



UNITED NATIONS ENVIRONMENT PROGRAMME

Programme des Nations Unies pour l'environnement Programa de las Naciones Unidas para el Medio Ambiente
Программа Организации Объединенных Наций по окружающей среде برنامج الأمم المتحدة للبيئة

联合国环境规划署



UNITED NATIONS ENVIRONMENT PROGRAMME

UNEP Environmental, Social and Economic Sustainability Framework

January 2015

Approved by UNEP Executive Director
Achim Steiner

Date: 31/12/14



UNITED NATIONS ENVIRONMENT PROGRAMME

Programme des Nations Unies pour l'environnement Programa de las Naciones Unidas para el Medio Ambiente

Программа Организации Объединенных Наций по окружающей среде برنامج الأمم المتحدة للبيئة

联合国环境规划署



UNEP ENVIRONMENTAL, SOCIAL AND ECONOMIC SUSTAINABILITY FRAMEWORK

EXECUTIVE SUMMARY

The ESES Framework is UNEP's response to the call by member states in Rio+20 for strengthening UNEP. It is compliant with the requirements of "A Framework for Advancing Environmental and Social Sustainability in the United Nations System (2012)," prepared by the Environmental Management Group (EMG), and the 'Environmental and Social Safeguards' and 'Gender' Policies of the Global Environment Facility (GEF).

This Framework sets minimum sustainability standards for UNEP and its implementing/executing partners, and enables UNEP to anticipate and manage emerging environmental, social and economic issues.

The ESES Framework will initially focus on projects. It promotes an integrated approach, combining environmental, social and economic sustainability. At a later stage, UNEP will expand the Framework to address other entry points such as UNEP's: i) policies/strategies; ii) facilities, operations management; and iii) mainstreaming of environmental sustainability across the UN system.

Under the projects entry point, two overarching Principles (precautionary approach and human rights-based approach) and nine specific thematic Safeguard Standards (biodiversity conservation; resource efficiency and pollution prevention; safety of dams; involuntary resettlement; indigenous peoples; labor and working conditions; protection of tangible cultural heritage; gender equality; and economic sustainability) constitute the initial areas of focus. These thematic standards mainly reflect a "do no harm" purpose (i.e., safeguards), but they could be expanded into a comprehensive "do good" purpose, in line with UNEP's intention to promote environmental, social and economic sustainability. Based on UNEP's capacity raised in implementing this Framework, its revisions to address additional thematic standard areas and to incorporate requirements oriented toward "doing good" may be introduced within UNEP's current Medium-Term Strategy period, 2014-2017.

Adoption of this ESES Framework by UNEP will change its business practices by integrating standardized and structured sustainability measures across all its work. The Framework elaborates the requirements, processes and tools that are required at different stages of projects to comprehensively commit to sustainability in UNEP's own engagement. The Framework provisions cover the project development, review and approval processes, as well as implementation, monitoring and evaluation, partnerships and legal agreements with UNEP implementing/executing partners, stakeholder participation processes. The Framework also establishes an accountability framework that includes stakeholder response mechanism.

The Framework is a working document which will be modified and improved as UNEP gathers more experience and increases its capacity to incorporate ESES into its work. With donors, evaluators, governments and NGOs increasingly aware of safeguarding and sustainability needs, it is important that UNEP demonstrate leadership in environmental sustainability within the UN System and seek to generate synergies through collaboration across the three dimensions of sustainable development.

TABLE OF CONTENTS

UNEP Statement of Commitment	7
Purpose of the ESES Framework	7
Target Audience	7
Content of the ESES Framework Document.....	8
CHAPTER ONE: UNEP’S ESES SCOPE	9
1.1. Scope of the Framework	9
1.2. Implementation of ESES Framework in Remaining Three Entry Points.....	10
CHAPTER TWO: OVERARCHING PRINCIPLES AND THEMATIC ESES SAFEGUARD STANDARDS	12
2.1 ESES Principles.....	12
2.2 Thematic Safeguard Standards	13
Safeguard Standard 1: Biodiversity Conservation, Natural Habitats, and Sustainable Management of Living Resources	13
Safeguard Standard 2: Resource Efficiency, Pollution Prevention and Management of Chemicals and Wastes	15
Safeguard Standard 3: Safety of Dams	17
Safeguard Standard 4: Involuntary Resettlement.....	18
Safeguard Standard 5: Indigenous Peoples.....	20
Safeguard Standard 6: Labor and Working Conditions	22
Safeguard Standard 7: Protection of Tangible Cultural Heritage	23
Safeguard Standard 8: Gender Equality	24
Safeguard Standard 9: Economic Sustainability.....	24
CHAPTER THREE: PROCEDURES FOR IMPLEMENTING THE ENVIRONMENTAL, SOCIAL AND ECONOMIC SUSTAINABILITY FRAMEWORK.....	26
3.1 Implementation Approach	26
3.2 Use of Country or Partner Safeguards Systems	26
3.3 Safeguards in the UNEP Project Cycle: development, implementation, monitoring and evaluation	27
3.3.1 Environmental, Social and Economic Screening	28
3.3.2 Preparation of Safeguard Assessment and Management Plans prior to project approval	31
3.3.3 PRC Approval and Clearance of the Safeguard Instruments.....	32
3.3.4 Mitigation, management and monitoring of impacts during project implementation	32

3.4	Accountability mechanism for Safeguards, including disclosure and stakeholder responses...	33
3.4.1	Access to Information	33
3.4.2	Stakeholder Response Mechanism	34

Acronyms

CEB	Chief Executive Board
CRC	Concept Review Committee
CSO	Community Service Organizations
EMG	Environment Management Group
ESEA	Environmental, Social and Economic Assessment
ESEIA	Environment, Social and Economic Impact Assessment
ESEMF	Environmental, Social and Economic Management Framework
ESERN	Environmental, Social and Economic Review Note
ESES	Environmental, Social and Economic Sustainability
ESIA	Environmental and Social Impact Assessment
ESS	Environmental and Social Sustainability
FAO	Food and Agriculture Organization
FPIC	Free, Prior and Informed Consent
GCF	Green Climate Fund
GDP	Gross Domestic Product
GEF	Global Environmental Facility
GHG	Green House Gas
GSSU	Gender and Social Safeguard Unit
HLCM	High-Level Committee on Management
HLCP	High-Level Committee on Programmes
IFAD	International Fund for Agricultural Development
ILO	International Labour Organization
IPF	Indigenous Peoples Framework
IPM	Integrated Pest Management
IPP	Indigenous People’s Plan
ICUN	International Union for Conservation of Nature
IVM	Integrated Vector Management
LAP	Land Acquisition Plan
LRP	Livelihood Restoration Plan
MEA	Multilateral Environmental Agreement

MTS	UNEP Medium Term Strategy
NGO	Non-Governmental Organization
OfO	Office for Operation
PAG	Project Approval Group
PCA	Project Cooperation Agreement
PIF	Project Identification Form
PIR	Project Implementation Review
PPG	Project Preparation Grant
PRC	Project Review Committee
RAP	Resettlement Action Plan
REDD	Reducing emissions from deforestation and forest degradation
SEA	Strategic Environment Assessment
SESEA	Strategic Environmental, Social and Economic Assessment
SOP	Standard Operating Procedure
UNDAF	United Nations Development Action Framework
UNDG	UN Development Group
UNDP	United Nations Development Programme
UNEA	United Nations Environment Assembly of UNEP
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNHCR	United Nations High Commissioner for Refugees
UNPFII	UN Permanent Forum on Indigenous Issues
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women
WHO	World Health Organization

INTRODUCTION

1. UNEP hereby adopts this Policy Framework for Environmental, Social, and Economic Sustainability – the “ESES Framework.” This Framework is a direct response to the UN system-wide effort to advance the principles of environmental and social sustainability under the guidance of the Chief Executive Board (CEB). Consequently, this Framework is consistent with the “Framework for Advancing Environmental and Social Sustainability in the United Nations System,” which promotes and guides harmonized approaches on environmental and social sustainability. This UNEP ESES Framework also responds fully to relevant policies of the Global Environment Facility (GEF) -- specifically the “Gender Equality Action Plan”¹ and the “GEF Policy for Agency Minimum Standards on Environmental and Social Safeguards.”² In developing its ESES Framework, UNEP drew on lessons from the policies and guidelines of other entities in the UN system, most notably FAO, IFAD, UNDP and the World Bank Group, as well as other international development institutions such as the Inter-American Development Bank, and joint UN programmes, such as the UN REDD programme.

2. The Framework covers
 - i) programmes/projects
 - ii) UNEP’s policies and strategies
 - iii) facilities, operations management, and
 - iv) UNEP’s mainstreaming of environmental sustainability across the UN system.

With a clear understanding of the importance of integrating all four points above, UNEP will initially concentrate on ESES for programmes and projects³ and take a phased expansion into other entry points as the internal capacity and the operational modalities are instituted.

3. The ESES Framework sets out the scope, related policies and implementation modalities for identifying and avoiding or mitigating environmental, social and economic risks, and also for discerning and exploring opportunities to enhance positive environmental, social and economic outcomes. This Framework focuses on safeguard requirements. Future stages of UNEP’s ESES policy will include “do good” criteria in addition to the “do no harm” requirements embedded in this first stage of the Framework. Operational details of the safeguards enumerated in the Framework will be set forth in separate documents and will provide ESES implementation-related details, such as process requirements and institutional arrangements.

¹ “Gender Equality Action Plan”, GEF/C.47/09.Rev.01, Oct. 2014.

² “GEF Policy on Agency Minimum Standards on Environmental and Social Safeguards”, GEF Council Document GEF/C.41/10/Rev.1, November 18, 2011.

³ “Programmes and projects” are hereinafter referred to simply as projects.

UNEP Statement of Commitment

4. UNEP is committed to avoiding, minimizing or mitigating adverse environmental, social or economic impacts associated with the projects it supports. For this purpose, all proposed UNEP actions will gradually be subject to environmental, social and economic safeguards review and screening during preparation, and they will be designed, implemented, monitored and evaluated in accordance with applicable safeguards standards. This requirement will also be applied to the UNEP implementing/executing partners as they deliver work for which UNEP has overall responsibility for management and results.

Purpose of the ESES Framework

5. UNEP's ESES Framework serves six broad purposes:
 - 1) It will enhance UNEP preparedness for the implementation of the Post 2015 Development Agenda through closer engagement with UN entities and partners to strengthen development aid by routinely integrating the environmental, social and economic dimensions related to its activities.
 - 2) It will set standards of sustainability for the operations UNEP implements itself and for those that are implemented by UNEP's partners, thereby confirming UNEP's accountability to its member states, and to the GEF, GCF and other funders.
 - 3) It will improve the quality of UNEP outcomes.
 - 4) It will enable UNEP to work in a safer and smarter manner, thereby minimizing potential risks and harm while enhancing UNEP's capabilities and credibility.
 - 5) It will allow UNEP to identify the full life-cycle costs of its operational choices and thus to operate more sustainably and improve efficiency over time.
 - 6) It will enable UNEP to respond more promptly and effectively to emerging environmental, social and economic issues as an attractive and trusted implementing/executing partner.
6. The Framework is intended to cover the development and implementation of projects that UNEP undertakes or supports henceforth, not current or past activities.

Target Audience

7. This ESES Framework has multiple target audiences. The first is UNEP's staff and managers, including those of Multilateral Environmental Agreement (MEA) Secretariats provided by UNEP. The second is the range of implementing/executing partners through which UNEP accomplishes many of its objectives. The third are UNEA member countries and other entities to which UNEP is accountable, such as the GEF and GCF.

Content of the ESES Framework Document

8. The Framework is presented in three chapters. The first covers the overarching safeguards standards that UNEP will apply to all projects it supports or undertakes. The second chapter contains a selected set of thematic standards, subsidiary to the overarching Framework, and the safeguard requirements that go with each. The final chapter describes the procedures and arrangements for Framework implementation within UNEP's project development and management cycle.

CHAPTER ONE: UNEP'S ESES SCOPE

1.1. Scope of the Framework

9. There are four main entry points for UNEP's ESES Framework:
 - i. UNEP programmes/projects
 - ii. UNEP policies and strategies
 - iii. UNEP facilities, operations management, and
 - iv. UNEP's work to mainstream environmental sustainability across the UN system.

10. The first phase of implementation of this ESES Framework will focus on the first entry point (i.e., Environmental, Social and Economic Safeguards review and assessment of UNEP projects). ESES assessments at the project level may trigger a requirement to prepare and implement any one of several impact management instruments identified in the ESES Framework, depending on the assessed risk(s) of the project under consideration. This Framework will require UNEP to address such environmental, social and economic risks and opportunities in an integrated manner, recognizing the inter-linkages among the environmental, social and economic dimensions of sustainable development.

11. The ESES Framework is a multipurpose policy framework, intended to be used by UNEP and/or its implementing/executing partners:
 - ✚ To identify and evaluate environmental, social and economic implications of an intended project;
 - ✚ To ensure that potential adverse impacts and risks are assessed and avoided, or where avoidance is not possible, minimized, mitigated and managed;
 - ✚ To identify and enhance the opportunities an operation provides for positive environmental, social and economic outcomes;
 - ✚ To promote and monitor improved environmental, social and economic performance of implementing/executing partners and UNEP staff that execute projects;
 - ✚ To promote and provide means for adequate engagement with concerned communities and other stakeholders throughout project preparation and implementation, and ensure that relevant environmental and social information is disclosed and disseminated; and
 - ✚ To ensure that stakeholder responses are managed appropriately.

12. UNEP will assess the adequacy of the applicable legal and institutional requirements, including international environmental agreements, before approving projects. UNEP projects will be screened to determine the level of risk of the project and the breadth, depth, relevance and scope of impact identification and management needed to respond to the risk, taking into account the type, scale, and economic setting of the project. UNEP will ensure that potential adverse impacts will be assessed and avoided, or where avoidance is not possible, minimized,

mitigated and managed, including through proposed monitoring, institutional capacity development and training measures, providing an implementation schedule, and cost estimates.

13. UNEP will ensure that the ESES Framework requirements, both in terms of quality of standards and operational procedures, will be considered throughout the UNEP project cycle and in all legal agreements with implementing/executing partners. UNEP will also assess the feasibility of financial engagement, technical and siting alternatives, including the alternative of no action, as well as potential impacts. Feasibility of mitigating these impacts, their suitability under local conditions, and the institutional, training and monitoring requirements associated with them will also be included in the assessment.
14. This ESES Framework provides the main architectural components of UNEP's commitment, scope and approach. Its implementation should be looked at together with UNEP's relevant existing policies, such as the Access to Information Policy⁴, Partnership Policy⁵, Gender Policy⁶, and Indigenous Peoples Policy Guidance⁷. It is to be implemented through associated tools, such as ESES Implementation Guidelines, UNEP's Stakeholder Response Mechanism, Terms of Reference for a Safeguards Advisor, UNEP's standard legal agreements with UNEP implementing/executing partners.

1.2. Implementation of ESES Framework in Remaining Three Entry Points

15. UNEP recognizes the importance of integrating all four entry points stated in paragraph 9 above. However, considering the complexity and magnitude of engaging in all 4 pillars of the ESES Framework implementation at the same time, it has been decided to focus initial efforts at the project level only and to build related capacity in UNEP staff and in implementing/executing partners. UNEP will take a phased expansion approach to the other entry points, as the internal capacity in ESES implementation strengthens and the operational modalities establish and become rooted. The general scope and approaches for the remaining 3 entry points are described below.
16. **UNEP Policies and Strategies.** As the leading global authority on the environment, UNEP develops and implements policies and strategies, such as those that are identified in its Medium Term Strategy, Programme of Work, or UNEP's own thematic Policies. All policies and strategies should be developed and implemented without negative effects on other environmental policies or on social and economic priorities and commitments. Strategic Environmental, Social and Economic

⁴ Access to Information Policy (UNEP/EA.1/INF/23), UNEP, 16 June 2014.

⁵ <http://www.unep.org/about/funding/portals/50199/documents/Partnership-Policy.pdf>

⁶ UNEP Policy and Strategy for Gender Equality and the Environment 2014-2017

⁷ http://www.unep.org/civil-society/Portals/24105/UNEP_IPPG_Guidance.pdf



Assessment (SESEA) is a tool, which can be used for careful and comprehensive environmental, social and economic assessments of UNEP policies and strategies prior to their approval. In these circumstances, SESEA takes place “upstream” in agenda setting and programming, rather than downstream in the context of a specific project. It is thus proactive rather than reactive.

17. **UNEP facilities, operations management for Footprint.** This pertains to the environmental and social sustainability of UNEP’s management practices and operations (e.g., premises, travel and procurement). It includes, for example, the use of information and communication technology, and aspires to promote by example similar integration by other entities in the UN system and beyond.
18. The sustainable UNEP Footprint approach applies to all UNEP facilities, operations and administration. It specifically aims at:
 - ✚ Climate neutrality through measuring, reducing and offsetting UNEP’s GHG emissions
 - ✚ Reduction of energy consumption by UNEP
 - ✚ Reduction of waste generation and promotion of environmental sound waste management
 - ✚ Adherence to and, where feasible, exceeding minimum management policies, rules and regulations of the UN Secretariat that contribute to environmental sustainability (e.g. Digital Secretariat)
 - ✚ Sustainability considerations in procurement
19. **Mainstreaming Environmental Sustainability.** UNEP provides advice and guidance to UN agencies, partners and governments on environmental sustainability, as the authority that promotes the environmental dimension of sustainable development, as reiterated at Rio +20 and expressed in paragraph 88 of the Rio+20 “The Future We Want”.
20. UNEP support toward the mainstreaming of environmental sustainability in the UN system includes:
 - ✚ Effective and efficient participation in UN country teams in order to assist countries in the implementation of their national environmental programmes, policies and plans.
 - ✚ Support for global and regional environmental fora by, inter alia, serving as their secretariats and building capacity for mainstreaming environmental sustainability.
 - ✚ Leading and supporting roles in the UN Environmental Management Group and in other key UN coordinating bodies, such as CEB, UNDG, HLCP and HLCM.

CHAPTER TWO: OVERARCHING PRINCIPLES AND THEMATIC ESES SAFEGUARD STANDARDS

21. This Chapter describes UNEP’s ESES Principles and thematic Safeguard Standards. The principles are overarching and applicable broadly for all projects, while the thematic Safeguard Standards are applicable to any projects with one or more risks identified through the safeguard screening process. Principles and thematic Safeguard Standards mutually reinforce each other and define UNEP’s safeguard and sustainability efforts. The Principles address the aspect of “how” while the Safeguard Standards address “what” for UNEP to avoid, mitigate or minimize the potential and related risks. From a legal point of view the Principles are not a component of the ESES Framework but an approach underpinning the design of the ESES Framework.

2.1 ESES Principles

22. **Precautionary Approach:** UNEP applies a science-based precautionary approach⁸ to its project design and implementation. It also recognizes that the term “environmental degradation,” as stated in 1992 in the Rio Declaration on Environment and Development, is interpreted to encompass both negative impacts on the natural environment, and adverse social and economic impacts resulting from those impacts. UNEP project approach should be science-based and must anticipate and address harm before it happens. Where there are threats of serious or irreversible damage, lack of full scientific certainty should not be used as a reason for avoiding cost-effective measures to prevent environmental degradation.
23. **Human Rights-Based Approach (HRBA):** UNEP’s ESES Framework is founded on a human rights-based approach to project management, including the rights of future generations. This means that stakeholder engagements and public participation from the project preparation to closure should be based on the following procedural human rights principles:⁹
 -  **Equality and Non-discrimination:** All individuals are equal as human being by virtue of the inherent dignity of each human person. All human beings are entitled to their human rights without discrimination of any kind, such as race, colour, sex, age, language, religion, political or other opinion, national or social origin, disability, property, birth or other status.
 -  **Participation and Inclusion:** Every person and all peoples are entitled to active, free and meaningful participation in, contribution to, and enjoyment of civil, economic, social, cultural and political development in which human rights and fundamental freedoms can be realized.

⁸ Principle 15 of the Rio Declaration on Environment and Development.

⁹ <http://www.undg.org/index.cfm?P=1576>

- ✚ **Accountability and Rule of Law:** This requires accessible, effective and independent mechanisms and procedures of redress based on appropriate judicial and administrative mechanisms.

2.2 Thematic Safeguard Standards

24. While it is impossible to identify the universe of all relevant ESES issues, the ESES Framework identifies key Thematic Safeguards and provides relevant minimum requirements under each Thematic Safeguard Standard to consider at different stages throughout the life cycle of projects. The 9 thematic areas that UNEP considers important and relevant are:

Safeguard Standard 1: Biodiversity conservation, natural habitats, and sustainable management of living resources

Safeguard Standard 2: Resource efficiency, pollution prevention and management of chemicals and wastes

Safeguard Standard 3: Safety of dams

Safeguard Standard 4: Involuntary resettlement

Safeguard Standard 5: Indigenous peoples

Safeguard Standard 6: Labor and working conditions

Safeguard Standard 7: Protection of tangible cultural heritage

Safeguard Standard 8: Gender equality

Safeguard Standard 9: Economic sustainability

25. The details on each of these standards are provided below:

Safeguard Standard 1: Biodiversity Conservation, Natural Habitats, and Sustainable Management of Living Resources

Purpose – To ensure that projects undertaken directly by UNEP, or supported by UNEP through partnerships, do not adversely impact biodiversity, habitats, or ecosystem services and avoid or minimize any adverse impact on priority ecosystem services¹⁰ of relevance to affected communities

10 . Priority ecosystem services are two-fold: (i) those services on which project operations are most likely to have an impact and, therefore, which result in adverse impacts to Affected Communities; and/or (ii) those services on which the project is directly dependent for its operations (e.g., water).

Scope – The applicability of this standard will be determined during the social and environmental screening and review processes. The standard applies to (a) projects located in critical or natural habitats or semi-natural habitats or that have such habitats within their potential areas of influence;¹¹ (b) projects that potentially impact on, or depend on, ecosystem services; (c) strategies, policies or programmes that are intended to affect the implementation of biodiversity conservation measures or maintenance of ecosystem services, or that could have impacts on them, including on habitat restoration; and (d) projects that include the generation of living natural resources (e.g., agriculture, animal husbandry, fisheries, forestry).

Safeguard Requirements

1.1. UNEP will not support directly or indirectly any activity that will significantly convert or degrade critical natural habitats and will avoid significant conversion or degradation of habitats that are:

- ✚ Legally protected,
- ✚ Officially proposed for protection,
- ✚ Identified by authoritative sources for their high conservation value, or
- ✚ Recognized as protected by traditional local communities, where national legislation so allows.

1.2. Before engaging in a project that could result in the conversion or degradation of non-critical natural habitats, UNEP will require: an analysis that shows there is no feasible alternative; an analysis that shows that the benefits of the project exceed the environmental costs; and compensation for the loss of habitat, usually in the form of an offset.

1.3. When planning activities in critical habitats, such as restoration or improved management, UNEP will ensure that the operation does not have potential serious adverse impacts on the biodiversity and ecosystem services for which the critical habitat was designated; the operation will not lead to a net reduction in the global, national or regional population of any critically endangered or endangered species¹² and will ensure that they do not result in a net loss of biodiversity and ecosystem services by one or more of the following:

- ✚ Avoidance of impact through identification and protection of set-asides,

¹¹ Natural habitats are terrestrial, aquatic or marine areas composed of viable assemblages of plant and/or animal species of largely native origin, and/or where human activity has not essentially modified the primary ecological function and species composition. Critical habitats are areas with high biodiversity value, including (a) habitat of significant importance to critically endangered or endangered species; (ii) habitat of significant importance to endemic and/or restricted range species; (iii) habitat supporting globally significant concentrations of migratory species; (iv) highly threatened or unique ecosystems; (v) protected or managed areas in IUCN Categories I through VI; and/or (vi) areas associated with key evolutionary processes. Semi-natural habitats are those that are man-made, some formally protected, many having significant natural values including biodiversity and ecosystem services.

¹² According to the IUCN Red List of Threatened Species (<http://www.iucnredlist.org>)

- ✚ Minimization of habitat fragmentation, such as with biological corridors,
- ✚ Preference given to siting physical infrastructure investments on lands where natural habitats have already been converted to other land uses,
- ✚ Restoring habitats during operations and/or after operations, and
- ✚ Providing biodiversity and ecosystem services offsets.

1.4. UNEP activities should be legally permitted and consistent with any officially recognized management plans for the area.

1.5. UNEP-supported activities will seek to avoid adverse impacts on soils, their organic content, productivity, structure and water-retention capacity, or to contribute to reversing land degradation.

1.6. UNEP will implement measures to avoid the introduction or utilization of invasive alien species, whether accidental or intentional; and will support activities to mitigate and control their further spread.

1.7. UNEP will apply the precautionary approach in assessing and managing the impacts of all activities with potential adverse effects on biodiversity, natural habitats or ecosystem services.

1.8. In projects that could affect biodiversity, natural habitats, or ecosystem services or that involve the preparation of protected areas or ecosystem management plans, UNEP and/or its implementing/executing partners will consult with appropriate experts, potentially affected communities, local government, local and national NGOs, or other experts and stakeholders.

1.9. With respect to impacts on priority ecosystem services of relevance to affected communities and where a UNEP project has direct management control or significant influence over such ecosystem services, adverse impacts should be avoided. If these impacts are unavoidable, UNEP project will minimize them and implement mitigation measures that aim to maintain the value and functionality of priority services.

Safeguard Standard 2: Resource Efficiency, Pollution Prevention and Management of Chemicals and Wastes

Purpose – To promote more sustainable uses of resources, including energy and water. To reduce project-related greenhouse gas (GHG) emissions. To avoid or minimize adverse impacts on human health and the environment originating from project activities through the use or management of hazardous chemicals and waste materials, including pesticides.

Scope – The applicability of this standard will be determined during the social and environmental screening and review processes. This standard applies to any UNEP-executed or UNEP-supported project that (a) significantly consumes or causes consumption of water, energy, or other resources, whether through its own footprint or through the boundary of influence of the activity; (b) generates or causes significant generation of GHG; (c) generates or causes generation of solid, liquid or gaseous hazardous waste; (d) uses, causes the use of, or manages the use of, storage and disposal of hazardous chemicals, including pesticides.

Safeguard Requirements

- 2.1 UNEP projects will explore technically and financially feasible approaches for the efficient use of energy, water, and other resources and materials in line with the concept of cleaner production¹³ and for using raw materials, energy, and water sustainably.
- 2.2 UNEP projects will consider alternatives and implement technically and financially feasible options to reduce project-related GHG emissions, including alternative locations, the use of renewable or low-carbon energy sources, sustainable agriculture, forestry and livestock management practices.
- 2.3 When a UNEP project includes a significant consumption of water, UNEP will ensure that it does not have significantly adverse impacts. The project should consider alternative water supplies or water consumption offsets to reduce the total demand for water resources within the available supply.
- 2.4 UNEP projects will promote the use of demand driven, ecologically based biological or environmental pest management practices and the reduction of synthetic chemical pesticides in accordance with the Basel, the Rotterdam and the Stockholm Conventions. Procurement of chemical pesticides will only be supported when it is a component of integrated pest management (IPM) or integrated vector management (IVM) approaches. UNEP will not allow the procurement or use in its projects of pesticides and other chemicals specified as persistent organic pollutants identified under the Stockholm convention.
- 2.5 When chemical pesticides are included in IPM or IVM, UNEP and implementing/executing partners will select compounds that are low in human toxicity, known to be effective against the target organisms and to have minimal effects on non-target organisms. UNEP projects will not utilize pesticides that fall into WHO Classes IA and IB, or formulations of products in Class II unless there are restrictions that deny use or access to lay personnel and others without training or

¹³ Cleaner Production is defined as “the continuous application of an integrated preventive environmental strategy applied to processes, products, and services to increase overall efficiency and reduce risks to humans and the environment.” (UNEP), www.financingcp.org/docs/CP1_Slides.ppt.

proper equipment.

2.6 Pesticides will be handled, stored, applied and disposed of in accordance with the FAO International Code of Conduct on Distribution and Use of Pesticides.¹⁴

2.7 UNEP will avoid or minimize the potential for community exposure to hazardous materials and substances that maybe released by a project. Where there is a potential for the public to be exposed to hazards, UNEP projects will exercise special care to avoid or minimize their exposure by modifying, substituting, or eliminating the condition or material causing the potential hazards.

Safeguard Standard 3: Safety of Dams

Purpose – To prevent or minimize safety risks and accidents that might be associated with construction or rehabilitation of a dam, or the operations of an existing dam, for a successful development outcome.

Scope –The standard is applicable when a project involves construction or rehabilitation of a dam, or depends on an existing dam’s operations, for a successful development outcome. The applicability of this standard will be determined during the social and environmental screening and review processes.

Safeguard Requirements

- 3.1 For new dams and rehabilitation of existing dams, UNEP and implementing/executing partners must ensure that safety measures are put in place by experienced and qualified professionals in the overall design, construction, operation, maintenance, and emergency preparedness.¹⁵
- 3.2 For construction of a dam, contractors should be qualified and experienced to undertake planned construction activities.
- 3.3 UNEP and implementing/executing partners should carry out periodic safety inspections after construction is over. Maintenance plan should be periodically monitored together with possible intervention measures, if necessary.

14 Food and Agriculture Organization of the United Nations (2003), Rome, <http://www.fao.org/docrep/005/y4544e/y4544e00.htm>

¹⁵ UNEP’s project portfolio does not include large dams (ordinarily considered to be dams with heights of 15 m or more). If UNEP should support construction of such a dam, it would require the implementing partners to appoint an independent dam safety panel to review all aspects of the project.

Safeguard Standard 4: Involuntary Resettlement

Purpose -- To address the adverse social and economic impacts that can result when a project involves involuntary resettlement, acquisition of land or other assets, or restrictions on the use of or access to land. Involuntary resettlement is understood to comprise both physical displacement of individuals or communities and economic displacement through loss of assets or involuntary restrictions on access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of affected persons.

Scope -- The applicability of this standard will be determined during the social and environmental screening and review processes. The standard applies when the resettlement is involuntary, in the sense that it occurs either as a result of expropriation or by negotiations in which the buyer can resort to expropriation or impose legal restrictions on land use if the negotiations fail – in other words, when the owner does not realistically have the option of refusing.

This safeguard standard applies to those activities that are (i) directly and significantly related to the proposed UNEP project, (ii) necessary to achieve its outcomes or objectives, and (iii) carried out or anticipated to be carried out contemporaneously with the project.

The standard applies in a wide range of situations that in some cases can be foreseen during environmental and social reviews and that in other cases become clear during an ESEA. They include:

- ✚ Acquisition of land or land use rights through expropriation or through negotiation when the buyer can resort to expropriation if negotiations fail;
- ✚ Involuntary restrictions on land use that deny a community the use of resources to which they have traditional or recognizable use rights;
- ✚ Restrictions on access to land or use of resources in the protected areas that are sources of livelihood; and
- ✚ Involuntary relocation of residents when a protected area is being established.

Safeguard Requirements

- 4.1 UNEP projects will assess all viable alternative project designs to avoid, where feasible, or minimize the need for resettlement.
- 4.2 UNEP projects will avoid promoting or endorsing forced evictions.
- 4.3 UNEP projects will identify, assess and address the potential economic and social impacts that are caused by the involuntary taking of land-- in terms of shelter, assets, income sources or means of livelihood--or by the involuntary restriction of access to

legally designated parks and protected areas; Impacts and resettlement options should be identified through socio-economic surveys of the project-affected persons, host communities and local CSOs, as appropriate.

- 4.4 UNEP projects will restore and, whenever possible, improve the livelihoods and living standards of directly affected persons. Displaced persons and communities should be provided opportunities to derive appropriate development benefits from the project. Particular attention must be given to the needs of directly affected persons who are vulnerable, especially those below the poverty line, the landless, the elderly, women and children, indigenous Peoples, ethnic minorities, or other displaced persons who may not be protected through national land compensation legislation.
- 4.5 UNEP projects will inform persons to be resettled of their rights, consult them on options, and provide them with technically and economically feasible alternatives and assistance. Compensation processes will consider:
- ✚ Prompt compensation is provided at full replacement cost for loss of assets attributable to the project;
 - ✚ Compensation is paid and relocation is properly carried out before land clearing, construction, or access restrictions begin and assistance is provided during relocation and residential housing, or housing sites;
 - ✚ Support for the transitional period, including development assistance, is provided;
 - ✚ When overall impact on livelihoods is minor, cash compensation for land can be considered;
 - ✚ Residential site includes adequate civic infrastructure and community services;
 - ✚ Compensation standards will be transparent and applied consistently to all directly affected persons;
 - ✚ When livelihoods of directly affected persons are land-based, or where land is in collective ownership, compensation in the form of land for land is preferable when possible;
 - ✚ Displacement will not occur until compensation has been made available and, where applicable, resettlement sites and relocation assistance has been secured.
- 4.6 UNEP projects will provide resettlement assistance in lieu of compensation for land to help restore the livelihoods of those to be resettled when they do not have formal legal rights or claims to lands.
- 4.7 UNEP projects will ensure that communities and persons directly affected by resettlement are engaged in the planning and decision-making processes as well as during implementation and monitoring of the resettlement. Engagement with these

stakeholders is critical when developing and implementing/executing the procedures for determining eligibility for compensation benefits and development assistance and for implementing appropriate and accessible grievance mechanisms. All relevant information, including draft resettlement plans or other draft management plans to address involuntary resettlement if necessary, including options and alternatives for resettlement, compensation, and livelihood restoration, and documentation of the stakeholder consultation process will be disclosed in a timely manner, before review by the PRC, in a place accessible to key stakeholders including project affected groups and Community Service Organizations (CSO) in a form and language understandable to them.

4.8 UNEP projects will ensure that resettlement plans are implemented before project completion and displacement or restriction of access is carried out only after the resettlement entitlements are provided.


4.9 UNEP project will assess whether the resettlement plans have been carried out as planned and achieved intended results.

Safeguard Standard 5: Indigenous Peoples

Purpose – To ensure that UNEP projects respect the rights of Indigenous Peoples and take into account Indigenous Peoples’ views, needs and rights, to avoid any harm and promote opportunities to improve their livelihoods. UNEP will provide technical support to and raise the awareness of Governments, in order to strengthen their capacity to include Indigenous Peoples’ rights and interests in environmental governance processes and procedures, working with UNPFII, UN sister agencies and other relevant partners.

Scope – The applicability of this standard will be determined during the social and environmental screening and review processes. The standard applies whenever indigenous peoples are or may be present in an area affected by a UNEP-supported project. For the purpose of this standard, UNEP identifies Indigenous Peoples through criteria that reflect their social and cultural distinctiveness. Such criteria may consider whether:

- ✚ They have historical continuity or association with a given region or part of a given region extending back prior to colonization or annexation;
- ✚ They identify themselves as Indigenous Peoples and are, at the individual level, accepted as members by their community;
- ✚ They have strong links to territories, surrounding natural resources and ecosystems;
- ✚ They maintain, at least in part, distinct social, economic and political systems;
- ✚ They maintain, at least in part, distinct languages, cultures, beliefs and knowledge systems;
- ✚ They are resolved to maintain and further develop their identity and distinct social; economic, cultural and political institutions as distinct peoples and communities; and

 They form non-dominant sectors of their society.

Safeguard Requirements

- 5.1 UNEP will avoid projects which undermine or inadvertently weaken the rights and livelihoods of Indigenous Peoples.
- 5.2 When Indigenous Peoples may be affected by a UNEP-supported project, UNEP and its implementing/executing partners will carry out a relevant impact assessment; identify measures to avoid, minimize and mitigate any negative impacts; and agree on an approach that are acceptable to the potentially affected Indigenous Peoples. Indigenous Peoples should be informed of their rights and all available options in terms of their benefits and mitigation measures.
- 5.3 When Indigenous Peoples may be affected by a UNEP-supported project, UNEP and its implementing/executing partners will prepare an Indigenous Peoples Plan (IPP). The planning process will involve Indigenous Peoples in an assessment of potential socioeconomic impacts and risks, and apply the principle of free, prior and informed consent (FPIC). Full consideration should be given to options preferred by the potentially affected Indigenous Peoples and to options designed to enable Indigenous Peoples to benefit from the project in a culturally appropriate and feasible manner, including through the legal recognition of customary or traditional land tenure and management systems and collective rights, if appropriate.
- 5.4 Key elements of the IPP should include: an action plan to ensure that potential, adverse impacts on indigenous peoples are avoided, minimized, mitigated or compensated for in a culturally appropriate manner; a plan for consultations throughout the project; a stakeholder response procedure; a budget and financing arrangement to deliver the plan; and mechanisms for monitoring and evaluation.
- 5.5 Where the restriction of access of Indigenous Peoples to legally designated parks and protected areas is not avoidable, the UNEP project will ensure that potentially affected Indigenous Peoples fully and effectively participate in the design, implementation, monitoring and evaluation of management plans for such parks, protected areas and species and that these Peoples will share equitably in benefits from the parks and protected areas.
- 5.6 In the case of UNEP-supported projects in which the specific locations are not known prior to implementation, the UNEP project may prepare an Indigenous Peoples Framework (IPF) instead of an IPP. The Framework will describe the project content and relationship to Indigenous Peoples and will provide a plan for socio economic assessments, as well as a methodology for ensuring free, prior and informed consent (FPIC), and procedures and institutional arrangements for preparing IPPs, monitoring outcomes, and addressing stakeholder responses.

5.7 The UNEP project will disclose IPPs (or IPFs), impact assessments and other consultation documents to key Indigenous Peoples potentially affected by the project in a timely manner, ahead of PRC review, and in a form, language and place that is accessible to key stakeholders, including project affected groups and associated CSO.

5.8 The UNEP project will involve experts who understand issues related to Indigenous Peoples in monitoring IPPs or IPFs implementation and will carry out mitigation measures, if needed, in a participatory manner.

Safeguard Standard 6: Labor and Working Conditions

Purpose – To ensure that projects supported by UNEP comply with national labor laws and with the objectives of the International Labour Organization (ILO) Standards, which are:

- ✚ To promote fair treatment, non-discrimination, and equal opportunity for workers;
- ✚ To promote compliance with national employment and labor laws, which comply with the mentioned standards;
- ✚ To protect workers, including vulnerable categories of workers such as children, women, and migrant workers;
- ✚ To promote safe and healthy working conditions and the health of workers; and
- ✚ To avoid the use of forced labor or child labor.

Scope – All UNEP implementing/executing partners will have in place human resources policies and procedures appropriate to their size and workforce that set out their approach to comply with these standards and national laws.

Safeguard Requirements

- 6.1 Workers, including migrant workers, of the UNEP implementing/executing partners will be provided with clear and understandable information on their rights under national law and any collective agreements that may be in place. The employer will respect the terms of any collective agreement and, where such agreements do not exist or do not address working conditions, will provide reasonable working conditions¹⁶ and terms of employment.
- 6.2 The implementing/executing partner's policy will articulate principles of non-discrimination and equal opportunity in employment, accommodations, working conditions or terms of employment, access to training, job assignment, promotion, termination of employment, and disciplinary practices.
- 6.3 The implementing/executing partners will take measures to prevent and address harassment, intimidation, and/or exploitation, especially in regard to women and children and migrant workers.

¹⁶ Reasonable working conditions and terms of employment could be assessed by reference to (i) conditions established for work of the same character in the trade or industry concerned in the area/region where the work is carried out; (ii) collective agreement or other recognized negotiation between other organizations of employers and workers' representatives in the trade or industry concerned; or (iii) conditions established by national law.

- 6.4 The implementing/executing partner will not employ forced or trafficked labor, including bonded labor.
- 6.5 The implementing/executing partners will not employ children in any manner that is exploitative, hazardous, or potentially harmful to the child’s health or development, or that will interfere with his or her education. Children under the age of 18 will not be employed in hazardous work.
- 6.6 The implementing/executing partner will provide a safe and healthy working environment. Responsibilities will include identifying potential hazards to workers, providing preventive and protective measures and equipment, documenting and reporting of accidents and diseases, and planning for emergency response.

Safeguard Standard 7: Protection of Tangible Cultural Heritage

Purpose -- To protect tangible cultural heritage from adverse impacts of UNEP-supported projects, to support its preservation, and to promote equitable sharing of benefits from their use.

Scope -- The applicability of this standard will be determined during the social and environmental screening and review processes. This standard applies to any activity that is either known at the outset to have the potential to negatively influence tangible cultural heritage,¹⁷ or that is determined during an ESEA to be likely to have such adverse impacts, or that proposes to use cultural heritage for commercial or other purposes.

Safeguard Requirements

- 7.1 A project will avoid adverse impacts on critical tangible cultural heritage. When avoidance is not feasible, the safeguard management plan must include measures to minimize or mitigate those adverse impacts.
- 7.2 UNEP-supported operations must be in compliance with relevant national law and the host country’s obligations under the Convention Concerning the Protection of the World Cultural and National Heritage.
- 7.3 For any project involving land clearing or excavation in which there are indications of undetected physical cultural heritage, a “chance finds” procedure must be put in place.

¹⁷ Tangible cultural heritage is defined by UNESCO as movable cultural heritage (paintings, sculptures, coins, manuscripts); immovable cultural heritage (monuments, archaeological sites) and underwater cultural heritage (shipwrecks, underwater ruins and cities), which are considered worthy of preservation for the future. These include objects significant to the archaeology, architecture, science or technology of a specific culture (The Convention Concerning the Protection of the World Culture and Natural Heritage. The General Conference of the United Nations Educational, Scientific and Cultural Organization meeting in Paris, 17 October to 21 November 1972, at its 17th session).

- 7.4 Where a project proposes to use tangible cultural heritage of local communities for commercial or other purposes, the communities must be informed of their rights under international¹⁸ and national law and of the scope, nature and consequences of the project.
- 7.5 Consultation with corresponding governmental authorities, relevant UN entities, relevant NGOs, local communities and relevant experts will take place in the identification and protection or management of tangible cultural heritage that could potentially be negatively affected by a UNEP project.
- 7.6 Where a UNEP project site contains cultural heritage or prevents access to previously accessible cultural heritage sites being used by, or that have been used by, potentially affected communities within living memory for long-standing cultural purposes, the UNEP project should allow continued access to the cultural site or provide an alternative access route, subject to overriding health, safety, and security considerations.
- 7.7 UNEP projects should incorporate mitigating measures to address adverse impacts and to enhance positive impacts on tangible cultural heritage, in particular through site selection and design.

Safeguard Standard 8: Gender Equality

Purpose –To ensure the integration of gender perspectives in all UNEP projects, and to promote gender equality and the empowerment of women in sustainable development.

Scope – The applicability of this standard will be determined during the social and environmental screening and review processes.

Safeguard Requirements

- 8.1 UNEP will not support projects that result in unequal opportunity and treatment between women and men at national, regional and global levels.
- 8.2 UNEP will assess potential roles, benefits, impacts and risks for women and men in the preparation and implementation of projects undertaken or supported by UNEP, with the aim of supporting equality of opportunity and treatment of women and men. In this context, UNEP will avoid, minimize, and/or mitigate any adverse gender impacts or risks from its projects, as identified through the environmental, social and economic safeguard screening processes.

Safeguard Standard 9: Economic Sustainability

Purpose –This standard is to ensure that UNEP projects avoid negative economic consequences

during and after project implementation, especially for vulnerable and marginalized social groups in targeted communities and that benefits are socially-inclusive and sustainable.

Scope – The applicability of this standard will be determined during the social and environmental screening and review processes.

Safeguard Requirements

- 9.1 UNEP projects will promote, as part of their design, planning, implementation and monitoring, the financial sustainability of the activities implemented, also including those that will occur beyond the project intervention period.

- 9.2 UNEP projects should consider the full economic costs of various project modality options and undertake approaches that do not generate long-term economic burdens at the expense of short term gains for subsets of a population.

- 9.3 UNEP projects should consider various project modality options and undertake approaches that do not generate welfare disparities, especially for the poor, during or beyond the project intervention period.

CHAPTER THREE: PROCEDURES FOR IMPLEMENTING THE ENVIRONMENTAL, SOCIAL AND ECONOMIC SUSTAINABILITY FRAMEWORK

3.1 Implementation Approach

26. This chapter focuses on implementing the ESES framework. UNEP's ESES implementation approach will be integrated within its existing project review, approval and management cycle.
27. UNEP carries out activities that range from normative work to on-the-ground community projects. Procedures for implementing these safeguards will be the same regardless of the type of project. However, the level and nature of scrutiny will vary depending on the potential impacts associated with a given project. UNEP will employ an environmental, social and economic screening process to categorize projects upstream and determine the appropriate safeguards response. Currently, most of UNEP's projects fall into the "low impact" category, as defined in paragraph 38 below.
28. This chapter describes the full set of procedures, tools and guidelines that need to be applied for all risk categories of projects, and it guides UNEP managers on the required safeguard management process in case their projects are considered to be in the moderate or high risk categories. UNEP staff will require training to develop the competence to assess and guide the compliance of projects with these safeguard provisions.

3.2 Use of Country or Partner Safeguards Systems

29. UNEP implementing/executing partners are required to respect and comply with UNEP's ESES Framework and management requirements, as well. They should place a priority on the prevention of harmful environmental, social and economic impacts. If such prevention is not possible, they should minimize adverse impacts and enhance positive impacts through adequate environmental, social and economic planning and management, which would include the mitigation measures, monitoring, institutional capacity building, and implementation budget and schedule.
30. UNEP will consider the use of a host country's or partner's safeguards system if UNEP has determined that such system complies with UNEP's overarching and thematic safeguard standards and objectives. UNEP will review relevant policies and the host country's or partner's capacity during the project preparation and review phases up to full project approval. In so doing, UNEP may take into account country system diagnostic reviews that were conducted by other reputable international organizations, such as the World Bank Group, UN agencies and other

international NGOs. UNEP may agree with a host country or partner on actions to enhance its capacity, so as to permit the use of the country's or partner's system.

31. Where UNEP is considering the use of a country or partner system, this fact will be disclosed and justified prior to the project's submission for review and approval.

3.3 Safeguards in the UNEP Project Cycle: development, implementation, monitoring and evaluation

32. The key steps in applying the safeguards in the UNEP project cycle are shown in Figure 3-1 for projects that require concept approval by the donor (e.g., GEF and Adaptation Fund projects) and Figure 3-2 for those that do not follow such procedure.

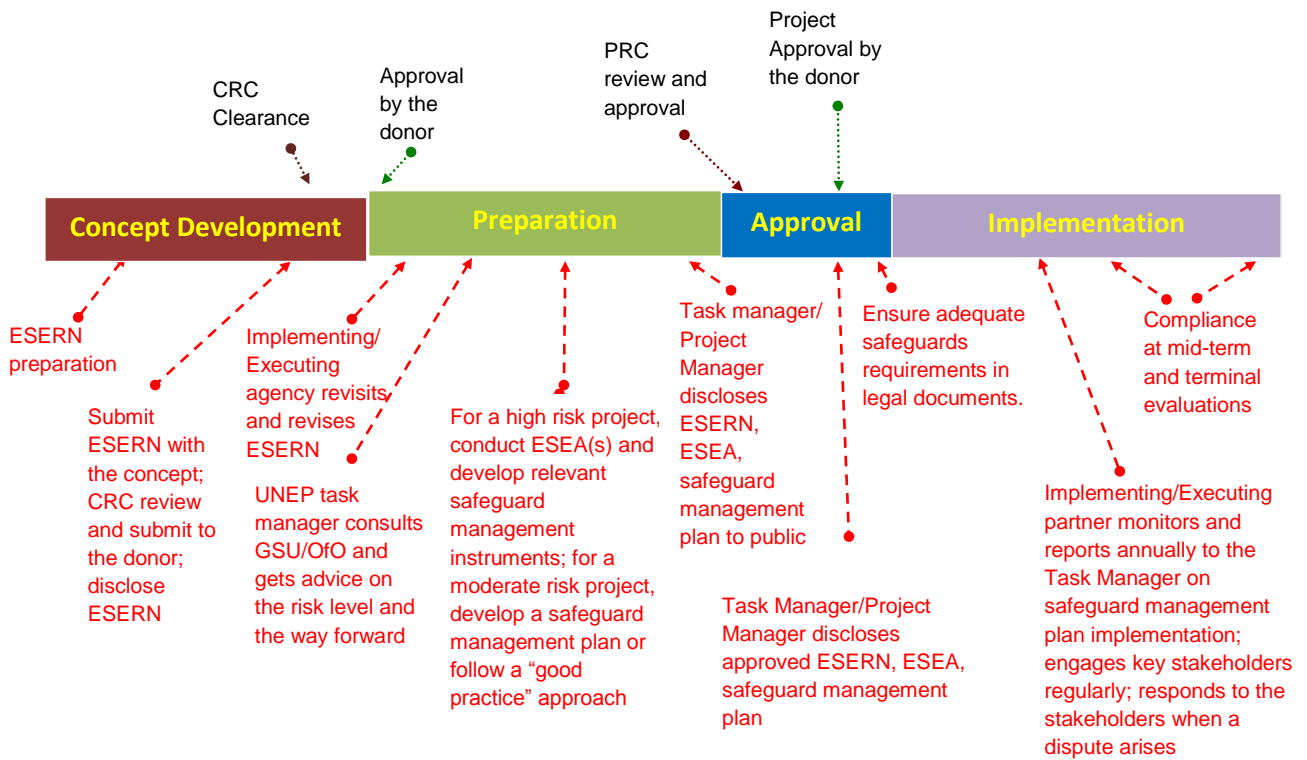


Figure 3-1 ESER Requirements within the UNEP Project Cycle for projects that require concept approval by the donor

3.3.1 Environmental, Social and Economic Screening

33. UNEP environmental, social and economic risks are screened using an Environmental, Social and Economic Review Note (ESERN). An ESERN is a tool to identify potential environmental, social and economic risks of a proposed project and assess the potential safeguard risks and their levels of significance in order to address them adequately by avoiding, mitigating or minimizing them in a structured, consultative and planned manner. Early and broad stakeholder consultation greatly improves a project’s identification of potential safeguard risks and the preparation of a related ESERN.

34. For GEF and other projects that require donor approval at the concept stage, the environmental, social and economic implication of a proposed project should be looked into by the Task Manager/Project Manager or the implementing/executing partners at the concept development (e.g., PIF) stage and will be reflected in the ESERN. The ESERN will be drafted in parallel with the concept based on preliminary information about the project. The concept and ESERN should be submitted together for the CRC (Concept Review and Clearance) procedure and be disclosed to the public. The ESERN will be updated during project preparation and resubmitted and re-disclosed with the full Project Document as described in the process below.

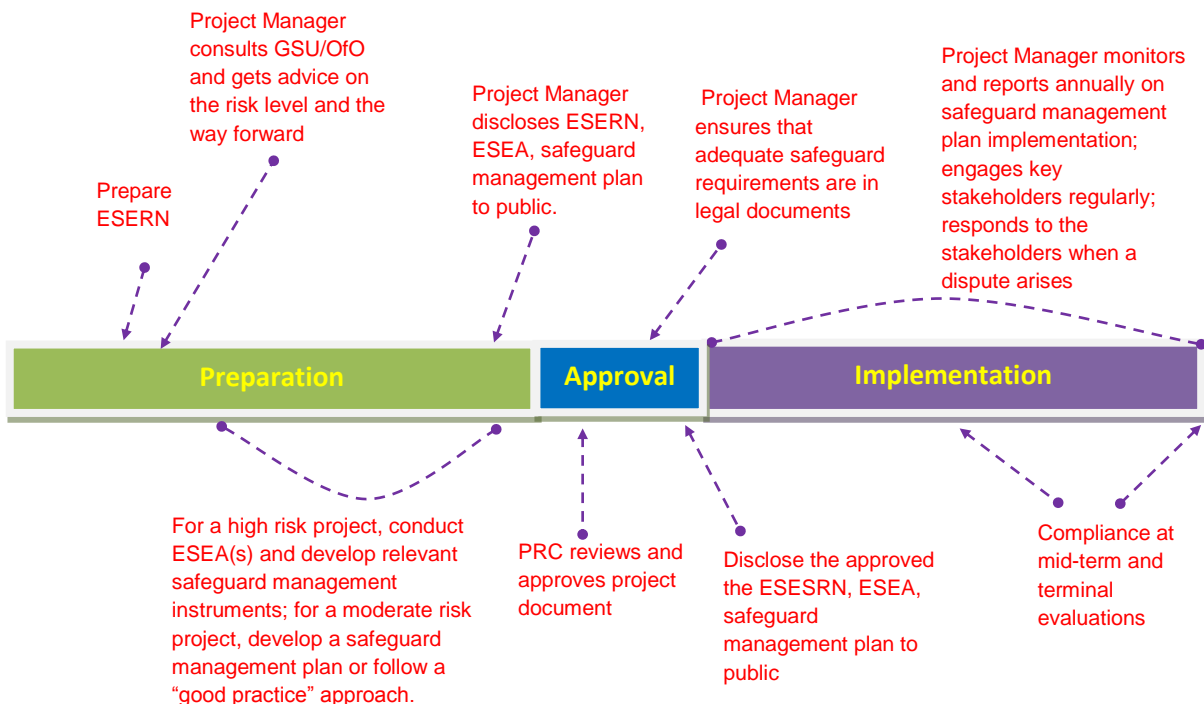


Figure 3-2 ESES Requirements within the UNEP Project Cycle for projects that are subject to UNEP’s internal approval only

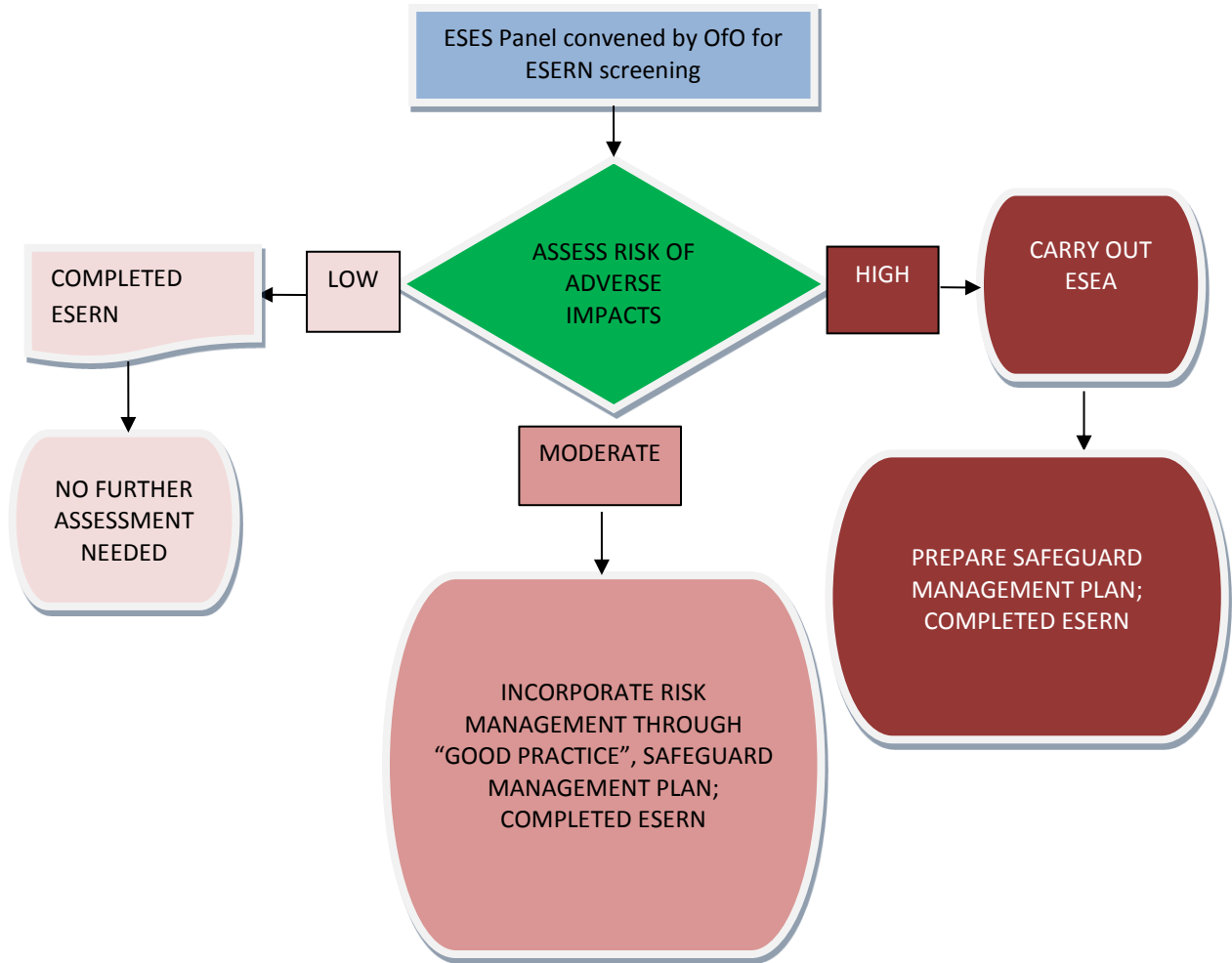
35. During the project preparation, the Project/Task Managers should submit draft ESERs for screening by an ESES Panel convened by OfO. If the screening assigns a high or moderate risk category to the project, then additional steps will be required during project preparation as shown in Figure 3-3. The results of these additional steps will be integrated into the project's design and appropriate management plans.
36. Screening is the process for determining the appropriate level of environment, social and economic assessment and the management approach, proportional to potential risks and to direct, indirect, cumulative and associated impacts, as relevant, to be developed for a proposed project. It is based on the project description, the description of the physical, biological, socio-cultural and economic setting, and the potential impacts and risks that can be foreseen at this early stage. Figure 3-3 provides a flowchart of the screening process.
37. Screening is also the first point in the identification of which of the thematic standards described in Chapter 2 will apply to the proposed project. This determination is preliminary. As further details of the project approach and its context emerge during project development, recommendations may emerge to delete or add one or more of the thematic standards from the list.
38. UNEP's screening will place a proposed project in one of three categories:
 - ✚ **High risk:** potential for significant negative impacts, possibly irreversible; requires full impact assessment or comparable study to develop an effective safeguard management plan. For example, projects that involve significant quantities of hazardous substances are normally considered *a priori* as high risk. Every safeguard management plan should be carefully monitored and reported to the stakeholders during project implementation.
 - ✚ **Moderate risk:** potential for negative impacts, but those that are less significant in scale; some potential risks manageable through standard "good practice"¹⁹ during project implementation without a separate management plan; other potential risks requiring limited environmental, social or economic analysis to determine the potential impacts identified through the screening. These projects may need to develop a safeguard management plan to monitor and manage the identified risks. However, for many cases in this category, a straightforward application of "good practice" may be sufficient.

¹⁹ "Good practice" is project monitoring, reporting of the identified safeguard risks during the project implementation through the built-in risk management and monitoring and evaluation sections of the UNEP project document template without having the need to develop a separate safeguard management plan. The ESES Panel may recommend this option if it considers that the safeguard risks identified can be managed through project's due diligence on risks and close engagement of the stakeholders.

🚩 **Low risk:** potential for negative impacts negligible; requires no further study or impact management.

39. Screening is inevitably based on imperfect and incomplete information. Estimating the degree of “significance” of potential negative impacts is central to determining the level of risk. It depends considerably on an informed professional judgment regarding the significance and complexity of potential impacts. Significance and complexity are functions of magnitude or intensity, geographic extent, duration of the potential risk, reversibility, probability and manageability.

Figure 3-3. The ESES Screening Process



40. All UNEP projects, whether donors approve the concepts or not, should go through the safeguard screening by Office for Operation (OfO) during the full project preparation. If a screening places a project in the category of low risk, the review process ends at the screening stage. If an initial screening finds that additional study is necessary, then the project's ESERN must detail all the environmental, economic or social measures UNEP will carry out, either directly or through its implementing/executing partner. Moreover, for high risk projects, UNEP will follow-up the development of the ESERN with the production of an Environmental, Social and Economic Assessment (ESEA), which will subsequently be incorporated into the safeguard management instrument, project document and legal documents.
41. Often, all of the requisite safeguard measures that the project implementers will have to carry out will not be known up front. It is important that all moderate to high risk projects continuously monitor during implementation for indications of the need for additional environmental, social or economic safeguard measures. Consequently, it is likely that an ESERN will be a hybrid, with some mitigation or enhancement measures known and described and others having to await study results. The latest ESERN for every UNEP project will be publicly disclosed on UNEP's website.

3.3.2 Preparation of Safeguard Assessment and Management Plans prior to project approval

42. **Environmental, Social, and Economic Assessment (ESEA) for high risk projects.** An ESEA provides the scope, complexity and degree of the potential impacts, which helps to guide the project in avoiding, mitigating and/or minimizing them. An ESEA will be necessary when an OfO-led ESES Panel assesses that a concerned project falls in the high risk category as shown in Figure 3-3. The preparation of a sound ESEA during project preparation helps to identify and address potentially significant ESES risks. This could avoid potential problems that could otherwise cause substantial delays, significant costs, public tension or adverse reputational risks to UNEP.
43. ESEAs should ensure that projects do not inadvertently undermine national requirements or contravene international obligations. Assessments of potential impacts must be coordinated or harmonized with national requirements and procedures that apply to the relevant project. UNEP or its implementing/executing partner need to compare national requirements, international obligations and those of UNEP and adopt the more stringent of these requirements (e.g., if UNEP's screening process would call for a site-specific ESEA but national regulations require a full environmental and social impact assessment (ESIA), then UNEP or its partner should prepare a full ESIA).

44. **Safeguard management plans for high and moderate risk projects.** If the screening process concludes that potential impacts are negligible or manageable through a standard “good practice” approach, this Framework does not require the development of any separate management plan. Otherwise, separate ESES management plans will need to be prepared.
45. A site and context specific safeguard management plan is normally a byproduct of an ESEA; however, it can be prepared as a stand-alone risk management instrument without carrying out an ESEA. This is normally the case for projects in the moderate risk category, where the typical impacts of the operation under review are relatively well understood through stakeholder consultations or field visits.
46. Safeguard management plans should identify the actions necessary to avoid adverse impacts, and the agencies or organizations responsible for implementing and funding those actions. The management approach must be site-specific and explain the measures for mitigation, locations, target communities, monitoring and institutional capacity development, implementation schedules, and cost estimates.
47. A specific management instrument- either an Indigenous Peoples Plan (IPP), Indigenous Peoples Plan Framework (IPPF), Resettlement Action Plan (RAP), Abbreviated Resettlement Action Plan (ARAP) or Land Acquisition Plan (LAP), Livelihood Restoration Plan (LRP) or Resettlement Policy Framework (RPF)²⁰ - may be required if Indigenous Peoples or Resettlement concerns are triggered.

3.3.3 PRC Approval and Clearance of the Safeguard Instruments

48. Final approval of projects by UNEP’s project review committee (PRC) will include a review of the final ESERN, ESEA and appropriately designed management plan. The PRC will review the project document and safeguard instruments together to ensure that there is consistency among these documents and that management approaches are feasible and practical. UNEP’s Partnership Review Committee will review the capacities of the potential implementing/executing partners for their level of compliance with the safeguard requirements of UNEP. Legal agreements with implementing/executing partners who have been successfully screened by the Partnership Review Committee will contain language necessary for ensuring the implementation of all relevant safeguards.

3.3.4 Mitigation, management and monitoring of impacts during project implementation

49. During project implementation, Project Managers and implementing/executing partners are responsible for ensuring that the actions specified in safeguard

²⁰ The functions and uses of each instrument are explained in the UNEP ESES Implementation Guidelines.

management plans are carried out, and for reporting regularly on compliance with these requirements via progress reports and the Project Implementation Reviews (PIRs) for GEF projects. Independent experts may continue to be involved in the monitoring of projects and in ensuring compliance with the project safeguard management plans. Safeguard management plans should be reviewed periodically and updated, and adjusted as needed. UNEP must address compliance concerns and other grievances in a timely manner, through UNEP's stakeholder response mechanism, even after project closure.

50. At the mid-term of a project, the Mid-Term Review or Mid-Term Evaluation will assess whether the environmental, social and economic risks are being vigilantly managed and monitored, and whether the UNEP ESES requirements have been complied with. Corrective measures will be proposed as relevant. At the end of the project, the Terminal Evaluation will undertake a similar exercise. It will also assess long term impacts, if relevant.
51. UNEP will monitor the projects it supports for compliance with safeguard management and enhancement measures, by means of self-monitoring reports from implementing/executing partners as well as, when appropriate, supervision missions by UNEP staff or external experts. Instruments such as safeguard management plan, GEF Project Implementation Reports and other progress reports will be utilized and updated whenever possible to include provisions for such monitoring.
52. UNEP's Subprogramme Coordinators and GEF Portfolio Managers will maintain an oversight at the programme level. Based on the inputs from the Subprogramme Coordinators and GEF Portfolio Managers, UNEP's Office for Operation will periodically report on the overall, aggregate status of ESES implementation. UNEP will conduct compliance and quality of supervision evaluations on a periodic basis, including institutional evaluations of the implementation of the ESES Framework.

3.4 Accountability mechanism for Safeguards, including disclosure and stakeholder responses

3.4.1 Access to Information

53. **Information Disclosure Requirements.** UNEP adheres to the principle of access to information, public participation in decision-making and access to justice in environmental matters, based on Rio Principle 10. This principle includes early consultation, access to information and the adequate opportunity to review materials and present comments prior to decisions. In line with Rio Principle 10, UNEP established an Access to Information Policy in 2014, according to which UNEP will disclose environmental, social and economic risk assessments, stakeholder consultation reports, impact assessments and safeguard management plans as

identified in this Chapter. Further details on what information should be disclosed by whom and when are explained in the ESES Implementation Guidelines. The Access to Information policy will be regularly updated and be applicable to all UNEP safeguard standards²¹.

54. Effective implementation of this Framework depends in part and to varying degrees on stakeholder engagement. Stakeholders can engage in a meaningful way only if they are appropriately informed. UNEP will disclose documentation related to ESES Framework implementation according to the guidelines below and expects its implementing/executing partners to do the same.
 - ✚ In a format and language understandable to the stakeholders concerned.
 - ✚ Sufficiently before the PRC review and approval to allow for inputs and reviews by the stakeholders.
 - ✚ On UNEP's website and through any or all of the following additional locations, depending on the nature of the operation: electronic copies on implementing/executing partner's website or national agency website, hard copies in the project area, in other forms of information disclosure as appropriate.

55. **Disclosure of Safeguard information.** UNEP must disclose ESERs, ESEAs and management plans well ahead of PRC reviews and approvals of the projects to allow affected communities the opportunity to review and comment on these documents before the finalization of the project documents. Comments and suggestions received should be responded to or incorporated in relevant project approach and risk management plans. UNEP will address all communications from stakeholders pursuant to UNEP's disclosure of safeguards information in the course of project formulation and before project review.

56. **Disclosure procedures during project implementation.** If a project is revised or its Mid-Term Evaluation identifies new and additional issues, or concludes that the safeguard management instrument was not fully implemented, then the management plan may need to be redone and re-disclosed. UNEP will disclose all revised ESERN, safeguard management plans and/or other consultation reports. Implementation and monitoring of safeguard management instruments should be reported and disclosed at least once a year respecting the conditions laid in paragraph 54 above. Outcomes of any stakeholder response or non-compliance review will also be made publicly available.

3.4.2 Stakeholder Response Mechanism

57. UNEP projects include procedures to keep the public informed about upcoming activities, as well as to receive and register communications from the public, to assess the issues raised and determine how to address them, to provide and

²¹ Access to Information Policy (UNEP/EA.1/INF/23), UNEP, 16 June 2014.

document responses to public communications, and to make any appropriate adjustments in the management of the respective operation.

58. In addition, a Stakeholder Response Mechanism will receive and facilitate the resolution of stakeholder concerns and address stakeholder responses to environmental and social management performance. This Mechanism, while respecting the UN's privileges and immunities, will be structured to resolve concerns promptly and at the lowest possible level of UNEP's structure (e.g., within the responsible Division or Regional Office) using a transparent consultative process that is, in accordance with UN standards, culturally appropriate and readily accessible. UNEP's Stakeholder Response Mechanism elaborates on the scope, requirements and procedures for filing complaints and addressing disputes. UNEP's Stakeholder Response Mechanism is to facilitate easy accessibility to UNEP by affected stakeholders and to respond to complaints in an independent, transparent and timely manner. The contact information, procedures for filing a complaint and the operating procedures for the Stakeholder Response Mechanism will all be made available to the public on the UNEP website. UNEP will register all complaints and create a publicly accessible system for reporting on the progress and outcomes of all complaints to the interim accountability system.
59. An Independent Office for the Review of Stakeholder Responses, including compliance concerns and grievances, will have responsibility for managing the Stakeholder Response Mechanism.²² This Office will address dispute resolution and compliance review through:
 - ✚ a **compliance review** process to review and respond, as appropriate, in cases where UNEP may not be in compliance with its Environmental, Social and Economic Sustainability (ESES) Framework; and
 - ✚ a **grievance redress** process that provides people affected by UNEP projects access to appropriate and flexible dispute resolution procedures.
60. An "Interim Officer for the Review of Stakeholder Response" has been appointed in the Office for Operations to manage the Stakeholder Response Mechanism and handle compliance reviews. This individual will report to the Executive Director and will operate in an independent manner from UNEP programme and project management. This individual will advise responsible project staff on procedures and best practices for handling compliance concerns and grievances.

²² "UNEP's Stakeholder Response Mechanism" will be available to the public from early 2015.