

# ESS report

for Ecuador GCF Project Proposal:

## Priming Financial and Land-use Planning Instruments to Reduce Emissions from Deforestation

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# 1 Environmental and Social Management Plan (ESMP)

## Disclaimer

This draft Environmental and Social Management Plan (ESMP) has been prepared for the submission of the proposal to the Green Climate Fund (GCF) for the purposes of assisting in the assessment of the potential environmental and social impacts of the proposal. This Environmental and Social Management Plan has been prepared prior to undertaking an Environmental and Social Impact Assessment (ESIA). Normally, an Environmental and Social Management Plan would be prepared following baseline studies and then the subsequent impact assessment contained within the Environmental and Social Impact Assessment would form the basis for the construction and operational environmental and social management plans.

As no Environmental and Social Impact Assessments have been undertaken for the projects, this Environmental and Social Management Plan has been prepared solely on the authors' knowledge of the project activities, experience with projects of this nature and in consideration of international good practice for these types of projects, as well as the Social and Environmental Screening Procedure (SESP) of the United Nations Development Programme (UNDP) submitted as part of the proposal. Accordingly, the ESMP will be subject to change following the preparation of the ESIA(s).

## Introduction

This document is a Draft Environmental and Social Management Plan (ESMP) for the 'Priming Financial and Land-use Planning Instruments to Reduce Emissions from Deforestation' project proposal submitted to the Green Climate Fund for funding. The ESMP includes the following components:

- Brief description of the project
- Legal and institutional framework
- Potential social and environmental impacts of the project, as identified in the Social and Environmental Screening Procedure (see Annex VI) and planned management measures
- Institutional arrangements and capacity building
- Grievance redress mechanism
- Stakeholder engagement and information disclosure
- Monitoring and evaluation arrangements
- Budget for ESMP / ESIA implementation
- Terms of Reference for an Environmental and Social Impact Assessment, to be undertaken upon project initiation

## Brief Description of the Project

Ecuador is finalizing its REDD+ readiness process. A Forest Reference Emission Level (FREL) was submitted and technically assessed by the UNFCCC in 2015 and a REDD+ Action Plan (REDD+ AP) has been approved. The Action Plan presents the policies and measures prioritized to address the drivers of deforestation. It has a national scope and includes the 5 REDD+ activities. It is designed to support the national objective of achieving zero net deforestation by 2020.

The GCF project will co-finance the REDD+ AP by providing targeted investment to control agricultural expansion into forest areas; optimize existing financial, economic mechanisms to implement agricultural and livestock production practices that reduce deforestation; align land-use zoning plans with national climate change-related targets; strengthen restoration, conservation and sustainable production in vulnerable watersheds; redesign public credit lines to orient them towards sustainable agricultural production practices; promote tax incentives for REDD-supportive activities; and strengthen purchasing policies for deforestation-free commodities, their certification and traceability.

The emission reductions that Ecuador will achieve by implementing its REDD+ AP during the GCF project's lifetime (2017-2021) will be assessed in 2018, 2020 and 2022, through the Biennial Update Reports to the UNFCCC, with reference to the FREL.

## Applicable Standards and Safeguards

The project will comply with UNDP's [Social and Environmental Standards](#) (SES), which came into effect 1 January 2015. The SES underpin UNDP's commitment to mainstream social and environmental sustainability in its Programmes and Projects to support sustainable development. The objectives of the standards are to:

- Strengthen the social and environmental outcomes of Programmes and Projects

- Avoid adverse impacts to people and the environment
- Minimize, mitigate, and manage adverse impacts where avoidance is not possible
- Strengthen UNDP and partner capacities for managing social and environmental risks
- Ensure full and effective stakeholder engagement, including through a mechanism to respond to complaints from project-affected people

The SES are an integral component of UNDP's quality assurance and risk management approach to programming. This includes the [Social and Environmental Screening Procedure](#).

The standards are underpinned by an [Accountability Mechanism](#) with two key functions:

- 1) A [Stakeholder Response Mechanism](#) (SRM) that ensures individuals, peoples, and communities affected by UNDP projects have access to appropriate procedures for hearing and addressing project-related grievances; and
- 2) A [Compliance Review](#) process to respond to claims that UNDP is not in compliance with UNDP's social and environmental policies.

Through the GCF Accreditation Process, the SES are acknowledged to be in line with the GCF's Environment and Social Standards.

The project will also comply with the UNFCCC REDD+ safeguard requirements, including most notably the 'Cancun safeguards'. COP16 (Cancun) in 2010 agreed that a set of seven safeguards, commonly referred to as the Cancun Safeguards, should be promoted and supported when undertaking REDD+ activities. The safeguards in Appendix 1 of decision [1/CP.16](#) indicate that when undertaking activities referred to in [paragraph 70](#) of decision [1/CP.16](#), the following safeguards should be promoted and supported:

- (a) That actions complement or are consistent with the objectives of national forest programmes and relevant international conventions and agreements;
- (b) Transparent and effective national forest governance structures, taking into account national legislation and sovereignty;
- (c) Respect for the knowledge and rights of indigenous peoples and members of local communities, by taking into account relevant international obligations, national circumstances and laws, and noting that the United Nations General Assembly has adopted the United Nations Declaration on the Rights of Indigenous Peoples;
- (d) The full and effective participation of relevant stakeholders, in particular indigenous peoples and local communities, in the actions referred to in paragraphs 70 and 72 of this decision;
- (e) That actions are consistent with the conservation of natural forests and biological diversity, ensuring that the actions referred to in paragraph 70 of this decision are not used for the conversion of natural forests, but are instead used to incentivize the protection and conservation of natural forests and their ecosystem services, and to enhance other social and environmental benefits;
- (f) Actions to address the risks of reversals;
- (g) Actions to reduce displacement of emissions.

## Applicable legal and institutional framework

Ecuador's REDD+ AP safeguards are aligned with the country's current regulatory, legal, policy and institutional framework and contribute to its effective implementation. They also follow UNFCCC guidelines for safeguards and seeks to implement REDD+ within the country's sustainable development process. The national scope of each of the seven safeguards has been defined. This 'National Safeguard Scope' sets the parameters Ecuador will use for reporting on how they are addressed and respected when implementing the National REDD+ Action Plan and therefore the GCF project, applying existing legal mechanisms and instruments that are obligatory at the national level.

The definition of Ecuador's REDD+ safeguards scope or interpretation was based on three main elements: 1) the analysis of the regulatory, legal and policy framework, 2) the experience and lessons learned from the national interpretation of the REDD+ SES Initiative<sup>1</sup>, which included a participatory process for building a framework of social and environmental principles, criteria and indicators and on and 3) a review of relevant safeguard policies and tools.

In line with UNFCCC decisions<sup>2</sup>, Ecuador also has a Safeguard Information System (SIS) for REDD+ to manage information on how safeguards are addressed and respected, according to the country's needs and capacities. Reporting on the SIS's addressing of safeguards is based on implementation and monitoring of PAMs by the REDD+ M&A Management System and the tools that will be fostered by it for meeting REDD+ objectives. Likewise, the SIS will be linked to other key stakeholders and institutions for safeguard reporting by the time of the GCF project.

The Constitution of 2008 is the institutional umbrella under which safeguards are addressed and respected. It provides the context for implementing the rights-based approach associated with UNFCCC REDD+ safeguards and incorporates environmental variables in production activities, ecosystem management, citizen participation in environmental discussions, and climate change adaptation (Policies 2, 3, and 53).

Specific to human rights:

- Article 57 of the Constitution which grants protection for collective rights of the indigenous communes, communities, peoples and nationalities, with no discrimination and with equal and equitable conditions for women and men.
- Article 74 of Ecuador's Constitution establishes that all "individuals, communities, peoples, and nationalities shall have the right to benefit from the environment and natural wealth that permit good living." This national commitment extends to actions tackling the potential consequences of climate change on the lives of the men, women, children, youth and elderly who are members of indigenous peoples and forest-dependent communities.

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<sup>1</sup> <http://www.redd-standards.org/>

<sup>2</sup> Countries interested in implementing REDD+ should prepare a system for providing information on how the safeguards are being addressed and respected, depending on their respective national circumstances and capacities. This system, together with the submission of a summary of the most recent information on how the safeguards have been addressed and respected, are the items needed for accessing results-based payments for REDD+ activities. Guidance on how to submit the safeguard information is given in Decisions 2/CP.17 and 12/CP.19.

<sup>3</sup> [http://www.quitoambiente.gob.ec/index.php?option=com\\_docman&task=doc\\_download&gid=230&Itemid=59&lang=es](http://www.quitoambiente.gob.ec/index.php?option=com_docman&task=doc_download&gid=230&Itemid=59&lang=es)

- The Constitution also establishes the State's fundamental obligation to guarantee human rights, including the collective rights of peoples, nationalities and communes, and the right to consultation among them. The State also has the obligation to ensure that negotiations with these traditional groups adhere to constitutional and international standards.
- The Constitution provides for the formulation and execution of policies to achieve equality for women and men through a specialized mechanism that will provide technical assistance for the gender approach's mandatory enforcement in the public sector.

There are several other national policies, strategies and guidelines that are aligned with the UNFCCC Cancun safeguards and UNDP's SES and that will be applied during project implementation, including:

- The National Biodiversity Strategy<sup>4</sup> sets forth the main themes of environmental governance, risk management, equitable economic development, and quality of life, all of which are in line with the national safeguard approach.
- The Environmental Management Law<sup>5</sup> defines functions for the provincial, municipal and parochial autonomous decentralized governments. Article 13 gives them the authority to dictate environmental policies subject to the Constitution, respecting national regulations for determining land-use in natural protected areas, and consulting with representatives from indigenous peoples, Afro-Ecuadorians, and local populations for the boundaries, management and administration of conservation and ecological reserve areas.
- Article 12 of the Organic Code for Decentralization and Land Management provides for the central government and the decentralized autonomous governments to adopt sustainable development policies and offsetting measures for correcting inequalities in environmental management, implementing conservation and remediation policies in accordance with their ecological diversity.
- The Unified Text for Secondary Environment Legislation (TULAS in Spanish); Book III, issued through Executive Decree 3399 published in RO 725 of 12/16/02, which regulates the implementation of the Forestry and Conservation of Natural Areas and Wildlife Law, provides for the reduction of negative environmental and social impacts: sustainable forest management will reduce damage to natural resources and must tend to the development of local communities.

Furthermore, Ecuador has provisions in its policies, laws and regulations that are relevant to: 1) water management and waste management; and labour standards and practices in the context of the construction of the collection centres; and 2) management of hazardous waste (e.g. fertilizers, pesticides, etc.) in the context of the intensification of commodity agriculture. These are as follows:

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<sup>4</sup> <https://www.cbd.int/doc/world/ec/ec-nbsap-01-es.pdf>

<sup>5</sup> <http://www.ambiente.gob.ec/wp-content/uploads/downloads/2012/09/LEY-DE-GESTION-AMBIENTAL.pdf>

- The Constitution of the Republic of Ecuador Art.318 refers to water management, which will be exclusively public or community property. A single water authority will be directly responsible for the planning and management of water resources to be allocated to consumption human, irrigation to ensure food sovereignty, ecological wealth and productive activities, in this order of priority; and State authorization for the use of water for productive purposes is required.
- The Organic Law on Water Resources, Water Use and Development. Article 3 sets out the purpose of the Act, which is to regulate and control the authorization, management, preservation, conservation, restoration, water resources, use and water use<sup>6</sup>.
- The Unified Text for Secondary Environment Legislation (TULAS in Spanish) in its Preliminary Title - makes Environmental Impact Assessment (EIA) and the respective Environmental Management Plan (PMA), mandatory instruments prior to the completion of activities likely to degrade or pollute the environment, by the stakeholders to carry out these activities, and which must be submitted with the application for authorization to the competent authorities<sup>7</sup>. TULAS Section I, Chapter VI, BOOK VI articles 55 to 77, deals with the integrated management of waste / non-hazardous solid waste articles 78 to 191, deals with the integrated management of hazardous wastes and / or special
- The Labour Code aims to regulate work in Ecuador. Regulations on Safety and Health of Workers were adopted by Executive 2393 Decree, published in Official Gazette 565 dated November 17, 1986, renovated February 21, 2013, is prevention, reduction or elimination of occupational hazards and improving the working environment.
- The Unified Text of law of the Ministry of Agriculture, Aquaculture and Fisheries, bookII, title XII, deals with the import and production of fertilizer. Furthermore specific regulation for implementation have also been adopted<sup>8</sup>.

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<sup>6</sup> More specifically the following articles: Article 5. Water management will be directed to the full exercise of the rights and the public interest, in view of its decisive social, community, cultural, political, environmental and economic influence. Article 8 Unique Water Authority is responsible for the integrated and comprehensive management of water resources and watershed ecosystem or watershed systems approach, the same that will coordinate with the different levels of government in their respective fields of competence. Article 15 The strategic national water system is the set of processes, institutions and instruments that allow interaction of different actors, social and institutional capacities to organize and coordinate the comprehensive and integrated management of water resources. Art. 17 The Central Water Authority is responsible for the stewardship of water resources management. Art 21 The Agency for Regulation and Control of Water exercise regulation and control of comprehensive and integrated management of water resources. Article 42 The guidelines of water management that the only authority established to define national water planning will be observed in the development planning at regional, provincial, district, cantonal, parish and community level and in the formulation of the respective plans land use planning.

<sup>7</sup> Article 47 the integrated management of nonhazardous solid waste is declared as a national priority. Article 50 the principle of responsibility is established. Producers or importers, as appropriate, individually and collectively, are responsible for product management throughout the life cycle thereof, including the inherent impacts to the selection of materials, the production process of the themselves as well as for the use and disposal of these after-life. Article 52 The National Environmental Authority is the lead of the integrated waste management and hazardous waste, as well as advise and assist technically as develop and implement programs, plans and projects on the subject, among other duties.

<sup>8</sup> More specifically:

- AGROCALIDAD RESOLUTION 183, published in Official Gazette Supplement no. 838 dated November 26, 2012, GUIDE FOR GOOD PRACTICES COCOA Article 15 deals with chemical and organic fertilization.
- MINISTERIAL AGREEMENT 242, published in Official Gazette 231 dated July 18, 1985, prohibits the use of pesticides: Aldrin, Dieldrin, Endrin, BHC, Campheclor (Toxaphene), Chlordimeform (Galecrón and Fundal), chlordane, DDT, DBCP, Lindane, EDB, 2, 4, 5, T, amitrole, arsecinales compounds, Mercuriales and Lead, carbon tetrachloride, Leptophos, Heptachloro, Chlorobenzilato
- MINISTERIAL AGREEMENT 112, published in Official Gazette 64 dated November 12, 1992, prohibits the use of pesticides: Aldrio

- Principle 20 of the Rio Declaration on Environment and Development (1992) recognizes that women play an essential role in the management of the environment and development. This international instrument is internalized in Ecuadorean law through the Environmental Management Law (1998)<sup>9</sup>.
- A number of relevant laws and policies support an inclusive gender approach<sup>10</sup>.
- Guidelines for Consultation in Indigenous Territories: A consultation guide for REDD+ initiatives was developed in participatory form (see Annex XIIIp) by MAE as the National REDD+ Authority; the UN-REDD Joint National Programme; the Office of the United Nations High Commissioner for Human Rights; and civil society, represented through the REDD+ Round Table and its technical working groups, among others. The consultation guidelines must be applied when REDD+ measures and actions are to be implemented in all or part of the territories, lands and resources of indigenous peoples, nationalities and communities; Afro-Ecuadorian peoples; and Montubio people and communes, or when their territories, lands and resources are affected or threatened by the implementation of those actions. The Guidelines include the commitment to apply the principle of free, prior and informed consent are based on the Constitutional and international standards that describe the minimum substantive and operational obligations States must observe to respect, protect and guarantee this right:
  - Indigenous participation must start with the design of a framework for the consultation process.
  - The consultation must take place prior to making any decision on the proposal.
  - The State's role as guarantor of the right to consultation is non-transferable.
  - The consultation must be made in good faith and mutual trust.
  - The consultation must be made through suitable procedures and with women's participation.
  - The consultation must be made through representative institutions.
  - Consultation procedures must be formal, systematic, replicable and transparent.
  - The consultation must be accessible to the peoples and nationalities.
  - The consultation is part of ongoing participation.
  - The consultation must guarantee that indigenous peoples are co-participants of their own development.

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form (Galccron and Fundal), chlordane, DDT, DBCP, lindane, EDB, 2, 4, 5, T, amitrole, Lead and mercury compounds, carbon tetrachloride Leptophos, Heptachloro, Chlorobenzilato.

<sup>9</sup> [http://www.quitoambiente.gob.ec/index.php?option=com\\_docman&task=doc\\_download&gid=230&Itemid=59&lang=es](http://www.quitoambiente.gob.ec/index.php?option=com_docman&task=doc_download&gid=230&Itemid=59&lang=es)

<sup>10</sup> These include (1) the Organic Law on the Popular and Solidarity Economy, which includes gender equality as one of its principles; (2) the Organic Law on Food Sovereignty, which promotes parity of men and women in social participation and public decision-making for preparing laws and formulating and implementing policies concerning food sovereignty; (3) the Organic Law on Citizen Participation and Social Control, which establishes as one of its governing principles the guarantee of equal rights in participation processes; (4) the 2013-2017 PNBV, which promotes public policies that guarantee equality for all Ecuadoreans and considers the importance of mainstreaming the gender approach throughout the national public policy agenda; (5) Objective 6 of the National Strategy for Good Rural Living, which is based on the mainstreaming of the gender approach and the principle of interculturality in public policy to affirm equal opportunities for men and women; (6) the Agenda for Transforming Production in the Amazon, which considers the gender approach for the importance of women's contributions to food production; (7) the National Climate Change Strategy, which considers women as part of the priority target groups defined in the Constitution and highlights their role as a priority sector for climate change in the country; and (8) the National Environmental Policy (2009), which incorporates strengthening of the gender, inter-generational and inter-regional vision in environmental management and fosters fair and equitable distribution of the use and enjoyment of natural resources.



- Applicable international instruments include:
  - International Labour Organization Convention No. 169
  - International Covenant on Economic, Social and Cultural Rights
  - International Covenant on Civil and Political Rights
  - International Convention on the Elimination of All Forms of Racial Discrimination
  - Convention on the Rights of the Child
  - Convention on the Protection and Promotion of Diversity of Cultural Expressions
  - Convention on the Elimination of Discrimination Against Women
  - Convention on Biological Diversity
  - Convention for the Safeguarding of Intangible Cultural Heritage
  - Convention Concerning the Protection of the World Cultural and Natural Heritage
  - American Convention on Human Rights
  - Universal Declaration of Human Rights
  - United Nations Declaration on the Rights of Indigenous Peoples
  - United Nations Framework Convention on Climate Change - Decision 1/CP.16
  - Convention on Biological Diversity - Decision XI/19

- A list of other relevant laws can be found [here](#).

Regarding the institutional arrangements for ensuring full and effecting participation of relevant stakeholders, the REDD+ National Authority oversees the status of the consultations and documents deriving from it, ensuring:

- a) information for the consultation is provided in language accessible to the collective;
- b) full access to information about the programme's technical and financial viability, as well as potential benefits and risks;
- c) the time needed for groups to carry out decision processes in keeping with their cultural and social models, as agreed in the Consultation Protocol and in the frame of the Constitution;
- d) full and effective participation of the groups involved- including women and priority groups- in decision-making on the different aspects of the proposal; and
- e) conflict resolution mechanisms agreed among the parties are designed with the participation of the groups involved, and fully respecting their inherent or customary right.

## Potential Social and Environmental Impacts, Management Measures and Roles and Responsible Entities for their Implementation

The below table summarizes the key potential social and environmental impacts identified through application of UNDP’s Social and Environmental Screening Procedure (SESP) as well as the management measures and the institutional arrangement for their implementation. This table will serve as the basis for further assessment to be undertaken during the Environmental and Social Impact Assessment (ESIA).

<i>Risk Description</i>	<i>Management Measures</i>	<i>Roles and Responsible Entities</i>
<p><b>Risk 1. Human Rights</b></p> <p>Potential that project may:</p> <ul style="list-style-type: none"> <li>• Have adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups</li> <li>• Exclude marginalized/vulnerable groups from participatory processes and/or project benefits</li> </ul> <p><u>Notes</u> The project will be developed in an area where there is a high percentage of indigenous populations with important cultural heritage and also poor rural farmers and communities.</p> <p>Even though significant progress has been observed recently in Ecuador in terms of respect and promotion of human and indigenous rights it is still unclear if all the right holders have a full understanding of their rights, and if the government has the full capacity and experience to comply with its obligations.</p>	<p>Potential human rights impact considerations have already been analyzed through participate and consultative processes during the prioritization of the policies and measures which have eventually been integrated into the national REDD+ AP. Having said that, more specific management measures could potentially be identified during the future ESIA. More specifically, human rights considerations will be incorporated into the ESIA, and associated mitigation measures will be identified/updated.</p> <p>Additional details provided in the SESP (attachment VI).</p>	<p>MAE as “Implementing Partner” in UNDP terminology or “Executing Partner” in GCF terminology:</p> <ul style="list-style-type: none"> <li>• Ensure that management response measures are properly adopted and integrated during project implementation</li> <li>• Final responsibility for implementing the executing the management response</li> <li>• Implement the System of Information on Safeguards to systematize how safeguards are being addressed and respected during the implementation of the REDD+ AP and more specifically this GCF project.</li> <li>• Prepare and submit to the UNFCCC periodic summaries of information explaining how safeguards have been addressed and respected during the implementation of the REDD+ AP, prior to seeking REDD+ Result Based Payments.</li> <li>• Ensure that the grievance mechanism managed by the Government of Ecuador and described below is known by the stakeholders and right/holders involved or potentially impacted by the GCF project,</li> <li>• Ensure that this mechanism is operational during the all lifetime of the GCF project.</li> </ul>
<p><b>Risk 2: Gender and Women’s Empowerment</b></p> <p>Potential that the project may:</p> <ul style="list-style-type: none"> <li>• Have adverse impacts on gender equality and/or the situation of women and girls</li> <li>• Reproduce discriminations against</li> </ul>	<p>Potential adverse impacts on gender equality and women/girls will be incorporated into the ESIA, with associated mitigation measures identified.</p> <p>Additional details provided in the SESP (attachment VI).</p>	<p>MAGAP and Water Funds as Responsible Party:</p> <ul style="list-style-type: none"> <li>• Ensure that management response measures defined in the ESIA are properly implemented during project implementation</li> </ul>

<p>women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits</p>		<p>(MAGAP component 2, Water Funds sub-component 3.2)</p> <ul style="list-style-type: none"> <li>Report to the MAE and the Project Board on how the REDD+ safeguards are being addressed and respected during the implementation of their specific sub-components, to contribute to the SIS and upcoming summaries of information on safeguards.</li> </ul>
<p><b>Risk 3: Biodiversity Conservation and Sustainable Management of Natural Resources</b></p> <p>Potential that project may have adverse impacts to habitats and/or ecosystems and ecosystem services. For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes</p> <p>The project activities will take place within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas and indigenous people’s lands</p> <p>Project involves changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods</p> <p><u>Notes</u> The project activities will take place within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas and indigenous people’s lands. It will support land use planning in these areas; harvesting of natural forest and reforestation as well as planning, regulation and enforcement in other areas where to a large extent economic activity such as farming, harvesting and grazing has expanded with little control. Unless this takes into account sustainable practices and harvesting limits as well as climate resilient interventions, this may adversely affect conservation values of these areas and/or increase vulnerability to climate change to production sectors and local communities.</p>	<p>The project was designed to implement the priority actions of the national REDD+ Strategy and Action Plan. This was developed through support from the UNREDD programme that undertook a large number of detailed feasibility studies for reducing emissions from deforestation in Ecuador while increasing agricultural production and improving rural livelihoods. The technical appraisals and outputs are available on request.</p> <p>Relevant to this risk are detailed analyses of the drivers of deforestation, costs analysis (opportunity, transaction and implementation costs), national and sub-national policies and development objectives relevant for REDD+; geographically-explicit identification of required actions to reduce deforestation across the landscape in each province; a detailed analysis of the costs and benefits of implementing these actions and a safeguards system to report on how safeguards agreed under the UNFCCC are being addressed and respected as well as report on how social and environmental risks are minimized and how the benefits associated with the implementation of the REDD+ National Action Plan are maximized.</p> <p>Maps based on these feasibility studies are provided in the proposal. Based on this, the project will support land use planning, governance and management that harmonize national, provincial and local priorities to guide land use in these selected landscapes to those activities and practices that do not harm forests and their ecosystem goods and services. In practice, this is reflected by integrating sustainability and climate change considerations into a multi-level landscape planning and production approach.</p> <p>These efforts will be complemented by access to credit and availability of a range of fiscal and economic incentives for sustainable climate resilient production to accelerate a transition to sustainable production systems in non-forest areas. Also,</p>	<p>Technical Committee</p> <ul style="list-style-type: none"> <li>Provide advice and oversee the process for defining and adopting measures as part of the management response</li> </ul> <p>Project Board:</p> <ul style="list-style-type: none"> <li>Monitor implementation of management measures and compliance with national and international regulations, REDD+ safeguards and UNDP social and environmental standards.</li> <li>Decision making for the adoption of necessary measures as part of the management response.</li> </ul> <p>Define actions to be taken in case of no compliance.</p> <p>UNDP:</p> <ul style="list-style-type: none"> <li>Oversee and observe the effectiveness of management measures to avoid and mitigate risks.</li> <li>Inform all the stakeholders and right-holders involved in, or potentially impacted, positively or negatively, by the GCP project, about the UNDP’s corporate Accountability Mechanism with its two key components: 1) a Compliance Review to respond to claims that UNDP is not in compliance with applicable environmental and social policies;</li> </ul>

<p>The focus of the project is precisely on maintaining areas of high conservation value forest and project components are designed specifically to address causes and drivers of deforestation and forest degradation to avoid adverse impacts on conservation values and mitigate climate change impacts. It will do so by generating changes in production forms in non-forest areas adjacent to Protected Areas and Indigenous lands to ensure they are free from deforestation and resilient to climate change in selected productive sectors (palm oil, cacao, coffee). Also, by stimulating sustainable local livelihoods, the project seeks to maintain and enhance ecosystem services.</p>	<p>market mechanisms focused on the demand side for deforestation-free products, which are expected to contribute in this paradigm shift towards sustainable deforestation-free production.</p> <p>Additionally, the project will uphold the definition of sustainable extraction levels of a living natural resource, ensuring sustainable management that enables people and communities, including indigenous peoples, to provide for their social, economic, and cultural well-being while also sustaining the potential for those resources to meet the needs of future generations. To comply with this, the project will determine actions to define a set of parameters to help guide activities in the field to be monitored via the National Forest Monitoring System, a robust system for data management, bioinformatics and environmental early warning that is part of the national proposed MRV system for REDD+.</p> <p>The ESIA, to be undertaken upon project initiation will ensure that direct and indirect impacts on natural resources, biodiversity and ecosystem services in the Project’s area of influence are identified. The assessment process will consider, inter alia (i) risks of habitat and species loss, degradation and fragmentation, invasive alien species, overexploitation, hydrological changes, nutrient loading, pollution, and (ii) differing values (e.g. social, cultural, economic) attached to biodiversity and ecosystem services by potentially affected communities. Potential cumulative and induced impacts will be assessed. Project-related impacts across potentially affected landscapes or seascapes should be considered.</p> <p>All relevant requirements under SES Standard 1 will be applied, following the recommendations of the ESIA.</p>	<p>and 2) a Stakeholder Response Mechanism (SRM) that ensures individuals, peoples, and communities affected by projects have access to appropriate grievance resolution procedures for hearing and addressing project-related complaints and disputes<sup>11</sup>. This mechanism provides a supplemental, formal avenue for stakeholders to engage with UNDP. The SRM will be available to stakeholders when they believe that a UNDP project may have adverse social or environmental impacts on them; they have raised their concerns with Implementing Partners and/or with UNDP through standard channels for stakeholder consultation and engagement; and they have not been satisfied with the response.</p> <ul style="list-style-type: none"> <li>• Ensure that the Compliance Review and the Stakeholder Response Mechanisms are operational during all the lifetime of the GCF project.</li> </ul>
<p><b>Risk 4: Community, Health and Safety Conditions</b></p> <p>Potential that construction of collection centres may:</p> <ul style="list-style-type: none"> <li>• Pose safety risks to local communities (e.g. structural collapse)</li> </ul>	<p>The ESIA will review Ecuador’s applicable policies, laws and regulations related to potential community, health and safety risks, to ensure they are consistent with UNDP’s SES, and recommend gap-filling measures where needed.</p>	

<sup>11</sup> <http://www.undp.org/content/dam/undp/library/corporate/Social-and-Environmental-Policies-and-Procedures/SRM%20Guidance%20Note%20r4.pdf?download>

<ul style="list-style-type: none"> <li>• Pose potential risks to community health and safety due to the transport, storage, and use and/or disposal of hazardous or dangerous materials during construction and operation</li> <li>• Pose risks and vulnerabilities related to occupational health and safety due to physical, chemical, or other hazards during Project construction or operation</li> </ul>		
<p><b>Risk 5: Cultural Heritage</b></p> <p>Project may result in interventions that would potentially adversely impact sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)?</p> <p><u>Notes</u> The project will be developed in an area where there is a high percentage of indigenous populations with important cultural heritage.</p> <p>The project activities will take place within or adjacent to legally protected areas and indigenous peoples' lands.</p>	<p>The ESIA will review potential risks associated with cultural heritage and recommend measures to avoid significant adverse impacts.</p> <p>Because project activities will be undertaken in a participatory manner, ensuring effective consultation and FPIC when required, and in line with indigenous peoples' and communities' life plans and/or Cosmo visions (PDOTs), specific attention will be given to the location of cultural heritage sites, ensuring potential risks are avoided.</p>	
<p><b>Risk 6: Displacement</b></p> <p>Land use restrictions may increase the possibility of economic displacement especially for poorer and marginalized individuals.</p> <p>Potential that the project may:</p> <ul style="list-style-type: none"> <li>• Result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions)</li> </ul>	<p>First, because project activities will be undertaken in a participatory manner, ensuring effective consultation and FPIC processes when required, and in line with indigenous peoples' and communities' life plans and/or Cosmo visions (PDOTs), specific attention will be given to the potential risks of displacement, ensuring measures are in place for avoidance.</p> <p>Second, financial and market mechanisms will be set up through the project to support any such required transition to new land uses and also compensate opportunity costs during the transition /reconversion stage to reduce any adverse economic displacement. This includes supporting incentive payments in the</p>	

<ul style="list-style-type: none"> <li>Affect land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources</li> </ul> <p><u>Notes</u> The project will develop land use plans to reduce the pressure on forest areas and increase protection to key forest fragments in the production landscape. Some of these land use plans may place restrictions on existing and future land uses. Although the project does not envisage physical displacement, land use restrictions may increase the possibility of economic displacement especially for poorer and marginalized individuals.</p> <p>For example, if, through participatory decisions, land use plans establish a set of land uses to reduce encroachment into forests, there is the possibility that there could be an economic displacement for those land owners in areas essential for forest connectivity and/or conservation. For example, for those owners of forested land located in or near areas important for forest connectivity, forest clearing may be prohibited and land uses restricted; inversely for owners of pasture land where connectivity is important, land use plans may request transition to agro-silviculture production rather than livestock.</p>	<p>short term (direct payments; fiscal exemptions; collateral credit); increasing income from new access to markets for certified produce in the medium term; and increased income from enhanced agricultural productivity in the long term. These mechanisms target different groups of stakeholders inclusive of small scale farmers and communities.</p> <p>In addition, and particularly for indigenous peoples, on-the-ground activity in Indigenous Lands will be undertaken where the respective Indigenous Peoples have indicated willingness to participate to the SBP, as well as in other territories prioritized for REDD+ implementation, using incentives to implement sustainable-use, conservation and restoration activities according to their life plans. SBP already includes indigenous lands and has gradually developed a strong framework for holding consultations with IPs prior to their participation. The Socio Bosque consultation upholds the principle of free, prior and informed consultation, undertaking in-field information campaigns, and information dissemination assemblies with interested communities. Further consultations will be made during the implementation of the GCF project to fine-tune on-the-ground action. These consultations will be fully compliant with a human rights based approach, and the principles of accountability and rule of law, both national and international. Active participation in project activities will be voluntary and provisions have been made to increase understanding and buy-in as this is crucial to increase the feasibility, effectiveness and social sustainability of the actions proposed.</p> <p>The ESIA will include consideration of displacement risks and recommend mitigation measures as needed.</p>	
<p><b>Risk 7: Resettlement</b></p> <p>Potential that the construction of collection centres may involve temporary or permanent and full or partial physical displacement</p>	<p>Construction or restructuring will depend on the results of a study to be commissioned for that purpose; this study will define the exact location, crop-type, size, construction costs and other technical specifications that will be within the guidelines established by the MAGAP in its technical specifications document for collection centres.</p> <p>The implementation period and the total cost of these centres,</p>	

	<p>including the study, has been estimated as USD 1,300,000 each, as shown in Annex XIIb.</p> <p>In order to define the best possible location for the construction of the infrastructures, the GADS and the architects will take into account the local land use plans, options to maximize the social and economic benefits of these infrastructures, options to reduce costs (such as costs of transportation to be incurred by the producers) and potential negative impacts of these constructions.</p> <p>The locations of the centres will be considered as part of the Environmental and Social Impact Assessment (ESIA) to be undertaken during project initiation. The ESIA will ensure careful consideration, among others, of risks to cultural heritage, biodiversity, community safety and health, labor standards, resettlement, indigenous peoples rights, and pollution prevention and resource efficiency in line with UNDP's SES.</p> <p>The architect will then prepare the ToR for the construction itself, which will underline amongst other the obligations to be taken into account during the construction, such as the need to work with local manpower, to use local material, to be compliant with national legislation related to labor. An entity in charge of the oversight of the construction will be hired, and will monitor the compliance with these issues as well as the technical dimension of the construction. The budget for the construction includes funds requested for the feasibility and technical studies (architectural, environmental impact assessment), the permits, the construction itself (material, workforce), the oversight, the capacity building for the staff in charge of operating the center and the costs of operation, and the maintenance of the centers.</p> <p>Examples of technical specifications, detailed budget and socio-environmental requirements for centres of collection and centres for forest control that have been recently built are available upon request. They have been used as reference for estimating the budget requested for the infrastructures to be financed by the GCF, which will be adjusted to the number of producers/beneficiaries and of commodities to managed.</p>	
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	<p>Collection centres will only be built on land already owned by MAE or will be purchased by MAE before construction.</p> <p>The ESIA will include consideration of resettlement risks and recommend mitigation measures as needed.</p>	
<p><b>Risk 8: Indigenous Peoples</b></p> <p>Indigenous peoples are present in the Project area.</p> <p>The Project or portions of the Project will be located on lands and territories claimed by indigenous peoples</p> <p>Potential that the project may:</p> <ul style="list-style-type: none"> <li>• Affect the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas)</li> <li>• Result in whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources</li> <li>• Adversely affect the development priorities of indigenous peoples as defined by them</li> <li>• - Affect the Cultural Heritage of indigenous peoples</li> </ul>	<p>Project activities will be undertaken in a participatory manner, ensuring effective consultation and FPIC processes when required, and in line with indigenous peoples' and communities' life plans and/or Cosmo visions (PDOTs).</p> <p>On-the-ground activity in Indigenous Lands will be undertaken where the respective Indigenous Peoples have indicated willingness to participate to the SBP, as well as in other territories prioritized for REDD+ implementation, using incentives to implement sustainable-use, conservation and restoration activities according to their life plans.</p> <p>SBP already includes indigenous lands and has gradually developed a strong framework for holding consultations with IPs prior to their participation. The Socio Bosque consultation upholds the principle of free, prior and informed consultation, undertaking in-field information campaigns, and information dissemination assemblies with interested communities. Further consultations will be made during the implementation of the GCF project to fine-tune on-the-ground action.</p> <p>These consultations will be fully compliant with a human rights based approach, and the principles of accountability and rule of law, both national and international. Active participation in project activities will be voluntary and provisions have been made to increase understanding and buy-in as this is crucial to increase the feasibility, effectiveness and social sustainability of the actions proposed.</p> <p>The ESIA will review Ecuador's applicable policies, laws and regulations related to potential adverse impacts on the rights, lands, territories and resources of indigenous peoples, to ensure they are consistent with UNDP's SES, and recommend gap-filling</p>	



	measures where needed. An Indigenous Peoples Plan may be developed if deemed necessary by the ESIA.	
<p><b>Risk 9: Pollution Prevention and Resource Efficiency</b></p> <p>Potential that the construction and operation of the collection centres may result in the generation of waste (both hazardous and non-hazardous)</p> <p>Potential that project activities associated with intensification of commodity agriculture may result in the release of pollutants to the environment with the potential for adverse local, regional, and/or transboundary impacts</p> <p>Potential that project activities associated with intensification of agriculture may involve the application of pesticides that may have a negative effect on the environment or human health</p>	<p>The ESIA will review Ecuador’s applicable policies, laws and regulations related to potential pollution prevention and resource efficiency risks, to ensure they are consistent with UNDP’s SES, and recommend gap-filling measures where needed.</p> <p>Mitigation measures outlined above related to the collection centres, under Risk 4: Community, Health and Safety Conditions, also apply.</p>	

## Procedures for Screening, Assessment and Management

The SESP/ESMP has been developed as part of UNDP's due diligence process in the project cycle. Two additional measures have been identified to be developed at the project inception phase:

- a) Environmental and Social Impact Assessment (ESIA): The ESIA will be developed and carried out by independent experts in a participatory manner with stakeholders during the inception phase of the project and as part of the work plan preparatory activities. The ESIA will screen social and environmental issues and impacts specific to the local context of this project. It will also help to further clarify the applicable social and environmental standards (including UNDP SES) triggered by this project and take those steps necessary in the context of the ESIA to fulfil those requirements and make recommendations on how such compliance is to be carried out through the life of the project.
- b) ESIA report and revised Environmental and Social Management Plan (ESMP): The ESIA report and ESMP will provide time-bound specific recommendations for avoiding adverse impacts, and where avoidance is not possible, for reducing, mitigating, and managing those impacts. Complimenting what has already been identified, the ESIA will further identify project activities that cannot take place until certain standards, requirements and mitigation measures are in place and carried out. The ESIA also will elaborate the various management plans that may be triggered by the application of the UNDP SES. Those recommendations will be adopted and integrated into the project activities, monitoring and reporting framework and budget.

### Institutional Arrangements and capacity building

The roles and responsibilities of project staff and associated agencies in implementation of project activities and application of social and environmental procedures is provided in the table in section Potential Social and Environmental Impacts, Management Measures and Institutional Arrangement for their Implementation .

The ESIA report and ESMP could propose changes to the roles and responsibilities of project staff and associated entities (UNDP, MAE, MAGAP, Water Funds and others) in the implementation, evaluation and monitoring of project activities and application of social and environmental standards and procedures. Those changes to roles and responsibilities will be assessed and integrated, as appropriate, as part of the participatory decision making and implementation proceedings of the project. The Project Board (in consultation with the Technical Committee) will be the final responsible for the integration of ESIA report and ESMP recommendations in the execution of the project. The integration of such recommendations will need to consider particular institutional needs within the implementation framework for application of the ESMF/ESMP, including a review of the required budget allocations for each recommended activity, as well as the authority and capability of institutions at different administrative levels (e.g. local, regional, and national), and their capacity to manage and monitor ESMF/ESMP implementation. Where necessary, capacity building and technical assistance activities will be included to enable proper implementation of the ESMP.

### Grievance Redress Mechanism

The Grievance Redress Mechanism for REDD+ takes into account the processes that already exist in the legislation, in order not to create a new mechanism but rather inserting itself into the institutional platform and existing regulations.

The existing components of the grievance redress mechanism are twofold. On one hand, the dispute of facts at issue and the complaints procedures enable the persons who consider themselves affected by potential environmental or social impacts resulting from implementation of REDD + policies and measures to expressing their dissatisfaction and concerns. On the other hand, the regime of compliance, then verify that there is indeed a material breach in agreements between beneficiaries and the state.

Importantly, the proposed procedures for resolving grievances, disputes and breaches are based on existing national mechanisms, where the role of the MAE, when it is not competent to solve the problem, is to follow up with relevant institutions to achieve greater efficiency in managing them and have answers and timely solutions.

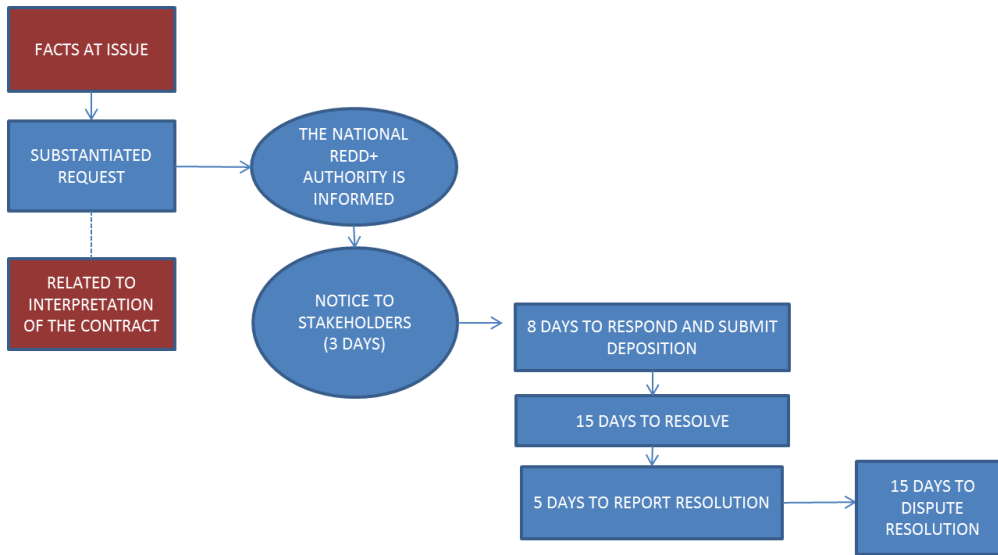
The Grievance Redress Mechanism as a whole, contributes mainly to forewarn and safeguard the rights and obligations among all actors involved in the implementation of measures and REDD +, ensuring clear procedures and effective measures when possible negative effects arise. It also looks improve outcomes, not only for forests and climate, but also for people and especially for communities that live and depend on forests. In other words, at the same time that concrete actions are implemented to address the causes of deforestation, The Grievance Redress Mechanism seeks to provide solutions and resolve conflicts that may arise from the implementation of REDD+ in the country.

The procedures of the Grievance redress Mechanisms are the following:

#### **Procedures to dispute facts at issue**

A grievance can be filed on any facts at issue related to the interpretation of the terms mutually agreed in the agreement or contract (for example the agreements between MAE, MAGAP, Water Funds and farmers, communities and indigenous peoples in the context of this GCF project) . From there, the grievance should be well-founded, and the role of REDD + National Authority (MAE) becomes that of a decisive arbitrator (or umpire) who in turn is verifying that the implementation of the policy or measure is in line the procedures proposed by the responsible state institutions. The scope of the resolution will focus on how to understand the terms in which the contractual clauses should be applied.

The procedures for disputing facts at issue and seeking a resolution are the following:



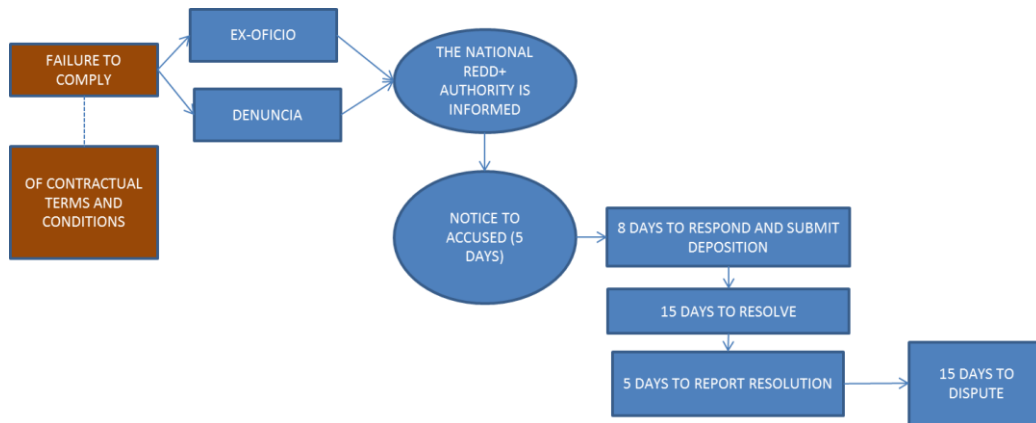
### Procedures in case there is failure to comply with contractual obligations

A grievance can be filed in cases of failure to comply with contractual obligations. This entails a materially verifiable act or omission. It goes beyond misunderstanding in the abstract of contractual provisions and aims to ensure that the objectives of the REDD+ Action Plan are achieved. It involves a specific event that threatens the successful completion -in terms and time and results- of a contract.

Non-compliance proceedings can be initiated in cases where the REDD+ National Authority (MAE) exercising its functions has observed failure to comply in the field or has received a substantiated written complaint. The complaint may be filed by one of the contracting parties, or a third party, in the latter case it will not be considered a dispute of facts at issue, and the third party does not become party to the proceedings.

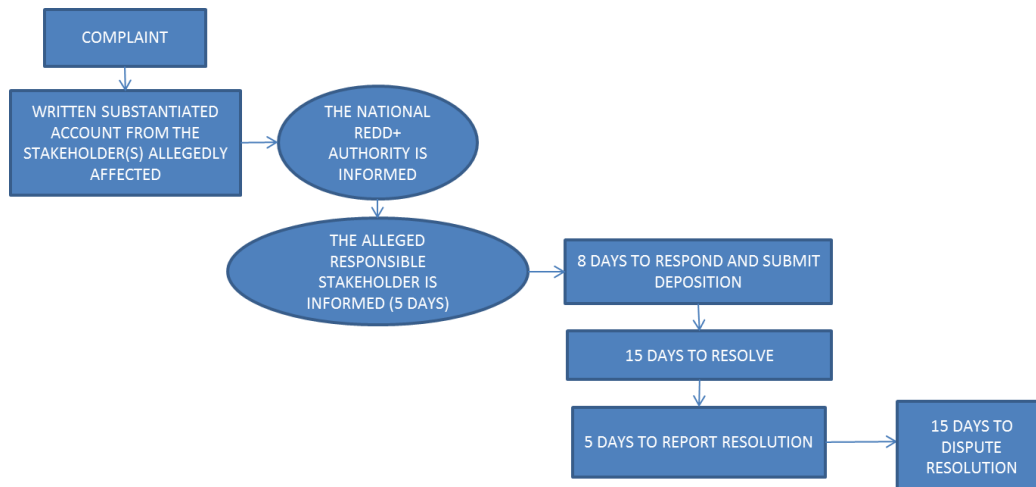
REDD + National Authority (MAE) can resolve in two ways, according to the nature of the breach raised:

- a) Applying the contractual rules, to terminate the contract; or
- b) Where the breach involves a remediable fact, order the formulation of a "remediation plan" by the party responsible for the act or omission in order to correct what has been done and allow to resume operation of the contract. In this second scenario, the REDD+ National Authority shall assess the relevance of the plan and will have the prerogative to decide on its technical and operational feasibility.



### Procedures for Complaints

Complaints are proposed for incidents proposed by third parties outside the contract scheme, but they have some level of interest in their implementation or affected positively or negatively by it.



The procedure as mentioned above is the same, and the basis of the complaint should be expressed very clearly identifying who files the complaint, the rights that have been violated or ignored, the event or action that violated or ignored these rights, the people or institutions responsible of such violation or ignorance, and its claim in terms of repair or redress in particular.

UNDP’s [Stakeholder Response Mechanism](#) (SRM) is also available to help project-affected stakeholders, government and others partners jointly resolve concerns and disputes. It is available when Implementing Partners and UNDP project-level stakeholder engagement processes have not successfully resolved issues of concern.

Project affect stakeholders will be informed throughout the project cycle of their options for grievance redress and how to access the various channels.

### Stakeholder Engagement and Information Disclosure

Regarding the process of participation and dissemination of information, there are several mechanisms that have and will allow effective participation throughout the process of implementation of the REDD+ AP in both its preparation and to its implementation.

The REDD+ AP is the result of a process involving various stakeholders at different levels (national, provincial, cantonal and local). Their contributions were gathered to enrich and adjust to the different needs, priorities and national circumstances (Summary of consultations in the development of the National Action Plan is provided in Annex XIIIa.)

Processes of capacity building and opportunities for dialogue and participation were created through the REDD+ Roundtable, working groups and workshops locally. Input from civil society, indigenous peoples and nationalities, Afro-Ecuadorian people, Montubio people and communities gathered through these processes guided the development of technical guidelines and policy for the construction of national REDD +Action Plan.

The REDD+ Roundtable has been operating during two periods, the first from 2013 to 2015 and the second from July 2016 to date. In its first period he was made up of representatives of civil society, academia, private sector, NGOs and national women's and youth organizations, and national representatives of communities, peoples and nationalities. For the second period new stakeholders are now involved such as the smallholder sectors, grassroots organizations in the regions of the Sierra, Coast and Amazon, as well as representatives from the beneficiaries of programs or projects of the Ministry of Environment. This platform will be used for stakeholder consultations throughout project implementation.

In relation to the disclosure of information it is important that timely and transparent communication on the benefits and effects of the implementation of REDD + is maintained among all the actors involved. To ensure this is the case a communication strategy will be developed by MAE in the context of this project.

### Monitoring and Evaluation Arrangements

MAE will be accountable to UNDP for managing the project, including the monitoring and evaluation of project interventions, achieving project outcomes, and for the effective use of GCF resources. This includes the monitoring and evaluation of the implementation of the ESMF and specific social and environmental management plans/measures, including the parameters to be measured and arrangements for public participation in such monitoring. The table below provides more detail on the specific monitoring and evaluation arrangements.

Monitoring Activity	Purpose	Frequency	Expected Action	Roles and responsibilities	Cost (if any)
<b>Track progress of ESMP implementation</b>	Application of mitigation measures, as well as any required changes to SESP, will be monitored through a participatory process, and with results reported to Project Board on bi-annual basis.	Quarterly, or in the frequency required for each measure.	Slower than expected progress will be addressed by project management.	National Project Manager	None
<b>Development of Environmental and Social Impact Assessment (ESIA)</b>	Carried out in a participatory manner, in-depth analysis about potential social and environmental impacts, as well as identification / validation of mitigation measures, drafted in participatory manner.	Quarters 1+2 of project implementation	Risks and potential impacts are assessed with support of external consultants and participation of project team and stakeholders, and management actions identified and incorporated into project implementation strategies.	External consultants (environmental and social)  With guidance from the UNDP, the technical committee and National Project Manager  Involving: MAE, MAGAP, Water Funds Affected farmers, communities and	US\$ 60,000 (est)

				indigenous peoples,	
<b>Implementation of mitigation measures and monitoring of potential impacts identified in ESIA, and reporting through SIS and Summary of Information to the UNFCCC</b>	Permanent and participatory implementation and monitoring of impacts and mitigation measures, in accordance with Environmental and Social Management Plan - ESMP (to be prepared together with ESIA)	Continuous	Implementation of ESMP; participatory monitoring of ESIA findings (i.e. identifying indicators, monitoring potential impacts and risks); integration of ESMP into project implementation strategies	<ul style="list-style-type: none"> <li>• MAE for components 1, 3.1 and 4.</li> <li>• MAGAP for component 2</li> <li>• Water Funds for component 3.2</li> </ul> <p>NB: UNDP will review monitoring reports and conduct verifications if needed.</p>	USD 400,000
<b>Learning</b>	Knowledge, good practices and lessons learned regarding social and environmental risk management will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.	At least annually	Relevant lessons are captured by the project team and used to inform management decisions.	National Project Manager, in consultation with the relevant parties.	None
<b>Annual Project Quality Assurance</b>	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	Annually	Areas of strength and weakness will be reviewed by project management and	National Project Manager	None



			used to inform decisions to improve project performance.		
<b>Review and Make Course Corrections</b>	Internal review of data and evidence from all monitoring actions to inform decision making.	At least annually	Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections.	Project Board (taking into account opinions of stakeholders)	None
<b>Project Report</b>	As part of progress report to be presented to the Project Board and key stakeholders, analysis, updating and recommendations for risk management will be included.	Annually, and at the end of the project (final report)		National Project Manager	None
<b>Project Review (Project Board)</b>	The project's governance mechanism (i.e., project board) will hold regular project reviews during which an updated analysis of risks and recommended risk mitigation measures will be discussed.	At least annually	Any risks and/ or impacts that are not adequately addressed by national mechanisms or project team will be discussed in project board. Recommendations will be made.	Project Board UNDP Project Manager	None
<b>System of Information on Safeguards SIS</b>	Systematize information on how REDD+ safeguards are addressed and respected during project implementation, in order to	Continuously.	The information on how REDD+ safeguards are	MAE	Included in the cost of

	comply with the requirement of the Warsaw framework on REDD.		addressed and respected during project implementation will be available online, once the SIS web-platform is up and running.		monitoring described above.
<b>Summary of Information to the UNFCCC on how safeguards are addressed and respected</b>	Summarize for the UNFCCC, how the REDD+ safeguards have been and are being addressed and respected during project implementation, prior to seeking REDD+ RBP.	Simultaneously with the submission of the BUR and its REDD technical annex to the UNFCCC	Elaboration of summary of information, once every 2 years.	MAE	Included in the cost of monitoring described above

## Budget for ESMP / ESIA Implementation

Activity	Cost (USD)
Development of Environmental and Social Impact Assessment (ESIA)	60,000\$
Monitoring of potential impacts identified in ESIA	400,000\$
Total	460,000\$

## 2 Annex 1 Terms of Reference for Environmental and Social Impact Assessment (ESIA)

### Key Stages of the ESIA Process

The key stages of an ESIA process are summarized in Table A2.1 and elaborated further below.

Table A2.1: Summary of the ESIA Process

Stages	Steps/main tasks within each stage
<p><b>Stage 1: Screening</b></p> <p><b>Key components:</b> Complete UNDP Social and Environmental Screening Procedure (SESP)</p>	<p>Conduct Social and Environmental Screening to identify potential risks and their significance, identify relevant requirements of UNDP's SES, and determine risk category of project and nature of further assessment that may be required</p>
<p><b>Stage 2: Scoping (for Moderate or High Risk Projects)</b></p> <p><b>Key components:</b> Where initial studies and analysis have not been conducted, it is important to undertake a scoping exercise early in the assessment process (i) to identify and focus the social and environmental assessment on key issues, and (ii) to establish a logical roadmap for the assessment process.</p>	<p>Determine the social and environmental issues to be addressed, spatial and temporal focus, data and information needed and level of analysis required to assess the impacts</p>
	<p>Determine data availability</p>
	<p>Consultations with stakeholders, partners, and project-affected communities and development of stakeholder engagement plan</p>
<p><b>Stage 3: Conducting an ESIA (for High Risk Projects)</b></p> <p><b>Key components:</b> Based on a clearer definition of the project to be implemented, collect necessary data/information and assess full range of impacts and examine project alternatives. Report the results of the assessment and make a draft available publically for consultation.</p>	<p>Prepare ToR for the ESIA</p>
	<p>Further detail and define the proposed project</p>
	<p>Develop baseline environmental and social information</p>
	<p>Review policy, legal/regulatory and institutional framework</p>
	<p>Examine project alternatives and revise project design</p>
	<p>Analyze and evaluate impacts</p>
<p><b>Stage 4: Preparing an environmental and social management plan (for High Risk Projects)</b></p> <p><b>Key components:</b> Based on relevant findings of the assessment and the results of consultations with the project stakeholders, define measures that will be needed to, <i>inter alia</i>: avoid, and if avoidance is not possible, minimize, mitigate and manage expected adverse impacts of the project (per the mitigation hierarchy); monitor impacts and mitigation options/measures; build capacities, and communicate results of the environmental and social management plan (ESMP).</p>	<p>Prepare ESIA Report</p>
	<p>Define social and environmental impact mitigation actions/measures per the mitigation hierarchy</p>
	<p>Detail social and environmental monitoring to be conducted during project implementation</p>
	<p>Develop a plan to assess and build capacity to implement the environmental and social management plan and other project environmental and social components</p>
	<p>Disclose draft ESIA and ESMP and develop a plan to communicate progress with implementation and effectiveness of the environmental and social management plan</p>

Stages	Steps/main tasks within each stage
<p><b>Stage 5: Appraising an ESIA/ESMP and Integrating Management Measures in Project and Budget</b></p> <p><b>Key components:</b> Appraisal should ensure that the ESIA/ESMP provides information required for decision-making and that proposed actions are designed to meet national/local regulations and requirements of UNDP SES. Recommendations of ESIA/ESMP need to be adequately incorporated into project design, work plans and budget.</p>	ESIA meets its terms of reference, both procedurally and substantively
	Provides an accurate and complete evaluation of the proposed project
	Describes specific mitigation, monitoring and capacity development measures that comply with applicable law, regulations, and UNDP SES
	Assesses capacity of institutions responsible for implementing social/environmental management
	Developed through a consultative process with strong stakeholder engagement
	Assesses the adequacy of costs and financing arrangements for social and environmental management implementation

### Stage 1: Screening

UNDP requires that proposed projects undergo UNDP’s Social and Environmental Screening Procedure (SESP), with a few exceptions.<sup>12</sup> The objectives of the SESP are to:

- integrate the SES Overarching Principles (i.e. human rights, gender equality and women’s empowerment, environmental sustainability) to strengthen social and environmental sustainability
- identify potential social and environmental risks and their significance
- determine a project’s risk category (Low, Moderate, High), and
- determine the level of social and environmental assessment and management required to address potential risks and impacts.

Projects categorized as Moderate Risk require limited or focused forms of social and environmental assessment while High Risk Projects require comprehensive forms of assessment (ESIA, SESA).

See [UNDP’s SES Toolkit](#) for SESP guidance and templates.

UNDP’s screening process assists in determining the applicability of specific SES Overarching Principles and/or Project-level Standards. Where applicable, the requirements of the relevant Principle/Standard must be addressed during the assessment and management process.

### Stage 2: Scoping and Preparing Terms of Reference for an ESIA

When a Project Developer is asked/required to assist or lead in developing a Terms of Reference for an ESIA, a number of considerations are required. These include:

<sup>12</sup> Screening is not required for projects (a) where UNDP serves only as the Administrative Agent, or (b) projects with outputs comprised solely of the following activities: report preparation, coordination of events/trainings/ workshops/meetings/conferences, or development of communication materials and dissemination of results (e.g. publications, media). See SESP, para. 7.

- Scoping parameters of ESIA. Where initial studies and analysis have not been conducted, it is important to undertake a scoping exercise early in the assessment process (i) to identify and focus the social and environmental assessment on key issues, and (ii) to establish a logical roadmap for the assessment process. The scoping exercise typically informs the drafting of a Terms of Reference for the ESIA. The scoping exercise will vary depending on the range and complexity of potential social and environmental impacts. Scoping typically builds on the results of the screening and involves the following tasks/components:
  - An *initial* identification of significant social and environmental issues and potential adverse risks and impacts to be assessed.
  - Identification of data availability and gaps for conducting the assessment
  - Identification of national/local project planning requirements as well as relevant UNDP SES requirements that must be addressed
  - Identification of feasible project alternatives that will be considered in the assessment
  - Scoping meetings with stakeholders to establish focus areas and potential issues of concern
  - Identification of types and qualifications of specialists needed to undertake the assessment and required studies. UNDP requires that assessments for High Risk projects be undertaken by independent experts.<sup>13</sup> For highly complex projects with multidimensional potential adverse impacts or projects that may be highly contentious among affected stakeholders, UNDP requires the use of independent advisory panels to assist in project preparation and implementation.
  - A summary scoping report
  - Drafting of terms of reference (ToR) for the social and environmental assessment.
  
- Prepare the Terms of Reference for the ESIA. Scoping typically informs the drafting of the ToR for the ESIA. The steps outlined in this Annex provide guidance for conducting ESIA's and may be appended to the ToR. The ToR may contain a number of sections specific to the Project but usually provides for the following sections and actions:
  - Project Description: A summary of project objectives, features, and status. Background on significant social and environmental issues, risks and impacts based on the screening and scoping process.
  - Objectives of Consultant Services: Identification of key objectives and outputs of consultancy, typically the preparation of the draft ESIA and ESMP as well as a final version based on inputs from stakeholder consultation.
  - Scope of Work: Detailed description of tasks to be undertaken. Will vary depending on Project circumstances and should ensure compliance with UNDP's SES and any requirements identified in scoping process. ToR typically include the following activities (see guidance below):
    - Define project in detail and develop baseline
    - Review Policy, Legal/Regulatory and Institutional Framework
    - Examine Project Alternatives and Propose revisions to Project Design

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<sup>13</sup> Independent experts should not be directly affiliated with the Implementing Partner or UNDP. It is important to ensure that conflicts of interest are avoided. For example, when individuals or entities are engaged to carry out assessment activities, such activities should not be conducted by the consultants hired to prepare the project's design.

- Analyze and Evaluate Potential Social and Environmental Risks and Impacts (ToR will specifically highlight which issues are to be addressed based on the screening and scoping process)
- Prepare ESIA Report and ESMP (both draft and final following consultation)
- Record of feedback received during consultation and how it was addressed
- Budget and Schedule of Outputs: A budget and schedule for conducting the assessment. (Note: Budget and schedule must be adequate for preparing the assessment, including data collection and analysis, report preparation, and implementation of the associated public disclosure and stakeholder consultation requirements).
- Annexes
- Consultations. Consulting project-affected communities on the draft terms of reference for the ESIA should be conducted to assist in identifying potential issue areas or concerns that require further attention in the conduct of the ESIA.

### *STAGE 3: Conducting an ESIA Study*

#### Step 1: Further Detail and Define the Proposed Project.

The assessment must be based on a well-defined project. Based on the Draft Project Document, the project should be further detailed to include, where relevant:

- The geographic, ecological, social and temporal context of the proposed project, including any offsite investments (i.e. associated facilities) that may be required (e.g. dedicated pipelines, access roads, power plants, water supply, housing, and raw material and product storage facilities);
- Project location, site, and design (e.g. technology/process, facilities design, construction, operation and maintenance, and decommissioning or closure); and
- Map showing the project site, project's area of influence (as determined during the scoping phase) and sensitive environmental and social features.

#### Step 2: Develop Baseline Information.

The current and projected environmental and social, and physical/cultural baseline data must be presented for the project's area of influence. This should include:

- Descriptions of the relevant existing physical, biological, gender, and socio-economic conditions;
- Evaluation of any changes anticipated in these conditions before the project commences, as well as any trends in or projections of data over time after the project commences that are anticipated independently of the project, including current and proposed development activities located in the project area but not directly connected to the project; and,
- Estimation of the reliability of the information sources used and the quality of the information available, including its accuracy, precision, completeness, representativeness, etc.

The baseline data should reflect the objectives and indicators identified in the 'scoping report.' For spatial plans, the baseline can usefully include the stock of natural assets including sensitive areas, critical

habitats, and valued ecosystem components. For sector plans, the baseline will depend on the main type of environmental and social impacts anticipated, and appropriate indicators can be selected (e.g. emissions-based air quality indicators for energy and transport strategies).

### Step 3: Review Policy, Legal/Regulatory and Institutional Framework

Review the legal and permitting requirements as well as applicable social and environmental standards from:

- Applicable laws and regulations of the local and national jurisdictions in which the proposed project will operate.
- Applicable international obligations and agreements (e.g. Multilateral Environmental Agreements) that must be complied with.
- UNDP Social and Environmental Standards
- Social and environmental safeguard policies and procedures of other donors and project partners.

Assess the adequacy of the identified applicable policy, legal/regulatory and institutional framework relative to implementing and sustaining the proposed project, especially the proposed mitigation, monitoring and institutional responsibilities. Where standards differ, UNDP requires adherence to the higher standard.

This discussion provides the legal and regulatory context for the project and helps to ensure that all relevant planning approvals are identified. It must be noted that per the SES (para. 9), UNDP will not support activities that do not comply with national law and obligations under international law, whichever is higher (“Applicable Law”).

### Step 4: Examine Project Alternatives and Revise Project Design.

Systematically review and compare feasible<sup>14</sup> project alternatives identified during scoping and initial public consultation and select the preferred or most socially and environmentally sound and benign option(s) for achieving the objectives of the proposed project. Potential type and scale of likely social and environmental impacts associated with different alternatives should be considered. Consider all types of alternatives related to overall approach and project design, including the “no action” alternative. Factors to consider include:

- Project site locations<sup>15</sup>
- Timing
- Scales
- Facilities designs
- Construction
- Operation and maintenance

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<sup>14</sup> Determining feasibility of alternatives has several dimensions. Technical feasibility means the proposed measures and actions can be implemented with commercially viable skills, equipment and materials, taking into consideration prevailing local factors such as climate, geography, demography, infrastructure, security, governance, capacity and operational reliability. Financial feasibility means the ability to apply sufficient financial resources to install the measures and maintain them in operation in the long term.

<sup>15</sup> Whenever feasible, preference should be given to projects, or project components, that are sited on lands already converted (e.g. not on natural habitats).



- Partners
- Intensities
- Technologies/processes
- Organizational and management setups
- Ways of dealing with impacts

Based on the alternatives analysis conducted above, determine what, if any, modifications will be made to the project design to improve the social and environmental sustainability of the proposed project.

#### Step 5: Analyze and Evaluate Risks and Impacts.

Review and refine the list of potential risks and impacts identified during the scoping process.

This step of the assessment should consider the type, location, sensitivity and scale of the proposed project, analyze all of the likely and relevant social, environmental and related effects, including where relevant potential impacts on the following features:

- Physical: surface and ground water, air, soil, land use, landform/topography, noise, vibration, geology, seismicity and other natural hazards, resource use, waste, greenhouse gases, etc.
- Biological: terrestrial and aquatic flora and fauna, habitat and ecosystems, endangered species, protected areas, etc.
- Social and socioeconomic: impacts on socioeconomic conditions, human rights, livelihoods, indigenous peoples, vulnerable or marginalized groups, gender dimensions, risks of physical and/or economic displacement, occupational health and safety, cultural heritage, community health and safety. Examine if individuals or groups may be differentially or disproportionately affected because of their disadvantaged or marginalized status, and if so, ensure adverse impacts do not affect them disproportionately.<sup>16</sup>

This step should also review and refine the project's spatial and temporal area of influence established during the scoping phase. Impacts and risks must be analyzed in the context of the area of influence.

The spatial scope of potential impacts (i.e. area of influence) will encompass:

- The primary project site(s) and related facilities that the UNDP and its Implementing Partners develop or control, such as buildings and facilities, protected areas, agricultural areas, fisheries, transportation, construction areas (e.g. seawalls, solar installations, roads);
- Associated facilities that are not funded or financed as part of the proposed project (funding or financing may be provided separately by the Implementing Partners or by third parties including multilateral financing institutions), and whose viability and existence depend on the project;
- Areas potentially impacted by cumulative impacts from the incremental adverse impacts of the project when added to other past, existing, planned or reasonably predictable future projects and developments (e.g. incremental contribution to pollutant emissions, forest depletion due to multiple logging concessions). Assessing potential cumulative impacts enlarges the scale and timeframe for assessing combined effects of multiple activities and impacts;

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<sup>16</sup> Disadvantaged or marginalized status may be due to such factors as race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority.

- Areas potentially affected by impacts from unplanned but predictable developments (indirect and induced impacts) caused by the project that may occur later or at a different location (e.g. facilitation of settlements or illegal logging in intact forest areas through expansion of adjacent agricultural activities);<sup>17</sup>
- Transboundary impacts, such as pollution of international waterways or transboundary river basins, airsheds and ecosystems; migration of populations; international relations;
- Global environmental and social impacts, e.g. greenhouse gas emissions, ozone depletion, loss of biodiversity and desertification; loss of cultural diversity and heritage.

The temporal scope of potential impacts will encompass:

- Future anticipated or projected short-term impacts, e.g. increases in consumption, waste, pollution, capacity needs, and health problems resulting from the proposed project;
- Future anticipated or projected long-term impacts, e.g. indirect or secondary effects of induced unplanned development and changes in socio-economic conditions;
- Present or baseline pollution of the proposed project site or facilities, e.g. soil and ground water pollution originating from past disposal of or contamination with hazardous substances or wastes.

Impacts must also be analyzed for the key phases of a proposed project's lifecycle.

The organizational/management scope of potential impacts will include UNDP and the Implementing Partner as well as the:

- Role and capacity of third party organizations, e.g. governments, construction contractors and suppliers (with whom the proposed project or Implementing Partner has a substantial involvement), or an operator of an associated facility (to the extent of the Project Developer's control or influence over these organizations);
- Supply chain organizations (where the resource utilized by the proposed project is ecologically sensitive, or where low labor cost is a factor in the competitiveness of the item supplied).

Use the following parameters to further characterize and quantify the potential social and environmental impacts: positive and negative, direct and indirect (primary and secondary), cumulative and synergistic, and reversible and irreversible.

Determine whether the proposed project will meet applicable social and environmental requirements (e.g. national laws and regulations, international obligations, UNDP SES) and determine what reasonable period of time will be needed. For impacts that cannot be fully mitigated, determine the relative importance and acceptability of the residual impact (e.g., additional resources needed).

The purpose is to identify 'win-win' solutions where multiple, mutually reinforcing gains can strengthen the economic base, provide equitable conditions for all, and protect and enhance social and environmental sustainability.

## Step 6: Prepare an ESIA Report

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<sup>17</sup> It should be noted that indirect and cumulative impact analyses are concerned with impacts that are sufficiently likely to occur and not with the speculation of any impact that can be conceived of or imagined. The assessment seeks to identify all the indirect effects that are known, and make a good faith effort to explain the effects that are not known but are reasonably foreseeable and probable.

An ESIA Report will be prepared to provide an adequate, accurate and impartial evaluation and presentation of the issues and conclusions of the assessment. This report, which is usually technical, must be presented in an understandable format and in an appropriate language(s). Draft assessments and reports, including any draft management plans, should be disclosed before project appraisal; however if the assessment is conducted as part of project implementation (see Section 4.1 of this Guidance Note), then draft assessments need to be disclosed and consulted on prior to initiation of any activities that may lead to adverse social and environmental impacts. Short summaries and graphic presentations will often be required to facilitate reading and understanding. Moreover, a non-technical summary – that can be understood by different stakeholders – should be included to facilitate and encourage comments. Where appropriate, independent expertise should be used to assist in the preparation of ESIA reports. Attachment 1 provides an outline of the content of an ESIA Report. Final reports are disclosed upon completion.

#### *STAGE 4: Preparing an Environmental and Social Management Plan*

Taking into account the relevant findings of the ESIA and the results of consultation with the project stakeholders, an Environmental and Social Management Plan (ESMP) needs to be prepared. The ESMP will be integrated into the overall project design, including the Project Monitoring Framework and Monitoring Schedule Plan.

The ESMP consists of a set of mitigation, monitoring and institutional measures, including policies, procedures and practices – as well as the actions needed to implement these measures – to achieve the desired social and environmental sustainability outcomes.

An ESMP may apply broadly across UNDP and Implementing Partner organizations for project implementation, or it may apply to specific sites, facilities, or activities relating to the proposed project. The ESMP may range from a brief description of routine mitigation and monitoring measures (e.g. for Moderate Risk projects with limited, readily identifiable potential impacts) to a series of specific plans as required by UNDP's Social and Environmental Standards (refer to specific requirements of applicable standards), including, for example, Resettlement Action Plans/Livelihood Action Plans, Indigenous Peoples Plans, Biodiversity Action Plans, Cultural Heritage Management Plans, Emergency Preparedness and Response Plans. The level of detail and complexity of an ESMP and priority of the identified measures and actions will be commensurate with the proposed project's risks and impacts. All plans will contain specific monitoring measures.

The ESMP will define desired social and environmental management outcomes and specify social and environmental indicators, targets, or acceptance (threshold) criteria to track ESMP implementation and effectiveness. It will also provide estimates of the human and financial resources required for implementation and identify organizational structure and processes for implementation.

Recognizing the dynamic nature of the project development and implementation process, the implementation of an ESMP will be responsive to changes in project circumstances, unforeseen events, and the results of monitoring.

An ESMP will consist of separate sections on:

1. Social and environmental impact mitigation;

2. Social and environmental sustainability monitoring;
3. Capacity development;
4. Stakeholder engagement;
5. Implementation action plan.

(1) Social and environmental impact mitigation. The ESMP will include environmental and social impact mitigation actions, in accordance with the following, listed in descending order of preference (i.e. the mitigation hierarchy):

- Avoid, prevent or eliminate environmental and social risks and adverse impacts, wherever technically and financially feasible; for proposed projects involving existing facilities, remediation may need to be undertaken instead of, or in addition to, mitigation;
- Where it is not technically or financially feasible to avoid, prevent or eliminate risks and impacts, identify measures and actions to minimize and mitigate impacts so that the project operates in compliance with applicable international, national and local environmental and social laws and regulations and UNDP requirements, or achieves acceptable levels of impacts otherwise defined and agreed;
- Where it is not technically or financially feasible to minimize and mitigate risks and impacts, identify measures to offset them by enhancing the proposed project's positive environmental and social impacts;<sup>18</sup>
- Where avoidance, mitigation and offset measures are not technically or financially feasible, identify compensatory measures to balance the residual adverse impacts.

The ESMP will describe each mitigation measure, including the type of impact and social and environmental parameter(s) to which it relates, the location and frequency, timing or conditions under which the measure is required (e.g., continuously or in the event of contingencies), and provide technical details on the mitigation technology, process, equipment, design and operating procedures, as appropriate. Potential social and environmental impacts of these measures will be estimated. Linkages with other mitigation plans (e.g., for displacement, indigenous peoples, or cultural heritage) required for the proposed project will be identified.

(2) Social and environmental sustainability monitoring and reporting. The ESMP will detail the social and environmental monitoring to be conducted during project implementation to:

- Provide information about actual versus predicted social and environmental impacts;
- Measure the effectiveness and evaluate the success of mitigation, remediation and enhancement measures;
- Evaluate compliance with applicable international, national, and local policies laws, regulations, UNDP SES, other relevant performance standards, policies and procedures;
- Allow corrective action to be taken when needed.

Specifically, the ESMP will detail the:

- Mitigation measure being monitored;
- Parameters to be measured;

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<sup>18</sup> Refer to UNDP SES Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management, para. 12 regarding conditions and limitations on use of biodiversity offsets.

- Sampling and analytical or other monitoring methods to be used, including staff, procedures and detection limits (where appropriate);
- Sampling or monitoring locations;
- Frequency or timing of measurements;
- Definition of thresholds that will signal the need for corrective actions.

In addition to recording information to track performance and establishing relevant operational controls, the monitoring plan will require the use of dynamic mechanisms, such as inspections and audits, where relevant, to verify compliance and progress toward the desired outcomes.

Monitoring activities should involve direct participation of affected stakeholders, where possible.

Stakeholder complaints or grievances are to be tracked and monitored.

Monitoring and reporting should include data disaggregated by categories of potential beneficiary and/or affected groups, and include specific gender indicators.

The monitoring plan should require the retaining of qualified and experienced external experts to verify monitoring information.

Evaluation, reporting and management of monitoring measures will also be specified in the ESMP. This will include required documentation and reporting of monitoring results and provisions for adjusting and amending the ESMP (e.g. incorporating corrective actions) in accordance with monitoring experience and feedback (see also stakeholder engagement section below).

Periodic reports are to be provided to the affected communities that describe progress with implementation of the ESMP and related action plans and on issues that the consultation process or grievance process has identified as a concern. Any material changes or additions to the mitigation measures or actions plans will be communicated to affected communities. Reports will be provided at a frequency proportionate to the concerns of affected communities but not less than annually; quarterly reporting is recommended.

(3) Capacity development. The ESMP will assess and detail a plan to develop implementation capacity, where needed. This will involve determining if there is sufficient capacity within the responsible organizations or institutions for implementing the ESMP. If not, a determination should be made as to whether it will be possible to develop the appropriate capacity and, if so, at what cost and in what timeframe.

The capacity development section of the ESMP will:

- Recommend management arrangements for the project, including structure, roles, responsibilities, and authorities;
- Designate specific personnel, including management representative(s), with well-defined and clearly communicated lines of responsibility and authority;
- Require sufficient oversight and human and financial resources be provided on an ongoing basis to achieve effective and continuous environmental and social management throughout the life of the proposed project.

If needed, the capacity development section of the ESMP will outline a plan for strengthening capacities of UNDP staff, Implementing Partner staff, and contractors with direct responsibility for activities relevant to the social and environmental sustainability of the proposed project so that they have the knowledge and skills necessary to perform their work, including current knowledge of the host country's regulatory requirements and the applicable requirements of UNDP environmental and social policies and procedures. Capacity development will also address the methods required to perform the specific actions and measures of the ESMP in a competent and efficient manner. The capacity development plan will have the following components:

- Identification of capacity needs;
- Development of a capacity development plan to address defined needs;
- Monitoring and Evaluation of capacity development plan.

(4) Stakeholder Engagement. The ESMP will be developed in close consultation with project stakeholders and disclosed in draft and final form. The ESMP is to include a section that outlines a stakeholder engagement plan to promote meaningful, effective consultations during project implementation, including identification of milestones for consultations, information disclosure, and periodic reporting on progress on project implementation and issues of concern to project stakeholders. The plan should also include a description of effective processes for receiving and addressing stakeholder concerns and grievances regarding the project's social and environmental performance.

If ESMP review and evaluation result in material changes in, or additions to, the mitigation, monitoring or capacity development measures or actions described in the ESMP on issues of concern to the stakeholders, the updated measures or actions will also be developed in close consultation with stakeholders and disclosed.

Periodic reports will be provided to potentially affected communities describing progress with implementation of the ESMP and on issues that the consultation process or grievance mechanism has identified as a concern. The frequency of these reports will be proportional to the concerns of the stakeholders but not less than annually. For projects designated as highly complex and sensitive, quarterly reporting should be required.

(5) Implementation action plan (schedule and cost estimates). For above aspects (mitigation, monitoring, capacity development, and stakeholder engagement), the ESMP provides (a) an implementation schedule for measures that must be carried out as part of the project, showing phasing and coordination with overall project implementation plans; and (b) the capital and recurrent cost estimates and sources of funds for implementing the ESMP. These figures are also integrated into the total project cost tables.

(6) Consultations on draft ESIA and ESMP. Meaningful, effective and informed consultations with project-affected stakeholders should be undertaken on the draft ESIA and ESMP to ensure that they adequately respond to potential issues and concerns. The draft ESIA and ESMP are to be disclosed. At a minimum the draft ESIA report, which includes a summary of the draft ESMP, should be translated into local languages and made accessible with appropriate lead-time before consultation meetings. A summary of the consultation should be produced and disclosed and the draft ESIA and draft ESMP should be revised as appropriate per input from project-affected stakeholders.

## *STAGE 5: Appraising the ESIA*

As has been mentioned earlier, one of the main purposes of this guidance note is to provide information that will enable UNDP staff to ensure quality of the ESIA process (usually undertaken by external specialists), and appraise ESIA documentation completed by national governments or donor partners.

Appraisal should ensure that the ESIA/ESMP work:

- Meets its terms of reference, both procedurally and substantively;
- Provides an accurate and complete evaluation of the proposed project;
- Contains the information required for decision-making;
- Describes specific mitigation, monitoring and capacity development measures that comply with applicable law, regulations, and UNDP Social and Environmental Standards;
- Assesses capacity of institutions responsible for implementing social/environmental management;
- Was developed through a consultative process with strong iterative stakeholder engagement;
- Assesses the adequacy of the capacities, cost of and financing arrangements for environmental and social management implementation.

Where existing assessments are found to contain inconsistencies with the requirements of UNDP's SES, then additional assessment and, where necessary, stakeholder consultations should be undertaken.

### 3 Annex [VIa]. Social and Environmental Screening Template

The completed template, which constitutes the Social and Environmental Screening Report, must be included as an annex to the Project Document. Please refer to the [Social and Environmental Screening Procedure](#) and [Toolkit](#) for guidance on how to answer the 6 questions.

#### Project Information

Project Information	
1. Project Title	Priming Financial and land use planning instruments to Reduce Emissions from Deforestation
2. Project Number	PIMS 5682
3. Location (Global/Region/Country)	Ecuador

#### Part A. Integrating Overarching Principles to Strengthen Social and Environmental Sustainability

QUESTION 1: How Does the Project Integrate the Overarching Principles in order to Strengthen Social and Environmental Sustainability?
<p><b>Briefly describe in the space below how the Project mainstreams the human-rights based approach</b></p> <p>The project will follow a human-rights based approach, ensuring consistency with international and national law, UNDP’s (Social and Environmental Standards)<sup>19</sup> SES principle on Human Rights, and UNFCCC Cancun safeguards for REDD+<sup>20</sup>. A number of international instruments are applicable to this Project (See ESMF for details). Specific measures have been included in the project to ensure application of human rights principles.</p> <p>Firstly, the project’s geographical intervention targets one of Ecuador’s poorest areas with multiple and diverse organizations and stakeholder groups, including indigenous groups (the Amazon forest region and the dry forest immediately to the south west). The latter represent 33% of the population in the Amazon (245,014 people) with 10 of the 17 indigenous nationalities found in Ecuador: Achuar, Waorani, Kichwa, Sיעopai (Secoya), A’i Cofan, Shiwiar, Shuar, Zápara, Andoa and Siona.</p> <p>Secondly, a central aspect of the project is to support land-use planning that complies with Ecuadorian Land Planning Law (COOTAD) and that mainstreams climate change (CC) measures to reduce deforestation, forest degradation (CC-mitigation) and enhance forest carbon stocks, conservation, and sustainable management of forests. This process will be participatory, involving national, local government and community stakeholders as well as indigenous people. In Indigenous Lands, support will be provided to indigenous communities to elaborate their own development plans –known as planes de vida- and zoning of their lands to optimize alternative livelihoods and guard against the expansion of production practices that may undermine ecosystem health and the loss of goods and services. Protecting these ecosystem services and goods will in turn maintain current and future development options of community and indigenous peoples. The GoE recognizes that these nations are responsible for the management of their lands and territories. As such, the project will provide support to specific indigenous territories to strengthen their governance systems for implementing planes de vida, including the conservation of forest areas they deem to be sacred and developing alternative production such as non-timber forest products. Specific approaches will be adopted to ensure that project activities are detailed together with indigenous groups and fully respect their Cosmo vision.</p> <p>Thirdly, an existing incentive - the Socio Bosque Programme - will be strengthened by the project, particularly for indigenous people. The Socio Bosque Programme provides financial incentives to individual and community landowners who voluntarily commit to conservation of native forests for a 20-year period. On-the-ground activity in Indigenous Lands would be undertaken only in those where the respective Indigenous Peoples have indicated willingness to participate in the Socio Bosque Programme, using these incentives to implement sustainable-use, conservation and restoration activities according to their planes de vida. Socio Bosque already includes indigenous lands and has gradually developed a strong framework for holding consultations with IPs prior to their participation. The Socio Bosque consultation upholds the principle of free, prior and informed consent, undertaking in-field information campaigns, and information dissemination assemblies with interested communities. These communities meet and approve in general assembly with majority participation their decision to participate, or not, in the Programme. Socio Bosque also provides resources to communities, many of which are amongst the poorest and most vulnerable</p>

<sup>19</sup> <http://www.undp.org/content/undp/en/home/librarypage/operations1/undp-social-and-environmental-standards.html>

<sup>20</sup> <http://redd.unfccc.int/fact-sheets/safeguards.html>



sections of society. For these, support will be provided to ensure they meet eligibility criteria of the Programme and fully understand the commitments they agree upon. The project will ensure free, prior and informed consent processes are consistent with the requirements of UNDP's SES.

To further ensure consistency with the human rights principles of participation and inclusion, the project will support capacity building and the creation of an enabling environment for meaningful participation and inclusion. This consists of the definition of roles and responsibilities of stakeholders, including Indigenous peoples and the principles of co-responsibility during the design and implementation of activities. To do this, the Project will build on the results and lessons learnt through the development of the REDD+ Action Plan (REDD+ AP) and the specific guidance it developed on participation and capacity building to support its implementation. The REDD+ AP capacity building and knowledge management components incorporate recovery, protection and maintenance of collective and ancestral knowledge and practices, respecting the cultural conditions of indigenous communities and nations that are owners of, or dependent on, the forest for their livelihoods. In addition, the capacity building component underlines the relevance of effective, equal and full participation of women and men and priority groups as determined by the Constitution.

Moreover, the REDD+ AP developed standards for participation, inclusion and consultation including amongst others a REDD working group (Mesa de trabajo) constituted by National NGOs, private sector, youth, women's organizations, communities, indigenous peoples and nations, as well as academia. These working groups met regularly during the preparation of the REDD+ AP (16 regular as well as 4 extra meetings between 2012 - 2016, see Annex XIII). The various indigenous nations of the Ecuadorian Amazon are organized into federations and one regional organization, the Confederation of Indigenous Nations of the Ecuadorian Amazon (CONFENIAE). These organizations are responsible for informing indigenous peoples of their rights and of national legislation and initiatives to support them. Inputs from these organizations have been received through different channels including through the national REDD Working Group and consultations on the ground. As the GCF project will implement priority actions from the REDD+ AP, it already includes the inputs provided by the stakeholders made during that process. Additionally, as part of the preparation of this specific proposal, a meeting of the working group was convened on July 6, 2015 to ratify the alignment with the priorities outlined in the REDD+ AP (see minute of this meeting in annex).

Nonetheless, further consultation will be made during the implementation of the project to fine tune on-the-ground action. These consultations will be fully compliant with the principle of accountability and the rule of law, both national and international. The project will abide by international law regarding indigenous peoples.

***Briefly describe in the space below how the Project is likely to improve gender equality and women's empowerment***

The proposal will implement priority actions of the REDD+ AP, thus the guidelines regarding gender equality within this Strategy are directly relevant to this proposal<sup>21</sup>. The REDD+ AP has developed specific criteria for including gender approaches and these place importance on women's full and effective participation in REDD+ actions, recognizing their relevance as forest users and conservers, and their provision of economic, social and cultural inputs that contribute to forest conservation. This is particularly true in this project, given that it will have specific interventions in the Amazon region, a geographic region with a population of 739,814, of which women constitute 48%. In the traditional indigenous Amazonian agricultural chakra production system, women are the primary actors, spending much of their labor ensuring production for both subsistence use and increasingly for sale on the market.

Important considerations or suggestions of gender in the REDD+ AP include: i) promoting women's participation, between 30 and 50%, in national and local participation where REDD+ is being implemented; ii) establishing a capacity-building plan for women in the different measures and actions; iii) involve producers from women's associations in the transition towards sustainable production systems and in initiatives for using non-wood forest products, according to their role and opportunities for participating in the value chain; and iv) in the framework of deforestation drivers and agents, and for consolidating environmental and social benefits, identifying and generating measures and incentives to promote the participation of women and youth in production transformation, such as in agroforestry systems. The GCF proposal will strengthen the Ministry of the Environment's support for the implementation of these considerations and advance gender equality and the empowerment of women in Ecuador.

The gender approaches of the current GCF proposal will also be furthered through relevant programmes that will be strengthened, such as the Socio Bosque Programme (SBP). This Programme already supports issues of gender equality and women empowerment. Benefits from the programme are shared equally by men and women and efforts have been made for individual agreements that provide incentives and benefits to women. However, there are differences between men and women within the individual agreements in terms of number of agreements, number of hectares included, annual incentives,

<sup>21</sup> Based on the document prepared by the National UN-REDD Joint Programme "Forests and Gender Issues: Diagnosis in the context of the National REDD+ Action Plan".

and number of beneficiaries with the percentage of male beneficiaries being greater than female beneficiaries. However, the SBP has committed to continue working on promoting gender equality<sup>6</sup> and this GCF proposal will expand the Programme and strengthen its work on gender equality<sup>22</sup>.

In budgetary terms, there is no specific budget line assigned to gender in the proposal. On the contrary it is being addressed in a cross-cutting way and in accordance with the above considerations. This project will, therefore, place particular emphasis on ensuring that women are well-represented in project implementation and that the impact of project activities on women will be considered. In each of the project components participatory processes and involvement of women will be promoted. In practice this means, amongst others:

- Support to livelihoods and access to credit and other financial instruments proposed by the project will consider women (both young and old, indigenous and mixed race) and facilitate access of women's organizations to these incentives;
- Further encourage and support participation of women in livelihoods options by selecting them as implementers of pilot projects;
- Engage women from women's organizations in monitoring and evaluation of pilot projects, and also in dissemination of good practices;
- Include greater participation and involvement of women in the processes of land use planning;
- Involve women in capacity building actions by providing conditions consistent to their local realities;
- Seek equal representation of men and women in the project's seminars, workshops, training-of-trainers and other educational and awareness raising events of the project;
- Promote the active participation of women in dialogue fora, consultations including ensuring a space for women organizations in the National REDD+ Working Group;
- Promote the equal participation of women and men in access to property rights and land tenure and natural resources;
- Promote an equitable distribution between men and women in economic benefits arising from the project.

The project will thus contribute to addressing the inequalities that currently exist between men and women with regard to public decision-making, their access to natural resources and their vulnerability to environmental degradation. Women's involvement is likely to be high as they are more receptive to new concepts and more willing to shift to ecosystem-friendly practices, provided that they generate enough income for a household.

Once implementation starts, records will be kept on a number of parameters, including (i) the UNDP Gender Marker<sup>23</sup> that qualifies each project according to their relevance to gender; ii) Total number of full time female project staff; iii) Total number of full-time project staff by gender; iv) Total number of female and male members on the Project Steering Committee; v) Number of jobs created by the project and aimed at women and men.

***Briefly describe in the space below how the Project mainstreams environmental sustainability***

The project will address the main causes and drivers of deforestation and forest degradation, thereby reducing one of the main sources of GHG emissions in the country and protecting forests that provide multiple benefits to communities and production sectors. It is fully consistent with UNDP's Environmental Standards 1 (Biodiversity Conservation and Sustainable Natural Resource Management) and 2 (Climate Change Mitigation and Adaptation) as well as with the environmental safeguards for REDD+.

It recognizes that sustainable management, protection, conservation, maintenance and rehabilitation of natural habitats and their associated biodiversity and ecosystem functions are fundamental to UNDP's efforts to support countries in developing and implementing sustainable development pathways. The Government of Ecuador has requested GCF incremental support, through UNDP, to build a governance system and capacities to guide land use in the Amazon to reduce deforestation and forest degradation, and protect forest with high conservation value, thereby optimizing the sustainable use of forest ecosystem services and goods. The project thus focuses on sustainable forest and land management in critical, productive, forested and non-forested landscapes found in the Amazon region of Ecuador. Support is needed to change existing patterns of land use by strengthening multilevel decision making, financial mechanisms and forest incentives in the current land-use planning system, as they are the basic financial and administrative drivers of land use, and thus critical to addressing forest conservation in the long term.

<sup>22</sup> "Enfoque de género del Proyecto Socio Bosque", working document, Daniel De La Fuente, June 2015.

<sup>23</sup> <http://undpgendermadeeasy.org/including-women-and-men-in-our-work/assessment-and-design>

The project will build upon existing or recently closed programs, including, amongst others, the Amazonian Productive Transformation Agenda (ATPA), the National REDD+ Programme, the Socio Bosque Programme, and other national level reforestation and biodiversity conservation efforts (see project proposal), and will work in synergy with future cooperation programs currently under final negotiation such as REM and FIP, which will facilitate an integrated land use planning. This includes strengthening multi-level governance and capacities for sustainable forest management, as well as improving coordination between national, provincial and local stakeholders. The project will also strengthen the national socio-economic planning capabilities at central and local levels as well as the generation of socio-economic and environmental information for informed decisions on REDD+ in Ecuador, not only in terms of forest carbon but also in terms of ecosystem services, livelihood improvement, equity and justice. As such, it will reinforce the link between environment, human rights and poverty reduction.

## Part B. Identifying and Managing Social and Environmental Risks

QUESTION 2: What are the Potential Social and Environmental Risks? <i>Note: Describe briefly potential social and environmental risks identified in Attachment 1 – Risk Screening Checklist (based on any “Yes” responses). If no risks have been identified in Attachment 1 then note “No Risks Identified” and skip to Question 4 and Select “Low Risk”. Questions 5 and 6 not required for Low Risk Projects.</i>		QUESTION 3: What is the level of significance of the potential social and environmental risks? <i>Note: Respond to Questions 4 and 5 below before proceeding to Question 6</i>		QUESTION 6: What social and environmental assessment and management measures have been conducted and/or are required to address potential risks (for Risks with Moderate and High Significance)?
<i>Risk Description</i>	<i>Impact and Probability (1= low, 5= high)</i>	<i>Significance (Low, Moderate, High)</i>	<i>Comments</i>	<i>Description of assessment and management measures as reflected in the Project design. If ESIA or SESA is required note that the assessment should consider all potential impacts and risks.</i>
<b>Risk 1. Human Rights</b>  Potential that project may: <ul style="list-style-type: none"> <li>- Have adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups</li> <li>- Exclude marginalized/vulnerable groups from participatory processes and/or project benefits</li> </ul>	I = 4 P = 2	<b>M</b>	The project will be developed in an area where there is a high percentage of indigenous populations with important cultural heritage and also poor rural farmers and communities.  Even though significant progress has been observed recently in Ecuador in terms of respect and promotion of human and indigenous rights it is still unclear if all the right holders have a full understanding of their rights, and if the government has the full capacity and experience to comply with its obligations.	Potential human rights impact considerations will be incorporated into the ESIA, with associated mitigation measures identified. For more information see response to Q1.
<b>Risk 2: Gender and Women’s Empowerment</b>	I = 3 P = 2	<b>M</b>	Even if a strong emphasis has been put on the issue of gender participation and equality during the all REDD+ readiness	Potential adverse impacts on gender equality and women/girls will be incorporated into the ESIA, with associated mitigation measures identified.

<p>Potential that the project may:</p> <ul style="list-style-type: none"> <li>- Have adverse impacts on gender equality and/or the situation of women and girls</li> <li>- Reproduce discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits</li> </ul>			<p>process, and specific actions have been proactively taken during the elaboration of the REDD+ AP and for its future implementation (such as for instance the mainstreaming of gender dimension in all the component and budget of the proposal), reducing gender inequality might potentially result more complex during the implementation of activities.</p>	<p>For more information see response to Q1.</p>
<p><b>Risk 3: Biodiversity Conservation and Sustainable Management of Natural Resources</b></p> <p>Potential that project may have adverse impacts to habitats and/or ecosystems and ecosystem services For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes</p> <p>The project activities will take place within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas and indigenous people's lands</p> <p>Project involves changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods</p>	<p>I = 3 P = 1</p>	<p><b>M</b></p>	<p>The project activities will take place within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas and indigenous people's lands. It will support land use planning in these areas; harvesting of natural forest and reforestation as well as planning, regulation and enforcement in other areas where to a large extent economic activity such as farming, harvesting and grazing has expanded with little control. Unless this takes into account sustainable practices and harvesting limits as well as climate resilient interventions, this may adversely affect conservation values of these areas and/or increase vulnerability to climate change to production sectors and local communities.</p> <p>The focus of the project is precisely on maintaining areas of high conservation value forest and project components are designed specifically to address causes and drivers of deforestation and forest degradation to avoid adverse impacts on conservation values and mitigate climate change impacts. It will do so by generating changes in production forms in non-forest areas adjacent to Protected Areas and Indigenous lands to ensure they are free from deforestation and resilient to climate</p>	<p>The project was designed to implement the priority actions of the national REDD+ Strategy and Action Plan. This was developed through support from the UNREDD programme that undertook a large number of detailed feasibility studies for reducing emissions from deforestation in Ecuador while increasing agricultural production and improving rural livelihoods. The technical appraisals and outputs are available on request.</p> <p>Relevant to this risk are detailed analyses of the drivers of deforestation, costs analysis (opportunity, transaction and implementation costs), national and sub-national policies and development objectives relevant for REDD+; geographically-explicit identification of required actions to reduce deforestation across the landscape in each province; a detailed analysis of the costs and benefits of implementing these actions and a safeguards system to report on how safeguards agreed under the UNFCCC are being addressed and respected as well as report on how social and environmental risks are minimized and how the benefits associated with the implementation of the REDD+ National Action Plan are maximized.</p> <p>Maps based on these feasibility studies are provided in the proposal. Based on this, the project will support land use planning, governance and management that harmonize national, provincial and local priorities to guide land use in these selected landscapes to those activities and practices that do not harm forests and their ecosystem goods and services. In practice, this is reflected by integrating sustainability and climate change considerations into a multi-level landscape planning and production approach.</p> <p>These efforts will be complemented by access to credit and availability of a range of fiscal and economic incentives for sustainable climate</p>

			<p>change in selected productive sectors (palm oil, cacao, coffee). Also, by stimulating sustainable local livelihoods, the project seeks to maintain and enhance ecosystem services.</p>	<p>resilient production to accelerate a transition to sustainable production systems in non-forest areas. Also, market mechanisms focused on the demand side for deforestation-free products, which are expected to contribute in this paradigm shift towards sustainable deforestation-free production.</p> <p>Additionally, the project will uphold the definition of sustainable extraction levels of a living natural resource, ensuring sustainable management that enables people and communities, including indigenous peoples, to provide for their social, economic, and cultural well-being while also sustaining the potential for those resources to meet the needs of future generations. To comply with this, the project will determine actions to define a set of parameters to help guide activities in the field to be monitored via the National Forest Monitoring System, a robust system for data management, bioinformatics and environmental early warning that is part of the national proposed MRV system for REDD+.</p> <p>The ESIA, to be undertaken upon project initiation will ensure that direct and indirect impacts on natural resources, biodiversity and ecosystem services in the Project's area of influence are identified. The assessment process will consider, inter alia (i) risks of habitat and species loss, degradation and fragmentation, invasive alien species, overexploitation, hydrological changes, nutrient loading, pollution, and (ii) differing values (e.g. social, cultural, economic) attached to biodiversity and ecosystem services by potentially affected communities. Potential cumulative and induced impacts will be assessed. Project-related impacts across potentially affected landscapes or seascapes should be considered.</p> <p>All relevant requirements under SES Standard 1 will be applied, following the recommendations of the ESIA.</p>
<p><b>Risk 4: Community, Health and Safety Conditions</b></p> <p>Potential that construction of collection centres may:</p> <ul style="list-style-type: none"> <li>- Pose safety risks to local communities (e.g. structural collapse)</li> <li>- Pose potential risks to community health and</li> </ul>	<p>I = 4 P = 1</p>	<p><b>M</b></p>		<p>The ESIA will review Ecuador's applicable policies, laws and regulations related to potential community, health and safety risks, to ensure they are consistent with UNDP's SES, and recommend gap-filling measures where needed.</p>

<p>safety due to the transport, storage, and use and/or disposal of hazardous or dangerous materials during construction and operation</p> <ul style="list-style-type: none"> <li>- Pose risks and vulnerabilities related to occupational health and safety due to physical, chemical, or other hazards during Project construction or operation</li> </ul>				
<p><b>Risk 5: Cultural Heritage</b></p> <p>Project may result in interventions that would potentially adversely impact sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)?</p>	<p>I = 4 P = 1</p>	<p><b>M</b></p>	<p>The project will be developed in an area where there is a high percentage of indigenous populations with important cultural heritage.</p> <p>The project activities will take place within or adjacent to legally protected areas and indigenous peoples' lands.</p> <p>The issue of cultural heritage has been taken into account during the process of prioritization of the REDD+ policies and measures which are now included into the REDD+AP, with a view to reject the policies and measures which could potentially adversely impact sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture.</p>	<p>The ESIA will review potential risks associated with cultural heritage and recommend measures to avoid significant adverse impacts.</p> <p>Because project activities will be undertaken in a participatory manner, ensuring effective consultation and FPIC processes when required, and in line with indigenous peoples' and communities' life plans and/or Cosmo visions (PDOTs), specific attention will be given to the location of cultural heritage sites, ensuring potential risks are avoided.</p>
<p><b>Risk 6: Displacement</b></p> <p>Land use restrictions may increase the possibility of economic displacement especially for poorer and marginalized individuals.</p> <p>Potential that the project may:</p> <ul style="list-style-type: none"> <li>- result in economic displacement (e.g. loss of</li> </ul>	<p>I = 4 P = 3</p>	<p><b>M</b></p>	<p>The project will develop land use plans to reduce the pressure on forest areas and increase protection to key forest fragments in the production landscape. Some of these land use plans may place restrictions on existing and future land uses. Although the project does not envisage physical displacement, land use restrictions may increase the possibility of economic</p>	<p>The project includes specific actions to address this risk.</p> <p>First, because project activities will be undertaken in a participatory manner, ensuring effective consultation and FPIC processes when required, and in line with indigenous peoples' and communities' life plans and/or Cosmo visions (PDOTs), specific attention will be given to the potential risks of displacement, ensuring measures are in place for avoidance.</p>

<p>assets or access to resources due to land acquisition or access restrictions) - affect land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources</p>			<p>displacement especially for poorer and marginalized individuals.</p> <p>For example, if, through participatory decisions, land use plans establish a set of land uses to reduce encroachment into forests, there is the possibility that there could be an economic displacement for those land owners in areas essential for forest connectivity and/or conservation. For example, for those owners of forested land located in or near areas important for forest connectivity, forest clearing may be prohibited and land uses restricted; inversely for owners of pasture land where connectivity is important, land use plans may request transition to agro-silviculture production rather than livestock.</p>	<p>Second, financial and market mechanisms will be set up through the project to support any such required transition to new land uses and also compensate opportunity costs during the transition /reconversion stage to reduce any adverse economic displacement. This includes supporting incentive payments in the short term (direct payments; fiscal exemptions; collateral credit); increasing income from new access to markets for certified produce in the medium term; and increased income from enhanced agricultural productivity in the long term. These mechanisms target different groups of stakeholders inclusive of small scale farmers and communities.</p> <p>In addition, and particularly for indigenous peoples, on-the-ground activity in Indigenous Lands will be undertaken where the respective Indigenous Peoples have indicated willingness to participate to the SBP, as well as in other territories prioritized for REDD+ implementation, using incentives to implement sustainable-use, conservation and restoration activities according to their life plans. SBP already includes indigenous lands and has gradually developed a strong framework for holding consultations with IPs prior to their participation. The Socio Bosque consultation upholds the principle of free, prior and informed consultation, undertaking in-field information campaigns, and information dissemination assemblies with interested communities. Further consultations will be made during the implementation of the GCF project to fine-tune on-the-ground action. These consultations will be fully compliant with a human rights based approach, and the principles of accountability and rule of law, both national and international. Active participation in project activities will be voluntary and provisions have been made to increase understanding and buy-in as this is crucial to increase the feasibility, effectiveness and social sustainability of the actions proposed.</p>
<p><b>Risk 7: Resettlement</b></p> <p>Potential that the construction of collection centres may involve temporary or permanent and full or partial physical displacement</p>	<p>I = 4 P = 1</p>	<p><b>M</b></p>	<p>The GCF project plans the construction or restructuring of two collection centres that will be installed in the northern Amazon and Central-South Amazon.</p>	<p>Construction or restructuring will depend on the results of a study to be commissioned for that purpose; this study will define the exact location, crop-type, size, construction costs and other technical specifications that will be within the guidelines established by the MAGAP in its technical specifications document for collection centres.</p> <p>The implementation period and the total cost of these centres, including the study, has been estimated as USD 1,300,000 each, as shown in Annex XIIb.</p> <p>In order to define the best possible location for the construction of the infrastructures, the GADS and the architects will take into account the</p>





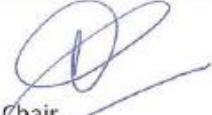
				<p>local land use plans, options to maximize the social and economic benefits of these infrastructures, options to reduce costs (such as costs of transportation to be incurred by the producers) and potential negative impacts of these constructions.</p> <p>The locations of the centres will be considered as part of the Environmental and Social Impact Assessment (ESIA) to be undertaken during project initiation. The ESIA will ensure careful consideration, among others, of risks to cultural heritage, biodiversity, community safety and health, labor standards, resettlement, indigenous peoples rights, and pollution prevention and resource efficiency in line with UNDP's SES.</p> <p>The architect will then prepare the ToR for the construction itself, which will underline amongst other the obligations to be taken into account during the construction, such as the need to work with local manpower, to use local material, to be compliant with national legislation related to labor. An entity in charge of the oversight of the construction will be hired, and will monitor the compliance with these issues as well as the technical dimension of the construction. The budget for the construction includes funds requested for the feasibility and technical studies (architectural, environmental impact assessment), the permits, the construction itself (material, workforce), the oversight, the capacity building for the staff in charge of operating the center and the costs of operation, and the maintenance of the centers.</p> <p>Examples of technical specifications, detailed budget and socio-environmental requirements for centres of collection and centres for forest control that have been recently built are available upon request. They have been used as reference for estimating the budget requested for the infrastructures to be financed by the GCF, which will be adjusted to the number of producers/beneficiaries and of commodities to managed.</p> <p>Collection centres will only be built on land already owned by MAE or will be purchased by MAE before construction.</p>
<p><b>Risk 8: Indigenous Peoples</b></p> <p>Indigenous peoples are present in the Project area.</p>	<p>I = 4 P = 2</p>	<p><b>M</b></p>	<p>The presence of indigenous territories has been taken into account during the process of prioritization of the REDD+ policies and measures which are now included into the REDD+AP, with a view to ensure that potential policies and measures to be</p>	<p>Project activities will be undertaken in a participatory manner, ensuring effective consultation and FPIC processes when required, and in line with indigenous peoples' and communities' life plans and/or Cosmo visions (PDOTs).</p>

<p>The Project or portions of the Project will be located on lands and territories claimed by indigenous peoples</p> <p>Potential that the project may:</p> <ul style="list-style-type: none"> <li>- Affect the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas)</li> <li>- Result in whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources</li> <li>- Adversely affect the development priorities of indigenous peoples as defined by them</li> <li>- Affect the Cultural Heritage of indigenous peoples</li> </ul>			<p>implemented at the local level will not impact adversely indigenous people lands and rights. Besides, all activities to be implemented in indigenous territories will have to be discussed with, approved by, and implemented by the indigenous communities.</p>	<p>On-the-ground activity in Indigenous Lands will be undertaken where the respective Indigenous Peoples have indicated willingness to participate to the SBP, as well as in other territories prioritized for REDD+ implementation, using incentives to implement sustainable-use, conservation and restoration activities according to their life plans.</p> <p>SBP already includes indigenous lands and has gradually developed a strong framework for holding consultations with IPs prior to their participation. The Socio Bosque consultation upholds the principle of free, prior and informed consultation, undertaking in-field information campaigns, and information dissemination assemblies with interested communities. Further consultations will be made during the implementation of the GCF project to fine-tune on-the-ground action.</p> <p>These consultations will be fully compliant with a human rights based approach, and the principles of accountability and rule of law, both national and international. Active participation in project activities will be voluntary and provisions have been made to increase understanding and buy-in as this is crucial to increase the feasibility, effectiveness and social sustainability of the actions proposed.</p> <p>The ESIA will review Ecuador's applicable policies, laws and regulations related to potential adverse impacts on the rights, lands, territories and resources of indigenous peoples, to ensure they are consistent with UNDP's SES, and recommend gap-filling measures where needed. An Indigenous Peoples Plan may be developed if deemed necessary by the ESIA.</p>
<p><b>Risk 9: Pollution Prevention and Resource Efficiency</b></p> <p>Potential that the construction and operation of the collection centres may result in the generation of waste (both hazardous and non-hazardous)</p> <p>Potential that project activities associated with intensification of commodity agriculture may result in the release of pollutants to the environment with the potential for adverse local, regional, and/or transboundary impacts</p>	<p>I = 3 P = 2</p>	<p><b>M</b></p>		<p>The ESIA will review Ecuador's applicable policies, laws and regulations related to potential pollution prevention and resource efficiency risks, to ensure they are consistent with UNDP's SES, and recommend gap-filling measures where needed.</p> <p>Mitigation measures outlined above related to the collection centres, under Risk 4: Community, Health and Safety Conditions, also apply.</p>

Potential that project activities associated with intensification of agriculture may involve the application of pesticides that may have a negative effect on the environment or human health			
<b>QUESTION4: What is the overall Project risk categorization?</b>			
	<b>Select one (see SESP for guidance)</b>		<b>Comments</b>
	<i>Low Risk</i>	<input type="checkbox"/>	
	<i>Moderate Risk</i>	<input checked="" type="checkbox"/>	The screening has identified a diverse range of moderate risks and impacts that require further assessment to determine extent of impact and specific mitigation measure required. An ESIA will be undertaken upon project initiation in order to make these determinations and put in place appropriate measures before activities that would have potential adverse impacts take place.
	<i>High Risk</i>	<input type="checkbox"/>	
<b>QUESTION 5: Based on the identified risks and risk categorization, what requirements of the SES are relevant?</b>			
	Check all that apply		<b>Comments</b>
	<i>Principle 1: Human Rights</i>	<input checked="" type="checkbox"/>	
	<i>Principle 2: Gender Equality and Women's Empowerment</i>	<input checked="" type="checkbox"/>	
	<i>1. Biodiversity Conservation and Natural Resource Management</i>	<input checked="" type="checkbox"/>	
	<i>2. Climate Change Mitigation and Adaptation</i>	<input type="checkbox"/>	
	<i>3. Community Health, Safety and Working Conditions</i>	<input checked="" type="checkbox"/>	
	<i>4. Cultural Heritage</i>	<input checked="" type="checkbox"/>	

	<i>5. Displacement and Resettlement</i>	X	
	<i>6. Indigenous Peoples</i>	X	
	<i>7. Pollution Prevention and Resource Efficiency</i>	X	

## Final Sign Off

Signature	Date	Description
<p>QA Assessor</p>  <p>Gabriel Jaramillo UNDP Ecuador Programme Specialist Environment and Energy Area</p>		<p>UNDP staff member responsible for the Project, typically a UNDP Programme Officer. Final signature confirms they have “checked” to ensure that the SESP is adequately conducted.</p>
<p>QA Approver</p>  <p>Nuno Queiros, UNDP Ecuador Resident Representative a.i.</p>		<p>UNDP senior manager, typically the UNDP Deputy Country Director (DCD), Country Director (CD), Deputy Resident Representative (DRR), or Resident Representative (RR). The QA Approver cannot also be the QA Assessor. Final signature confirms they have “cleared” the SESP prior to submittal to the PAC.</p>
<p>PAC Chair</p>  <p>Nuno Queiros, UNDP Ecuador Resident Representative a.i.</p>		<p>UNDP chair of the PAC. In some cases PAC Chair may also be the QA Approver. Final signature confirms that the SESP was considered as part of the project appraisal and considered in recommendations of the PAC.</p>

## SESP Attachment 1. Social and Environmental Risk Screening Checklist

<b>Checklist Potential Social and Environmental Risks</b>	
<b>Principles 1: Human Rights</b>	<b>Answer (Yes/No)</b>
1. Could the Project lead to adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups?	Yes
2. Is there a likelihood that the Project would have inequitable or discriminatory adverse impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups? <sup>8</sup>	Yes
3. Could the Project potentially restrict availability, quality of and access to resources or basic services, in particular to marginalized individuals or groups? <sup>24</sup>	Yes
4. Is there a likelihood that the Project would exclude any potentially affected stakeholders, in particular marginalized groups, from fully participating in decisions that may affect them?	No
5. Is there a risk that duty-bearers do not have the capacity to meet their obligations in the Project?	Yes
6. Is there a risk that rights-holders do not have the capacity to claim their rights?	Yes
7. Have local communities or individuals, given the opportunity, raised human rights concerns regarding the Project during the stakeholder engagement process?	No
8. Is there a risk that the Project would exacerbate conflicts among and/or the risk of violence to project-affected communities and individuals?	No
<b>Principle 2: Gender Equality and Women's Empowerment</b>	
1. Is there a likelihood that the proposed Project would have adverse impacts on gender equality and/or the situation of women and girls?	Yes
2. Would the Project potentially reproduce discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?	Yes
3. Have women's groups/leaders raised gender equality concerns regarding the Project during the stakeholder engagement process and has this been included in the overall Project proposal and in the risk assessment?	No
4. Would the Project potentially limit women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services? <i>For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their livelihoods and well being</i>	No
<b>Principle 3: Environmental Sustainability:</b> Screening questions regarding environmental risks are encompassed by the specific Standard-related questions below	
<b>Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management</b>	
1.1 Would the Project potentially cause adverse impacts to habitats (e.g. modified, natural, and critical habitats)and/or ecosystems and ecosystem services? <i>For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes</i>	Yes
1.2 Are any Project activities proposed within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?	Yes
1.3 Does the Project involve changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)	Yes
1.4 Would Project activities pose risks to endangered species?	No
1.5 Would the Project pose a risk of introducing invasive alien species?	No
1.6 Does the Project involve harvesting of natural forests, plantation development, or reforestation?	Yes

<sup>24</sup> Prohibited grounds of discrimination include race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to "women and men" or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender identities, such as transgender people and transsexuals.

1.7 Does the Project involve the production and/or harvesting of fish populations or other aquatic species?	No
1.8 Does the Project involve significant extraction, diversion or containment of surface or ground water? <i>For example, construction of dams, reservoirs, river basin developments, groundwater extraction</i>	No
1.9 Does the Project involve utilization of genetic resources? (e.g. collection and/or harvesting, commercial development)	No
1.10 Would the Project generate potential adverse transboundary or global environmental concerns?	No
1.11 Would the Project result in secondary or consequential development activities which could lead to adverse social and environmental effects, or would it generate cumulative impacts with other known existing or planned activities in the area? <i>For example, a new road through forested lands will generate direct environmental and social impacts (e.g. felling of trees, earthworks, potential relocation of inhabitants). The new road may also facilitate encroachment on lands by illegal settlers or generate unplanned commercial development along the route, potentially in sensitive areas. These are indirect, secondary, or induced impacts that need to be considered. Also, if similar developments in the same forested area are planned, then cumulative impacts of multiple activities (even if not part of the same Project) need to be considered.</i>	No
<b>Standard 2: Climate Change Mitigation and Adaptation</b>	
2.1 Will the proposed Project result in significant <sup>25</sup> greenhouse gas emissions or may exacerbate climate change?	No
2.2 Would the potential outcomes of the Project be sensitive or vulnerable to potential impacts of climate change?	No
2.3 Is the proposed Project likely to directly or indirectly increase social and environmental vulnerability to climate change now or in the future (also known as maladaptive practices)? <i>For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding</i>	No
<b>Standard 3: Community Health, Safety and Working Conditions</b>	
3.1 Would elements of Project construction, operation, or decommissioning pose potential safety risks to local communities?	Yes
3.2 Would the Project pose potential risks to community health and safety due to the transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	Yes
3.3 Does the Project involve large-scale infrastructure development (e.g. dams, roads, buildings)?	No
3.4 Would failure of structural elements of the Project pose risks to communities? (e.g. collapse of buildings or infrastructure)	Yes
3.5 Would the proposed Project be susceptible to or lead to increased vulnerability to earthquakes, subsidence, landslides, erosion, flooding or extreme climatic conditions?	No
3.6 Would the Project result in potential increased health risks (e.g. from water-borne or other vector-borne diseases or communicable infections such as HIV/AIDS)?	No
3.7 Does the Project pose potential risks and vulnerabilities related to occupational health and safety due to physical, chemical, biological, and radiological hazards during Project construction, operation, or decommissioning?	Yes
3.8 Does the Project involve support for employment or livelihoods that may fail to comply with national and international labor standards (i.e. principles and standards of ILO fundamental conventions)?	No
3.9 Does the Project engage security personnel that may pose a potential risk to health and safety of communities and/or individuals (e.g. due to a lack of adequate training or accountability)?	No
<b>Standard 4: Cultural Heritage</b>	
4.1 Will the proposed Project result in interventions that would potentially adversely impact sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: Projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	Yes
4.2 Does the Project propose utilizing tangible and/or intangible forms of cultural heritage for commercial or other purposes?	No

<sup>25</sup> In regards to CO<sub>2</sub>, 'significant emissions' corresponds generally to more than 25,000 tons per year (from both direct and indirect sources). [The Guidance Note on Climate Change Mitigation and Adaptation provides additional information on GHG emissions.]

<b>Standard 5: Displacement and Resettlement</b>	
5.1 Would the Project potentially involve temporary or permanent and full or partial physical displacement?	Yes
5.2 Would the Project possibly result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	Yes
5.3 Is there a risk that the Project would lead to forced evictions? <sup>26</sup>	No
5.4 Would the proposed Project possibly affect land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources?	Yes
<b>Standard 6: Indigenous Peoples</b>	
6.1 Are indigenous peoples present in the Project area (including Project area of influence)?	Yes
6.2 Is it likely that the Project or portions of the Project will be located on lands and territories claimed by indigenous peoples?	Yes
6.3 Would the proposed Project potentially affect the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas, whether the Project is located within or outside of the lands and territories inhabited by the affected peoples, or whether the indigenous peoples are recognized as indigenous peoples by the country in question)?	Yes
6.4 Has there been an absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	No
6.5 Does the proposed Project involve the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No
6.6 Is there a potential for forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources?	Yes
6.7 Would the Project adversely affect the development priorities of indigenous peoples as defined by them?	Yes
6.8 Would the Project potentially affect the physical and cultural survival of indigenous peoples?	No
6.9 Would the Project potentially affect the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices?	Yes
<b>Standard 7: Pollution Prevention and Resource Efficiency</b>	
7.1 Would the Project potentially result in the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	Yes
7.2 Would the proposed Project potentially result in the generation of waste (both hazardous and non-hazardous)?	Yes
7.3 Will the proposed Project potentially involve the manufacture, trade, release, and/or use of hazardous chemicals and/or materials? Does the Project propose use of chemicals or materials subject to international bans or phase-outs? <i>For example, DDT, PCBs and other chemicals listed in international conventions such as the Stockholm Conventions on Persistent Organic Pollutants or the Montreal Protocol</i>	Yes
7.4 Will the proposed Project involve the application of pesticides that may have a negative effect on the environment or human health?	Yes
7.5 Does the Project include activities that require significant consumption of raw materials, energy, and/or water?	No

<sup>26</sup> Forced evictions include acts and/or omissions involving the coerced or involuntary displacement of individuals, groups, or communities from homes and/or lands and common property resources that were occupied or depended upon, thus eliminating the ability of an individual, group, or community to reside or work in a particular dwelling, residence, or location without the provision of, and access to, appropriate forms of legal or other protections.