CCA proposals.** “Recognition of the importance of gender mainstreaming has increased for most CCA funders since the initiation of these funds, as have their expectations for how gender will be addressed in project proposals from applicants. This trend is expected to continue in the foreseeable future, particularly with the hiring of a senior gender specialist by the Climate Investment Fund Administrative Unit, the implementation of the Global Environment Facility’s (GEF) gender policy, and the start-up of the Green Climate Fund, which will emphasize the gender dimensions of climate change. Increasingly, climate fund applications who ignore or only superficially address gender will be finding that their proposals are less likely to be funded or they will be asked by funders to revisit these dimensions of their proposals” (Sourcebook pp. 6-7).

**Address gender issues throughout project cycle.** Effectively mainstreaming gender considerations into CCA projects involves gender sensitive data collection and analysis, inclusion of gender expertise on design, proposal, and project teams, identification of culturally appropriate and effective gender strategies based on gender data, assignment of dedicated budget for gender activities or components, gender indicators and targets, and gender-sensitive results monitoring. Focus on gender issues and plans with stakeholders at the front end of the project cycle, including attention to how gender-specific barriers can be addressed. **Without explicit attention to social and gender issues and specific strategies, projects have unintentionally further exacerbated existing social and gender inequalities.**

**Check the requirements of your financier.** Stakeholder consultation provides opportunities for engaging with women. Some explicitly require consideration of gender issues:

- Adaptation Fund: “Describe how the project/program provides economic, social and environmental benefits, with particular reference to the most vulnerable communities, and vulnerable groups within communities, including gender considerations”....”Discuss the equitable distribution of benefits to vulnerable communities, households, and individuals” ...”Discuss any concerns about negative development with respect to benefit distribution and how these threats and risks of further marginalization would be addressed”.
- Pilot Program for Climate Resilience: “Summarize country-level activities already underway on climate resilience, by government, non-state actors, and

development partners. Proposal should assess the adequacy of country-specific data on climate change impacts, vulnerabilities and adaptation, including the 'degree of disaggregation of data by demographic groups, including by gender, whether there is qualitative information to complement quantitative data and how participatory monitoring can be used'.

The image in this slide is from USAID Adapt Asia-Pacific's Integrating Gender in Climate Change Adaptation Proposals Sourcebook. Download the sourcebook at: <http://asiapacificadapt.net/gender-sourcebook/wp-content/themes/iges/pdf/integrating-gender-sourcebook.pdf>; it is also included in the participant resource pack. This guide focuses specifically on adaptation project proposal preparation. The Sourcebook provides the reader with tools to help answer the question, "how do we best go about incorporating gender considerations into our CCA proposal?"

The information for this slide was sourced from the Sourcebook.

### UNDP Screen for Gender Concerns

- Potential for adverse impacts on gender equality/the situation of women and girls?
- Potential to reproduce discriminations against women based on gender (participation, access to opportunities, distribution of benefits)?
- Have concerns regarding the project raised by women's groups or leaders during consultations been included in proposal and its risk assessment?
- Potential to limit women's ability to use, develop and protect natural resources?



From: <http://www.undp.org/content/undp/en/home/librarypage/operations1/undp-social-and-environmental-screening-procedure.html>.



## Social Safeguards: Example

III. SOCIAL SAFEGUARD ISSUES AND OTHER SOCIAL RISKS			
Issue	Significant/Limited/No Impact	Strategy to Address Issue	Plan or Other Measures Included in Design
<b>Involuntary Resettlement</b>	Limited to no impact	The scope of land acquisition for the Project is insignificant, and resettlement will be avoided. New water facilities will be constructed on private land (with the exception of ponds and small community piped systems). A framework has been prepared to guide any resettlement effects.	<input type="checkbox"/> Full Plan <input type="checkbox"/> Short Plan <input checked="" type="checkbox"/> Resettlement Framework <input type="checkbox"/> No Action
<b>Indigenous Peoples</b>	Limited to no impact	The proportion of ethnic and religious minorities in the project area is very small. Specific actions are included in the Project to ensure rural residents have equal access to project benefits, training, and meetings.	<input type="checkbox"/> Plan <input checked="" type="checkbox"/> Other Action <input type="checkbox"/> Ethnic Minorities Development Framework <input type="checkbox"/> No Action
<b>Labor</b> <input type="checkbox"/> Employment Opportunities <input type="checkbox"/> Labor Retrenchment <input type="checkbox"/> Core Labor Standards	Limited to no impact	The Project will help generate local jobs during the construction, operation, and maintenance of RWSS facilities.	<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input checked="" type="checkbox"/> No Action
<b>Affordability</b>	No impact	The poor and vulnerable groups will have equal access to goods and services under the Project, as affordability levels have been taken into consideration during project preparation.	<input type="checkbox"/> Action <input checked="" type="checkbox"/> No Action
<b>Other Risks and/or Vulnerabilities</b> <input type="checkbox"/> HIV/AIDS <input type="checkbox"/> Human Trafficking <input type="checkbox"/> Others	No impact	None.	<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input checked="" type="checkbox"/> No Action

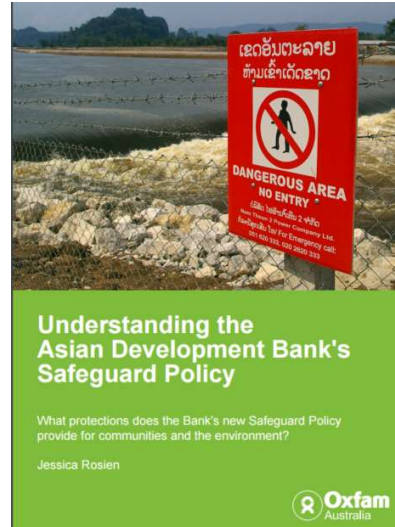
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Click to add notes.



## Social Safeguards: Additional Resources

- [Environment Safeguards: A Good Practice Sourcebook](#). ADB 2012.
- [Indigenous Peoples Safeguards: A Planning and Implementation Good Practice Sourcebook](#). ADB 2013.
- [Involuntary Resettlement Safeguards: A Planning and Implementation Good Practice Sourcebook](#). ADB 2012.
- [Involuntary Resettlement Sourcebook: Planning and Implementation in Development Projects](#). World Bank 2004.
- [Understanding the Asian Development Bank's Safeguard Policy](#). Oxfam 2010.



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[Environment Safeguards: A Good Practice Sourcebook](http://www.adb.org/sites/default/files/institutional-document/33739/files/environment-safeguards-good-practices-sourcebook-draft.pdf). ADB 2012. Download at <http://www.adb.org/sites/default/files/institutional-document/33739/files/environment-safeguards-good-practices-sourcebook-draft.pdf>. Also included in resource pack.

[Indigenous Peoples Safeguards: A Planning and Implementation Good Practice Sourcebook](http://www.adb.org/sites/default/files/institutional-document/33748/files/ip-good-practices-sourcebook-draft.pdf). ADB 2013. Download at <http://www.adb.org/sites/default/files/institutional-document/33748/files/ip-good-practices-sourcebook-draft.pdf>. Also included in participant resource pack.

[Involuntary Resettlement Safeguards: A Planning and Implementation Good Practice Sourcebook](http://www.adb.org/sites/default/files/institutional-document/32827/files/ir-good-practices-sourcebook-draft.pdf). ADB 2012. Download at <http://www.adb.org/sites/default/files/institutional-document/32827/files/ir-good-practices-sourcebook-draft.pdf>. Also included in participant resource pack. Available in Lao, Chinese, and Khmer.

[Involuntary Resettlement Sourcebook: Planning and Implementation in Development Projects](http://indr.org/wp-content/uploads/2013/02/World-Bank-Involuntary-Resettlement-Sourcebook.pdf). World Bank 2004. Download at <http://indr.org/wp-content/uploads/2013/02/World-Bank-Involuntary-Resettlement-Sourcebook.pdf>. Also

included in participant resource pack.

Understanding the Asian Development Bank's Safeguard Policy. Rosien, Jessica. Oxfam. 2010. Download at <https://www.oxfam.org.au/wp-content/uploads/2011/08/oaus-adbsafeguards-0610.pdf>. Also included in participant resource pack.





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## Knowledge Check

Environmental and Social Safeguards are only required on ADB and World Bank projects and programs?

- A. True
- B. False

The execution of environmental and social safeguards are the responsibility of potentially affected communities and groups?

- A. True
- B. False

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The answer to the first questions is “B”, “False”. Virtually all financiers and institutions require environmental and social safeguard procedures to be followed.

This question assesses **learning objective 3.3.A**.

The answer to the second question is “B”, “false”. The execution of environmental and social safeguards is the responsibility of the design team and the host government.

This question assesses **learning objective 3.3.A**.



## Knowledge Check

All of the following are standard Asian Development Bank screening procedures EXCEPT:

- A. Disability accessibility screening
- B. Environmental screening
- C. Involuntary resettlement screening
- D. Indigenous peoples screening
- E. All of these are typically required by the ADB

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The correct answer to this question is “A”.

This question assesses **learning objective 3.3.B**.



## Safeguards Question #1

*What kinds of potential environmental and social impacts will your project need to consider? Does your financier have guidelines/procedures for analyzing these impacts?*



## Safeguards Question #2

*Are there any specific groups that could potentially be affected by your project (e.g. indigenous peoples)? What sorts of procedures for holding consultations with these groups will be needed?*



## Safeguards Question #3

*What sorts of gender considerations will need to be factored into your project?*



## Safeguards Question #4

*What sorts of specialized expertise might be required to conduct the required analyses?*



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## Session 8 Outcomes SELF CHECK

- Understand and apply decision rules related to a project's potential environmental and social impacts
- Identify the kinds of environmental and social screenings that could potentially be required for your project concept
- Describe some examples of social and environmental safeguards that have been applied in successful adaptation and development projects