



ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK

CONSERVATION INTERNATIONAL

ENVIRONMENTAL AND SOCIAL SAFEGUARD SYSTEM

POLICIES AND STANDARDS

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I. ACRONYMS & ABBREVIATIONS

AOO	Area of Occupancy
BMP	Biodiversity Management Plan
CBD	Convention on Biological Diversity
CBO	Community Based Organization
CCBS	Climate, Community and Biodiversity Standards
CCIA	Community Controlled Impact Assessment
CHIA	Cultural Heritage Impact Assessment
CHMP	Cultural Heritage Management Plan
CHSP	Community Health and Safety Plan
CI	Conservation International
CR	Critically Endangered
CSO	Civil Society Organizations
DEI	Diversity, Equity and Inclusion
EHSG	Environment, Health and Safety Guidelines
EN	Endangered
ES	Ecosystem Services
ESA	Environmental and Social Accountability
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
EOO	Extent of Occurrence
EoI	Expression of Interest
ESS	Environmental and Social Standards
EPRP	Emergency Preparedness and Response Plan
FI	Financial Intermediary
FPIC	Free, Prior and Informed Consent
GBV	Gender-based Violence

GCO	General Counsel Office
GCF	Green Climate Fund
GEF	Global Environment Facility
GIIP	Good International Industry Practice
GMP	Gender Mainstreaming Plan
HCV	High Conservation Value
IA	Impact Assessment
IAS	Invasive Alien Species
IFC	International Finance Corporation
ILO	International Labour Organization
IPLC	Indigenous Peoples and Local Communities
IPM	Integrated Pest Management
IPO	Indigenous Peoples Organization
IPP	Indigenous Peoples Plan
IUCN	International Union for Conservation of Nature
IVM	Integrated Vector Management
KBA	Key Biodiversity Areas
LRP	Livelihood Restoration Plan
M&E	Monitoring and Evaluation
MTR	Mid-Term Review
NBSAP	National Biodiversity Sustainable Action Plan
NT	Not Threatened
NTFP	Non-Timber Forest Products
OUV	Outstanding Universal Value
PARS	Proposal and Agreement Routing Slip
PDM	Project Delivery and Monitoring Team
PSE	Public Sector Entity
REPPP	Resource Efficiency and Pollution Prevention Plan

SEAH	Sexual Exploitation and Harassment
SEP	Stakeholder Engagement Plan
SMART	Specific, Measurable, Achievable, Relevant, Time specific
TOR	Terms of Reference
UNDRIP	United Nations Declaration on the Rights of Indigenous Peoples
RAP	Resettlement Action Plan
UN	United Nations
VU	Vulnerable
WB	World Bank
WHO	World Health Organization



CONSERVATION INTERNATIONAL ENVIRONMENTAL AND SOCIAL SAFEGUARDS SYSTEM (CI-SS)

III. INTRODUCTION

1. CI's mission is to empower societies to responsibly and sustainably care for nature, our global biodiversity, for the well-being of humanity.
2. Recognizing the value of safeguards for risk management and promotion of human rights, as well as CI's responsibility as a partner of public and private donors that require safeguard policies, CI has developed the *Environmental and Social Safeguards System*, (henceforth referred to as the "**CI Safeguard System**") which is comprised of:
 - **4 Policies, 10 Standards and the Procedures, Guidance and Design Tools** - Referred to here as the Environmental and Social Management Framework (CI-ESMF). These Policies, Standards, Procedures, Guidance and Tools are described below (See Figure 1). Some guidance and tools will be further developed as the CI Safeguard System becomes operational. **CI will require adherence to the CI-ESMF, and its associated policies for all new projects that are designed and implemented through public or private funding (beginning July 1, 2022). The CI-SS will not apply retroactively to CI's existing portfolio of projects unless project teams agree to adopt these requirements or the donor has required them.**
 - **Institutional Roles and Responsibilities.** All of CI, and its delivery partners, will have a role in implementing the CI Safeguard System. The CI-ESMF describes the roles and responsibilities of Project Teams, Project Design and Monitoring - Environment and Social Accountability Team (henceforth, PDM ESA), and supporting actors in the implantation of CI Safeguard Polices, Standards and Procedures. A Safeguards Working Group¹ is established to coordinate the implementation of the CI Safeguard System with other CI Policy responsibilities. The Working Group facilitates coordinated approaches to each of the Safeguard System elements.

¹ Participating divisions in the Working Group include: GCO, CIPO, GPP, B&C, CI GEF/GCF Agency, CCC, IT, among others.

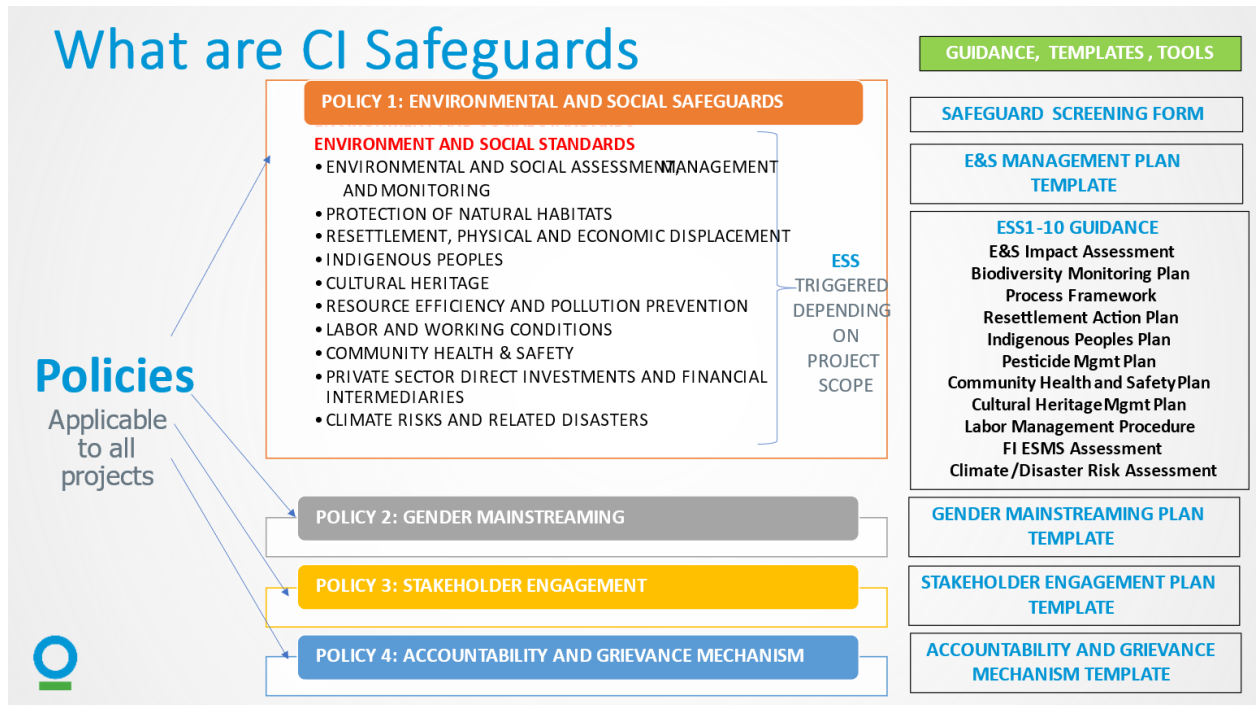


Figure 1. Overview of CI Safeguards

- **Consultation and Review Process** – The CI Safeguard System is informed by a thorough consultation process (internal and external) and will plan a scheduled review to refresh and update to remain consistent with highest standards.
- **A Capacity Building Program for CI staff and partners** – To strengthen safeguard capacity across CI and delivery partners, a combined online and in person learning program will ensure that CI staff and partners have the needed training, tools and support.
- **Accountability and Grievance Redress Procedure** – To complement the CI-ESMF Policy 4 (project level Accountability and Grievance Mechanism), CI established a procedure for consistent identification, screening, handling and responding to grievances across projects.² A CI Global Grievance Committee under the management of the Sr. Director of Compliance and Risk Management will oversee the procedure, provide guidance to Policy 4 implementation, lead the response to highest risk grievances, and report on Accountability and Grievance Mechanism performance annually to key stakeholders (as defined in the SEP).
- **Safeguard Monitoring, Reporting and Learning** – The performance of the CI Safeguard System (risk ratings, PARS clearances, monitoring reports, evaluations) will be tracked and monitored in an internal tracking system and fed back into project and program decision making.

² See CI Accountability and Grievance Mechanism. <https://www.conservation.org/gef/grievance-mechanism>

- **Information Disclosure** - Transparency is essential to safeguard accountability, through building and maintaining public dialogue, increasing public awareness, enhancing good governance, and ensuring programmatic effectiveness. The CI Safeguard System rests on a commitment to ensure that relevant information about CI programs and projects will be disclosed to help affected communities and other stakeholders to understand the opportunities and risks of proposed activities and to facilitate meaningful, effective and informed participation of stakeholders in project formulation and implementation. This ESMF and general project information and project documents are to be disclosed through **the CI Safeguard System Portal, dedicated project websites and individual CI Country Websites.**
3. **The objectives of the CI Safeguard System** are to: (i) strengthen the quality of programming by ensuring a principled approach; (ii) avoid adverse impacts to people and the environment; (iii) minimize, mitigate, and manage adverse impacts where avoidance is not possible; (iv) ‘do good’ and promote human rights by reducing equity gaps and facilitating the enhancement of social and environmental sustainability; (v) strengthen CI and partner capacities for managing social and environmental risks; and (vi) ensure full and effective stakeholder engagement, including a mechanism to respond to complaints from project-affected people.
 4. The CI Safeguard System will ensure CI projects and programs fulfil the minimum requirements of all bilateral, multilateral, foundation and private funders.³⁴ This includes private investments involving corporate partnerships and participation in Financial Intermediaries (Trust Funds, Investment Funds, Public-Private Partnerships, Bonds, etc).
 5. The CI Safeguard System will facilitate the enhancement of social and environmental sustainability beyond the mitigation of adverse impacts. The Safeguard System contributes to more effective, efficient and equitable conservation outcomes, through enhancing project design and delivery while prioritizing the fulfilment of rights.
 6. CI considers the different roles and needs of men and women in all aspects of our business decision-making and will take a gender-responsive approach to ensure actions that promote gender equality and equity are incorporated into all projects as a cornerstone of conservation efforts.
 7. The CI-ESMF describes the responsibility of the PDM ESA Team to oversee the implementation of the CI Safeguard System, and the support, monitoring and compliance of the Policies, Standards and Procedures in the CI-ESMF.
 8. The CI-ESMF describes how Project Teams will identify, screen, scope, assess, manage, monitor, report and evaluate any environmental and social risk or impacts throughout the project cycle. All mitigation measures will be designed in overall accordance with CI policies and principles, and the requirements established in this CI-ESMF.

³ These funders include [USAID, FFEM, World Bank, IFC, Inter-American Development Bank \(IDB\), IKI, NORAD, KfW, BAF, MFAT/DFAT, other bilateral funding agencies as well as the GCF, <https://www.greenclimate.fund/document/environmental-and-social-policy>; GEF, \[https://www.thegef.org/gef/policies_guidelines/safeguards\]\(https://www.thegef.org/gef/policies_guidelines/safeguards\);](#)

9. The CI Safeguard System is informed by our Rights-Based Approach (RBA) to conservation, which outlines RBA principles for Gender, Indigenous Peoples, Involuntary Resettlement, Partnerships, Research Ethics and Vulnerable Populations.⁵
10. Conservation International's respect for human rights extends beyond the Safeguard System. CI was a founding member in 2009 of the Conservation Initiative on Human Rights (CIHR), a cohort of international conservation organizations committed to respecting internationally recognized human rights and ensuring that our projects do not result in human rights violations. Through our RBA, the CI Safeguard System is committed to fulfilment of the following principles within the scope of our conservation projects:
 - *Respect Human Rights*: Respect internationally proclaimed human rights and take no action that contribute to the infringements of human rights⁶;
 - *Promote Human Rights and Human Well-being Within Conservation Programs*: Support and promote the protection and realization of human rights, while respecting the cultural values of local populations and the sovereignty of States within which we work;
 - *Protect the Vulnerable*: Protect the people who are most vulnerable to a variety of drivers and infringements of their rights and the ecosystems that sustain them;
 - *Encourage Good Governance*: Support the improvement of governance systems, including elements such as legal, policy and institutional frameworks, and procedures for equitable participation, conflict resolution and accountability;
 - *Work in Partnership*: Seek and incorporate the knowledge and contributions of partners to ensure that our work results in lasting and fundamental improvements for nature and human well-being.
11. CI's RBA Principles provide the human rights framework and reflect the more just, sustainable world to which we hope the CI's Safeguard System will contribute.

V. SAFEGUARD POLICIES

POLICY 1: ENVIRONMENTAL AND SOCIAL MANAGEMENT

12. This Policy identifies and describes all relevant CI Environmental and Social Safeguard Standards for public and privately funded projects.

⁵ This ESMF supersedes the six CI RBA Policies approved in 2012 and aligns with two others approved in 2016 on Child Protection and Anti-human Trafficking

⁶ As provided for in the International Bill of Human Rights, the core human rights treaties, the ILO Declaration on Fundamental Principles and Rights at Work, and other universal and regional instruments relating to human rights.

13. The description of the implementation arrangements for each ESS and more detailed description of measures to address particular thematic issues pertaining to the respective Standards is provided in the Appendix section of this document.

A. PURPOSE

14. The purpose of Policy 1 of the CI-ESMF is to ensure that projects comply with the safeguard policies, standards and procedures of the CI-ESMF and the relevant funder. The CI-ESMF adheres to all other relevant CI Policies.⁷ Policy 1 outlines policy requirements, procedures, roles and responsibilities for PDM ESA team to support, monitor and ensure compliance with the CI-ESMF and in turn, the wider CI Safeguard System. This Policy adopts the Precautionary Principle as another core component of the CI Safeguard System. This means that when a project/programme activity raises threats of harm to people or the environment, precautionary measures should be taken even if some cause-and-effect relationships are not fully scientifically established.

B. SCOPE OF APPLICATION

15. This ESMF constitutes a set of policy requirements that apply to all CI's employees as well as CI sub-awardees, contractors, suppliers, consultants, at any tier, as well as their employees, labor recruiters, brokers, and agents (jointly "CI Suppliers") engaged by CI, including for the performance of public and privately funded contracts, awards or cooperative agreements and other applicable agreements.

16. The Policy on Environmental and Social Safeguards consists of 10 Standards (ESS), which describe the minimum standards that each CI funded project must meet or exceed. They are:

ESS 1: Environmental and Social Impact Assessment, Management and Monitoring

ESS 2: Protection of Natural Habitats and Biodiversity Conservation

ESS 3: Resettlement and Physical and Economic Displacement

ESS 4: Indigenous Peoples

ESS 5: Resource Efficiency and Pollution Prevention

ESS 6: Cultural Heritage

ESS 7: Labour and Working Conditions

ESS 8: Community Health, Safety and Security

ESS 9: Private Sector Direct Investment and Financial Intermediaries

⁷ The CI-ESMF adheres to and supports project activities consistent with compliance to the following CI Policies, including: CI's Code of Ethics, Construction Policy, Child Protection and Safeguarding Policy, Anti-Trafficking in Persons Policy, Anti-Bribery and Anti-Corruption Policy, Anti-Fraud Policy, Whistle-blower Policy, Prevention of Sexual Exploitation, Abuse and Harassment Policy, and Conflict Resolution and Formal Complaint Policy.

ESS 10: Climate Risk and Related Disasters

17. This policy applies in coordination with the respective policies concerning Stakeholder Engagement, Accountability and Grievance Mechanism and Gender.
18. The scope of application of the ESMF is all **CI projects** (*see Glossary for definition*), which excludes all projects funded and developed under CI-GEF, CI-GCF, CI CEPF and CI Blue Nature Alliance safeguard frameworks.
19. All safeguard oversight over CI-GEF, CI-GCF, CI-CEPF, CI Blue Nature Alliance funded CI projects will remain the responsibility of the CI GEF/GCF Project agency. The CI Safeguard System will facilitate coordination between PDM ESA Team and the GEF and GCF agency to determine appropriate and non-duplicative actions pertinent to effective environmental and social safeguard implementation.

C. REQUIREMENTS

20. The PDM ESA Team will ensure that CI project design and implementation follows the **mitigation hierarchy** in relation to adverse environmental and social risks and impacts. Any potential harm to the environment and to men and women will be *anticipated and avoided* as a priority, or, only when unavoidable, *minimized* and appropriately *mitigated* and in the last instance-where residual impacts remain, *offset (compensated)*.
21. CI requires Project Teams to conduct environmental and social assessments of direct, indirect and cumulative impacts from proposed project activities in accordance with ESS1, which includes screening, scoping, assessment and planning of risk management. The type of assessment will correspond to the nature and scale of the Project risks.
22. Following this approach, environmental and social concerns will be incorporated as an intrinsic part of decision making throughout the project cycle. Any identified adverse environmental and social impacts and risks will be addressed and tracked throughout all stages of the project cycle to ensure that supported activities comply with the policies and practices laid out in the CI-ESMF.
23. In accordance with Environmental and Social Standard ESS 1 of the CI-ESMF, CI requires Project Teams to respect human rights, avoid infringement on the human rights of others, assess and address risks to and impacts on human rights in the projects it supports. With reference to national and international human rights analysis, CI will document the presence or absence of human rights risks for the project.
24. Through the implementation of Policy 1 and Policy 3 (Stakeholder Engagement) CI requires project design that promotes more inclusive, prosperous and sustainable conservation

outcomes, encompassing equal access to services and opportunities for all, including for the poor and most vulnerable,⁸ without compromising the health of the environment.

25. Policy 1 requires the Project Teams assess the risks to and provide for the needs of vulnerable and marginalized peoples, also paying close attention to the intersecting and complex nature of social identities. The concept of intersectionality recognizes that individuals have multiple characteristics to their identity which can lead to different types - and increased levels - of discrimination and/or privilege. These intersecting characteristics result in advantages and disadvantages which can confer power or oppression, based on age, sex, socio-economic levels, education, sexual orientation, religion, disability, race, ethnicity, migration status, and more. Discrimination and oppression often result in increased vulnerability. Particular attention will be directed at project design and delivery processes to ensure that intersectional vulnerability is recognized and understood, and that diversity, equity, and inclusion (DEI) objectives are embedded as coherent, tangible and accountable commitments.
26. Through the implementation of Policy 2: Gender Mainstreaming, CI requires an approach that enhances gender equality and equity. Through its project design review, the CI PDM ESA team will identify and promote measures to support the equal treatment of women and men, including equitable access to and control over resources and services, improving the participation and decision-making of women in natural resource governance, and equitable socio-economic benefits for women and men.
27. Through the implementation of ESS 4, CI requires respect for Indigenous Peoples, African descendant and other traditional peoples' collective rights, customary law, and customary land tenure rights, in accordance with their own worldview and governance structures. This includes respecting the right to FPIC established through well documented, good faith negotiation between the Project Team or proponent and the project-affected communities of Indigenous Peoples.⁹
28. Through the implementation of ESS 8, CI requires respect for workers' rights as defined by the ILO core labor standards, including the prohibition of child labor and forced labor.
29. CI is committed to protecting the rights of children in accordance with host country and local child welfare and protection legislation or international standards, whichever gives greater protection, and with U.S. law, as applicable. Policy 1 and ESS 1 provide measures to identify and avoid risks for Project activities that bring CI personnel or project implementing partners into direct contact with children to integrate child protection in project planning and implementation.¹⁰
30. Through the implementation of Policy 3 and 4 (Accountability and Grievance Mechanism) CI requires engagement with project affected peoples and other stakeholders in meaningful consultations, free of fear of reprisals using accessible formats for different needs, and to

⁸ See Glossary of Terms for CI definition of vulnerability.

⁹ See [CI Indigenous Peoples Negotiation Resource Guide](#).

¹⁰ Policy 1 and ESS 1 are consistent with and adhere to the requirements of CI's Child Protection Policy, extending policy requirements to all CI funded projects.

develop and implement an accessible grievance mechanism for them to provide feedback, concerns, and inquiries.

31. Through ESS 2, CI requires the protection, conservation, management, and sustainable use of biodiversity, natural resources, and ecosystem services.
32. Through ESS 5, CI requires projects to promote GHG emission reduction, including NCS, and assess and minimize climate risks through proactive adaptation strategies.
33. For projects involving associated facilities, the environment and social assessment will also identify and evaluate, to the extent appropriate, the potential environmental and social risks and impacts of the facilities.¹¹ When the Project Team requirements differ from the levels and measures presented in the CI-ESMF, the Project Team will be required to achieve or implement whichever is more stringent. For projects/programs involving multiple sub-projects which are identified, designed and implemented during the course of the project, the Project Team will carry out appropriate environmental and social assessment of the sub-projects and include measures to strengthen its own capacity to conduct environmental and social due diligence of implementing partners. See ESS 9 for detail on risk management of subprojects.

D. ENVIRONMENTAL AND SOCIAL SAFEGUARD RESPONSIBILITIES

34. The **CI PDM ESA Team** has the overall responsibility for ensuring that environmental and social issues are adequately addressed within the project cycle and will be ultimately responsible for the review and supervision of the implementation of CI-ESMF and the CI Safeguard System. This responsibility will be shared with other CI Divisions, for instance, when compliance oversight is delegated, when wider expertise is needed or when environmental and social safeguard policies overlap with other CI policies and required coordinated support or oversight.
35. The **Project Manager** is responsible for designing and executing a project consistent with the requirements as described in the CI-ESMF. This includes monitoring and evaluation of progress of the agreed actions that address safeguard issues during project implementation.
36. The **CI PDM ESA team** will monitor implementation of the CI- ESMF. It will review and approve key documents such as Terms of Reference (TOR) and project-specific safeguard screening form, and risk mitigation strategies and action plans developed during project preparation. During project preparation, the CI PDM ESA team will be able to request from a Project Manager all information it requires concerning project effects on Indigenous Peoples and local communities and require further assessment or consultations as well as work on safeguard plans until the CI-ESMF policies have been satisfactorily addressed. The CI PDM

¹¹ “Associated facilities” means facilities or activities that are not funded as part of the project and are: (i) directly and significantly related to the project; (ii) carried out, or planned to be carried out, contemporaneously with the project; and (iii) necessary for the project to be viable and would not have been constructed or expanded if the project did not exist.

ESA team will also review and approve any monitoring reports, action plans or responses to grievances that are developed during project implementation.

37. The **CI PDM ESA team** will also be responsible for oversight of the gender mainstreaming component of the project planning process, including review and approval of the Project Team’s Gender Mainstreaming Plan and adequate gender inclusion throughout the final project document.

E. SCREENING AND ENVIRONMENTAL AND SOCIAL RISK CLASSIFICATION

38. There are two key decision points during the project preparation process that the PDM ESA team will review and approve.¹²

- **Risk Screening Verification.** The Project Manager will complete the safeguard screening form, which can be found [here](#). With support from CI Account Managers, PDM ESA will support and review the safeguard screening form for project activities (see Appendix I), identifying potential safeguard issues, defining a risk classification and describing project preparation procedures to further assess potential impacts and design mitigation measures, as needed. The verified project environmental and social risk classification will be recorded in the **Safeguard System portfolio risk database** maintained by CI PDM ESA to track E&S risks and impacts.¹³
- **Due Diligence.** As part of the PARS approval process, the PDM ESA team will carry out its own environmental and social due diligence of CI Projects in accordance with the standards of the CI-ESMF. The extent of this due diligence is determined by the nature and scope of the proposed project and will be proportional to risks and impacts and the prevailing country context for its implementation. The PDM ESA Team will review and approve the safeguard assessment and plans developed based on the adequacy of the project’s preparation process and implementation measures vis-à-vis the safeguard issues and requirements, including:
 - i. Compliance with the CI- ESMF, its policy requirements, and any relevant funder environmental and social safeguard policies;
 - ii. Adequacy of the Project Team’s identification of key potential social and environmental project risks and impacts, including those related to natural hazards and climate change.

¹² As noted above, for projects funded by CI GEF, CI GCF, CEPF or Blue Nature Alliance, the respective agencies will be responsible for approval of any screening and safeguard plans. PDM ESA team may be called upon to provide safeguard related support to teams preparing such projects in the design stage.

¹³ The PDM ESA team will maintain the safeguard risk database where all risk screenings, mitigation plans, reports, and reviews are stored to inform portfolio risk management and public disclosure of safeguards actions. The safeguard risk database will be updated as needed throughout the project cycle.

- iii. Adherence to the mitigation hierarchy against possible adverse social and environmental impacts, including identification and effective implementation of measures to avoid, minimize, mitigate or offset adverse environmental and social impacts;
- iv. Adequacy and feasibility (technical and financial) of the proposed safeguard mitigation measures and monitoring plans, including, but not limited to, any Environmental and Social Management Plan (ESMP), Stakeholder Engagement Plan (SEP), Gender Mainstreaming Plan (GMP), Resource Efficiency and Pollution Prevention Plan (REPPP), Indigenous Peoples Plan (IPP), Process Framework or Resettlement Action Plan (RAP);
- v. Adequacy of the project's consultation processes, particularly circumstances requiring free, prior, and informed consent (FPIC) of Indigenous Peoples and communication of the Accountability and Grievance Mechanism;
- vi. Adequacy, appropriateness and feasibility of the proposed measures to ensure gender equality, including equal access to resources, services, and equal ability to participate in, and benefit from, the project's activities;
- vii. Capacity, including but not limited to technical and financial capacity, of the Project Team and other partners to implement the project and any required safeguard-related measures during the preparation and implementation of the project;
- viii. Safeguard results indicators that are integrated into the project results framework;
- ix. Adequacy of the safeguard plan budgets and implementation arrangements, and
- x. Clear documentation of the foregoing is available to stakeholders before approval and throughout the project implementation as indicated in a meaningfully consulted and disclosed stakeholder engagement plan.

39. Risk classification: CI will classify projects (including projects involving financial intermediaries, or FIs) into one of four risk classifications: A, B, C, or FI (see ESS 1 for further detail). In determining the appropriate impact classification, CI will consider several project-specific aspects, such as type, location, sensitivity, and scale of the project; the nature and magnitude of the potential environmental and social risks and impacts, including those related to natural hazards and climate change; and the commitment, capacity, and track record of the Project Team (and in the case of FIs or Direct Investments – the Fund Manager or Investment Manager) to manage the environmental and social impacts in a manner consistent with the ESSs. This impact classification also guides some aspects of the CI's information disclosure requirements. CI will disclose the Project's classification and the basis for that classification at the same time as it discloses relevant project documents.

40. Through the due diligence review, the CI PDM ESA team may find the safeguard process and measures satisfactory or may find the need for further discussion with the Project Team to achieve the objectives of the CI-ESMF, including revising the ESMP or other safeguard

measures and documents as appropriate to meet the relevant ESSs in a specified timeframe.¹⁴ If the costs, risks, or complexity of particular safeguard issues outweigh the expected project benefits, a decision may be taken to not support the project.

41. **Financial Intermediaries.** The nature of intermediated financing means that the FIs will assume delegated responsibility for environmental and social risk and impact assessment, risk and impact management, and monitoring, as well as overall portfolio management. The delegation may take various forms depending upon different factors (see ESS 9).¹⁵ CI due diligence will focus on the effectiveness of the FIs' environmental and social risk and impact management, which will be assessed during project preparation and evaluated and monitored regularly throughout the project cycle. PDM ESA due diligence will review Project Team assessment of FI safeguard system (ESMS), policies, procedures, capacity, track record, reporting and communication, including a risk-based review of a sample of portfolio investments. For any FI subprojects that would be considered category A or B projects, and/or with high or moderate risk, they will be treated as if they were directly financed by CI in terms of safeguard requirements. CI supervision may include visits at the FI level, as well as to recipients of FI loans, particularly in the case of high-risk subprojects. The frequency and focus of supervision visits will be commensurate with the identified risks.
42. **Private sector partnerships.** CI works with a range of Corporate partners to advance conservation and innovative finance for nature. Due diligence of Corporate partnerships that involve flows of investment to CI sponsored or implemented projects will be conducted to assess whether the ESMS of the Corporate partner is consistent with the requirements of the CI-ESMF in addition to other CI policies or requirements. As appropriate, the due diligence by the CI PDM ESA will include both the project related risks and impacts, but also the potential risks associated with the operations of the Corporate partner. Such due diligence will be coordinated with the respective Account Managers and the Corporate Partnership Review Process.
43. **REDD+ Voluntary Market, Natural Climate Solutions and other Results-for Performance Projects.** CI supports and, in some cases implements, a range of projects that promote conservation or climate mitigation through payment for performance contracts. Many of these projects are managed to meet recognized carbon body certification standards, such as VERRA or CCB.¹⁶ CI will consider these carbon standards for its due diligence of such projects, which will assess the capacity of the equivalent ESMS of the Project Developer or Sponsor to

¹⁴ Possible additional measures may include further analysis or elaboration of risk or mitigation information, provision of evidence of the necessary commitment, capacity, and track record to manage environmental and social risks and impacts adequately; propose the role or adequate definition of the role of third parties, further consultations with project-affected people and other stakeholders.

¹⁵ FI projects can involve both public and private investment and take the form of Trust Funds, Projects w/significant subgranting components, Equity Fund Investments, Corporate Lending, Conservation Ventures, etc.)

¹⁶ For more on VERRA CCB Standards. <https://verra.org/redd-projects-positive-impacts/>

meet the requirements of the CI-ESMF.¹⁷ For all carbon projects, PDM ESA will defer assessment of permanence, leakage and additionality to the CI Carbon Finance team in line with the methodology of the relevant carbon standard. PDM ESA will coordinate assessment of all other social and environmental risks accordance with this ESMF as appropriate. During project preparation, CI will assess the adequacy of the relevant ESMS (of the Project Developer, Sponsor or implementing partner) to implement the activities expected to be financed by the project in a manner that meets the requirements of the ESSs. Where necessary, adjustments to the Project Developer, Sponsor or Implementing Partner’s ESMS will be agreed with CI and incorporated in an ESMP. The definition of the indicators that are linked to disbursements and the corresponding targets of the Project will also consider environmental and social performance and intermediate or final outcomes, as appropriate.

44. **Project Co-Financing.** Where CI is jointly financing a project with national, bilateral, multilateral or private sector funding partners, CI will collaborate with the Project Team and other funding partners to assess the feasibility of adopting a common environmental and social risk and impact assessment and management process, as well as unified documentation (a “common approach”). CI may agree that environmental, social and climate policy requirements/procedures/rules of such partners will be applied, provided that such requirements/procedures/rules are equivalent to CI’s, have demonstrated an acceptable track record of implementation and will enable the project to achieve objectives consistent with the Policies and ESS of the CI-ESMF. Such an assessment will follow steps outlined in ESS9 (Private Sector Direct Investments and Financial Intermediaries).

F. MONITORING AND REPORTING

45. During project execution, safeguard compliance will be tracked along with performance toward project objectives. At each performance reporting stage, generally on a quarterly basis, the Project Team will revisit the safeguard issues to assess their status and address any issues that may arise. In cases where the Project Team is implementing an ESMP, other project-level plans, or other mitigation measures, it will report on the progress of such implementation in parallel with or as part of reporting for other project elements. The intent of this process is to ensure that the environmental and social safeguard issues, including gender mainstreaming and stakeholder engagement, are continually monitored and adverse

¹⁷ Projects that aim to claim carbon credits will use internationally recognized carbon accounting methodologies. Other safeguard standards for Payment for Results projects, such as the [Verra’s Verified Carbon Standard](#), [Gold Standard](#), [Climate Action Reserve](#), [ART TREES](#), or [American Carbon Registry](#) and/or the [Climate, Community and Biodiversity Standards](#) or such other protocol as may be approved by the CI Carbon Finance team. In the event these standards are applied, a gap analysis with the e CI ESMF and the completion of a gap filling action plan should be approved and monitored for compliance by PDM ESA or a delegated authority. PDM ESA benchmarking of VERRA Climate, Community and Biodiversity Standards for Carbon Projects with the requirements of this ESMF indicate gaps where project proponents will need to show how the project meets the higher ESMF standard. CI Guidance is forthcoming that facilitates crosswalk between information contained in the CI ESMF and CCB templates to facilitate project design in alignment with CCB or similar carbon VVB standards.

effects mitigated throughout project implementation. The CI PDM ESA team will monitor the implementation of safeguards during project launch, execution and close through check-in meetings, field visits and project reporting.

46. Annually, the CI PDM ESA team will review and approve the safeguard sections of Category A and B project reports, as well as any required safeguard-related action plans in preparation for the mid-term review (MTR) meeting. CI PDM ESA will consult with the Project Team on the use of third party (e.g., independent expert, local community, other) monitoring and/or independent audits, where appropriate, to monitor project implementation and/or assess if environmental and social risk and impact mitigation objectives are being or have been achieved.
47. If project implementation monitoring indicates that the project is not in compliance with its environmental and social commitments, the PDM ESA team will, to the extent feasible, work with the Project Team in achieving compliance.¹⁸ In dialogue with the Project Team, the Donor Account Manager and GCO, CI will exercise other remedies in circumstances of sustained non-compliance.
48. A project's closure will not be reached until the measures and actions set out in the ESMP (or GMP, SEP and AGM in the absence of an ESMP) have been implemented. To the extent that CI evaluation at the time of project's closure determines that such measures and actions have not been fully implemented, CI will determine whether further measures and actions, including continuing CI monitoring and implementation support, are required and feasible.
49. Where feasible, Project Teams will report not only on ways in which identified harms are avoided, but also consider and report on ways in which project design enhances both the social and the environmental good. (e.g., the maximization of conservation benefits, closing of equality gaps, or contributions to the fulfillment of positive rights in other areas).

G. DISCLOSURE OF INFORMATION

50. The CI PDM ESA team will publicly disclose documents related to all CI Environmental and Social Safeguards Standards and associated policies (as outlined in the CI-ESMF), subject to exclusion of proprietary, confidential and personal information, on the [CI Safeguard System Portal](#) and where appropriate, on project specific websites. The website lists contact information where interested stakeholders can seek further information or documentation and raise their concerns or recommendations to CI. The CI PDM ESA will be responsible for ensuring appropriate response.
51. Disclosure of relevant project information helps project affected people and other stakeholders understand the risks, impacts and opportunities of the project. Access to

¹⁸ CI's support may include the provision of additional technical assistance, increased monitoring, and/or monitoring by stakeholders and third parties, such as independent experts, local communities, or civil society organizations, to complement or verify project monitoring information.

project information is essential for meaningful stakeholder engagement, consultation or consent. The Project Team will provide project affected people and other stakeholders with access to relevant information on: (i) the purpose, nature, and scale of the project; (ii) the duration of proposed project activities; (iii) any risks to and potential impacts on such communities and relevant mitigation measures; (iv) the envisaged stakeholder engagement process; and (v) the grievance mechanism. Depending on the scale of the project and significance of the risks and impacts, relevant document(s) to be disclosed as part of stakeholder engagement could range from full draft and final Environmental and Social Assessments and Action Plans (i.e., Stakeholder Engagement Plan, Resettlement Action Plans, Emergency Preparedness and Response Plans, Community Health and Safety Plans, socio-cultural analysis and Indigenous Peoples Plans, etc.).

52. The information will be disclosed in relevant local languages and in a manner that is accessible and culturally appropriate, taking into account any specific needs of groups that may be differentially or disproportionately affected by the project or groups of the population with specific information needs (such as, disability, literacy, gender, mobility, differences in language or accessibility).
53. Before plans can be disclosed, the CI PDM ESA team must review and approve the plans. In all cases, disclosure should occur in a manner which is timely, meaningful and understandable to the affected people when seeking their consent, with easy-to-understand summaries of key issues and commitments. These documents could also include any supplemental measures and actions defined as a result of independent due diligence. Further disclosure commitments will be spelled out in the Stakeholder Engagement Plan.
54. Disclosure also includes ongoing reporting to project-affected people and other relevant stakeholders during project implementation. This may include the final, updated plans or any action plans prepared during project implementation, including gender mainstreaming. Monitoring reports that address safeguard implementation shall be disclosed to stakeholders.

H. SUMMARY OF CI-ESMF EXCLUSIONS

CI will not finance projects that:

- a. Contravene major international and regional conventions on environmental issues;
- b. Propose to create or facilitate significant degradation and/or conversion of natural habitats of any type (forests, wetlands, grasslands, coastal/marine ecosystems, etc.) including those that are legally protected, officially proposed for protection, identified by authoritative sources for their high conservation value, recognized as protected by Indigenous and local communities, or have significant negative socioeconomic and cultural impacts that cannot be cost-effectively avoided, minimized, mitigated and/or offset;
- c. Involve adverse impacts on critical habitats, including forests that are critical habitats, including from the procurement of natural resource commodities, except for adverse impacts on a limited scale that result from conservation actions that achieve a net gain of the biodiversity values associated with the critical habitat;
- d. Propose to carry out *unsustainable* harvesting of natural resources, for example, animals, plants, timber and/or non-timber forest products (NTFPs) or the establishment of forest plantations in *critical habitats*;
- e. Unsustainable fishing methods (i.e., drift net fishing in the marine environment using nets in excess of 2.5 km in length and blast fishing);
- f. Propose the introduction of exotic species that can potentially become invasive and harmful to the environment, unless there is a mitigation plan to avoid this from happening;
- g. Involve forced evictions – or the *resettlement, land acquisition, and/or the taking of shelter and other assets* belonging to local communities or individuals through coercion and/or undue influence;
- h. Contravene major international and regional conventions on human rights, including rights specific to Indigenous Peoples, women and children;

- i. Propose activities that result in the exploitation of and access to outsiders to the lands and territories of Indigenous Peoples in voluntary isolation and in initial contact;
- j. Propose the use and/or procurement of materials deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international phase-outs or bans, such as:
 - i. ozone depleting substances, polychlorinated biphenyls (PCBs) and other specific, hazardous pharmaceuticals, pesticides/herbicides or chemicals;
 - ii. wildlife or products regulated under the Convention on International Trade in Endangered Species or Wild Fauna and Flora (CITES);
- k. Propose the use and/or procurement of pesticides and hazardous materials that are unlawful under national or international laws, the generation of or trade in wastes and effluents, and emissions of short- and long-lived climate pollutants;
- l. Involves the removal, alteration or disturbance of any non-replicable or critical cultural heritage, or the use of any intangible cultural heritage without the Free, Prior and Informed Consent of the communities who it belongs to;
- m. Include the use of forced labor, trafficking in persons, and child labor. Child labor includes both (i) labor below the minimum age of employment and (ii) any other work that may be hazardous, may interfere with the child's education, or may be harmful to the child's health or to the child's physical, mental, spiritual, moral, or social development;
- n. Involve trafficking of persons, procuring commercial sex acts, or the use of other forms of forced labor as described in CI's Anti-Trafficking in Persons policy;
- o. Involve the design and construction of new large dams¹⁹ or rehabilitation of existing large dams or financing agriculture and water resource management

¹⁹ Large new dams, which are defined as dams with either a height of 15 meters or greater from the lowest foundation to crest; or between 5 and 15 meters, impounding more than 3 million cubic meters. *World Bank. 2020. Good Practice Note on Dam Safety. World Bank, Washington, DC.. World Bank. <https://openknowledge.worldbank.org/handle/10986/35484> License: CC BY 3.0 IGO."*

infrastructure that are highly dependent on the performance of large dams that potentially affect their performance;

- p. Involve the oversight or direct support of construction of roads, bridges, breakwaters, or other major water regulation infrastructure, as noted in CI Construction Policy;
- q. Production and distribution of racist or discriminatory media.
- r. Production, trade or financing of weapons and munitions²⁰ or military activities²¹.

Summary of Roles and Responsibilities by Project Phase

- 55. The key responsibilities of the CI PDM ESA team and the Project Team are described in further detail in **Table 1.** below. Exact procedures depend on the specific project activities and the local context, for instance, the number of safeguard policies that are triggered and the level of impacts. The roles and responsibilities highlighted below describe the major functions of the CI PDM ESA Team and the Project Team in the safeguard process during project identification, preparation and implementation.
- 56. CI requires requires implementing partners to have an appropriate project-level Environmental and Social Management System (ESMS) that is commensurate with the level of risk and impacts associated with the operation, per the requirements of ESS 1 and ESS 9.
- 57. CI is committed to supporting its partners to develop and implement projects that are environmentally and socially sustainable. It will do so by providing guidance and assistance throughout the project cycle and by enhancing their capacity to assess and manage environmental and social risks and impacts at the project level through ongoing technical support and borrower training, including online courses and programs to help strengthen their ability to adequately identify and manage risks. CI will provide support for capacity

²⁰ The weapons and munitions exclusion does not apply to field knives, bush knives, machetes and other essential field or safety gear provided to rangers. Equipment needed for research or translocation of wildlife is also permitted. Weapons and munitions required for CI staff safety and security are permitted, subject to the policies and approval of the country office and in line with local law and any relevant donor restrictions.

²¹ Military activities are activities that (i) are conducted by members of a military; and (ii) have the primary purpose of national defense or public safety. Military activities do not include activities conducted by members of the military whose primary purpose is conservation, even if those activities incidentally serve a national defense or public safety purpose. Support for conservation activities conducted by members of the military must always satisfy applicable ESMF policies and standards.

building that is proportionate to the specific needs of the partner to meet project-specific requirements.

Table 1. CI Project Safeguard Roles and Responsibilities under the CI Safeguard System

PROJECT STAGE	CI PDM ESA COMPLIANCE	PROJECT TEAM	PROJECT SUPPORT (INCLUDING PDM ESA, CI TECHNICAL EXPERTS, OR CONSULTANTS)
Pre-design, planning	<ul style="list-style-type: none"> • Advise project teams during initial scoping phase of Expression of Interest (EoI) or engagement of funder to encourage human well-being activities beyond do no harm and identify any potential safeguards issues early that may influence design choices 	<ul style="list-style-type: none"> • Plan out pipeline of projects or program that correspond to funding opportunities. • Prepare expressions of interest or engage government or private sector partner on interest or alignment with project pre-concepts. • Conduct pre-feasibility studies. 	<ul style="list-style-type: none"> • Advise project teams on the draft approaches/ideas/concepts that will enhance “do no harm”.
Identification, Preparation Development	<ul style="list-style-type: none"> • Oversee application of the ESMF/safeguards processes including gender mainstreaming. • Analyse the completed Safeguard Screening Form to determine safeguards triggered, including whether a full or limited Environmental and Social Impact Assessment (ESIA) is required. • Help identify other needed studies. • Review and assess the ESIA TOR, the ESIA document/report and project-level plans, including the adequacy of the assessment of project impacts and the proposed measures to address issues to ensure they meet applicable safeguards standards, prior to project approval. • Approve plans based on a determination that safeguards issues have been adequately addressed and mitigation actions are feasible, properly staffed and budgeted. If adverse environmental or 	<ul style="list-style-type: none"> • Provide accurate, reliable and timely information required in the Project Safeguard Screening Form, which can be found here. • Design, plan, and prepare project concepts and proposals according to the ESMF requirements. This includes the responsibility and requirement to adequately budget and staff the required safeguards focal point. • Conduct the ESIA process and preparing of mitigation plans resulting from application of the ESMF policies. • Implement all required consultations with project stakeholders, including informing affected communities and explaining the project to them; incorporating feedback from and changes agreed with them; and seeking and documenting their Free, Prior and Informed Consent (FPIC). • Design and operate project level grievance mechanisms, as needed, in alignment with Ethics Point- Institutional Accountability Mechanism 	<ul style="list-style-type: none"> • Support Project team in completing the safeguard screening form. • Support preparing safeguard or gender or special interest group analysis. • Support preparing safeguard management plans. • Help teams with TORs for consultants, capacity assessment, due diligence of partners, customization of tools, and develop bodies of work to comply with ESMF requirements (gender plans, IP plans, stakeholder engagement, process/framework/RAPs, labor management procedures, grievance mechanism), and help interview/screen staff and consultants brought on board to support this work. • Support gathering key baseline data. • Support on FPIC and other impact and benefit sharing negotiation processes, reviewing challenges and troubleshooting issues. Review reports/outputs. • Help develop workplans & monitoring framework as part of the proposal to include human well-

	<p>social impacts outweigh the expected benefits, CI cannot support the project.</p> <ul style="list-style-type: none"> • Disclose ESIA and project-level plans through CI-Safeguard System website. 		<p>being and safeguards relevant activities, including indicators.</p> <ul style="list-style-type: none"> • Targeted capacity building for the project team and partners on the ESMF.
<p>Project Implementation</p>	<ul style="list-style-type: none"> • Review and monitor the implementation of project-level plans, including through project kick-off/launch workshops, supervision missions, mid-term reviews, field visits, audits, and follow-up visits as appropriate to the scale, nature, and risks of the project. • Work with the Project Team to identify and plan for corrective measures that achieve the results and uphold the safeguard standards expected under each project, in cases when a project review finds that the Project Team is not following project-levels plans (i.e., any of the safeguards-related plans required under CI ESMF). If these measures do not succeed in correcting the deficiencies, PDM ESA CI may advise CI Account Manager to withhold payment, or suspend or cancel the grant, as appropriate. • Identify the need for and approving third-party monitoring or independent audits as appropriate. • Advise on the operation of project level grievance redress mechanism, including the handling of complex grievances and an escalation process. • Disclose project monitoring reports that include safeguard/performance, and any corrective actions. 	<ul style="list-style-type: none"> • Ensure stakeholders are informed of E&S management plans, and implementing partners and stakeholders have adequate capacity and time to effectively implement the ESMF. • Execute project-level plans and monitoring the effectiveness of risk mitigation measures, including managing any E&S consultants and oversight of partners; ensure compliance with and adherence to all safeguards outlined in each of the plans, and undertake corrective measures in cases where plans have not been satisfactorily executed or where negative or adverse impacts have arisen despite efforts to adhere to project plans. • Inform project-affected, local authorities, other stakeholders and the CI PDM ESA Team on project progress and on any unexpected and unintended events affecting those communities in accordance with project-level plan requirements as well as the project’s agreed-upon reporting schedule. • Incorporate feedback from project-affected parties and providing and documenting the process to seek their FPIC to any changes in the project-level plans. • Complete Annual Project Implementation Reports (PIRs) and Annual Performance Reports (APRs) to document safeguard monitoring. 	<ul style="list-style-type: none"> • Support to help prepare project level plans for safeguards– review TORs for consultants/staff to do the work, screen candidates, review outputs/report drafts, include comments to improve them before completion. • Backstop safeguard/gender specialist on the project team, provide or contribute to targeted ESMF training. • Discuss potential corrective measures prior to them being implemented with project teams/review likely effectiveness. • Participate as needed in site visits for higher risk projects and support on-site adaptive management. • Review project monitoring reports to help the teams address key issues. • Trouble shoot work plan delays and performance needs. • Contribute or undertake lessons learned analysis or knowledge products and support the dissemination of same. • Provide ongoing training/capacity building as needed and/or requested by project team. • Assist capture of project learning and corrective suggestions to improve overall safeguard compliance or risk factors on the project

	<ul style="list-style-type: none"> • Disclose completed project evaluations and results through CI-Safeguard System website (following donor acceptance, and subject to exclusion of proprietary, confidential and personal information). 	<ul style="list-style-type: none"> • Ensure effective operation of a project level grievance redress mechanism and immediately informing the CI PDM ESA team of complaints that carry reputational risks to CI, the funder or project stakeholders. 	
Close out stage	<ul style="list-style-type: none"> • Review Safeguard Requirements in the closeout form to ensure all have been met, and/or that a monitoring plan is established with adequate funding and clear responsibilities to endure beyond project close; • Review document storage and management plans 	<ul style="list-style-type: none"> • Prepare safeguard close out form to account for the completion of all proposed mitigation actions or adequate explanation otherwise, with any post-closure monitoring plan (as appropriate) • Support or participate in any ex post evaluation of the project or pending audit or grievance process that may carryover beyond the formal project closure date; • Convene close out meeting with the funder and PDM ESA to ensure all project safeguard documentation, relevant knowledge is properly stored; • Ensure all grievance related information is properly handled as per the AGM procedure and in line with CI's Research Ethics policy requirements for sensitive data management; 	<ul style="list-style-type: none"> • Support ex post monitoring, audits or evaluations of project safeguard performance as appropriate;

POLICY 2: GENDER MAINSTREAMING

Introduction

58. CI recognizes that gender equality has intrinsic value and is not only a matter of justice and human rights but is also a driver of sustainable development and effective conservation. Overwhelming evidence demonstrates that integrating gender considerations into projects contributes to their successful design, implementation, effectiveness, and environmental and social sustainability.
59. CI recognizes that social and cultural norms greatly influence the roles, responsibilities, needs, interests and priorities of men and women in project areas. Furthermore, CI recognizes that historical and current disadvantages often put women, and particularly Indigenous and local community (IPLC) women, in a position of less power, control and influence in decision-making which can lead to unintended harm and loss of project benefits.
60. Policy 2 acknowledges the importance of intersectionality, recognizing that gender interplays with, and is compounded by, other factors such as socio-economic conditions, ethnicity and race, age, sexual orientation and gender identity, disability, religion, and so forth to perpetuate power or oppression. The Policy's gender approach should be understood to be an *intersectional* gender approach to understanding and responding to risk and opportunity in alignment with country and/or cultural contexts.
61. Policy 2 outlines CI requirements and approach to mainstreaming gender into all relevant project activities and operations. The approach aims to identify potential gender-based risks and impacts as well as effective and culturally appropriate measures to avoid, prevent, or mitigate such risks and impacts, thereby eliminating the possibility of reinforcing pre-existing inequalities or creating new ones. Projects must also take a systematic and proactive approach to promote intersectional gender equality and equity, and close gender gaps, in all relevant aspects of the project activities, project design and implementation, as well as monitoring and evaluation.

Purpose

62. To mainstream gender across project design, implementation and monitoring using an intersectional gender-responsive approach that:
 - a) Assesses and documents gender issues (adverse risks, opportunities, considerations) that are relevant to the project through a gender analysis or assessment.
 - b) Designs or adapts specific activities to address potential risks, build on opportunities, and close project-relevant gender gaps through a gender action plan.
 - c) Influences staffing, budgeting, and M&E systems to ensure the gender action plan is effectively implemented and mainstreamed into the project.
 - d) Provides opportunities for diverse women and men to actively and safely participate, make decisions, and receive benefits related to the project.

63. The policy aims to guide projects towards specific gender-related results, as appropriate/relevant in the project, including:
- a) Closing gender gaps in access to, and control over, natural resources
 - b) Enhancing women’s participation and influence in natural resource decision making (with specific focus on IPLC women)
 - c) Generating socio-economic benefits and services for women (with specific focus on IPLC women)

Requirements

64. The Project Team is responsible for mainstreaming gender throughout the project, as appropriate to the size and scope of the project, using qualified professionals and pulling on relevant research, studies, and consultations. The Project Team will use the Gender Mainstreaming Plan (GMP) template to carry out a gender analysis and action plan.
65. Recognizing that gender-related risks and opportunities are present in nearly all types of CI-supported projects, a full GMP is required for Category A/high-risk and Category B/medium-risk projects, and a limited GMP for Category C/low-risk projects. Some exceptions may be given by PDM ESA team for certain types of projects.
66. The project team is required to ensure that actions and activities outlined in the GMP are also fully embedded throughout the project document, results framework, project budget, staffing and annual workplans. Any GMP-related activities or approaches (including adequate staffing) that have associated costs will be covered by the project.
67. In alignment with ESS1, ESS7, and ESS8, the project’s Accountability and Grievance Mechanism, and CI’s PSEAH policy²², the GMP will identify ways to prevent and respond to project-related Gender-based Violence (GBV), including Sexual Harassment, Exploitation and Abuse (SEAH).
68. The Project Team will adhere to the requirements of national law on gender equality. When national laws are silent on gender equality, or less robust, the project will meet this policy.
69. The CI PDM ESA team will review and approve the GMP and monitor execution as necessary, including assigning a Gender Tag to the project which describes the project’s level of gender ambition.
70. Templates for preparation of full and limited GMPs can be found by **contacting the PDM-ESA team.**

²² <https://www.conservation.org/about/our-policies/prevention-of-sexual-exploitation-sexual-abuse-and-sexual-harassment>

POLICY 3: STAKEHOLDER ENGAGEMENT

Introduction

72. CI is committed to ensuring meaningful, effective and informed participation of stakeholders in the formulation and implementation of CI programs and projects. When properly designed and implemented, stakeholder engagement supports the development of strong, constructive, and responsive relationships that are important for the successful management of a project's environmental and social risks and impacts.
73. Effective stakeholder engagement is a cornerstone to achieving sustainable development. Meaningful engagement with stakeholders hinges on transparency, including access to timely, relevant, and understandable information and grievance redress, which are key aspects of a human rights-based approach to programming. Government partners, civil society actors and organizations, local government actors, Indigenous Peoples, local communities and other stakeholders are crucial partners. Effective stakeholder engagement is also fundamental to attaining the Sustainable Development Goals (SDGs) and addressing the principle of 'leave no one behind' in combatting inequality and ensuring equity and non-discrimination across all programming areas.
74. Policy 3 is therefore consistent with the objective of implementing the rights of access to environmental and social information, public participation in the environmental decision-making process, and access to justice in environmental and social matters.²³

Purpose

75. To seek and incorporate the knowledge and contributions of rightsholders, partners and stakeholders to ensure that CI funded projects result in lasting and fundamental improvements for nature and human well-being.
76. Therefore, all CI funded projects must:
 - a. Identify and involve key and vulnerable stakeholders in project design and preparation processes to understand local needs, interests and avoid adverse impacts;
 - b. Ensure that stakeholders views and concerns are taken into account by the project and are addressed by key decision-makers;
 - c. Engage stakeholders in meaningful consultations and maintain constructive relationships with them where they are able to express their views on project plans, benefits, risks, impacts, and mitigation measures that may affect them;
 - d. Incorporate the knowledge of stakeholders and address any concerns during all phases of the project;
 - e. Include clear procedures for stakeholders to request and have access to appropriate information about the environmental and social risks and impacts of the project, in a timely, understandable, and accessible manner and format;

²³ Consistent, for example, with the principles in the Regional Agreement on Access to Information, Public Participation and Justice in Environmental Matters in Latin America and the Caribbean (Escazú Agreement).

- f. Ensure that such consultations are gender responsive; free of manipulation, interference, coercion, discrimination and intimidation; and responsive to the needs and interests of disadvantaged and vulnerable groups; and
 - g. Continue consultations throughout project implementation, monitoring and evaluation, as necessary, to ensure project adaptive management and proper implementation of environmental and social safeguard plans.
77. For definitions of Stakeholder Engagement concepts, see [Glossary of Terms](#).

Requirements

78. CI requires that stakeholder engagement be included in all its supported projects/programs and throughout their respective project/financing cycles. The Project Team will design a full [Stakeholder Engagement Plan \(SEP\)](#) for A and B level projects that ensures the involvement of all key stakeholders, including project-affected communities, Indigenous Peoples, and local CSOs, as early as possible in the design/preparation process. C-level projects will incorporate stakeholder engagement either directly in the project document or as a stand-alone limited stakeholder engagement plan. The Stakeholder Engagement Plan [\(See SEP Template\)](#) will ensure and document how stakeholder views and concerns are made known, taken into account, that efforts are made to avoid all adverse effects and opportunities to benefit local needs are incorporated. CI recognizes that projects are context specific, and that the requirements of Policy 3 listed below may be achieved in different levels depending on said context.
79. Differentiated measures should be considered to ensure that stakeholder groups of historically vulnerable or marginalized people (e.g., women, youth, elders, religious/ethnic minorities) are able to fully and effectively participate in this process, which may require separate or targeted engagement.
80. Ideally, stakeholder engagement should involve the public in problem-solving and solutions/changes should be shared in public forum. The joint effort by stakeholders, Project team and the CI PDM ESA team ensures better results. The Project Team must ensure that the key principles of the CI Policy on Gender Mainstreaming (i.e., Policy 2 of this ESMF) – ensuring that both men and women are given equal access to information and decision-making processes - is incorporated throughout stakeholder engagement.
81. Project Teams should identify the range of stakeholders that will be affected by project activities or may be interested in their actions and consider how external communications might facilitate a dialogue with all stakeholders. Participatory stakeholder mapping methods should be used to ensure updated or accurate identification is achieved.²⁴
82. Stakeholders should be informed and provided with information regarding project activities in a language and format that is easily understood by them. Where projects involve

²⁴ See Pfeiffer, J., and Dunne, P. June 2020. A Road Map to Excellent Stakeholder Engagement. Arlington, VA: Conservation International for stakeholder mapping methods.

specifically identified physical elements, aspects and/or facilities that are likely to generate adverse environmental and social impacts to affected communities the Project Team will identify the affected communities and will meet the relevant requirements described below.

83. The Project Team is responsible for drafting and executing the Stakeholder Engagement Plan (SEP) for all CI funded projects rated A or B (see SEP template) that is scaled to the project risks and impacts and development stage and be tailored to the characteristics and interests of the affected communities, recognizing that some community members may not be able to effectively communicate outside of the local language. A SEP encompasses all project activities during design, implementation and closure.
84. For activities that may affect the rights, interests, lands, resources and territories of Indigenous Peoples or potentially affected peoples that are not officially recognized as Indigenous but are peoples who are historically, socially and culturally distinct and have customary practices that are inextricably linked to nature, their free prior informed consent (FPIC) is ensured. (See ESS4 on Indigenous Peoples).
85. When the stakeholder engagement process depends substantially on community representatives, the Project Team will make every reasonable effort to verify that such persons do in fact represent the views of affected communities and that they can be relied upon to faithfully communicate the results of consultations to their constituents.
86. Stakeholder Engagement Plans for category A and B projects will be made available to stakeholders consistent with disclosure requirements in Policy 1. Any significant update of the SEP should incorporate stakeholder input and a revised plan should be disclosed.
87. The CI PDM ESA Team will review and approve all SEPs and oversee their execution as necessary.
88. For the preparation of Category A projects (high risk) or as determined necessary for Category B (medium risk) projects, stakeholder engagement through consultations must occur in a formal and documented manner at a minimum twice:
 - a. The first instance of consultation must occur at the scoping stage. The Terms of Reference (TOR) for any required ESIA, including a summary of the proposed activities, their objectives and potential impacts, must be distributed to the project affected people and other stakeholders in order to receive additional requirements for the ESIA report; and
 - b. The second instance where consultation must occur is prior to approval of the ESIA and the project by the CI PDM ESA Team. For consultation after the draft impact assessment is prepared, the Project team provides a non-technical summary of the findings.
89. In both instances, the CI PDM ESA Team will require documentation of the consultations to first approve the ESIA report and finally to approve the project. Following the public consultation on the draft impact assessment, the Project Team supplements the Stakeholder Engagement Plan by adding details of the public consultation process, including the team's

responses to concerns raised by the various stakeholders and details of measures taken to incorporate these concerns into project design and implementation.

90. As part of good stakeholder engagement, all safeguard plans must be disclosed to stakeholders. All Category A and B projects require a Project Environmental and Social Management Plan (ESMP), Gender Mainstreaming Plan (GMP), and Accountability and Grievance Mechanism (AGM), as well as other possible additional safeguard plans (e.g., an Indigenous Peoples Plan (IPP), a Resource Efficiency and Pollution Prevention Plan, a Process Framework, and/or a Resettlement Action Plan). These documents will be disclosed to all stakeholders in a form, manner and language appropriate for the local context (e.g., made available in the country of project implementation and at multiple locations). In cases where confidentiality is necessary to protect stakeholders from harm, only aggregated and anonymized information will be recorded and made publicly available. Disclosure will occur in the following stages:
 - a. Disclosure of assessment documents (e.g., draft ESIA) and draft safeguard documents (e.g., IPP) during project preparation. Disclosure during project preparation aims to seek feedback and input from Indigenous Peoples and local communities, and as appropriate other stakeholders, on the safeguard issues identified and the measures incorporated in project design to address them.
 - b. Disclosure of all assessments prior to project approval;
 - c. Disclose of all assessments when they have been finalized and approved by the CI PDM ESA Team (prior to project implementation); and
 - d. Ongoing disclosure during and after conclusion of project activities to inform communities and other stakeholder of implementation results, potential impacts, measures taken to address them, etc.
91. Stakeholder engagement will continue during the implementation of the project and as appropriate, after the conclusion of project activities, responding as needed to new risks and impacts as they arise. Plans to ensure ongoing stakeholder engagement processes must continue throughout the life of the project. The nature, frequency, and level of effort of stakeholder engagement may vary considerably and will be commensurate with the project's risks and adverse impacts, and the project's phase of development.
92. The Stakeholder Engagement Plan Template can be found by **contacting the PDM-ESA team.**

POLICY 4: ACCOUNTABILITY AND GRIEVANCE MECHANISM

Introduction

93. CI's believes access to justice in the response to harm or potential harm to project affected peoples ensures accountability and strengthens the legitimacy of the wider suite of stakeholder rights, consistent with a Rights-based Approach to conservation. Acknowledging the important role that governments play, project stakeholders have the right to voice and resolve their concerns and complaints and to receive a timely, appropriate and meaningful response from CI.
94. When properly designed and implemented, project grievance mechanisms can reinforce accountability of all the ESSs. An effective AGM can facilitate early indication of, and prompt remediation for those who believe that they have been harmed by a CI project activity. Policy 4 outlines the requirements for design and implementation of grievance redress mechanisms for CI projects in a manner that corresponds to the nature of the project and aligns with the requirements of **CI's Global Grievance Mechanism (accessible through Ethics Point)**.

Purpose

95. To ensure compliance of CI-ESMF standards and requirements, and to provide for the receipt and recording of and timely response to address and if possible, resolve complaints from parties affected by CI funded projects.
96. **Project (or Site)-Level Accountability and Grievance Mechanism (AGM)**. The purpose of the Project- or Site-Level AGM is to provide project stakeholders with an effective and efficient process for expressing and resolving concerns and complaints amicably, utilizing pre-existing local informal dispute resolution practices or by accessing a national grievance mechanism, supplemented as needed with project specific arrangements to fulfil the requirements of the CI-ESMF.
97. **CI Global Grievance Committee**.²⁵ The purpose of the CI Grievance Committee is to mediate and resolve grievances that are unable to be resolved at the Project- or Site-Levels. The Grievance Committee is also designed to address high-risk concerns and complaints, such as those that include conflict, fraud, or corruption. The CI Global Grievance Committee is managed by a neutral party and empowered to undertake the necessary steps to protect against conflict of interest and maintains high standards for transparency.
98. For definitions of Accountability and Grievance Mechanism concepts (such as complaint, grievance, complainant, grievant, aggrieved party, site-level, project-level and remedy) see [Glossary of Terms](#).

²⁵ Forthcoming **CI AGM Operations Manual** will provide guidance that specifies common principles and procedures for any project level AGM and its relationship with the CI Institutional Grievance Mechanism. Policy 4 will be revised to reflect the CI AGM Operational Manual.

Requirements

99. CI requires that all projects have a Project level Accountability and Grievance Mechanism (AGM) to respond to questions, concerns, and grievances of affected stakeholders related to the project's environmental and social performance. Projects will have to develop their own free-standing project-level AGM if an adequate local or national AGM does not exist. **See [AGM Template and Guidance](#).**
100. The Project level AGM will be funded by the project. It should seek to first resolve grievances at the Site level or Project level. An AGM should provide for escalating a grievance to a CI Global Grievance Committee through Ethics Point as a secondary recourse for complainants that are unsatisfied with the outcome of a Site level or Project level AGM effort to resolve the grievance. Depending on the context, a grievance may also be escalated to a Funder AGM, or a national grievance mechanism.
101. Affected communities and other interested stakeholders may submit a complaint directly at any time to the Project Team, CI, or the Funding Agency (as appropriate). Therefore, the contact information of the Project Team, CI Grievance Committee, and the applicable donor AGM will be made publicly available on a continuous basis.
102. The AGM design will be proportionate to the risks and impact of the project, be accessible for all project stakeholders and be provided in a culturally appropriate and accessible form.
103. The mechanism required to report a grievance must be designed to not be cost prohibitive to key and vulnerable stakeholders.
104. CI will not tolerate any form of retaliation against those who report concerns in good faith.²⁶ Any CI employee who engages in such retaliation will be subject to discipline up to and including employment termination. CI will take all feasible actions to protect complainants against retaliation. Anyone who has made a report of suspicious conduct of a CI employee and who subsequently believes he or she has been subjected to retaliation of any kind should immediately report it by the same channels as noted herein.
105. A project level AGM must be designed to:
- a) Address potential breaches of CI's policies and procedures;
 - b) Be independent, transparent, inclusive and effective;
 - c) Keep complainants abreast of progress with cases brought forward;
 - d) Not prevent access to judicial or administrative remedies;
 - e) Maintain records on all cases and issues brought forward for review, with due regard for the confidentiality of complainants' identity and of information; and
 - f) Take appropriate measures to avoid or minimize the risk of retaliation to complainants and protect the legitimacy, trust, and use of the grievance mechanism.

²⁶ See CI Workplace Conduct Policy.

https://conservation.sharepoint.com/sites/intranet/Policy_Manuals_Toolkits/Operations_Manual2/Pages/Workplace-Conduct.aspx

- g) Escalate unresolved or high-risk grievances to the CI Grievance Committee

Roles and Responsibilities

106. The Project Team will be responsible for managing the accountability and grievance mechanism procedure. For multi-country or transboundary projects, an AGM Project committee may be formed to represent all implementing and partner agencies. Coordination between all implementing partners of the Project will ensure consistency in how the AGM is applied.
107. The Project Team will propose an AGM procedure that defines how grievances will be received, handled, resolved, escalated and closed, at the Site, Project and Global Grievance Committee Levels.
108. Depending on the nature of the project risks, the project may elect to include a Site-Level tier to the grievance handling process ([see AGM Template and Guidance for details](#)). Projects requiring FPIC or triggering an Indigenous Peoples Plan (IPP) will also include local conflict resolution and grievance redress mechanisms in the respective safeguard documents. The AGM will be developed with the participation of the affected communities in culturally appropriate ways and will ensure adequate representation from vulnerable or marginalized groups and sub-groups, such as women, youth, ethnic or religious minorities, and persons with disability.²⁷
109. The AGM should be designed to capture and respond to Gender-based Violence (GBV) reports in a safe and appropriate way for GBV survivors. All persons designated to receive grievances under this procedure should be trained on how to receive and handle complaints involving GBV. For additional information on handling Gender-based Violence as a project risk, see *CI Guidelines for Recognizing and Responding to GBV in Conservation Programming* in [English](#) and [Spanish](#).²⁸ All grievances involving GBV should be elevated to the CI Global Grievance Committee.
110. **AGM Coordinator.** The Project Team will designate a person to manage the AGM (henceforth 'AGM Coordinator'), which includes the following responsibilities:
- a. Informing project-affected parties about the AGM and the measures taken to avoid the risk of retaliation, harassment or abuse;
 - b. Receive, log, and store any complaints on paper and in a secure electronic database;
 - c. Conduct the eligibility screening and assessment of grievances;
 - d. Acknowledge complaints when they are received;
 - e. Assess and categorize the risk of grievances based on their substance;
 - f. Take immediate action to define the issues, investigate and resolve the grievance or refer to the next level of authority for resolution if necessary;
 - g. Assign suitable persons to conduct any information gathering and/or to develop and implement appropriate responses to grievances;

²⁷ See Glossary of Terms for CI definition of vulnerability.

²⁸ See [CI Gender and Social Equity Sharepoint](#) for GBV guidance in English and Spanish.

- h. Follow up with the grievant to inform them of the status of their grievance, what the steps are in the process of addressing the grievance and when they will next be updated;
 - i. monitor the implementation of decisions and resolutions;
 - j. create a simple report with the process, decisions and resolutions;
 - k. Report and coordinate with the CI Global Grievance Committee and the Donor on the processing of all grievances received and actions taken;
 - l. Provide necessary training for project-affected parties to ensure stakeholder awareness and access to the AGM.
111. For large, complex or multi-country projects, a **Project-Level AGM Committee (AGMC)** will be formed, comprising representatives of implementing and partner agencies. The AGMC acts as the highest decision-making body in the Project-Level AGM. All members of the AGMC, which are designated when the AGM is established prior to on-the-ground implementation, must be consulted on all grievances that are deemed eligible by the AGM Coordinator. In the event that the AGMC is not in agreement on the handling of a grievance, that grievance is to be elevated to the CI Global Grievance Committee. This body is responsible to
- a. oversee the running of the AGM under its designated purpose;
 - b. monitor the implementation of decisions and resolutions;
 - c. undertake fact-finding activities when necessary; and
 - d. facilitate dialogue and mediation.
112. **Designated AGM Project staff** will liaise with Site-Level Point Persons to collect any grievance submission forms, receive and record grievances directly, disclose the AGM to key stakeholders, conduct awareness raising and training on the AGM.
113. **Designated Site-Level Point Persons** are selected based on the preferences of local communities and stakeholder groups and are responsible to receive grievances on behalf of the project site and are expect to:
- a. receive and/or complete the grievance submission forms on behalf of complainants'; and
 - b. store send and/or transport grievance submission forms to the AGM Coordinator per the site-specific procedures.
 - c. Take actions to address the grievance at the Site level, based on prior authorization from the AGM Coordinator.

The **CI Global Grievance Committee level** is designed to address high-risk concerns and complaints, such as those that include threats of violence or conflict, fraud or corruption. It is led by Joshua Weil, CI Senior Director of Risk Management and Compliance, in coordination with a Committee of other CI staff and/or external experts and is empowered to undertake the necessary steps to protect against conflict of interest and maintains the highest standards for transparency. It is the discretion of the CI Global Grievance Committee to define the involvement

of the Project Manager and representatives of the Project Team of CI Field Program. This body is responsible to:

- oversee the running of the AGM under its designated purpose;
- monitor the implementation of decisions and resolutions;
- lead the resolution process for grievances that cannot be resolved at the Project level and are referred by the PMU;
- undertake fact-finding activities when necessary; and
- facilitate dialogue and mediation.

The **PDM ESA team** is responsible for supporting the AGM Coordinator to design the AGM and ensure that it operates as intended to provide a transparent and open process to resolve grievances. This includes:

- support the grievance handling process at any level;
- provision of training on AGM design and implementation;
- participating on the CI Global Grievance Committee; and
- communicating with the PMU and the CI Global Grievance Committee to ensure that any sensitive grievances are elevated appropriately.

Project-Level AGM process²⁹

114. Provisions will be made to receive grievances submitted in written form or electronically, by fax, email, regular mail, SMS/text or in person. Grievances can also be submitted by a designated third party and requests for confidentiality will be respected (see AGM Template for guidance on completing the grievance submission form).

115. All supporting documents of meetings, evidence, interviews collected to take decisions or achieve resolution should be part of the file related to the complaint maintained by the Project Team AGM Coordinator, or inter alia, the CI Global Grievance Committee.

116. As a first step, the Project AGM Coordinator, in coordination with other designated AGM Point Persons, will log the grievance in the database and stored following site-specific procedures. The AGM Coordinator will record all complaints received in a manner that will allow for secure and discreet tracking and monitoring.

117. **Eligibility.** As a second step, the AGM Coordinator will determine the eligibility of any grievance submitted. Grievances that are found to be outside the scope of the AGM will either be directed to other organizations more appropriate to handle the grievance, or, if not, closed out of the AGM.³⁰ Eligibility criteria include (see AGM Template Guidance):

- Is the grievance submitted by or on behalf of a Project affected person?

²⁹ These minimum procedural steps for grievance handling should be complemented by adequate detail corresponding to site level procedure. See AGM Guidance for further detail regarding design of site level AGM procedure that is suited to the risks related to the context and project design.

³⁰ This includes grievances from complainants who provide ineligible or incorrect information.

- Does the grievance directly relate to the Project?
- Is the grievance made in good faith (e.g., has the grievant talked to the Project Team to attempt to resolve the issue)?
- Is the grievance frivolous, malicious, trivial, or generated to gain competitive advantage?
- Two or more years have not passed since the project closing date.
- Are there other organizations that are more appropriate to address the issue?

118. **Exclusions.** The AGM also excludes grievances that do not relate to CI compliance with its operational policies and procedures, such as when grievances are:

- the responsibility of other parties such as the National Government or implementing partner, unless the conduct of these other parties is directly relevant to the assessment of Project compliance with its operational policies and procedures. Where CI is contracting directly with the National Government agency or implementing partner in question, CI will carefully assess the relevance of safeguard non-compliance by these actors.
- about the procurement of goods and services, including consulting services. Complaints related to alleged exclusion from project benefits may require assessment to determine if grievance is related to fraud or corruption and should therefore be redirected to the CI Global Grievance Committee or can be addressed directly by the AGM Country Focal Point;
- about fraud or corruption in Project-funded projects or by Project staff (see prior comment);
- relate to the laws, policies, and regulations of the country, unless this directly relates to Project compliance with its operational policies and procedures; and/or
- are about matters already considered by the complaint review team unless new evidence is presented and unless the subsequent complaint can be readily consolidated with the earlier complaint.

119. Grievances that are found to be **outside the scope of the AGM (not eligible)** will either be directed to other organizations more appropriate to handle the grievance, or, if not, closed out of the AGM. This includes grievances from complainants who provide ineligible or incorrect information.

120. **Risk classification.** As a third step, the Project Team will define the risk level of the grievance to determine the appropriate actions, based on indicative categories in **Table 2**. The results of the assessment of the grievance should be documented and recorded by the AGM Coordinator per site-specific procedures.

121. **High risk grievances will be escalated to the CI Grievance Committee.** Where human rights abuses are alleged to have occurred, the local office shall escalate to the CI Grievance

Committee. All relevant information (allegation, correspondence, etc) including the proposed management actions will be sent to the Committee,

Table 2. Grievance Risk Category

Risk Level	Description
1	<p>The grievance is straightforward, the issue is clear, the solution is obvious, and resolutions can be developed and provided immediately. This may include cases where the grievance is:</p> <ul style="list-style-type: none"> • addressed by sharing available information; • addressed by a straightforward decision/action; • already being investigated; or • in the process of being resolved.
2	<p>The grievance lacks full or necessary information and</p> <ul style="list-style-type: none"> • needs to be investigated for further information and may involve engagement with multiple stakeholders; or • the resolution of the grievance involves action from a particular stakeholder.
3	<p>Grievances with, or with the potential to have, a significant adverse impact on, and interaction with, stakeholders. These may include:</p> <ul style="list-style-type: none"> • repeated, cumulative (<i>not the same</i>) grievances; • clear/strong evidence of (or threat of) violence, loss of life or liberty, attacks on persons; or • clear/strong evidence of illegal activity, victimization, discrimination, degrading treatment or corruption, etc. • Reputational (to CI, Donor, Implementing Partner or Community)

122. Acknowledge. All project-related grievances should be communicated to the AGM Manager in the Project Team. The AGM Coordinator will contact the complainant to acknowledge receipt of the complaint **within 10 business days** after receiving the grievance, regardless of grievance the eligibility or risk. This response will provide a reference number assigned to the complaint in the database, the point of contact, and next steps in the process. The AGM Coordinator will also verify the contact information for the complainant if necessary and ensure that the basic information required to proceed in the AGM process is provided.

123. If the grievance is ineligible to proceed, the AGM Manager should inform the complainant of the reason for ineligibility and direct them to other organizations more appropriate for the complaint if possible.

124. Propose Resolution. Based on risk level, the complainant’s views about desired outcomes or resolution process, and in coordination with the Project Team, the AGM Coordinator will then determine appropriate actions to resolve the grievance. The AGM

Coordinator will respond to lower risk grievances in writing within **30 calendar days of receipt**, with a copy of the grievance and response sent to the CI PDM ESA Team. The response outlining a proposed resolution process should include:

- A clear statement of the response and why it is being proposed;
- What the complainant’s choices are, given the proposed response;

125. **Response Review.** For higher risk grievances, the PDM ESA Team is responsible for reviewing and approving a proposed response before it is communicated to the aggrieved party. For all other grievances, PDM ESA Team can provide guidance on the response as needed. In cases where the complainant does not agree with the proposed resolution process, feasible alternatives will be collaboratively explored. If no agreement is reached on the proposed resolution process, the disagreement will be documented and logged in the AGM database. If the complainant wants to pursue the grievance, it is then escalated to the CI Global Grievance Committee.

126. **Implementation of a Response.** If there is agreement with the aggrieved party on the proposed resolution process, the AGM Coordinator in coordination with the Project Team will then assign persons to lead the resolution of the grievance, set an appropriate timeframe to seek resolution of the complaint and allocate necessary resources. Further assessment and information gathering may be necessary before direct action to develop a resolution is possible. Depending on the sensitivity of the grievance, the AGM Manager may also stipulate how the assigned persons should engage with the relevant stakeholders.

127. The Project Team will endeavour to reach resolution of the grievance **within 30 business days from agreement on the proposed resolution** and deliver a clear explanation of the outcome, including the proposed remedy. The PDM ESA Team will have the responsibility to review the response before being communicated to the grievant.

128. If the proposed remedy is accepted by both Parties, the response is conveyed by the Project AGM lead to the CI Global Grievance Subcommittee and recorded in the AGM database as satisfactorily resolved, and the parties will, implement the agreed actions, and record the outcome.³¹ Upon completion of the grievance resolution actions, a final report will be sent by to the complainant and all involved parties **within 10 business days** of agreement to close the grievance.

129. If this process does not result in resolution of the grievance, or at the complainant’s discretion they may escalate the grievance by filing a claim with the CI Grievance Committee through CI’s **EthicsPoint Hotline** at <https://secure.ethicspoint.com> or the directly with Sr. Director of Risk Management & Compliance who is responsible for the CI’s Global Accountability and Grievance Mechanism and who can be reached at ethics@conservation.org or:

Mailing address:	Sr. Director of Risk Management & Compliance Conservation International
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³¹ Written documentation from the aggrieved party including satisfaction with the response will be encouraged.

2011 Crystal Drive, Suite 600
Arlington, VA 22202, USA.

CI Grievance Committee Process for escalated or referred grievances

130. The CI Grievance Committee is chaired and managed by the CI Senior Director of Risk Management and Compliance and will be comprised of members of the PDM Environmental and Social Accountability Team, representation from the Project Team, and Technical experts as needed. As noted above, this body is responsible to lead the resolution process for grievances that cannot be resolved at the Project level and are referred by the Project Team and develop appropriate responses to grievances, undertake fact-finding activities when necessary and report on AGM performance to the CI Board Risk Committee.
131. **Acknowledge, Log, and Review Eligibility.** Through *EthicsPoint*, CI Global Grievance Committee will acknowledge receipt of the grievance **within 48 hours**, log the grievance into NAVEX Ethics Platform, review or determine eligibility, and initiate the assessment and response process. Further information see [AGM Operations Manual](#).
132. **Internal Reporting.** Under all circumstances when a high-risk complaint is registered, the Senior Director for Risk Management and Compliance will inform the CI Executive Leadership Team, the Sr. Management and Board of the CI implementing Field Program office, and any Project Donor.
133. **Processing the Complaint.** The CI Global Grievance Committee will determine if further investigation is needed, produce a Terms of Reference (ToR), and contract a third party or designate a panel (2-5 Committee members) to investigate, as necessary. This proposal to develop a response will be coordinated, and the choice of any third-party assessor³² will be subject to agreement with the complainant and the Project Team. The draft ToR for further investigation, if needed, will be completed and communicated to the complainant **within 25 business days of acknowledgement of the complaint**. If the complainant is in agreement with the ToR, the Senior Director of Risk Management and Compliance will authorize the TOR for the review. If not satisfied, the Global Grievance Committee will work with the parties to seek adjustments that are satisfactory to all.
134. The Senior Director of Risk Management and Compliance will convene the CI Global Grievance Committee to discuss a draft report of the results. The complainant will also be provided the opportunity to comment on the draft report. Based on feedback by the CI Global Grievance Committee and the complainant, the panel or contracted third party will produce a final report with recommendations for remedial actions based on the harm to the complainant that is found to be attributed to the Project or non-compliance with CI safeguard policies. Based on the final report **and within 45 days from the finalization of the ToR**, the

³² Third-party assessor will have relevant technical and country expertise to conduct a thorough and objective review of the complaint.

CI Global Grievance Committee will then propose a process for resolution of the grievance, including possible remedial action and communicate the response to the complainant.

135. Where human rights abuses are alleged to have occurred, the proposed resolution by CI Global Grievance Committee may recommend actions for the CI office to take, which may include suspension of the project activities, immediate support to the alleged victim and a full investigation of the issue in coordination with local authorities.
136. If the complainant is unwilling or unable to engage in the resolution process proposed by the CI Grievance Committee, and declines to pursue the grievance, the Committee will explore feasible alternatives. If the complainant disagrees with the proposed alternatives, the Committee will advise on alternate means of resource, and close out the process and record the outcome as 'closed-unresolved'.
137. **Implementing the Response.** Upon confirmation of acceptance by the grievant of the proposed resolution process,³³ the Committee or designated person will follow the agreed procedure to resolve the issues, and document the parties' decisions, and the parties' agreement, if any. A report summarizing the complaint, steps taken to resolve the grievance, and the outcome of the process (resolution/elevation-closure), and both the grievant and Project Manager views on the outcome will be made available to all parties involved **within 60-90 business days of acceptance**. The Committee will update the grievance database on NAVEX Ethics Platform and inform the donor.
138. **External Panel of Experts.** For more complex grievances, CI will convene an External Panel of experts with relevant technical and country expertise to conduct a thorough and objective review of the complaint. The process of forming and managing the External Panel, designing the work plan and budget will involve clearance from CI Leadership and Funding Agency. The External Panel will conduct a full review of the grievance based on an approved TOR, involving desk review, meetings and site visits. The Panel will provide a draft report to the complainants and the CI Grievance Committee for comment, and issue a final report based on the views of all parties. The final report will provide recommendations, including remedial actions based on any findings of direct or material harm caused by non-compliance with the CI-ESMF. The Panel's full report will be made public. The CI Grievance Committee will monitor the implementation of any remedial actions and provide annual reports to the complainant, the Funder and other key stakeholders.
139. In cases of non-compliance with the CI-ESMF, corrective actions with a corresponding timeline will be proposed and approved by CI and the grievant. CI will provide the resources for agreed corrective actions.

³³ This may include facilitating a consultative dialogue, promoting information sharing, undertaking joint fact-finding, facilitating establishment of a mediation mechanism, and/or using other approaches to problem solving or remediation. Mediation options will be acceptable to both parties. CI will contract any external mediator and will bear the costs of the service for up to 10 days of work to reach a satisfactory resolution or closure.

140. *If the grievant is unsatisfied with the response*, they will be informed about other alternatives that may be available, including the use of judicial or other alternative mechanisms for recourse (see Para. below).
141. **Monitoring and reporting.** The CI Global Grievance Committee will monitor implementation of decisions. As part of the monitoring process all parties involved will be consulted and the Committee will prepare monitoring reports on implementation of remedial actions to be sent to involved parties, including CI Board Audit Committee, CI Executive Leadership Team and any Project donors. If continued policy non-compliance is observed by the Committee, further remedial actions may be warranted, including suspension or termination of the Project. Conclusion of the process occurs after monitoring of remedial actions is completed and the CI Global Grievance Committee prepares a final report and submits report to all parties involved.
142. **Grievance Close-out.** In the case of a successful resolution from the proposed response from the CI Grievance Committee, CI's Senior Director of Risk Management and Compliance will document the satisfactory resolution in the NAVEX Ethics Platform. A report on the proposed response, and the actions that followed and the results of those actions will be sent by the CI Global Grievance Committee to the involved parties **within 10 business days** of grievance close out. In cases where there have been minor risks, impacts and/or negative publicity, written documentation from the aggrieved party including satisfaction with the response will be encouraged.
143. **Alternative recourse.** The above-mentioned grievance redress procedures are without prejudice to any additional mechanism established by the national government or other potential co-financing partners to determine whether CI has complied with the project safeguard policies and procedures and to address related issues of harm. If the aggrieved party is not satisfied with the outcome from the AGM they can submit the grievance to any relevant National grievance mechanism or refer the matter to a Court of Law for redress.
144. **AGM Communication.** The Project Team will proactively make all stakeholders aware of the AGM, including through the stakeholder consultation process. Communication about the AGM may include basic information about the complaint review procedures; instructions for how to file a complaint; AGM procedures; (if requested) a summary of the registry of complaints, including basic information about the complaint and the complaint's status; and (if requested) draft and final terms of reference and investigation reports. The Project Team will regularly review feedback received, respond to questions and comments on the websites, and report to the donor on actions taken.
145. **Knowledge Management.** All complaints received will be entered into an AGM Project Database to facilitate tracking and documenting of all steps taken in the AGM process and reporting. Information stored in the AGM database will only be accessible through a login credential system to ensure protection of AGM case records. Project level registered

grievances will be uploaded periodically into the CI Grievance Database (through Ethics Point) by a person designated by the CI Global Grievance Committee (see forthcoming Guidance).

146. The AGM Template and Guidance provides additional information regarding design of Site Level Grievance procedure.

ESS 1: ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENT, MANAGEMENT AND MONITORING

Introduction

147. ESS1 sets out the Project Team’s responsibilities for assessing, managing and monitoring environmental and social risks and impacts associated with each stage of a project supported by CI in order to achieve environmental and social outcomes consistent with the other Environmental and Social Standards (ESSs) in a systematic manner, proportionate to the nature and scale of the project and the potential risks and impacts.
148. Projects should be implemented with due respect for human rights, which means avoiding infringing on the human rights of others and addressing adverse human rights impacts that the project may cause or to which it may contribute. Each ESS has elements related to human rights dimensions that a project may face in the course of its operations. Due diligence with respect to these dimensions will enable the Project Team to address any relevant human rights issues in its projects. The absence of human rights risks should be documented.³⁴
149. The Project Team will ensure that any entity involved in implementing the project (including Contractors or an implementing partner under the direct control of the Project Team) supports all obligations and commitments of CI in accordance with the requirements of the ESSs and any specific conditions of the legal agreement.
150. When government or third-party actions affect the project, the Project Team should identify the different entities involved and the roles they play, the corresponding risks they present to the project, and opportunities to collaborate with these third parties to advance the project’s objectives.³⁵

Purpose

151. To ensure that all CI projects are environmentally and socially sound and sustainable and avoid or else mitigate unintentional negative impacts.
152. To promote improved environmental and social performance of projects and partners through the effective use of management systems.

³⁴ It may be appropriate for the Project to include in its environmental and social risk and impact identification process a specific human rights due diligence in line with the UN Guiding Principles on Business and Human Rights. A requirement for human rights due diligence is most likely to be appropriate where the nature of the project or its operating contexts pose significant risk to human rights, such as investments requiring support to security forces (Rangers) with law enforcement responsibilities, in contexts where internally displaced persons exist, and in contexts of post- or ongoing conflict, among others.

³⁵ For instance, government or third parties may provide land for a project which may have previously involved the resettlement of communities or individuals and/or leading to loss of biodiversity.

153. **Requirements**

154. To comply with this Standard, the CI Safeguard System will implement a *Safeguard Screening* process for all CI funded projects. The purpose of this screening is to categorize projects according to their potential environmental and social impacts.
155. The preliminary *Safeguard Screening* will use a [Project Screening Form](#) to cover all safeguards policies. Project activities are screened by the Project Team for potential social and environmental risks prior to the application of planned mitigation and management measures. It is necessary to form a clear picture of potential inherent risks in the event that mitigation measures are not implemented or fail. This means that risks should be identified and quantified as if no mitigation or management measures were to be put in place. Proper screening will require a level of consultation with stakeholders that is in proportion to the complexity and risk of the proposed project.
156. The screening outcomes may result in a project being designated as:³⁶
- **Category A:** a proposed project is classified as Category A if it has the potential for significant adverse environmental and social impacts that are sensitive, diverse, or unprecedented. These impacts may affect an area broader than the sites or facilities subject to physical works (i.e., the area of influence). A full or comprehensive ESIA is required;
 - **Category B:** a proposed project is classified as Category B if its potential adverse environmental and social impacts on human populations or environmentally or socially important areas are less adverse than those of Category A projects. These impacts are site-specific; few if any of them are irreversible; and in most cases mitigation measures can be designed more readily than for Category A projects. A full or limited ESIA is required, depending on the type, degree and extent of the impacts; or
 - **Category C:** a proposed project is classified as Category C if it is likely to have minimal or no adverse environmental and social impacts. Beyond safeguard screening, no ESIA or ESMP action is required for a Category C project. However, specific project-level safeguard plans including a limited gender mainstreaming plan and stakeholder engagement/ grievance mechanism at a minimum will be required by the CI PDM ESA Team to strengthen the project compliance with the ESMF policies.
157. If the results from the CI project safeguard screening finds that an ESIA is necessary, CI will require that an ESIA be conducted on activities related to the direct and indirect areas of influence of projects and that the ESIA clearly identifies and addresses direct and indirect, as well as cumulative and potential residual risks and [impacts \(see Appendix I for assessment types\)](#).
158. The ESIA will be designed to identify risks or impacts and mitigation measures that will be incorporated into project design. The results of the ESIA, including actions to avoid, minimize, mitigate and/or offset the environmental and social impacts, monitor, and report will be

³⁶ For additional guidance, see Indicative Environmental and Social Risk Classification Guidelines.

included in a project's Environmental and Social Management Plan (ESMP) (see **ESMP Template and Guidance**).

159. In certain circumstances (i.e., involving policy, programmatic, transboundary interventions) the CI Project Team (with PDM ESA support) will undertake a Strategic Environmental and Social Assessment (SESA) to ensure that environmental and social aspects are considered effectively in policy, planning and program making.
160. When the project involves **existing facilities**, environmental and/or social audits or risk/hazard assessments can be appropriate and sufficient to identify risks and impacts. If existing facilities or activities do not meet the requirements of the ESMF, the Project Team will adopt and implement measures to meet them.
161. If some project activities to be financed have yet to be fully defined, the environmental and social due diligence process applicable to these project activities will be implemented at a point in the future when the activities are sufficiently defined to allow for the necessary assessment to take place.
162. The risks and impacts identification process will be based on recent environmental and social baseline data at an appropriate level of detail.
163. For all Category A and higher risk Category B projects, the CI PDM ESA team will ensure that the Project Team will establish, maintain, and strengthen as necessary an organizational structure that defines roles, responsibilities, authority, workplan, and budget to implement the required management plans.
164. Independent expertise will be used in the assessment of environmental and social risks and impacts, where appropriate, including where specialized knowledge may be needed. Independent advisory panels shall be used to support the preparation and implementation of projects and programs where the level and magnitude of risks and potential impacts is deemed high. This includes contracting Indigenous Peoples for certain projects that involve complex consultation or negotiation of benefit sharing.³⁷
165. Third party (e.g., independent expert, local community, other) monitoring and/or independent audits will be used for all Category A project, and where deemed appropriate, to monitor project implementation and/or assess if environmental and social risk and impact mitigation objectives are being or have been achieved.
166. Where a CI project involves the construction of specifically identified physical elements, aspects and facilities (such as roads, trails, buildings, processing plants, docks, water infrastructure, etc.) that are likely to generate impacts, the required ESIA will outline an emergency preparedness and response plan, and projects will need to be prepared to respond to accidental and emergency situations in an appropriate manner, to prevent and mitigate any harm to people and/or the environment (see ESS 7 and ESS 8).

³⁷ See ESS4 for more on this option. Contracting experts who have expertise in affected Indigenous Peoples and/or are Indigenous, may be required not only for the Project Team, but also to provide independent advice to the affected Indigenous communities, as requested.

167. Projects will be screened for short- and long-term risks posed by climate change and other natural hazards based on established methodologies, and significant risks and potential impacts will be addressed throughout the design and implementation of projects and programs. This shall be in accordance with the requirements as presented in ESS5 and ESS10.
168. Projects will be assessed to identify if they will raise or magnify any potential conflicts among stakeholder groups within the community (for example between groups that share or compete for resource access, between government and local community interests, etc.) These conflict risks will be identified and avoided, or only when avoidance is not possible, mitigated.
169. Projects will be screened for disadvantaged or vulnerable groups or individuals that may be affected by a project or program and to identify as early as possible, associated risks and potential impacts to ensure that:
- a) Differentiated mitigation measures are incorporated so that risks and impacts do not fall disproportionately on disadvantaged or vulnerable individuals or groups; and
 - b) Disadvantaged or vulnerable individuals or groups do not face discrimination or prejudice in accessing benefits and resources.
170. The special needs and circumstances of disadvantaged or vulnerable groups or individuals will be addressed in the Environmental and Social Management Plan, or equivalent.
171. Projects will be screened for the differentiated risks and potential impacts of projects and programs on persons with disability to ensure non-discrimination and equality, and to provide opportunities for persons with disability to participate in and benefit from projects and programs on an equal basis with others.³⁸
172. Discrimination against women or girls, or gender-based discrimination will be prevented.
173. Projects will be screened to identify any risks or potential adverse impacts on women, men, girls and boys³⁹ and mitigation measures will be reflected in relevant safeguard plans, and differentiated by gender where relevant, including adverse impacts on Gender Equality, Gender-Based Violence (GBV), and Prevention of Sexual Exploitation and Harassment (PSEAH).
174. For projects that may involve activities that will bring Project staff into direct contact with children, the Project will promote child-safe screening procedures for personnel who will be part of this work.⁴⁰ A procedure will be established for ensuring that personnel and others recognize child abuse, exploitation, or neglect and mandate that personnel report allegations,

³⁸ Additional certifications and requirements may be imposed in accordance with local child welfare legislation or donor regulations.

³⁹ For children, this includes but is not limited to unsupervised interactions with children; prohibiting exposure to pornography and complying with applicable laws, regulations or customs regarding the photographing, filming or other image-generating activities of children.

⁴⁰ Screening procedures include: criminal record checks before engagement, verbal referee checks, interview plans that incorporate behavioral-based interview questions.

investigate and manage allegations and taking appropriate action in response to such allegations, including but not limited to dismissal of personnel.⁴¹

175. As per the prior paragraphs above, risks of GBV and SEAH should be screened and assessed as part of project screening process. If risks of GBV and/or SEAH are triggered, the project will ensure:

- a) Established reporting and response protocols are in place, with specific procedures for GBV including confidential reporting with safe and ethical documenting of GBV cases, that indicate when and where to report incidents, and what follow-up actions will be undertaken; and
- b) Modalities to provide services and redress to survivors.

176. All sub-projects and/or sub-grants activities under the main CI project must also meet the minimum requirements of this standard and the CI-ESMF as a whole.

177. The CI ESMF has preliminarily identified five types of project activities that may result in adverse environmental and social impacts that may be associated with CI projects, arising from:

- a) **Protected area creation, expansion or management improvement:** although desirable and often necessary for conservation of biodiversity and ecosystem services, creation or expansion of protected areas carries the possibility of displacing local communities and/or limiting access to natural resources and thus impacting livelihoods of local communities;
- b) **Investment in business or livelihood development:** projects promoting development -even those characterized as sustainable development, green economies, low-carbon development, and/or climate change adaptation projects- may have adverse impacts on species, ecosystems (e.g., windmills on birds, ecotourism on natural habitats or women);
- c) **Civil works and high-risk sector activities:** some risks and impacts may be associated with the construction, operation or rehabilitation of facilities (e.g., roads and structures associated with park management, ecotourism, agro-processing, research facilities, and restoration-related activities or boundary markers) as well as interventions in higher risk sectors (artisanal mining, water storage or irrigation infrastructure, transport)⁴²;
- d) **Activities with elevated risks to health and safety of workers:** either during the construction and operation of a harvesting or processing facility, or in the collection of field data, or in the execution of territorial patrolling and enforcement of protected area access restrictions, workers, contractors, suppliers and community laborers in a

⁴¹ For additional resources, see CI Policies on Child Protection and Anti-Trafficking in Persons.

⁴² CI will not oversee or execute the construction of major infrastructure such as roads, bridges, breakwaters, dams or other major water regulation infrastructure. Any construction of small scale civil works, the ESMF will follow [CI's Construction Policy](#), which outlines the prior review and internal approval process for certain types of proposed work.

project may be exposed to adverse health and safety hazards (e.g., construction accidents, public health risks, illegal activity and social conflict); and

- e) **Pest management:** some pest management activities may be supported for ecological restoration, agriculture or livestock projects to combat pests that damage crops or invasive alien species (IAS), but unless planned and executed with care could create environmental and health risks, especially related to the application of synthetic pesticides.

- 178. The CI PDM ESA team may nonetheless decide to support projects that may contribute to these types of impacts on the condition that the impacts will be limited in time and space and can therefore be effectively mitigated and that benefits brought by the project activities outweigh the costs that affected people bear (see ESS3 for procedural guidance).
- 179. Project-level plans may also be developed even when no ESIA is necessary, as a means for coordination and to promote positive impacts. Examples of project-level plans may include an Environmental and Social Management Plan (ESMP), Biodiversity Management Plan, Resettlement Action Plan (RAP), Process Framework for Restriction of Access to Natural Resources, Indigenous Peoples Plan (IPP), Resource Efficiency and Pollution Prevention Plan, Safety and Security/Emergency Preparedness and Response Plan.
- 180. All projects will have a Stakeholder Engagement Plan (SEP) and Gender Mainstreaming Plan (GMP) that is aligned with the risks and impacts.⁴³
- 181. The Project Team will be required to inform the CI PDM ESA Team of any instances where a project undergoes a significant change during the implementation phase. In circumstances where implementation of the safeguard requirements is found to be not adequate, CI will undertake appropriate measures to address the shortcomings.
- 182. All plans will be reviewed and approved by the CI PDM ESA Team prior to the signature of the grant agreement by the CI ESA Sr. Director (or delegate).
- 183. **Appendix I** provides more details about the practical implementation of this Standard.

⁴³ For some low-risk projects, gender and stakeholder engagement can be addressed with appropriate language in the proposal.

ESS 2: PROTECTION OF NATURAL HABITATS AND BIODIVERSITY CONSERVATION

Introduction

184. ESS2 recognizes that protecting and conserving biodiversity, maintaining ecosystem services, and sustainably managing living natural resources are fundamental to sustainable development. ESS2 addresses how Projects can sustainably manage and mitigate impacts on biodiversity and ecosystem services throughout the project's lifecycle.
185. ESS2 recognizes the need to consider the livelihood of project-affected people, including Indigenous Peoples, whose access to, or use of, biodiversity or living natural resources may be affected by a project. The potential positive role of project-affected people, including Indigenous Peoples, in biodiversity conservation and sustainable management of living natural resources, is also considered.

Purpose

186. To avoid or mitigate any significant loss or degradation and to maintain and promote the sustainable management, protection, conservation, maintenance, and restoration of natural habitats and their associated terrestrial, freshwater, coastal and marine biodiversity and ecosystem functions and services.
187. To promote the sustainable production (e.g., cultivation of plants, animal husbandry, aquaculture, plantation forestry, etc.),⁴⁴ harvesting (i.e., productive activities that extract resources),⁴⁵ and management of living natural resources (e.g., agriculture, animal husbandry, fisheries, and forestry).
188. To support livelihoods and inclusive economic development of local communities, including Indigenous Peoples, through the adoption of practices that integrate conservation needs and local development priorities.

Requirements

189. To protect natural habitats, and in accordance with international agreements, the CI ESMF endorses and applies the precautionary approach⁴⁶ for its projects and programs. All CI project activities will be consistent with existing protected area management plans or other resource management strategies that are applicable to national or local situations.
190. The Project will avoid adverse impacts on biodiversity and habitats and focus on biodiversity conservation actions that maintain or restore suitable habitats. The project team is encouraged to utilize broad and "upstream" assessment and planning, such as landscape

⁴⁴ Primary production of living natural resources is cultivation or rearing of plants or animals, including annual and perennial crop farming, animal husbandry (including livestock), aquaculture, plantation forestry, etc.

⁴⁵ Harvesting of living natural resources, such as fish and all other types of aquatic and terrestrial organisms and timber, refers to productive activities that include extraction of these resources from natural and modified ecosystems and habitats.

⁴⁶ The precautionary approach refers to actions that anticipate, avoid, and mitigate threats to the environment pre-emptively, even without clear evidence of a threat to the environment.

planning, river basin planning, and other strategic approaches, to improve project selection and design and maximize sustainability.

191. The Project Team should consider direct and indirect project-related impacts on biodiversity and ecosystems services and identify any significant cumulative and/or residual impacts. This initial impact assessment will include characterization of baseline conditions (without project) to a degree that is proportional and specific to the anticipated risk and significance of impacts and will be done without taking into account the possibility of biodiversity offsets. This process will consider relevant threats to biodiversity and ecosystem services, especially focusing on habitat loss, degradation and fragmentation, previous protected area status and potential Protected Area Downgrading, Downsizing, and Degazettement (PADDD)⁴⁷, invasive alien species, overexploitation, hydrological changes, nutrient loading, and pollution and incidental take, as well as projected climate change impacts.
192. The Project Team should also take into account the differing values attached to biodiversity and ecosystem services by affected communities and, where appropriate, other stakeholders across the potentially affected landscape and/or seascape (in alignment with ESS6. Where project affected communities are Indigenous Peoples, special attention will be given to traditional and customary values placed on ecosystem services, ensuring protection of traditional knowledge and indigenous consent in the provision of such information (in alignment with ESS4 and ESS6).
193. Ecosystem services are the benefits that people, including businesses, derive from ecosystems. Ecosystem services are organized into four types: (i) provisioning services, which are the products people obtain from ecosystems; (ii) regulating services, which are the benefits people obtain from the regulation of ecosystem processes; (iii) cultural services, which are the nonmaterial benefits people obtain from ecosystems; and (iv) supporting services, which are the natural processes that maintain the other services.⁴⁸
194. Ecosystem services are often sensitive to impacts from human activities and are of value to both urban and rural populations. Such services are often critically important to people living in rural areas, especially traditional rural communities and indigenous communities who depend to a significant degree on hunting, fishing, agriculture, harvesting of wild plant resources, natural water supplies, and protection from natural disasters provided by intact vegetative cover and barriers. Ecosystem services can be important for many types of public sector investments such as water, health, rural development, and tourism, etc., all of which are underpinned by biodiversity. Hence, the assessment of and management of project risks

⁴⁷ For more information on PADDD, see <https://www.padddtracker.org/>

⁴⁸ Examples are as follows: (i) provisioning services may include food, freshwater, timber, fibers, and medicinal plants; (ii) regulating services may include surface water purification, carbon storage and sequestration, climate regulation, and protection from natural hazards; (iii) cultural services may include natural areas that are sacred sites and areas of importance for recreation and aesthetic enjoyment; and (iv) supporting services may include soil formation, nutrient cycling, and primary production.

to ecosystem services requires an approach that integrates both environmental and social standards.

195. The Project Team will identify types of habitats and consider differentiated mitigation measures accordingly. In areas of *natural habitat*, including those that are legally protected, officially proposed for protection, identified by authoritative sources for their high conservation value,⁴⁹ or recognized as protected by traditional local communities, mitigation measures will be designed to achieve no net loss and preferably a net gain of the associated biodiversity values and/or ecosystem services where feasible, following the mitigation hierarchy described in ESS1. To prevent *natural habitat* destruction, fragmentation and/or degradation, CI favors the development of physical infrastructure in areas where natural habitats have already been converted or altered to other uses (i.e., *modified habitats*) where threatened species are not present.

196. In areas of critical habitat, the project team will not implement any project activities that have potential adverse impacts unless all of the following conditions are met: (a) No other viable alternatives within the region exist for development of the project in habitat of lesser biodiversity value; (b) The Project does not lead to measurable adverse impacts and preferably a net gain on those biodiversity values for which the critical habitat was designated or on the ecological processes supporting those biodiversity values⁵⁰; (c) The project does not lead to a net reduction, but preferably a net gain in the global and/or national/regional population⁵¹ of any Critically Endangered or Endangered species over a reasonable period of time⁵²; (d) A robust, appropriately designed, and long-term biodiversity monitoring and evaluation program is integrated into the Project's management program (typically a Biodiversity Management Plan); (e) The project has complied with all due process required under national or international law for obtaining project approval in, or adjacent to, areas of critical habitat.

197. Where a project is likely to adversely impact ecosystem services, the Project Team will conduct a systematic review to identify priority ecosystem services. 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 project-affected people; and/or (ii) those services on which the project is directly dependent for its operations (e.g., water). Because a project could potentially affect ecosystem services outside the project area, an assessment of potential impact should first define the probable or potential area of influence

⁴⁹ Natural habitat and critical habitat, defined in this ESMF, are largely comparable to areas of High Conservation Value (<https://hcvnetwork.org>).

⁵⁰ Biodiversity values and their supporting ecological processes will be determined on an ecologically relevant scale.

⁵¹ Net reduction is a singular or cumulative loss of individuals that impacts on the species' ability to persist at the global and/or regional/national scales for many generations or over a long period of time. The scale (i.e., global and/or regional/national) of the potential net reduction is determined based on the species' listing on either the (global) IUCN Red List and/or on regional/national lists. For species listed on both the (global) IUCN Red List and the national/regional lists, the net reduction will be based on the national/regional population.

⁵² The timeframe in which Project Team must demonstrate "no net reduction" of Critically Endangered and Endangered species will be determined on a case-by-case basis in consultation with external experts.

of the project. When project-affected people are likely to be impacted, they should participate in the determination of priority ecosystem services in accordance with the stakeholder engagement process as defined in ESS1 and Policy 3: Stakeholder Engagement.

198. Adverse impacts on priority ecosystem services should be avoided, particularly where the project team has direct management control or significant influence over such services.⁵³ Where non-significant impacts are unavoidable, the Project Team is required to assess and avoid or mitigate the impacts on ecosystems, including by maintaining sufficient ecological flows in river basin ecosystems. Projects should demonstrate a robust assessment of related risks to impacts on ecosystem service, such as by recommending a systematic accounting for depreciation of natural capital, and for costs associated to environmental change. These should also include the inter-sectoral impacts (health, culture, economic, social). The Project Team will ensure that competent biodiversity expertise is utilized to conduct the environmental and social assessment and the verification of the effectiveness and feasibility of mitigation measures.
199. Compensation, or biodiversity offsets, may be used by the Project Team to mitigate adverse impacts on biodiversity and ecosystems in rare cases, only as a last resort, and only in specific instances where they are implemented to achieve measurable, additional and long-term conservation outcomes⁵⁴ that can reasonably be expected to result in no net loss and preferably a net gain of biodiversity. Biodiversity offsets are not an acceptable mitigation measure for critical habitat. Compensation or offsets will only be considered after all other technically feasible avoidance, minimization or restoration measures have been considered; are supported by rigorous, sound science, adhere to the “like-for-like or better” principle⁵⁵; are developed in consultation with qualified independent experts; when sustainable management, support and financing have been secured; and consistent with best practice (see **Guidance in Appendix II** for more on the use of biodiversity offsets).

Operating in Legally Protected and Internationally Recognized Areas

⁵³ ‘Control’ means the ability to make decisions and direct the behavior of third parties to function or act in a desired or appropriate way whereas ‘influence’ is the capacity to affect the behavior of third parties by shaping their views or actions.

⁵⁴ Measurable conservation outcomes for biodiversity must be demonstrated in situ (on-the-ground) and on an appropriate geographic scale (e.g., local, landscape-level, national, regional).

⁵⁵ The principle of “like-for-like or better” indicates that biodiversity offsets must be designed to conserve the same biodiversity values that are being impacted by the project (an “in-kind” offset). In certain situations, however, areas of biodiversity to be impacted by the project may be neither a national nor a local priority, and there may be other areas of biodiversity with like values that are a higher priority for conservation and sustainable use and under imminent threat or need of protection or effective management. In these situations, it may be appropriate to consider an “out-of-kind” offset that involves “trading up” (i.e., where the offset targets biodiversity of higher priority than that affected by the project) that will, for critical habitats, meet the requirements set out in this ESMF

200. When the Project is located within a legally protected area⁵⁶ or an internationally recognized area⁵⁷, it must:
- Demonstrate that the proposed development in such areas is legally permitted.
 - Act in a manner consistent with any government recognized management plans for such areas.
 - Consult protected area sponsors and managers, IPLCs, and other stakeholders on the proposed project, as appropriate; and
 - Implement additional programs, as appropriate, to promote and enhance the conservation aims and effective management of the area.

Invasive Alien Species

201. Intentional or accidental introduction of alien, or non-native, species of flora and fauna into areas where they are not normally found can be a significant threat to biodiversity, since some alien species can become invasive, spreading rapidly and out-competing native species. Non-invasive alien species can also have harmful impacts on native ecosystems (e.g., chemical leaching of Eucalyptus leaf litter).
202. The Project Team will not intentionally introduce any new alien species (not currently established in the country or region of the project) unless this is carried out in accordance with the existing regulatory framework for such introduction. Notwithstanding the above, the Project Team will not deliberately introduce any alien species with a high risk of invasive behavior regardless of whether such introductions are permitted under the existing regulatory framework. All introductions of alien species (including through aquaculture) will be subject to a risk assessment (as part of the Project's environmental and social assessment) to determine the potential for invasive behavior. The Project Team will implement measures to avoid the potential for accidental or unintended introductions including the transportation of substrates and vectors such as soil, ballast, and plant materials that may harbor alien species.
203. Where alien species are already established in the country or region of the proposed project, the Project Team will exercise diligence in not spreading them into areas in which they have not already become established. Where feasible, the Project Team will take measures to eradicate such species from the natural habitats over which the Project Team has management control. Where alien species are already established in an area, but are potentially harmful to the ecosystem, a thorough assessment will be conducted to ensure any potential harm is eliminated or adequate mitigated.

⁵⁶ Legally protected areas are those that meet the IUCN definition: "A clearly defined geographical space, recognized, dedicated and managed, through legal or other effective means, to achieve the long-term conservation of nature with associated ecosystem services and cultural values." This includes areas proposed by governments for such designation.

⁵⁷ Defined as UNESCO Natural World Heritage Sites, UNESCO Man and the Biosphere Reserves, Key Biodiversity Areas, and wetlands designated under the Convention on Wetlands of International Importance (the Ramsar Convention).

Harvest/procurement of natural resource commodities

204. The environmental and social assessment will include an evaluation of the systems and verification practices used by the primary suppliers.⁵⁸ The procurement of natural resource commodities, including food, timber and fibre, that are known to originate from areas where there is a risk of or may contribute to significant conversion or degradation of natural and critical habitats shall be avoided, where feasible, or limited to suppliers that can demonstrate that they are not contributing to significant conversion or degradation of natural habitats. This may be demonstrated by delivery of an independently certified product,⁵⁹ or progress towards verification or certification under a credible scheme in certain commodities and/or locations). The ability to address these risks will be based in part on the project team's control or influence over its suppliers. The risk of alteration of freshwater habitats and services from extraction and use of water should also be evaluated.

Genetic resources

205. Project and program supported activities shall conform with applicable frameworks and measures related to access and benefit sharing (such as the *Nagoya Protocol*⁶⁰) in the utilization of genetic resources.

Restoration, Reforestation and Rehabilitation

206. The CI Project Team will only support restoration, reforestation, and rehabilitation projects that can demonstrate that they will restore or improve biodiversity and ecosystem composition, structure, and functions. CI projects will not engage in afforestation (introducing trees in densities exceeding the natural tree cover for that area). Spatial and on-the-ground analyses over time and within landscapes should be used to ensure that restoration, reforestation, or rehabilitation is not occurring on recently deforested land or displacing habitat loss.

Industrial forestry, agriculture, fishing, aquaculture

207. The CI Project Team will only support projects that are environmentally appropriate, socially equitable, and economically viable. Where the project includes commercial agriculture and forestry plantations (particularly projects involving land clearing or reforestation), the Project Team will locate such activities on land that is already converted or highly degraded (excluding any land that has been converted in anticipation of the project). In view of the potential for plantation projects to introduce invasive alien species and threaten biodiversity, such projects will be designed to prevent and mitigate these potential

⁵⁸ Primary suppliers are those suppliers who, on an ongoing basis, provide directly to the project goods or materials essential for the core functions of the project. Core functions of a project constitute those production and/or service processes essential for a specific project activity without which the project cannot continue.

⁵⁹ An independent forest certification system will require independent, third-party assessment of forest management performance. It will be cost-effective and based on objective and measurable performance standards that are defined at the national level and are compatible with internationally accepted principles and criteria of sustainable forest management.

threats to natural habitats. When the Project invests in production forestry in natural forests, these forests will be managed sustainably.

208. For projects involving commercial harvesting of fish populations and all other types of marine and freshwater organisms, the Project Team will demonstrate that their activities are being undertaken in a sustainable manner, consistent with the principles and criteria for sustainable harvesting.⁶¹

209. When identifying areas for production or extraction, the following criteria should be considered:

1. Avoid protected areas and known priorities for protected areas expansion
2. Avoid buffer zones around protected areas
3. Avoid ecological corridors and conservation priorities
4. Avoid natural habitat
5. Avoid threatened and protected species habitat
6. Avoid threatened and unique ecosystems
7. Avoid habitat of endemic and restricted range species
8. Avoid habitat of migratory and congregatory species
9. Avoid areas where key evolutionary and ecological processes take place
10. Avoid areas that are important for ecosystem services provision to people

Small-scale forestry and fishing

210. For projects involving forest and fishery harvesting operations conducted by small-scale producers, by local communities under community forest or fishery management, or by such entities under joint forest/fishery management arrangements, where such operations are not directly associated with a commercial operation, the Project Team will ensure that they: (i) are working toward a standard of sustainable management developed with the meaningful participation of project affected parties including Indigenous Peoples and local communities, consistent with the principles and criteria of sustainable forest/fishery management, even if not formally certified; and (ii) adhere to a timebound action plan to achieve such a standard. The action plan will be developed with the meaningful participation of project-affected parties and be acceptable to CI. Project Team will ensure that all such operations are monitored with the meaningful participation of project-affected parties.

Tourism-related impacts

211. Environmental and Social Impact Assessments of new or significantly expanding tourism activities and associated infrastructure will be consistent with the Guidelines on Biodiversity and Tourism Development.⁶² These guidelines outline the nature of baseline information needed, the range of issues that should be considered, as well as the nature of impact

⁶¹ For more information on fishery risk assessment see CI 2021 Social Responsibility Assessment Tool for the Seafood Sector: A Rapid Assessment Protocol. Available at: www.riseseafood.org.

⁶² Contained in the Decisions of the Seventh Conference of the Parties (COP-7) of the CBD (<https://www.cbd.int/tourism/guidelines.shtml>)

mitigation and appropriate monitoring and reporting that should be included in the subsequent action plan for the project.

Sustainable harvesting approach and assessment procedures

212. Given that the sustainability of a harvesting approach varies according to the resource to be harvested, the carrying capacity of the habitat(s) where the resource exists, and other biological and socioeconomic contexts, whenever a project proposes to carry out sustainable harvesting of natural resources, the Project Team will have to demonstrate the sustainability of the proposed methodology with best available science. The sustainability of the proposed harvesting approach must be clearly documented in the approved ESMP and/or a Biodiversity Management Plan (BMP).
213. For projects that trigger this standard, the project team may be required to conduct a comprehensive assessment and mitigation of these risks and incorporate them into the project plan. Specific mitigation/management measures relating to this Standard may be presented through an ESMP or Biodiversity Management Plan (BMP). A BMP is generally needed when significant impacts are unavoidable and in places of Critical Habitat.
214. The ESMP/BMP must be disclosed in a timely manner, in a place accessible to key stakeholders, including project affected groups and CSOs, in a form and language understandable to them. Further information regarding the requirements of information disclosure is outlined in Policy 1.
215. **Appendix II** provides more details about the practical implementation of this Standard.

ESS 3: INVOLUNTARY RESETTLEMENT, PHYSICAL & ECONOMIC DISPLACEMENT

Introduction

216. This Standard applies to situations involving project activities that lead to involuntary resettlement, which can include:
- **Physical displacement**, project-related land acquisition or restrictions on land use that may cause relocation, loss of residential land, or loss of shelter; or
 - **Economic displacement**, including the loss or loss of access to natural resources that lead directly or indirectly to the loss of traditional/subsistence livelihoods or income sources, including assets, social capital, cultural identity, among other impacts.
217. The term “resettlement” refers to both of these impacts and the processes to mitigate and compensate these impacts. Involuntary resettlement involves circumstances that involve project-affected people **not having the right to refuse land acquisition or restrictions on land use that result in physical or economic displacement**. This occurs in cases of (i) lawful expropriation or temporary or permanent restrictions on land use and (ii) negotiated settlements in which the buyer can resort to expropriation or impose legal restrictions on land use if negotiations with the seller fail.⁶³
218. Involuntary resettlement may harm project affected people economically, culturally and socially, and for that reason any should be avoided. However, where involuntary resettlement is unavoidable, it should be minimized, and appropriate measures to mitigate adverse impacts on displaced persons and host communities should be carefully planned and implemented. The government plays a central role in the land acquisition and resettlement process, including the determination of compensation. Close collaboration and coordination among government agencies and the project-affected people can result in more cost-effective, efficient, and timely implementation of those activities, as well as the introduction of innovative approaches to improving the livelihoods of those affected by resettlement.]
219. This standard assumes that physical and economic resettlement are almost always involuntary based on the recognition that the power is unequal between CI or project proponents and many community level stakeholders. Due in part to the context of vulnerability that predates the project, Project Teams often hold significant advantages in relation to communities in terms of access to information about project impacts, costs and benefits as well as alliances with government and private sector partners. All forms of resettlement will require process guarantees that acknowledge these differences and provide for good-faith negotiated agreements as a core mitigation measure.
220. This Standard extends to the inclusion of customary rights and informal institutions and not only limited to areas where there are legal rights over access and use of resources. This is based on the understanding that in some countries customary or traditional rights are often not fully recognized and respected, even when they are “legal rights” (recognized by specific pieces of legislation, land title, resource use permits, etc.). As indicated in Policy 3,

⁶³ Such land acquisition includes both outright purchases of property and acquisition of access rights, such as easements or rights of way.

stakeholder engagement and any baseline assessment should identify, acknowledge and respect pre-existing or disputed tenure rights and the cultural institutions, practices and knowledge systems on which they are based.

221. Associated Facilities shall meet the requirements of ESS3.

Purpose

222. Avoid forced eviction.

223. To anticipate, avoid, and when avoidance is not possible, minimize, mitigate and/or compensate the potential adverse socioeconomic and cultural impacts of involuntary resettlement processes and displacement that some CI projects might create.

Requirements

224. The CI Projects may support project-initiated *involuntary resettlement* only after a) all viable alternatives have been assessed to avoid economic or physical displacement; b) the free, prior and informed consent (FPIC) of affected resource dependent communities has been sought, obtained and documented; c) the result restores, and if possible, improves the livelihoods and standards of living of displaced persons; and d) ensures the provision of adequate housing (including essential services and utilities) with security of tenure,⁶⁴ and safety at resettlement sites.

225. Resolution of potential conflicts between conservation objectives and local livelihoods stemming from resettlement or displacement is sought primarily through consultation processes that lead to negotiated settlements meeting the requirements of this ESMF that provide timely compensation for loss of assets at full replacement cost,⁶⁵ even if the project has the legal means to displace and/or acquire land without the seller's consent. Such agreements should ensure fair and equitable sharing of benefits associated with project usage of the resources. Particular care is required where the Project Team intends to use or restrict access to natural resources that are central to the identity, culture, and livelihood of project-affected communities of Indigenous Peoples and their usage thereof may exacerbate livelihood risk.

226. Where displacement has already occurred prior to the commencement of CI project implementation activities, an audit shall be conducted to identify:

a) Any gaps of past activities against this Standard; and

⁶⁴ "Security of tenure" refers to resettled individuals or communities are resettled to a site they can legally occupy, where they are protected.

from the risk of eviction and where the tenure rights provided to them are socially and culturally appropriate.

⁶⁵ Replacement cost is defined as the non-depreciated market value of the assets plus transaction costs (e.g. taxes and legal fees). Market value is defined as the value required to allow project-affected people to replace lost assets with assets of similar value. The valuation method for determining replacement cost should be documented and included in applicable Resettlement plans and be consulted and agreed to as the basis for consent.

b) The corrective actions that may be required to ensure compliance with this Standard. A corrective action plan will describe all activities to reach compliance with this Standard in the form of a time-bound plan, including a budget, implementation arrangements, allocation of roles and responsibilities, and an implementation schedule.

227. As outlined in Policy 4 of the ESMF (Accountability and Grievance Mechanisms), the Project Team will ensure that a grievance mechanism is established for the project, which will be put in place in order to address specific concerns about compensation, relocation or livelihood restoration that may be raised by affected individuals and communities.

228. Thus, for projects in which the best alternative to the business-as-usual scenario involves *involuntary resettlement*, Project Team will be required to design, document and disclose a Process Framework before project implementation begins, which codifies a participatory process for developing a Livelihood Restoration Plan (LRP) or Resettlement Action Plan (RAP).

229. Good faith negotiations must be sought and documented as the preferential manner in which to reach a LRP or RAP. The Project Team shall undertake good-faith efforts to secure negotiated agreements with affected individuals and communities, based on transparent, consistent and fair compensation standards and equitable procedures to ensure that those people who enter into negotiated agreements maintain the same or better income and livelihood status. Such agreements should provide access for displaced communities and persons to appropriate development benefits from the project.

230. The LRP or RAP shall:

- describe the project activities;
- provide a robust baseline assessment of the socio-economic conditions of affected people, as well as their legal, customary, or informal tenure and rights;
- establish eligibility criteria for eligible persons/communities⁶⁶;
- describe efforts made to minimize displacement;
- include results from census and socioeconomic surveys;
- make clear all relevant local laws and customary rights that apply;
- present the potential asset replacement or economic displacement costs, the basis for how these were estimated, for validation by the affected peoples;
- present resettlement sites;
- income improvement or at least restoration;
- outline institutional arrangements;
- present an implementation schedule;
- describe and document participation and consultation, particularly how consent was obtained;
- discuss accountability and grievance mechanisms;

⁶⁶ This includes people with formal legal rights to land or assets; people without formal legal rights, but with a claim to land or assets that is recognized or recognizable under national law; and people who have no recognizable legal right or claim to the land or assets they occupy or use, but who are occupying or using the land prior to a project-specific cut-off date

- present a budget for effective implementation and monitoring and evaluation; and outline sources of funding.

231. The LRP or RAP should include information about how men and women and vulnerable groups may be affected differentially by resettlement, given their respective roles, responsibilities, uses of natural resources and needs, and put in place gender-responsive measures.⁶⁷ Careful consideration of household level gender roles consistent with the requirements of Policy 2, including the resources that women control, will ensure a LRP or RAP successfully assists men and women to restore and preferably to improve livelihoods.

232. Where physical displacement occurs, displaced people with title or a claim recognizable under national law shall be provided with:

- a) Choices among feasible resettlement options – including land-based compensation where possible – equal to the existing land in productive potential, location, and security of tenure, ownership and use rights;
- b) Adequate replacement housing and/or cash compensation, access to services, and resources/organization to support maintenance of social organization and social cohesion;
- c) Relocation assistance suited to their needs; and
- d) Assistance to improve, or at least restore, their livelihoods and living standards, in real terms, to pre-displacement levels or to levels prevailing prior to the start of project implementation, whichever is higher.

233. Where economic displacement occurs, affected persons with title or a claim recognizable under national law shall be provided with⁶⁸:

- a) Prompt and adequate compensation for the loss of assets or access to assets, such as sites of productive activity, with replacement property of equal or greater value, or cash compensation at replacement cost;
- b) Assistance to improve, or at least restore, their livelihoods and living standards, in real terms, to pre-displacement levels or to levels prevailing prior to the start of project implementation, whichever is higher; and
- c) Transitional support, as necessary.

234. For persons without formal legal rights to land, or claims to such land that could be recognized under national laws, resettlement assistance is provided in case of physical or economic displacement, in lieu of compensation for land, to help improve or at least restore their livelihoods in another location; and in cases of physical resettlement, arrangements to

⁶⁷ When developing resettlement plans, the Project Team must recognize the complexity of interactions in the household. Resources that women control pre-resettlement should be identified and assets they expect to control post-resettlement should be clearly documented.

⁶⁸ This provision of ESS3 applies to all project-affected parties **except** those whose livelihoods are derived from either (a) illegal activity under national law or (b) activities which fall under the proposed CI ESMF Exclusion List.

allow them to obtain adequate housing with security of tenure, and compensation for assets other than land (such as dwellings), where feasible.

235. Compensation, assistance, and benefits to affected persons are provided in a timely manner, before project or program activities begin on the acquired land.
236. The CI ESMF will support projects involving *economic displacement* as long as the Project Team is able to provide documented consent from affected communities. Consent is not required where affected peoples are engaged in illegal activities (e.g. alluvial gold mining, dynamite fishing on coral reefs, poisoning of waterholes or poaching of protected wildlife species). Documentation of the engagement process leading to consent will indicate the basis for which any ongoing activities were determined to be illegal.
237. For projects in which the best alternative to the business-as-usual scenario involves *economic displacement* (for example as a result of the creation of new protected areas, enactment of a new zoning scheme, development and implementation of a management plan that requires restrictions, etc.) the Project Team will be required to prepare a Process Framework that describes the nature of the restrictions, the participatory process by which project components will be prepared, criteria by which displaced persons are eligible, measures to restore livelihoods and the means by which any conflicts would be resolved.
238. When needed, a Livelihood Restoration Plan (LRP) may also be developed during project implementation phase to provide more detail on the arrangements to assist affected persons to improve or restore their livelihoods. This plan should take into account the different roles, responsibilities, natural resources needs and uses, and livelihoods, of men and women, and arrangements to assist affected persons should be gender-responsive.
239. RAPs, LRPs and/or Process Frameworks, including documentation of the consultation and /or good faith negotiation process, must be disclosed in a timely manner, before the approval process formally begins, in a place accessible to key stakeholders including project affected groups and CSOs in a form and language understandable to them. For sub-projects requiring land acquisition, these minimum requirements will be applied, as applicable and relevant.
240. In addition to the above requirements, all CI funded projects must follow national legislation on resettlement and access and use of natural resources.
241. **Appendix III** provides more details about the practical implementation of this Standard.
242. In circumstances where the Project Team is a private sector actor, but where land acquisition and resettlement are the responsibility of the government, the Project Team will collaborate with the responsible government agency, to the extent permitted by the Project Team, to achieve outcomes that are consistent with this Standard. In addition, where government capacity may be limited, the Project Team will play an active role during resettlement planning, implementation, and monitoring (see forthcoming Guidance).

ESS 4: INDIGENOUS PEOPLES

Introduction

243. Many of the world's remaining areas of high biodiversity and critical ecosystem service provision overlap with lands owned, occupied, managed and/or utilized by Indigenous Peoples.⁶⁹ CI recognizes the role that Indigenous Peoples, through their traditional knowledge and practice, have played in maintaining biodiversity and ecosystem services. Indigenous Peoples often directly depend on the products of healthy ecosystems—harvesting wild plants and animals for their food, fuel, clothing, ceremonies, medicine and shelter. The economies, identities, spiritual and cultural values, and forms of social organization of Indigenous Peoples are also often closely tied to maintaining the biodiversity and ecosystems that contain them, intact. CI's mission and the goals and actions of many Indigenous organizations to maintain biodiversity and intact ecosystems for the well-being of humanity are therefore often compatible.
244. Because of threats to biodiversity and ecosystem services, Indigenous Peoples who depend on these resources can be among the most marginalized and vulnerable members of the affected population. Limited knowledge of relevant law, and in turn, capacity to defend their rights against threats to land, territories and waters, languages, religious or spiritual beliefs, and institutions, has adversely affected their social, economic and legal status. This restricts their ability to participate and benefit from conservation projects.
245. CI acknowledges the role that conservation has had in actions that resulted in harm to Indigenous Peoples. Conservation partnership must rest on explicit and fully informed permission to pursue common goals in a manner demonstrating respect for Indigenous Peoples and recognition of history. Such partnership with Indigenous Peoples, where appropriate, begin with learning from and investing in the existing land and resource use plans that Indigenous Peoples undertake and implement.
246. By recognizing the leadership, contributions and accumulated knowledge of Indigenous Peoples, CI can learn from and further the achievement of natural resource conservation in accordance with their worldview. Indigenous Peoples promote, own and manage activities and enterprises that underscore the significance of their unique knowledge of, ability and interests in sustainable development.
247. In so doing, ESS4 CI will design and implement projects in a way that fosters full respect for Indigenous Peoples' identity, dignity, individual and collective rights, livelihood systems, and cultural uniqueness as defined by the Indigenous Peoples themselves in accordance with their worldview. ESS 4 also respects the instruments that protect Indigenous Peoples including but not limited to the International Labour Organization's Convention No. 169

⁶⁹ For the purpose of this Standard, traditional peoples, as recognized by national law, are treated as Indigenous Peoples.

concerning Indigenous and Tribal Peoples in Independent Countries, and the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).⁷⁰

Purpose

248. To ensure that:

- a. Projects respect Indigenous Peoples' rights, including their rights to *Free, Prior, and Informed Consent* (FPIC).
- b. Indigenous knowledge and legal systems are acknowledged, respected and promoted, including the protection of Indigenous data sovereignty, which is the right of Indigenous Peoples to control data about their people, lands, and resources.
- c. Indigenous Peoples have the right to own, control, manage, fully and effectively participate⁷¹ in the co-design of the projects that affect them as equal partners and also share in the determination and distribution of the benefits that are fair and culturally appropriate, agreed upon through well documented good-faith negotiation with the Project Team and/or the Project Investor or Sponsor. This includes the right of the affected peoples to grant or withhold their free, prior and informed consent (FPIC) of the project, as well as decide if they want to participate in the process of negotiations or to stop at any time.
- d. Potential adverse impacts are anticipated and avoided or adequately addressed or negotiated and agreed upon through a participatory and consultative approach.
- e. A positive relationship with Indigenous Peoples is maintained throughout the implementation of the project, including through any required Indigenous Peoples Plan or Framework designed in consultation with the affected community, and the monitoring and reporting on project impacts and benefits by persons selected by the community, and
- f. All project activities recognize, respect and preserve the culture, knowledge, and practices of Indigenous Peoples and provide them with an opportunity to adapt to changing conditions in a manner and in a timeframe acceptable to them.
- g. Projects respect Indigenous data sovereignty which is the right of Indigenous Peoples to control data about their people, lands, and resources.

249. **Scope of Application.**- This Standard applies to projects that affect Indigenous Peoples, whether adversely or positively. Such projects need to be prepared with care and with the full and effective participation of affected communities in each stage of the project cycle

⁷⁰ Indigenous and Tribal Peoples Convention, ILO 169

https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C169 ; the United Nations Declaration on the Rights of Indigenous People (UNDRIP)

<https://www.un.org/development/desa/indigenouspeoples/declaration-on-the-rights-of-indigenous-peoples.html>

⁷¹ The meaning of full and effective participation is represented in the ESMF commitment to diversity, equity and inclusion (DEI), and stakeholder engagement, both defined in the Glossary of Terms, which emphasizes the scope and quality of participation and, as well as can include the decision to not participate.

250. ESS 4 applies in cases where there is country-level legal recognition of communities as Indigenous Peoples (considering that many terms can be used for this recognition or in cases where other communities or groups are provided the same level of rights and protection as Indigenous Peoples), for which no assessment is required regarding the four characteristics in paragraph 9 for the application of the ESS4 to those groups or communities. Legal recognition is not a requirement for the application of ESS 4, but if there is such recognition it should be respected.
251. For the purpose of this standard, the term Indigenous Peoples is used in a generic sense to refer to a distinct social and cultural group possessing the following characteristics in varying degrees:
- (a) Self-identification as members of a distinct indigenous social and cultural group and recognition of this identity by others;
 - (b) Collective attachment to geographically distinct habitats, ancestral territories, or areas of seasonal use⁷² or occupation as well as to the natural resources in these areas. It may also apply to communities or groups that have lost collective attachment to distinct habitats or ancestral territories in the project area, because of forced relocation, conflict, prior resettlement, dispossession of lands, natural disasters or incorporation into urban areas;
 - (c) Customary cultural, economic, social, or political systems that are distinct or separate from those of the mainstream society or culture; and,
 - (d) A distinct language or dialect, often different from the official language or languages of the country or region in which they reside. This includes a language or dialect that has existed but does not exist now due to impacts that have made it difficult for a community or group to maintain a distinct language or dialect.
252. The Project Team that plans activities that may affect territories, lands, natural resources and the rights of Indigenous Peoples should obtain permission in writing or orally from the affected peoples for consultation or FPIC during the initial stages of project planning.
253. If permission to consult is granted, immediately afterwards to be considered are the minimum core elements for an acceptable and effective process of free, prior and informed consultation (FPIC) (additional and more specific elements may be required depending on the needs of the parties and the nature of the project).
254. FPIC refers here to the collective support of affected indigenous peoples for the project activities, reached through a culturally appropriate process, respectful of Indigenous Peoples' customary decision making, through representatives chosen by themselves or any other form of decision-making process of their own governance structure. **FPIC builds on and expands the process of meaningful consultation described in Policy 3 of this ESMF (Stakeholder**

⁷² ESS4 applies to indigenous communities who seasonally migrate outside of their territories for economic and social purposes, including hunting and gathering and participating in spiritual ceremonies.

Engagement) and will be established through good-faith negotiation⁷³ between the project-affected communities of Indigenous Peoples and the Project Team, or directly with a Project investor.⁷⁴

255. FPIC is iterative in response to significant material changes that occur after the commencement of the project and will require additional discussion and consent. The process of consultation and consent does not simply start when the affected peoples grant consent and end with their decision to begin the project. It is a process in which consultation, significant participation, and consent should be maintained throughout the duration of the project, including all of the initial aspects of development, the evaluation, planning, implementation, oversight, monitoring, and closure of the project. The mechanisms by which this relationship continues should be agreed upon as part of the initial consent.
256. **FPIC does not necessarily require unanimity, but may be achieved even when individuals or groups within the community explicitly disagree.** While FPIC is a community-level process, it is important to ensure that decisions at the community level are representative of all community members,⁷⁵ especially those who have historically been left out of decision-making, such as indigenous women, persons with disability and people of diverse sexual orientation. Understanding how diversity, inclusion and equity is reflected in IPLC decision making may require access to local expertise to ensure comparison to CI standards considers the relevant legal framework and is done with an appropriate cultural lens.

Identification of the parties for FPIC and good-faith negotiation

257. From the outset of any consultation or FPIC process, all affected peoples (including every constituent community) and the project proponents should be identified, as well other stakeholders or third-party beneficiaries of the project, such as sponsors, commercial investors and financiers, and partners. The Project Team and the affected peoples (the parties) have the right to participate in the consultation or good-faith negotiations through their freely chosen representatives (*see ESS 4 Guidance in Appendix IV for more detail*).
258. Indigenous Peoples may seek, as a condition of their participation and permission for consultation, that the Project fund the reasonable cost to carry out internal consultations and to ensure the work of independent technical assistance needed for them to participate in consultations in an effective and fully informed manner.
259. Although the objective of consultation and FPIC should be to seek an agreement between parties, this does not mean that all negotiation processes will culminate in consent

⁷³ See [Appendix IV](#) for more detail on good-faith negotiation.

⁷⁴ Where CI is acting as a proxy for a private investor or sponsor, as in the case of some voluntary carbon projects, the consultation process will involve the investor in a manner that appropriate and acceptable to all parties.

⁷⁵ Description of the process for how Indigenous Peoples make decisions may not always be written, but can be accessed from a range of sources, including Elders and community knowledge keepers, oral histories and narratives, songs, ceremonies, dreams, art, scrolls, petroglyphs, and architecture. These traditions and practices are often accessible through careful, objective inquiry facilitated by local experts. National legislation may establish the legal framework for local rules related to Indigenous land rights, self-representation and FPIC.

and approval of a project, fully, partially or with modifications, by the party of the affected peoples.

260. On the basis of the right of the affected peoples to negotiate and grant or withhold their free, prior and informed consent is recognition that in some circumstances, the proponents of the project must accept if Indigenous Peoples withhold consent that a project will not be executed, and they must respect and end the relationship if the affected peoples decide that they do not want to begin or continue with negotiations, or if they choose to withhold consent for the project. Therefore, the proponent has no right to continue demanding a relationship with the affected peoples.

Requirements

261. All CI funded projects are required to:

- a. Take into account the rights of indigenous peoples as specified in applicable national and international law, as well as Indigenous law.⁷⁶ Where national safeguard policies and regulations differ from ESS4, the Project Team and the implementing partners will formulate and agree on specific measures to ensure that ESS4 requirements are fully complied with.
- b. Conduct safeguard screening for risks or potential impacts on Indigenous Peoples, including the level of dependence on natural resources and cultural heritage, as early as possible during the project preparation phase;
- c. Ensure effective participation of Indigenous Peoples, including identified representative bodies (e.g., village councils, elders, and both statutory and customary leaders or representative organizations such as women groups) in the preparation of environmental and social impact assessments to assess risks and opportunities and to improve the understanding of the local context and affected communities;
- d. All CI Project Team that plans activities that may affect; territories, lands, natural resources and the rights of Indigenous Peoples **should obtain permission from the affected peoples for consultation**. Both parties may decide whether permission will be granted orally or in writing, based on agreement on the extent to which the decision acknowledges representation, decision-making and any other process guarantees required for good-faith negotiation (see ESS 3).

⁷⁶ Indigenous nations have been governing their territories using their own distinct legal traditions since time immemorial. Project teams are encouraged to investigate and pursue application of Indigenous law, which refers to customary legal and regulatory systems recognized under or consistent with national law that often integrate social, cultural, economic and environmental dimensions of the relationship between Indigenous peoples and their lands, territories and resources (whether provided in written or oral form). See Glossary for definition of Indigenous Law.

- e. Design consultation with indigenous peoples that respect established community consultation protocols⁷⁷ when they exist and provide sufficient time for indigenous decision-making processes.⁷⁸ All consultation should be conducted in a culturally appropriate manner, respectful of the ways of life of the affected communities.
- f. Implement effective consultation processes with the affected indigenous peoples' communities to fully identify their views, to understand resource rights and use, identify and assess potential impacts, and to seek their FPIC for project activities affecting them. The Project Team will document: (i) the mutually accepted process between the Project Team and project-affected communities of indigenous Peoples, and (ii) evidence of agreement between the parties as the outcome of the negotiations.
- g. Implement the CARE principles of **Indigenous Data Sovereignty**.⁷⁹ CARE principles provide guidance for ensuring the data collected of Indigenous Peoples, their lands, and their resources is for their *Collective benefit* and use is aligned with community values; that Indigenous Peoples have rightful ownership and *Authority to control* their data; that the project has the *Responsibility* to support the capacities and increase the capabilities of the Indigenous communities to use the data; and that Indigenous Peoples' *Ethics* guide how the data is used to "minimize harm, maximize benefits, promote justice, and allow for future use".
- h. As necessary and in line with the mitigation hierarchy, develop a time-bound Indigenous Peoples Plan (IPP) describing measures to avoid adverse impacts and enhance culturally appropriate benefits in each project activity that may have a direct or indirect impact on Indigenous individuals or communities (see Appendix VI).
- i. Establish an accountability and grievance redress mechanism (AGM) for the project as provided for in appropriate policies and guidance notes of the ESMF (see Policy 4)

262. For Project Teams without experience engaging Indigenous Peoples, PDM recommends hiring an Indigenous consultant or team member to satisfy the ESS 7 requirements, to educate the project team about the culture and practices that are important in the project area and to help identify the cultural or stewardship responsibilities that the project team will be held accountable for by the community if the project proceeds.

⁷⁷ Indigenous consultation protocols are instruments or processes established by each indigenous peoples to ensure the respect for their rights within the framework of consultation processes. Similar to process frameworks, such protocols may define the ground rules for how consultation should be conducted.

⁷⁸ Consultation timing will account for indigenous internal decision-making processes that is frequently collective in nature, allowing for reaching consensus in some instances, and otherwise sensitive to these and other procedural factors necessary for indigenous peoples to reach decisions.

⁷⁹ Carroll, S. R., Herczog, E., Hudson, M., Russell, K., & Stall, S. (2021). Operationalizing the CARE and FAIR Principles for Indigenous data futures. *Scientific Data*, 8(1), 8–13. <https://doi.org/10.1038/s41597-021-00892-0>.

263. The level of detail necessary to meet the requirements of ESS 1 (ESIA) and the design of an IPP shall be proportional to the complexity of the proposed project and commensurate with the nature and scale of its potential effects on the Indigenous Peoples, whether adverse or positive. This will be determined by the CI PDM ESA team in consultation with the Project Team, the community(ies) in question and relevant specialists based on a subjective assessment of project activities, circumstances of Indigenous Peoples, social risks and project impacts.

264. Project Teams will generally follow a two-level documentation process:

(1) all Projects that trigger the ESS 4 are required to prepare a *Social Assessment*, which describes the Indigenous Peoples in the project area, how they have been involved in Project design, how FPIC has been obtained (or will be obtained), and whether any adverse impacts are anticipated. Project Teams are encouraged to mainstream these measures into the design of the project itself, so that the final project proposal functions as the IPP.

(2) only for projects where significant adverse impacts are anticipated, an IPP is prepared, which sets out mitigation measures in detail, including additional consultations and an appropriate level of participation by Indigenous Peoples in the design process, etc., in line with the mitigation hierarchy. Specific measures to achieve these objectives will be incorporated in the IPP developed in consultation with the affected Indigenous Peoples communities.

265. For projects that may restrict indigenous access to natural resources and may result in the loss of livelihoods, the requirements for ESS3 (Resettlement, Physical and Economic Displacement) will guide identification of adequate and acceptable mitigation options. The Project Team will first consider feasible alternative project designs that avoid any involuntary relocation. Project activities that will cause potential economic displacement will not proceed unless FPIC is reached that ensures:

- Consultation with the community identifies all possible costs and benefits relative to the nature of the possible displacement,
- direct benefits to the affected community that intends to improve livelihoods and well-being relative to their prior situation in a culturally appropriate manner,
- access, usage and transit rights on affected lands and territories are respected; and
- the long-term sustainability of the natural resources on which they depend.

266. For projects that involve two or more countries or in border areas where Indigenous Peoples are present, the Project Team will adopt measures to address adverse impacts of the project that might affect transborder peoples. These measures may include actions related to legal security and territorial control, freedom of movement, dual nationality and aspects of cultural, social and economic integration.

267. When project or program activities include the commercial development of lands, natural resources, tangible or intangible cultural heritage central to indigenous peoples' identity and livelihood, the project or program shall obtain FPIC of the project affected indigenous

peoples. Following ESS6 (Cultural Heritage) the Project Team shall inform the affected people of their rights under national and international law and of the scope, nature and impacts of the potential use, enabling the indigenous peoples to determine the extent of the use of these natural and cultural resources and share equitably in the benefits from such commercial development or use. Any assessment or agreement shall determine and provide the resources needed to ensure that any contracts or agreements drafted in relation to these activities preserve the Indigenous Peoples' collective rights in their cultural heritage and knowledge.

268. **Community-controlled Impact Assessment (CCIA).** Where IPLCs request to carry out a community-led impact assessment in parallel to the statutory ESIA, as input into the project design, Project Teams will make reasonable efforts to support such a request.
269. **Indigenous Peoples in Voluntary Isolation or Initial Contact** will legitimately exercise this right and should not be contacted or overwhelmed by the Project Team.
270. Where a project or program may directly or indirectly affect Indigenous Peoples in Voluntary Isolation and Initial Contact, appropriate measures shall be taken to recognize, respect, and protect their lands and territories, environment, health, and culture, as well as to avoid all undesired contact. Such measures may include establishment of buffer zones, access restrictions to such territories, monitoring systems and emergency preparedness and response plans. Any project activities that would result in undesired contact are prohibited. Any measures taken to represent the interests of Indigenous Peoples in voluntary isolation shall be done in consultation with Indigenous Peoples representative organizations (IPOs), and through community groups (CBOs) or relevant experts. Consultation should include responsible government agencies, based on satisfactory consideration of any form of self-selection and ensure any risks to such peoples are avoided. Aspects of the project or program that would result in such undesired contact shall not be processed further.
271. In projects where the Project Team is a private sector actor, but where the government has a defined role in the management of Indigenous Peoples issues (in relation to the project), the Project Team will collaborate with the responsible government agency, to the extent feasible and permitted by the agency, to achieve outcomes that are consistent with the objectives of this Standard. This collaboration shall be undertaken with adequate disclosure to the affected Indigenous Peoples.
272. In the event that there is no clear government process, structure or role formally provided for in the project structure, the Project Team shall encourage for a government role that is proportionate to the obligations of the State⁸⁰, but compatible with advancing the participation of Indigenous Peoples in all decision-making processes.

⁸⁰ Even if the State and the provincial governments, consultants, etc. are not the project proponents, they [do not] remain exempt from their duties and obligations. The ultimate responsibility falls on the State to respect and enforce the human rights and constitutional rights of the Indigenous Peoples of the country. This includes the duty and obligation of the State to guarantee the consultation and the free, prior and informed consent of these peoples. Furthermore, the authorities of each department (local government) are obligated to comply with the

273. The Project Team will ensure that a grievance redress mechanism is established for any project (as outlined in Policy 4). This mechanism shall be culturally appropriate and accessible to affected Indigenous Peoples; and take into account but not replace the availability of judicial recourse and customary dispute settlement mechanisms among indigenous peoples/communities.

ESS 5: RESOURCE EFFICIENCY AND POLLUTION PREVENTION

Introduction

274. Increased industrial activity, urbanization, and intensive agricultural development often generate increased levels of pollution to air, water, and land, and consume finite resources in a manner that may threaten people and the environment at the local, regional, and global level. Pollution prevention and resource efficiency are core elements of a sustainable development agenda and CI projects must meet good international practice in this regard.
275. This ESS outlines a project-level approach to resource management and pollution prevention and control, and avoidance and minimization of GHG emissions. It builds on the mitigation hierarchy, and the “polluter pays” principle whereby the cost of mitigation is borne by the polluter, where relevant. It recognizes the disproportionate impact of pollution on women, children, the elderly, and the poor and vulnerable.
276. This ESS also recognizes the emerging concept and practice of circular economy⁸¹ and/or resource recovery, where usable and valuable products can be created or derived from what has been previously viewed as waste.
277. The project-related risks and impacts associated with resource use and the generation of waste and emissions need to be assessed in the context of project location and local environmental conditions. Appropriate mitigation measures, technologies, and practices should be adopted for efficient and effective resource use, pollution prevention and control, and avoidance and minimization of GHG emissions, in line with internationally disseminated technologies and practices.
278. CI promotes a reduced reliance on synthetic chemical pesticides. Therefore, CI supports the use of demand-driven, ecologically-based, biological or environmental Integrated Pest Management practices (IPM) or Integrated Vector Management (IVM). CI will support policy reform and institutional capacity development to enhance implementation of IPM and IVM based pest management while regulating and monitoring the distribution of pesticides.

same duties and obligations of the State regarding respect and enforcement of such rights. The State should keep track of all consultation and consent processes that any proponent intends to conduct with Indigenous Peoples in accordance with this Standard and must guarantee the full and effective implementation of all its stages.

⁸¹ A circular economy is based on the principles of designing out waste and pollution, keeping products and materials in use, and regenerating natural systems.

279. CI will follow the recommendations and minimum standards as described in the United Nations Food and Agriculture Organization (FAO) International Code of Conduct on the Distribution and Use of Pesticides⁸² and its associated technical guidelines and procure only low-toxin pesticides, along with suitable protective and application equipment that will permit pest management actions to be carried out with well-defined and minimal risk to health, environment and livelihoods.

Purpose

280. The objectives of this Standard are as follows:

- a) To promote more sustainable use of resources, including energy and water;
- b) To avoid or minimize adverse impacts on human health and the environment by avoiding or minimizing pollution from project activities;
- c) To reduce project-related emissions of Greenhouse Gas (GHG);
- d) To avoid or minimize generation of hazardous waste; and
- e) To minimize and manage the risks and impacts associated with pesticide use.

Requirements

281. Requirements of this Standard apply to projects that (i) aim to improve existing waste management practices; (ii) generate or cause generation of solid, liquid or gaseous waste; (iii) use, cause use of, or manage the use, storage or disposal of hazardous materials and chemicals, including pesticides; and (iv) that significantly consume or cause consumption of water, energy, or other resources.

Resource efficiency

282. For resource efficiency, the Project Team will consider and apply technically and financially feasible resource efficiency principles and techniques⁸³ for improving efficient consumption of energy, water, raw materials and other resources. The Project Team shall apply good international practices to improve resource efficiency, including principles of cleaner production, green design, sustainable infrastructure and sustainable procurement where feasible.

Resource consumption

283. Where project activities involve high demand for energy or natural resources such as water or soil/land the Project Team must apply measures to reduce use and ensure that such usage does not have significant adverse impacts on communities, other users, or on the

⁸² FAO (2014)

https://www.fao.org/fileadmin/templates/agphome/documents/Pests_Pesticides/Code/CODE_2014Sep_ENG.pdf

⁸³ World Bank EHS Guidelines or other internationally recognized sources.

environment and ecosystems.⁸⁴ The project must also assess the cumulative impacts of energy and natural resource use and implement appropriate mitigation measures such as demand management, efficiency measures, benchmarking usage, alternative supplies, resource contamination avoidance, mitigation of impacts on downstream users, and water use offsets. In coordination with ESS10 (Climate Change), projects must apply Good International Industry Practice for water/resource conservation and efficiency⁸⁵.

GHG emissions

284. CI projects will seek to reduce project-related GHG emissions in a manner appropriate to the nature and scale of the project operations and impacts. Alternatives and implementation of technically and financially feasible options to reduce GHG emissions should be considered. Options may include alternative locations; use of renewable and low-carbon energy sources; energy efficiency; “climate-smart” agriculture, forestry, and livestock management practices; and ecosystem-based mitigation measures.
285. Where GHG emissions or reduction in emissions may be significant, potential sources and sinks should be characterized and estimated to form a baseline for reducing such emissions, providing such estimation is technically and financially feasible. The project should support and adopt GHG-accounting methodologies⁸⁶ for programming activities according to good international practice; and protect, conserve and, where appropriate, incorporate carbon sinks in programming activities.
286. Projects that are designed to claim carbon credits will adhere to CI’s norms for high quality carbon credits and use internationally recognized carbon accounting methodologies⁸⁷. Under the direction of CI carbon specialists, project specific carbon accounting will include plans for measurement, monitoring and reporting of emissions reductions throughout the project term in a manner that addresses risks of leakage, reversals and additionality in conformity with a designated validation and verification process and auditing body.⁸⁸ ESS 5 will integrate the results of project carbon accounting as appropriate into the project design and monitoring.

Pollution prevention

⁸⁴ Where benchmarks for unit of output measures are available (e.g. energy use per ton of product), Project Teams may describe performance in relation to these standards. Measures to eliminate, substitute, or reduce raw material use in various phases of project development may be found in the World Bank Group’s General EHSs.

⁸⁵ See for example the UNECE Convention on the Protection and Use of Transboundary Watercourses and International Lakes.

⁸⁶ There are many GHG accounting methodologies such as [WRI](#), and the [International Finance Institutions](#).

⁸⁷ GHG accounting methodologies are designated for different carbon market types, including [Verra](#), CAR, REDD+ SES for the voluntary carbon market, and ART TREES and World Bank’s Carbon Fund Methodological Framework for subnational or national jurisdictional carbon markets. All methodologies are aligned with the UNFCCC REDD+ principles and safeguards.

⁸⁸ See CI Carbon Fund <https://www.conservation.org/projects/carbon-credits> for additional information on carbon project design tools.

287. For pollution prevention, CI projects shall avoid and if not possible, minimize and control the intensity and flow of pollutants from routine, non-routine, and accidental releases. The Project Team shall establish preventive measures wherever possible and ensure that application of pollution prevention and control technologies are consistent with good international practice throughout the programming life cycle. CI projects shall abide by performance levels and measures specified in national law or in good international practice, whichever is more stringent.⁸⁹ In addressing potential adverse impacts, CI-supported projects shall consider ambient conditions and assimilative capacity of the environment, land use, proximity to ecologically sensitive areas, and the potential for cumulative impacts.
288. Environmental pollutants can include air, water, soil/land, radioactive, light and noise pollution.

Waste generation and disposal

289. CI projects will implement a waste management hierarchy by avoiding, and if not possible, minimizing generation of waste (hazardous and non-hazardous), and reusing, recycling, and recovering wastes in a safe manner.
290. If project/program activities will generate significant waste, the Project Team will adopt measures that avoid and minimize potential negative effects, including potential alternative siting. When a project/programme involves historical pollution, the Project Team will establish a process to identify the responsible party. If the historical pollution could pose a significant risk to human health or the environment, the Project Team will seek a partnership with the relevant health authority to undertake a health and safety risk assessment of the existing pollution which may affect communities, workers, and the environment. Any remediation of the site will be appropriately undertaken in accordance with national law and Good International Industry Practice (GIIP), whichever is most stringent.
291. CI projects will avoid or minimize the potential for community exposure to hazardous materials and substances that may be released by a project. Where there is potential for the public to be exposed to hazards, projects will exercise special care to avoid or minimize their exposure by modifying, substituting, or eliminating the condition or material causing the potential hazards. The production, transportation, handling, storage and use of hazardous materials for project activities should be assessed and less hazardous substitutes should be considered.

Pesticide use and management

⁸⁹ See for example World Bank Group Environmental, Health and Safety Guidelines. https://www.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/Sustainability-At-IFC/Policies-Standards/EHS-Guidelines/; Acceptable Carbon dioxide and other GHG emission thresholds are established under UNFCCC Nationally Determined Contributions (NDCs). See UNFCCC NDC Registry <https://unfccc.int/process-and-meetings/the-paris-agreement/nationally-determined-contributions-ndcs/nationally-determined-contributions-ndcs>

292. For projects that require the procurement of pesticides, the Project Team will follow the International Code of Conduct on Pesticide Management and any national laws or regulations pertaining to pesticides.⁹⁰
293. CI projects will not finance the use of any pesticides categorized IA, IB or II by the WHO (e.g., brodifacoum, paraquat), if (a) the country lacks restrictions on their distribution and use; or (b) they are likely to be used by, or be accessible to, lay personnel, farmers, or others without training, equipment, and facilities to handle, store, and apply these products properly.
294. When pest management activities include the use of chemical pesticides, the Project Team will select those that are low in human toxicity, that are known to be effective against the target species, and that have minimal effects on non-target species and the environment. Chemical pesticides must be packaged in safe containers, be clearly labelled for safe and proper use, and be manufactured by an entity currently licensed by relevant regulatory agencies.
295. For projects that trigger this Standard, the Project Team may be required to develop a specific Resource Efficiency and Pollution Prevention Plan. This plan can be tailored to needed thematic areas such as GHG emissions, hazardous waste, or pesticide use and management (see **Appendix V** for details).
296. The Project Team will ensure that any plans developed are disclosed in a timely manner, in a place accessible to key stakeholders, including project affected groups and CSOs, in a form and language understandable to them.

⁹⁰ See for example World Bank Group Environmental, Health, and Safety Guidelines: Perennial Crop Production March 30, 2016, https://www.ifc.org/wps/wcm/connect/2db115fe-4842-4a32-86ed-c9d659a0ea38/English_2016_Perennial+Crop+Production_EHS.pdf?MOD=AJPERES&CVID=lffbDhw; also FAO, International Code of Conduct on Pesticides Management (revised 2014), (Rome: FAO, 2014) http://www.fao.org/fileadmin/templates/agphome/documents/Pests_Pesticides/Code/CODE_2014Sep_ENG.pdf

ESS 6: CULTURAL HERITAGE

Introduction

297. ESS6 recognizes the importance of both tangible and intangible cultural heritage for the continuity of cultural identity and practices for present and future generations. Consistent with the Convention Concerning the Protection of the World Cultural and Natural Heritage, ESS6 aims to ensure that Project Teams protect cultural heritage in the course of their project activities. In addition, the requirements of this ESS with respect to a project's use of cultural heritage are based in part on standards set by the Convention on Biological Diversity.
298. Cultural heritage is also important as a source of valuable scientific and historical information, as an economic and social asset for development.

Purpose

299. To ensure that cultural resources, both tangible and intangible, are appropriately preserved and their destruction or damage is appropriately avoided.
300. To promote meaningful consultation with stakeholders regarding cultural heritage.
301. Promote the equitable sharing of benefits from the commercialized use of cultural heritage in project activities.
302. Where significant elements of cultural heritage are identified, promote the awareness, appreciation and enhancement of cultural heritage as well as potential socioeconomic benefits for local communities.
303. Scope of application. For the purposes of this Standard, the requirements apply to both tangible and intangible replicable, non-replicable and critical cultural heritage as defined in the Glossary of Terms.

Requirements

304. All CI project activities will analyse feasible project alternatives including site selection and project design in order to prevent or minimize or compensate for adverse impacts and enhance positive impacts on cultural heritage resources.
305. When projects are likely to present risks for cultural heritage, regardless of whether it has been legally protected or previously identified or disturbed, ESS6 applies to any project that:
- a. Involves excavations, demolition, movement of earth, flooding or other changes in the physical environment;
 - b. Is located in a legally protected area or a legally defined buffer zone;
 - c. Is located in or in the vicinity of, a recognized cultural heritage site;
 - d. Is specifically designed to support the conservation, management and use of cultural heritage.

306. Requirements of ESS6 apply to intangible cultural heritage⁹¹ only if a physical component of a project will have a material impact on such cultural heritage or if a project intends to use such cultural heritage for commercial purposes.
307. When cultural heritage resources are present in project areas, measures should be put in place to ensure that they are identified and that adverse effects on them are avoided. These measures shall include globally recognized practices for field-based study, documentation, protection of cultural heritage in connection with the project. This is particularly relevant for projects that support development of management plans and other land and natural resource use planning, projects that support alternative livelihood activities, and projects that include small infrastructure construction.
308. When deemed necessary (i.e., through the screening process), qualified experts, local people, and other relevant stakeholders shall be consulted. Field-based surveys shall also be used in assessing the nature, extent and significance of cultural heritage that may be affected by the project (a pre-project cultural heritage baseline study); assessing whether destruction or damage can be avoided; and assessing plans for minimizing/mitigating risks and impacts.
309. Where cultural heritage is legally protected (critical cultural heritage), the project will comply with national, regional or international cultural heritage regulations and related management plans. Relevant authorities will be involved in a consultation process.
310. Jointly with the project affected stakeholders, the Project Team shall determine whether disclosure of information regarding cultural heritage would compromise or jeopardize its safety or integrity.
311. The Project Team will identify and carry out meaningful consultation with stakeholders that have use now or have used the cultural heritage in living memory, and other interested parties, such as regulatory agencies or relevant experts.⁹² Project Teams should review UNESCO's Lists of Intangible Cultural Heritage and relevant national legislation related to intangible cultural heritage during early project planning. As needed, the Project Team will put in place measures to maintain requested confidentiality regarding location, characteristics, or traditional use of the affected cultural heritage.
312. Chance finds will not be disturbed until an assessment by qualified experts is made. Where national procedures do not exist, appropriate procedures⁹³ will be developed in line with the assessment by qualified experts. Chance finds procedures will be included in all

⁹¹ See UNESCO. <https://ich.unesco.org/en/lists>

⁹² The project will support the inclusion and cooperation of the various stakeholders through a dialogue with the appropriate authorities, including the relevant national or local regulatory authorities entrusted with the protection of cultural heritage, to establish the most effective means for addressing the views and concerns of the stakeholders and involving them in the protection and management of the cultural heritage.

⁹³ A chance finds procedure is a project-specific procedure which will be followed if previously unknown cultural heritage is encountered during project activities and instructs how such events will be managed, requires notification of relevant authorities, closure of areas of finds to prevent further disturbance, guides assessment of sites/objects by experts and to provide training to project stakeholders on this procedure.

contracts relating to construction of the project, including excavations, demolition, movement of earth, flooding or other changes in the physical environment.

313. Where the Project Team has encountered tangible cultural heritage that is replicable and not critical, the executing Project Team will apply mitigation measures that favour avoidance. Where avoidance is not feasible, the Project Team will apply a mitigation hierarchy. If this encounter occurs within the territories/lands of an indigenous community, then the process of FPIC must occur before any mitigation measures are undertaken.
314. Where a project or program introduces restrictions to stakeholder access to previously accessible cultural heritage sites, continued access shall be arranged in consultation with stakeholders, where feasible subject to overriding health, safety and security considerations.
315. For archaeological sites, the ESIA shall include desk-based and field survey assessment of archaeological remains. For projects where impacts and risks on cultural heritage are deemed a significant issue, a focused *Cultural Heritage Impact Assessment (CHIA)* may be necessary even if a full-scale ESIA is not required.
316. The Project Team will document the location and characteristics of archaeological sites and materials discovered during the project life cycle and provide such documentation to the relevant authorities. In consultation with authorities, the Project Team will determine the appropriate mitigation plan and manage that archaeological material in accordance with national and subnational law until custody and been transferred.
317. Appropriate mitigation measures for mitigation of risks to cultural heritage which may include (a) documentation; (b) conservation or rehabilitation *in situ*; and (c) relocation and conservation or rehabilitation.
318. Any cultural heritage resources located within a nationally defined park, preserve, or reserve will be defined as critical. The Project Team should not remove, alter, or damage critical cultural heritage. If it appears that a project may impact critical cultural heritage, the Project Team may proceed with such activities only after a negotiation with and a documented process of good-faith negotiation with the relevant stakeholders, including project-affected people.
319. For projects that trigger this Standard, Project Team will be required to develop a Cultural Heritage Management Plan (CHMP). The CHMP is a document that identifies a set of mitigation, management, monitoring, and institutional actions to be implemented for CI projects. The CHMP can be developed as a stand-alone document or as part of the ESMP.
320. Where a project or program involves the commercial use of cultural heritage, project-or program-affected parties shall be informed of their rights under national law and of the scope, nature and impacts of the potential use, and arrangements are made to provide for the fair and equitable sharing of benefits from such use, provided this use has been agreed to in an FPIC process. Any assessment or agreement shall determine and provide the resources needed to ensure that any contracts or agreements drafted in relation to these activities preserve the Indigenous Peoples' collective rights in their cultural heritage and knowledge.

ESS 7: LABOR AND WORKING CONDITIONS

Introduction

321. This ESS recognizes that a Project labor force is essential to the Project Team's effective delivery of conservation and sustainable development activities, and that good human resources management and positive worker-management relationship based on respect for workers' rights, including freedom of association and right to collective bargaining, are key ingredients to sustainability. ESS 7 risks can be related to other standards, especially ESS8, and therefore an interdisciplinary approach will be required to identify and manage risks.
322. ESS 7 has been developed and is aligned with, a number of other international standards and guidance related to labor and working conditions and implementation/topic specific guidance should be considered where relevant and appropriate.
323. Requirements under ESS 7 are to be applied in a proportional manner based on the nature of the project, its specific activities, the project's associated social and environmental risks and impacts, the type of contractual relationships with workers engaged in relation to the project, and the context in which the project is situated. The applicability and scope of ESS7 is established during the social and environmental screening and categorization process conducted in ESS1. At a minimum, ESS 7 applies to all project workers directly engaged by the Project Team, including direct workers (full-time and part-time), contracted and sub-contracted workers, as well as workers engaged by the Project Team's primary suppliers (primary supply workers). Certain aspects of ESS7 can also be applicable to community workers (e.g., fishers, farmers, foresters that engage in voluntarily with Project funded activities).

Purpose

324. To protect workers from discrimination by ensuring that risks or potential adverse impacts to workers are identified, avoided or mitigated, and the fundamental rights of workers are respected, consistent with national labor requirements along with the International Labour Organization's (ILO) Declaration on the Fundamental Principles and Rights at Work. This Standard seeks to promote the fulfilment of these rights.
325. To promote and safeguard the health and safety of workers.
326. To ensure requirements of this standard are endorsed, supported and met by those supporting the implementation of the project including contractors, subcontractors and primary suppliers.
327. To support strong relationships between workers and the Project management team.
328. To protect vulnerable workers.
329. To avoid the use of child and forced labor.

Definitions

330. “Project worker” refers to (a) direct workers, (b) contracted workers (including sub-contracted workers), (c) primary supply workers, and (d) community workers. This includes full-time, part-time, temporary, seasonal and migrant workers.
331. “Direct workers” are those people employed or engaged directly by the Project Team to work specifically on the project. This includes both workers who are employed by the project on both a full-time and part-time basis.
332. “Contracted or Third-Party workers” are workers who are contractually engaged by the Project Team or through third parties to perform work related to core functions of the project.
333. “Primary suppliers” are those suppliers who, on an ongoing basis, provide goods or materials directly to the project that are essential for its core functions.
334. “Community workers” are people from communities associated with the project who may volunteer their time to support the project or be in receipt of compensation that is not cash based.
335. “Migrant workers” are workers who have migrated from one country to another or from one part of the country to another for the purposes of employment.
336. “Vulnerable workers” are workers who may include Indigenous People, minority groups, contractor or subcontractor workers, women and those with disabilities (visible or not).

Requirements

337. Where the screening or assessment processes described under ESS1 identify risks to workers health, safety or rights, the project will ensure further assessments are undertaken, and plans are developed, implemented and monitored to manage such risks. This process is consistent with requirements as outlined in this Standard and respects and protects the fundamental rights of workers, consistent with the International Labour Organization’s (ILO) Declaration on the Fundamental Principles and Rights at Work, including:
- a. Freedom of association and the effective recognition of the right to collective bargaining;
 - b. The elimination of discrimination and ensuring fair treatment in respect of employment and occupation and equal opportunities of workers in accordance with the decent work agenda;⁹⁴
 - c. The prevention of child labor; and

⁹⁴ Decent work sums up the aspirations of people in their working lives. It involves opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men.

d. The elimination of all forms of forced or compulsory labor.⁹⁵

338. The project will provide written labor management policies and procedures (refer to template in **Appendix VII** in accordance with applicable national laws, associated regulations and international commitments. These policies and procedures include all requirements detailed in this ESS and will be accessible to all workers.
339. The project will provide workers with clear and understandable documentation of **employment terms and conditions**, including their rights under national law related to hours of work, wages, overtime, compensation and benefits, and those arising from this Standard upon beginning the working relationship and when any material changes occur.⁹⁶ Benefits will generally include some form of health or accident insurance in line with national law and risks associated with the work. All forms of communication will be provided in accessible language to ensure all workers fully understand and comprehend materials provided. This may include developing provisions for illiteracy.
340. Workers engaged by the project will be provided regular and timely payment of wages; adequate periods of rest, holiday, sick, maternity, paternity, and family leave; and written notice of termination and severance payments, as required under national laws and the CI labor management procedures.
341. Decisions relating to any aspect of the employment relationship, including recruitment, hiring and treatment of workers, and equal remuneration, will be made based on the principles of non-discrimination, equal opportunity and fair treatment, and not on the basis of personal characteristics unrelated to inherent job requirements. Charging any form of recruitment fees to individual employees, or using engaging misleading or fraudulent recruiting practices,⁹⁷ is prohibited.
342. Appropriate measures will be in place to prevent harassment, intimidation, exploitation, bullying, sexual abuse, gender-based violence, and to protect vulnerable workers, including but not limited to women, children of working age, migrants, Indigenous Peoples and persons with disability. This includes prohibition of any practice of destroying, concealing, confiscating or otherwise denying any employee access to their identity or immigration documents, such as a passport or driver's license.
343. Accompanying written policies and disciplinary procedures will be disclosed and provided to workers in all relevant languages with special accommodations for illiteracy.

⁹⁵ The requirements of this ESS are consistent with CI's Policy on Anti-Trafficking in Persons, which follows the U.S. Federal Government regulations and USAID standard provision M20, which prohibits CI, its subawardees, contractors, at any tier, or their employees, labor recruiters, brokers or agents from prohibited activities that are recognized to enable forced labor or trafficking of persons.

⁹⁶ The policies and processes shall be appropriate to the size, locations and workforce of project activities.

⁹⁷ Misleading recruitment practices may include failing to disclose (in a format and language accessible to the employee) or making material misrepresentations about the key terms and conditions of employment, including wage and benefits, work location, living conditions, housing and associated costs (if provided for by CI), significant costs to be charged to the employee and hazardous nature of the work (if applicable).

344. Migrant workers will be employed in accordance with local laws and on comparable terms and conditions as non-migrant workers who are employed in similar work. The project shall provide or pay the cost of return transportation at the end of employment for an employee who is not a national of the country where the work took place and who was sent to that country for purposes of working on a Government Contract.⁹⁸
345. Workers who participate, or seek to participate, in workers' organizations and collective bargaining, can do so without interference, are not discriminated or retaliated against, and will be provided with information needed for meaningful negotiation in a timely manner.
346. When the Project Team will either directly or indirectly provide residential or temporary accommodation to workers or require workers to travel to remote communities, adequate lodging will be provided that meets relevant requirements along with host country housing and safety standards. Any accommodation facilities shall provide all basic services⁹⁹, including water and sanitation; in certain cases, medical care may also be provided. The services are provided in a manner consistent with the principles of non-discrimination and equal opportunity.
347. The project will apply relevant Occupational Health and Safety (OHS) measures to establish and maintain a safe and healthy working environment.¹⁰⁰ Such measures will be designed and implemented to:
- a) Identify potential hazards to workers, particularly those that may be life threatening;
 - b) Prevent adverse impacts such as occupational injuries, deaths, disability and disease.
 - c) Use a mitigation hierarchy required to manage labor and working conditions risks;
 - d) Provide preventive and protective measures as a last resort and prioritize elimination of exposures/risks.
 - e) Train workers based on risks identified and required actions to avoid and prevent injury, illness and/or death and maintain training records;
 - f) Document, report and undertake a root-cause analysis for cases involving occupational accidents, diseases and incidents;
 - g) Ensure emergency preparedness and response arrangements to emergency situations are established; and

⁹⁸ A Government Contract is any contract for which a public sector agency of a federal, state or local government is the direct employer of workers carrying out the project activity.

⁹⁹ Basic services may include International, National, and Local standards relating to general living facilities; security arrangements; appropriate work temperature; regular access to safe and nutritious food; drinking water; access to safe exit in emergency conditions; segregated toilets, washing facilities (i.e., laundry) and room/dormitory facilities (sleeping areas for women and men); and access to means of leisure, social and telecommunication facilities including areas outside the project boundary.

¹⁰⁰ As reflected in various internationally recognized sources including the [World Bank Group Environmental, Health and Safety Guidelines](#).

348. Workers will be informed of and have access to applicable effective and conflict resolution systems that are culturally appropriate and provided at the workplace level, which conform to the requirements of Policy 4 (Accountability and Grievance Mechanisms).
349. Workers will be able to access these mechanisms without retribution, and the grievance and conflict resolution systems does not impede access to other judicial or administrative remedies available under the law or through existing arbitration procedures, or substitute for grievance systems provided through collective agreements. These mechanism will provide appropriate means for conflict resolution that reflect local cultural and traditional norms.
350. CI will require the Project Team to identify actual and potential risks of violations of primary supplier workers' fundamental rights and safety and health issues and establish roles and responsibilities for monitoring primary suppliers. If child labour, forced labour, trafficking in persons, unsafe working conditions, or breaches of other fundamental rights are identified, the responsible party will require the primary supplier to take appropriate steps to remedy them.¹⁰¹ This process may require the participation of experienced internal representatives or external independent experts depending on the complexity and level of knowledge of CI staff.
351. CI will contractually require that third parties who receive CI funds and who engage workers in association with the project are legitimate and reliable entities and have in place appropriate policies, processes and systems that allow them to operate in accordance with the requirements of this Standard, including having access to a grievance mechanism.

ESS 8: COMMUNITY HEALTH, SAFETY AND SECURITY

Introduction

352. ESS8 recognizes that project activities, equipment, and infrastructure can increase community exposure to risks and impacts related to their health, safety and security. In addition, communities that are already subjected to negative pre-existing health, safety and security conditions along with climate/natural hazard related impacts may also experience an acceleration or intensification of conditions/impacts due to project activities.
353. Community, health, safety and security risks may stem from:
- Infrastructure and equipment design and safety;
 - Traffic safety and the transportation of goods/equipment/materials/people associated with the project
 - Hazardous materials management and safety

¹⁰¹ See for example CI's Human Rights Due Diligence Tool for the Seafood Sector: https://media.riseseafood.org/resources/SRAT_20210317_FINAL.pdf

- Ecosystem services
- Community exposure to disease
- Emergency preparedness and response
- Security personnel
- Climate change and natural hazards
- Other context specific issues relevant to the project and associated communities may include: exposure to communicable diseases; mental health due to harassment; community wellbeing (including cultural aspects - see Standard on Cultural Resources). Safety risks are unintended threats to people and may include: natural hazards; impacts of climate change; dangerous working conditions. Security risks are intended or deliberate threats to people and may include: physical violence; gender-based violence; sexual exploitation and abuse.

354. ESS8 recognizes the integration between health, safety and security risks and impacts on project-affected communities and workers who support CI projects. Thus, there is an inter-relationship between ESS8 and ESS7.

355. It is the corresponding responsibility of the Project Team to follow the mitigation hierarchy in avoiding or minimizing such risks and impacts, while acknowledging the role of relevant National, regional and local authorities and institutions in protecting and promoting the health, safety and security of the public. Effective mitigations often require collaboration both internally within project teams and externally with associated authorities, institutions or other potential partners.

356. The Project Team has the primary responsibility to provide safe and healthy conditions for their staff and delivery partners and informing, instructing, training, supervising and consulting workers on community health, safety and security conditions that may affect them. Staff and delivery partners have the responsibility to cooperate actively with the Project Team and take care of their own health and safety and the health and safety of others. The Project Team, including staff and delivery partners, has the duty to manage health, safety and security risks to project-affected communities.

Purpose

357. To ensure that risks or potential adverse impacts to the health, safety and security of project-affected communities from project activities along with routine and non-routine circumstances are anticipated, identified, avoided and mitigated.

358. To anticipate and avoid adverse impacts on the project itself from pre-existing community health, safety and security conditions during the project cycle.

359. To encourage an integrated risk assessment. Community health, safety and security risks are often related to other ESS topic areas and therefore an integrated risk assessment will yield a more accurate identification of risks and issues the project should consider. The health, safety, and security of project affected people must be assessed and mitigated as

inter-connected risks in any environmental and social risk assessment. This includes the potential risks for communities already subjected to impacts from climate change or natural hazards that may also experience an acceleration or intensification of impacts due to project activities.

360. To ensure that safeguarding of personnel and property is carried out in accordance with relevant human rights principles and in a manner that avoids or minimizes security related risks to affected peoples.

Requirements

361. Projects will be screened to identify contextual factors, risks or potential impacts to the health, safety and security of project-affected communities and consider:
- a) accidental hazards associated with a project, particularly where the failure of structural elements associated with the project could result in injury or death to affected people;
 - b) natural hazards in a project context;
 - c) accidents related to the transport of materials and people associated with the project;
 - d) communicable, vector-borne and non-communicable diseases
 - e) emergency preparedness and response
 - f) hazardous materials
 - g) ecosystem services
 - h) current or projected effects of climate change and other natural hazards (see ESS10 for full climate vulnerability assessment)
 - i) the project's use/need of rangers, eco-guards, or similar security personnel, whether armed or unarmed
 - j) specific issues related to conducting projects in a conflict or post-conflict context over the previous 10-20 years;
 - k) personal or communal conflict and violence that could be caused or exacerbated by the project
362. With respect to the above, the special needs and exposure of disadvantaged or vulnerable groups or individuals, including women, children, and persons with disability should be identified.
363. Based on screening, and where necessary, further risk assessments will be carried out and may require specialized support.
364. Based on risk assessment findings, CI will collaborate with partner(s) and relevant agencies/authorities to design and implement strategies addressing risks that aligned with the mitigation hierarchy prioritizing avoidance and mitigation.
365. Where the project poses risk to the health and safety of affected communities, the Project Team will disclose relevant project-related information to enable the affected communities

and relevant government agencies to better understand these risks. The Project Team will also disclose proposed prevention, mitigation and emergency preparedness and response measures, as appropriate.

366. The Project Team will collaborate with affected communities and relevant government agencies to finalize proposed avoidance/mitigation measures.
367. The Project Team will review mitigation measures regularly, and engage the affected communities and agencies on an ongoing basis, informing them on the status of implementation of plans and commitments, results, and discussing with them any material changes needed to the plans, in advance of changes.
368. Any structural elements associated with the project will be designed and constructed by qualified and experienced professionals, and certified or approved by competent authorities or professionals. When structural elements or components, such as dams, water reservoirs, or storage facilities are situated in high-risk locations, and their failure or malfunction may threaten the safety of communities, projects or programs engage one or more external experts with relevant and recognized experience in similar projects, separate from those responsible for the design and construction, to conduct a review as early as possible in project development and throughout the stages of project design, construction, operation, and decommissioning.
369. Projects will avoid, where feasible, or minimize the risk of community exposure to communicable disease and other relevant health risks, taking into account differentiated levels of exposure, and the needs and exposure of disadvantaged or vulnerable groups or individuals. All CI-funded projects, other than those determined during the screening process to be low risk, will be required to assess their potential to expose communities to communicable disease risk. This will require the Project Teams to undertake health impact assessment and, proportionate to the degree of potential risk, to include risks assessment focused primarily on pandemic risk.
370. Where specific diseases are endemic in communities in the project area of influence, the Project Team is encouraged to explore opportunities during the project life cycle to improve environmental/social/behavioural conditions that could help reduce their incidence, both among the workforce and locally.
371. Community Health, Safety and Security Management plans should be developed to specific address risks identified and support the implementation of avoidance/mitigations.
372. Adverse impacts on community health and safety¹⁰² sometimes occur as a result of impacts on communal ecosystem services. Measures are required to be taken in order to avoid or minimize adverse impacts on ecosystems services that may arise from project activities. The CI ESMF requires that special attention/considerations be paid to avoid causing or exacerbating potential adverse impacts on marginalized and disadvantaged groups or those groups that have a disproportionate dependence on such services.

¹⁰² Examples include loss of natural buffers which could increase the flooding risks.

373. Where a CI project requires the engagement of security providers/personnel, the Project Team will ensure that such security arrangements do not violate international human rights standards or principles.¹⁰³ The risks posed by such security arrangements to the potentially affected community will be assessed to ensure that those providing security are appropriately vetted, trained and supervised. The Project Team will make reasonable inquiries to satisfy itself that those providing security are not implicated in past abuses, will ensure they are trained adequately in the use of force (and where applicable, firearms) and appropriate conduct toward workers and the local community and require them to act within the applicable law. The Project will not sanction any use of force except when used for preventive and defensive purposes in proportion to the nature and extent of the threat.
374. If government security personnel are deployed to provide security services in association with the Project, the Project Team will assess risks arising from such use, communicate to the relevant public authorities its intent that the security personnel act in a manner consistent with the previous paragraph above, and encourage the relevant public authorities to disclose the security arrangements for the Project's facilities to the public, subject to overriding security concerns.
375. Allegations of unlawful or abusive acts will be monitored, reviewed, with actions taken to prevent recurrence against individuals and communities. **For more detail on safeguard requirements in relation to security forces, see Guidance on Support for Rangers and Law Enforcement Activities.**
376. CI projects will (when necessary) identify, evaluate and monitor the potential traffic and road safety risks to workers, affected communities and road users throughout the project life cycle and, where appropriate, will develop measures and plans to address them. For projects required the transportation of equipment and other goods using public roads and other forms of infrastructure, the Project Team will seek to prevent the occurrence of incidents and accidents. Such measures may include requirements for appropriate signage, and the travel routes that avoid highly populated areas, and traffic safety training for community members.¹⁰⁴
377. The Project Team will exercise commercially reasonable efforts to control the safety of transporting raw materials and of transportation and disposal of wastes, and will implement measures to avoid or control community exposure. Information on risk, exposure of population, mitigation measures and monitoring will be provided to the relevant authorities and communicated to the public.
378. The Project Team will avoid or minimize the potential for community exposure to hazardous materials and substances that may be released by the project (see ESS 5). Where there is a potential for the public (including workers and their families) to be exposed to hazards, particularly those that may be life threatening, the Project Team will exercise special

¹⁰³ International human rights standards and principles include the UN Basic Principles on the Use of Force and Firearms by Law Enforcement officials, the UN Code of Conduct for Law Enforcement Officials, the Voluntary Principles on Security and Human Rights, and the International Code of Conduct on Private Security Providers

¹⁰⁴ For more, see Road Risk Toolkit, <https://roadrisktoolkit.com/>.

care to avoid or minimize their exposure by modifying, substituting, or eliminating the condition or material causing the potential hazards.

379. Outside of the initial CI Safeguard Screening Form (Appendix I), the primary tool for assessing risks as related to ESS 8, is the CI Risk Assessment matrix which includes a corresponding list of potential mitigation measures. The Risk Assessment tool (Appendix VIII) is one of the main ways in which ESS8 is operationalized if/when triggered by a given project.
380. Emergency preparedness and response plans are living documents and developed and revised, implemented and monitored in collaboration with stakeholders and relevant authorities, where relevant. An emergency preparedness plan shall include a record of revisions and the following sections (as appropriate): a) an introduction as to the overarching objective and scope of the plan; b) definitions; c) identification and classification of emergency scenarios that could affect both the project and local communities; d) roles and responsibilities including an organizational chart d) emergency procedures e) evacuation procedures and routes f) communication protocols g) training and competency and; h) appendices that would be incident/emergency specific protocols depending on the project specific context. a) engineering controls (such as containment, automatic alarms, and shutoff systems) proportionate to the nature and scale of the hazard; (b) identification of and secure access to emergency equipment available on-site and nearby; (c) notification procedures for designated emergency responders; (d) diverse media channels for notification of the affected community and other stakeholders; (e) a training program for emergency responders including drills at regular intervals; (f) public evacuation procedures; (g) designated coordinator for implementation; and (h) measures for restoration and cleanup of the environment following any major accident.
381. The Project Team must ensure that appropriate mitigation and management measures are developed in the Emergency Preparedness and Response Plan (EPRP) and implemented on time to address risks and potential impacts on health and safety of communities and protect community members from such risks. The Project Team will update local authorities and communities regularly as plans change or have to be tested.
382. The ERP will assess the preparedness or capacity to respond effectively to emergency situations, especially when their participation and collaboration are necessary to respond to such emergency situations. If local government agencies have little or no capacity to respond effectively, the Project Team, where appropriate, seek to will play an active role in preparing for and responding to emergencies associated with the project, and will demonstrate capacity to respond to reasonably predictable incidents, either directly or indirectly (for example, with the assistance of emergency responders, third party contracted responders, insurance). The Project Team will document its emergency preparedness and response activities, resources, and responsibilities, and will disclose appropriate information in the ESMP or other relevant document to affected communities and relevant government agencies. The Project Team will maintain close coordination with appropriate emergency responders, authorities, media, and the local community to inform them about a particular risk situation and what is being done to respond to it and to prevent future incidents.

383. Monitoring of CHSS risks will be ongoing throughout the project life in line with an ERP or Safety and Security Plan, and the overall project monitoring process (see ESMP Template Monitoring Indicators). The Project Team will investigate any allegations of unlawful or abusive acts of security personnel, take action (or urge appropriate parties to take action) to prevent recurrence, and report unlawful and abusive acts to public authorities when appropriate.
384. Reporting of significant CHSS incidents by the Project Team, include implementing partners, should be made immediately to PDM ESA. Reports of significant adverse events involving significant public health, safety or security, for example accidents involving injury or fatality, outbreak in exposure communicable disease or hazardous substance, impacts of natural disasters, among others, should include sufficient information to facilitate investigation into the incident. Such information may include any steps the Project Team or associated partners have taken to address the issue.

Introduction

385. ESS9 recognizes that investment in private sector enterprise (PSE) and financial intermediaries (FIs) are key instruments for promoting scaled, sustainable conservation and provide a vehicle to channel funding to multiple works programs,¹⁰⁶ results-based investments¹⁰⁷, and to provide conservation finance to the micro, small and medium-sized enterprise sector. FIs include a variety of financial service providers including, *inter alia*, trust funds, private equity funds, banks, leasing companies, insurance companies and pension funds.
386. FIs and PSEs are exposed to some level of environmental and social (E&S) risk through the activities of their borrowers/grantees/investees, which can represent a financial, legal, and/or reputational risk to the PSEs or FIs and CI. The nature of financial intermediation means that the PSEs and FIs will assume delegated responsibility for E&S assessment, risk management and monitoring as well as overall portfolio management.
387. FIs and private sector enterprise are required to develop and maintain, in the form of an Environmental and Social Management System (ESMS), effective E&S systems, procedures and capacity for assessing, managing, and monitoring risks and impacts of subprojects, as well as managing overall portfolio risk in a responsible manner. The effectiveness of the E&S risk management by any PSE or FI partner of CI will be evaluated and monitored by the CI Team on a continuous basis throughout the project lifecycle in line with the requirements of this ESMF.

Purpose

388. To promote good environmental, social and sound human resources management where CI makes either direct investments in private sector firms, or channels funds through Financial Intermediaries (FIs).
389. To establish how FIs and PSEs will assess and manage E&S risks and impacts associated with the sub-projects they finance;

¹⁰⁵ CI may finance private sector projects through either direct investment, or through financial intermediaries. When CI provides support to FIs, the funds are then “on-lent” or “on-granted” to sub-projects. A “*FI subproject*” is the ultimate project or activity supported by the FI. If a FI provides financial support to another FI (for example, through a loan or guarantee) the FI subproject is the project or activities supported by the participating FI. For example, where the FI provides a loan to a rural finance institution, which then lends (via a sub-loan) to a farmer (sub-borrower) who uses the loan to expand farming operations, the FI subproject is the expanded farming operation. Direct investments are different, only in that the recipient of CI support uses the funding to support initiatives that are under its direct control.

¹⁰⁶ Multiple works programs typically share the following characteristics: (i) they are physically similar but independent of each other, (ii) feasibility does not depend on the execution of any particular number of the works projects, and (iii) individual size does not warrant direct CI investment.

¹⁰⁷ Results-based investments finance the costs of activities (e.g., goods, works, and services) associated with the achievement of these results and disburses once they have been achieved and adequately verified (e.g., some REDD+ projects).

Requirements

390. E&S Management System (ESMS): FIs and direct investees are required to develop and maintain, in the form of an ESMS, effective environmental and social systems, procedures and capacity for screening, assessing, managing, and monitoring risks and impacts of subprojects, as well as managing overall portfolio risk in responsible manner. The ESMS shall be proportionate to the risks and impacts of the given projects, and the risk profile of the FI's portfolio. An ESMS commensurate to the risk profile of the FI should typically consist of the following elements:

- a) **E&S Policy:** An E&S policy articulates E&S commitments and states the E&S requirements and standards that apply to the FI's lending/investment activities and that will be used to manage the E&S risk associated with the FI's portfolio of borrowers/investees. This should include a commitment by the FI to have its subprojects comply with the ESMF in addition to applicable local E&S regulations.
- b) **Procedure to identify, monitor and supervise management of risks and opportunities:** A process to identify the subproject E&S risks and impacts associated with its lending/investment activities, including a high, medium or low risk classification system.
- c) **Management programs:** Management programs describe mitigation and performance improvement measures and actions that address the identified subproject E&S risks and impacts of the project consistent with the mitigation hierarchy.
- d) **Internal organizational capacity and competency:** Refers to designated personnel with E&S responsibilities and track record to ensure that resources are available for the effective implementation of the ESMS across the organization.
- e) **Emergency preparedness and response:** A system to respond to accidental and emergency situations regarding the FI's or PSE's own operations to prevent and mitigate any harm to people and/or the environment.
- f) **Stakeholder engagement:** The FI or direct investee will put in place procedures to conduct stakeholder engagement, including timely external communications on E&S matters proportionate to the risks and impacts of the PSE's activities or given FI sub-projects, and the risk profile of the FI's portfolio.

391. Monitoring and reporting: The FI or PSE partner will establish procedures to monitor and measure the effectiveness of the management program that are proportionate to risk, as well as compliance with any related legal and /or contractual obligations and regulatory requirements. For subprojects with significant impacts, the FI or PSE will retain external experts to verify its monitoring information. Where appropriate, monitoring will include representatives from project-affected people and other stakeholders. Consistent with ESS1, periodic performance reports of ESMS effectiveness will be reported to stakeholders. FIs with portfolios, and/or prospective subprojects that present moderate to high E&S risks will require high or substantial risk subprojects¹⁰⁸ that they support to apply relevant standards of the ESMF, for those FIs to be eligible for financing with resources from CI. Where a specific

¹⁰⁸ Subprojects that would be considered category A or B projects, and/or with high or moderate risk if they were directly financed by CI.

subproject includes activities with high E&S risks (Category A), the FI will refer that subproject to the CI for review before including it in the financed portfolio.

392. Grievance Redress: The PSE or FI will provide an adequate project level grievance redress mechanism, that is in line with the requirements of Policy 4: Accountability and Grievance Mechanisms, of this ESMF.
393. Monitoring and Reporting: The PSE or FI will submit, in a form acceptable to CI, annual environmental and social reports on the implementation of its ESMS. The PSE or FI will promptly notify CI in written form of any significant accidents or incidents associated with FI subprojects or PSE activities. If the risk profile of an FI subproject increases significantly, the FI will notify the CI Project Team. The PSE or FI will make available relevant information on project monitoring and performance to stakeholders in an appropriate fashion.
394. The Project Team will periodically review the process and the results of the environmental and social due diligence conducted by the PSE or FI and the overall effectiveness of the PSE or FI's ESMS. CI supervision may include visits at the PSE or FI management level, as well as to recipients of FI loans or grants, particularly in the case of high or substantial- risk subprojects.

ESS 10: CLIMATE AND NATURAL DISASTER RISK

Introduction

396. Climate change impacts pose a fundamental threat to sustainable development and the fight against poverty. They have the potential to stall and even reverse human development through their impacts on key development sectors and activities, including agriculture and food production, water, ecosystems and other natural resources, disaster risk management and health. Climate change has become a key driver of hydro-meteorological disasters and has the potential to produce negative impacts through gradual environmental changes and may exacerbate extreme weather events, increasing the risk of slow and sudden-onset, high-impact disasters. Climate variability is contributing to the increasing frequency and impact of small-scale localized disasters with far-reaching long-term socio-economic and developmental impacts.
397. The Paris Agreement indicates that the long-term goal is to keep the increase in global average temperature to well below 2 °C above pre-industrial levels; and to pursue efforts to limit the increase to 1.5 °C, recognizing that this would substantially reduce the risks and impacts of climate change. The Paris Agreement also aims to strengthen the resilience and adaptive capacities of people and ecosystems to climate change.

Purpose

398. The purpose of this Standard is to:
- Ensure alignment of CI projects with the goals of the Paris Agreement and other international frameworks;
 - Ensure that proposed activities are screened and assessed for climate change and disaster risks and impacts both of-and-to projects;
 - Apply the mitigation hierarchy in project design (i.e. Avoid, then Minimise, then Restore impacted areas and finally Offset any impacts that remain);
 - Strengthen resilience of communities to address risks of climate change impacts and climate related disasters; and,
 - Increase the ability of communities to adapt to the adverse impacts of climate change, and foster climate resilience and low greenhouse gas emitting projects that do not threaten food production.

Requirements

399. *Climate change analysis (impact of climate change on projects):* CI acknowledges the threat that climate change impacts and risks pose to sustainable development and conservation and has integrated considerations for such potential adverse risks and impacts throughout the standards of the ESMF (most notably within ESS1 and ESS5). During the Safeguard Screening process, the CI Team will require that all projects are assessed to determine the exposure and sensitivity of the project objectives to climate-related risks based on available information about historic climate hazard occurrences, current climate trends, and future climate change scenarios.

400. The Safeguard Screening will also assess the likelihood of the project increasing the vulnerability of the expected target populations to climate hazards (e.g., maladaptation). Project Teams should analyse physical, social, economic and environmental factors or processes which increase the susceptibility and vulnerability of relevant communities to potential climate change impacts and hazards - with a particular focus on marginalized and disadvantaged groups and individuals. Consideration should be given to potential specific gender, age and social vulnerabilities and differentiated impacts.
401. In this regard, the need for clear and robust risk identification and mitigation measures is important. As the project cycle moves forward, with project locations and the types of investment options narrowed down, a more detailed climate analysis should be undertaken. This can specifically inform the nature and types of investments or at least the way that they are undertaken, for example the need for “climate proofing” of infrastructure interventions. This has cost implications that should be reflected in the project budgeting.
402. *Climate change analysis (impact of projects on GHG emissions)*: In line with the requirements of ESS 5 (Resource Efficiency and Pollution Prevention), the Project Team must seek to reduce both direct and indirect greenhouse gas emissions.