



Building Drought Resilience Programme (BDRP)

Environmental and Social Management Framework (ESMF) for Uganda

Contents

Building Drought Resilience Programme (BDRP).....	1
1. Project description and rationale for ESMF	3
1.1 Brief description of the project	3
1.2 Project implementing and executing entities	3
1.3 Project area of influence	3
1.4 Project beneficiaries	3
1.5 Rationale of ESMF and ESMF preparation process.....	4
2. Policy, legal and institutional framework for social and environmental matters	4
2.1 Description of the policy, legal and institutional framework	4
2.2 Gap assessment.....	5
3. Environmental and social context, impact issues and mitigation strategy	9
3.1 Context.....	9
3.1 Potential environmental and social risks and mitigation	10
4. Guidelines for the ESMF implementation	15
4.1 ESMS Screening	15
4.2 Impact assessment and risk management.....	17
4.3 ESMS Clearance	18
4.4 Monitoring and Supervision of ESMP Implementation	18
5. Provisions for Disclosure and Grievance Mechanism.....	18
6. Implementation Arrangements and Budget	19

1. Project description and rationale for ESMF

1.1 Brief description of the project

The BDRP projects aims at strengthening the resilience of communities, to the impacts of increasingly severe and frequent climate disasters within well-managed river catchment ecosystems in Kenya, Uganda and the Eastern and Southern Africa Region. The purpose of the project is to improve the integrity and health of catchment ecosystems in priority catchments and landscapes and the adaptive capacities of communities living in them over a 7-year period (2018-2025). In Uganda, the project will be implemented in the Aswa catchment in northern part of the country, influencing the lives of 3.6 million people living within the catchment, while directly benefitting 131,000 people. The project will be implemented in partnership with the Ministry of Water and Environment, as well as the district local governments of the 6 districts within the project area. The expected results of the project are:

Output 1: Institutional governance for climate resilience and restoration: Capacity, participation, coordination and learning for climate-responsive mitigation and adaptation actions within catchments and landscapes is improved.

Output 2: Sustainable catchment restoration and management: Integrity, functioning and productivity of catchments and ecosystems is enhanced by appropriate techniques for restoration, and sustainable management (green and grey infrastructure)

Output 3: Climate adaptive livelihoods supported: Climate resilience inclusive finance is available for livelihood enhancement and *as an incentive for ecosystem restoration*

1.2 Project implementing and executing entities

The project will be implemented by IUCN in partnership with the Ministry of Water and Environment, particularly the Directorate of Water Resources Management which is a member of IUCN. The district local governments of Lira, Otuke, Alebtong, Agago and Amuria will also be involved as implementing partners of the project. The communities will also form an integral part of the implementation of the programme. IUCN shall also identify critical players within the private sector to support especially the development of resilient value chains.

1.3 Project area of influence

In Uganda, the project is located in the Aswa-Agago catchment in northern Uganda and will be implemented in the districts of Amuria, Agago, Lira, Otuke, and Alebtong.

1.4 Project beneficiaries

The BDRP will indirectly influence the lives of 1.3 million people residing in the Aswa catchment, scaling out to all the districts within the Aswa-Agago sub-catchment (Lira, Amuria, Agago, Alebtong, Amuria). The BDRP will have special focus on the vulnerable groups such as women, youth, elderly, and other marginalized groups who constitute more than half of the population in the catchment. By supporting communities to diversify livelihoods and build sustainable value chains with linkage to markets, the BDRP will empower these communities to adequately build their resilience to climate related disasters.

Through identification of critical bottle necks in sustainable value chains such as smart agriculture, livestock rearing, fishing, agroforestry, bee keeping, shea oil production, the programme will develop linkages to markets, build capacity of farmers as well as promote best practices to improve the

livelihoods of these communities. The BDRP will also build on the momentum, experiences, lessons, and best practices from the Building Drought Resilience Project (2012-2018) within the same catchment implemented jointly by IUCN and government through the Ministry of Water and Environment and the specific district local governments. The BDR project had directly work with a population of 131,000 people in the 8 selected sites of the five districts of Alebtong, Lira and Otuke, Amuria and Agago under the BDR Project. The Programme will scale up to additional sub counties in Lira (1), Alebtong (1), Agago, (1), and Amuria (1). It is envisaged that the scale up will include an additional 80,000 beneficiaries in the named districts. The programme will continue to work with the Directorate of Water Resources Management (Upper Nile Water Management Zone) of the Ministry of Water and Environment. The Programme will also work with the Aswa Catchment Management Committee which is a structure that brings together the leadership of the 13 districts within the Aswa catchment to implement the programme.

1.5 Rationale of ESMF and ESMF preparation process

IUCN has screened the project against IUCN's safeguard system, referred to as Environmental and Social Management System (ESMS). While the project is expected to lead to outcomes that are highly beneficial - both socially and environmentally - and the envisioned types of project activities are small-scale and considered low impact, the fact that the sites and concrete restoration, resilience and value chain activities will only be decided during the project implies a level of uncertainty that requires continuation of risk assessment during project implementation. This is also relevant for the financing component (CECF). An Environmental and Social Management Framework (ESMF) is therefore needed to establish the rules and procedures for assessing impacts, once activities (further on referred to as sub-projects) and sites are known, for determining suitable risk management strategies as well as required resources and roles and responsibilities.

2. Policy, legal and institutional framework for social and environmental matters

2.1 Description of the policy, legal and institutional framework

The Programme is designed in line with the county's national policies and plans, such as:

- Constitution of the republic of Uganda (1995)
- National Policy for the Conservation and Management of Wetland Resources (1994)
- National Environment Act (1995)
- Uganda Wildlife Act (1996)
- The Water Act (1997),
- The Uganda National Forestry Policy (2001)
- National Policy for Disaster Preparedness and Management
- The National Climate Change Policy (2015)
- Uganda Wildlife Bill (2017).
- Wetlands Bill (2017)

In terms of programme alignment, the programme is aligned to the National Adaptation Programme of Action (NAPA, 2007), the Second National Development Plan (2015), the Water and Environment Sector Plan (2015), and the Uganda Climate Smart Agriculture Country Programme (2015).

2.2 Gap assessment

The table below provides a comparison of Government policies and regulations related to environmental and social safeguards against IFC/GCF Standards and IUCN's Environmental and Social Management System (ESMS). It further provides recommendations how the project will fill any gaps.

The ESMS is guided by eight overarching principles and four standards that reflect key environmental and social areas and issues that are at the heart of IUCN's conservation approach. They form the core of the ESMS Policy Framework, which governs the ESMS and determines the minimum environmental and social requirements for IUCN projects.

The ESMS principles and standards are rooted in IUCN environmental and social policies and IUCN World Conservation Congress (WCC) resolutions. They also draw on IUCN values, good practice tools developed by IUCN Secretariat programmes and IUCN Commissions and on lessons learned during IUCN's long tradition of working at the interface of conservation and social issues and human rights. The ESMS principles and standards consolidate objectives of the Convention on Biological Diversity as well as other relevant international conventions and agreements on environmental and social issues including the Universal Declaration on Human Rights and the United Nations Declaration of the Rights of Indigenous Peoples.

The ESMS is aligned with globally recognized standards on environmental and social matters. With IUCN being an accredited agency to the Global Environment Facility (GEF) and to the Green Climate Fund (GCF), the ESMS has been rigorously examined by these two entities and found fully compliant with the entities' relevant policies – specifically with the GEF Policy for Agency Minimum Standards on Environmental and Social Safeguards and the Performance Standards of the International Finance Corporation (IFC) as relevant to the nature of projects implemented by IUCN.

Table 1: Comparative table of GCF, IUCN and Government policies related to environmental and social safeguards, gaps and recommendations

IFC/ GCF E&S Safeguards	IUCN ESMS Procedures and Standards	Government Policy	Main gaps and recommendations for the project
<p>PS1: Assessment and management of environmental and social risks and impacts</p>	<p>- ESMS Manual providing an integrated methodological approach to identifying and managing environmental and social impacts and opportunities.</p> <p>- Selection of measures based on mitigation hierarchy using four stages: (i) screening of impacts; (ii) scoping and assessment of impacts; (iii) development of environmental management plans, and (iv) monitoring and review.</p> <p>- ESMS Questionnaire provides for identifying social and environmental risks that are not covered by ESMS Standards (including labour and working conditions, pollution risks and Community health, safety and security issues);</p> <p>- Stakeholder engagement and Grievance mechanism established as ESMS principles; detailed procedures for capturing affected peoples' concern through an effective grievance mechanism</p>	<p>EIA practice was legislated in Uganda for the first time in the 1995 National Environment Statute, now the National Environment Act (NEA Cap 153). The law requires compulsory EIA for activities that can significantly affect the use of natural resources. Although EIAs were required from 1995 onwards, the Act was not fully implemented until 1998 when the regulations for EIA were passed. These regulations detail the EIA process and the roles of various stakeholders. In 2003, The National Environmental Regulation (Conduct and Certification of Environmental Practitioners) was promulgated to provide a code of conduct for EIA practice and a system of EIA experts' certification.</p>	<p>EIAs in Uganda are limited to larger development/investment projects but are not done for small scale social and environmental development projects. ENDURE will undertake a screening of all sub-projects prior to their implementation; if potential environmental or social impacts are identified, the screening will determine the need for targeted impact assessment or further consultations to verify the impacts.</p>
<p>PS2: Labour and working conditions</p> <ul style="list-style-type: none"> • To promote the fair treatment, non-discrimination, and equal opportunity of workers. • To establish, maintain, and improve the worker-management relationship. • To promote compliance with national employment and labor laws. • To protect workers, including vulnerable categories of workers such as children, migrant workers, workers engaged by third parties, and workers in the client's supply chain. • To promote safe and healthy working conditions, and the health of workers. • To avoid the use of forced labor 	<p>Not explicitly addressed through a Standard, but covered by the requirement to assess "other Social Risks"</p>	<p>Among the key labor laws in Uganda are, the Workers Compensation Act 2000, the Minimum Wages Act 2000, the Employment Act 2006, the Labor Union Arbitration and Settlement Act 2006 and the Occupational Safety Act 2006. Some, like the Minimum Wages Act 2000, though entrenched in law are however hardly enforced.</p> <p>Employment Act, outlines the conditions of employment including protection of wages, hours of work, rest and holidays, employment of women, employment of children and care of employees.</p> <p>Workers Compensation Act entitles employees to automatic compensation for any personal injury from an accident arising out and in the course of his employment even if the injury results from the employee's negligence. Occupational Safety and Health Act recognize the rights of people in terms of right to a safe and healthy working environment, right to withdraw from any dangerous work, right to information pertaining to the work.</p>	<p>No major gaps identified, however, they are often not known by the general public and especially by rural people; there are potentially issues with lack of enforcement.</p> <p>The project will ensure that where labour is needed, contracts are based on the fair treatment and non-discrimination and that safe and healthy conditions are ensured. Project employees are covered by the IUCN modalities of procurement.</p>

PS3: Resource efficiency and pollution prevention	Not relevant for ENDURE		
PS4: Community health, safety and security <ul style="list-style-type: none"> • To avoid adverse impacts on the health and safety of the Affected Community during the project life from both routine and non-routine circumstances • To ensure that the safe-guarding of personnel and property is carried out in accordance with relevant human rights principles and in a manner that avoids or minimizes risks to the Affected Communities. 	Not explicitly addressed through a Standard, but covered by the requirement to assess “other Social Risks”	Partially covered by the EIA regulations with respect to social impacts.	The EIS regulations applies to larger projects only. The project will fill the gap by screening all sub-projects on the respective risks.
PS5: Land acquisition and involuntary resettlement	Standard Involuntary Resettlement and Access Restrictions	The Constitution provides guidelines that govern land tenure, ownership, transfer of ownership, and settlements of disputes regarding land. The law allows land acquisition only after full compensation of the claimant and provides guidelines on how land can be used, managed, and governed, including guidelines on land acquisition and resettlement.	n/a as the project does not involve involuntary resettlement or access restrictions.
PS6: Biodiversity conservation and sustainable management of living natural resources	Standard on Biodiversity Conservation and Sustainable Management of Living Natural Resources <ul style="list-style-type: none"> • ESIA/targeted assessment and mitigation needed for following risk issues: <ul style="list-style-type: none"> - development of (even small) infrastructure or activities that may cause disturbance to specific elements of biodiversity / areas of high biodiversity value; - introduction or reintroduction of species where risks are identified that species develop invasive characteristics; - harvesting of wild living resources with risks of unsustainable use of living natural resources or when affecting traditional use systems. • Forest restoration projects need to maintain or enhance biodiversity and ecosystem functionality. • Plantation projects need to demonstrate that they are environmentally appropriate, socially beneficial and economically viable. 	The Environment Act (1998) stipulates the guidelines for the management of natural resources, including forests, lakes, rivers, wetlands, including biological resources. The National Biotechnology and Biosafety bill (2012) also provides guidelines on how to manage genetic resources.	The legislation on biological conservation and management of living natural resources is not yet popularised and as a result less than 5% of the population is aware of the regulations. The project will screen all sub-projects on risk issues covered by the IUCN Standard.

	<ul style="list-style-type: none"> Where of biocides are unavoidable need of an appropriate pest management planning process, including risk assessment and disclosure of a Pest Management Plan, where relevant. 		
PS7: Indigenous peoples	<p>ESMS Standard on Indigenous Peoples</p> <ul style="list-style-type: none"> Social analysis carried out by a social scientist and in consultation with affected groups to identify impacts and develop culturally appropriate mitigation measures; Ensure full and meaningful participation of indigenous peoples in all activities affecting them (positively or negatively); FPIC for any intervention affecting their rights and access to their lands, territories, waters and resources; Equitable sharing of benefits from conservation activities among all stakeholders; 	The 1995 constitution recognises the tribes and peoples of Uganda, and gives them the right to access resources such as land, participate in governance processes, and be treated with dignity.	n/a as the Standard has not been triggered.
PS8: Cultural Heritage	<p>ESMS Standard on Cultural Heritage</p> <ul style="list-style-type: none"> If risks are identified, ESIA guided by competent professionals with consultation of relevant groups such as local communities, government authorities, relevant civil society organisations, local experts and traditional knowledge holders; Chance Find procedures Equitable benefit sharing in cases where use of cultural heritage generates economic and social benefits; Adherence to FPIC when projects affect cultural heritage to which communities have legal (including customary) rights 	The Institution of Traditional or Cultural Leaders Act (2001) provides a framework for recognising cultural heritage, practices, and how cultural leaders and institutions participate in governance, management, and development of their respective people. The Act operationalises article 246 of the Constitution on the institution of traditional or cultural leaders; to provide for the existence of traditional or cultural leaders in any area of Uganda in accordance with the Constitution; to provide for the privileges and benefits of the traditional or cultural leaders; to provide for the resolution of issues relating to traditional or cultural leaders and for related matters.	<p>The Act does not provide adequate guidance on the role of cultural institutions and subjects in the management of natural resources within their areas of jurisdiction.</p> <p>The project will screen all sub-projects on risk issues covered by the IUCN Standard.</p>

3. Environmental and social context, impact issues and mitigation strategy

3.1 Context

The Programme focal area is located in typical dryland areas of Kenya and Uganda that share characteristics of many arid and semi-arid lands. The BDRP provides a framework for supporting pastoralist and agro-pastoralist communities to develop and implement sustainable models to build their resilience to ever increasing climate related disasters within Eastern Africa. Typical challenges of drylands within the area stem from various factors including frequent and intense drought and floods, driven by impacts of climate change coupled with human activities has negative implications on the wellbeing of populations and ecosystems, the low recognition of pastoralism and agro-pastoralism as resilient livelihoods and productive economic systems, inappropriate development models and projects that do not build resilient communities and ecosystems, ineffective policies, conflicting land-uses and marginalization of the vulnerable groups like women, youth, and elderly from decision-making.

Pastoralism and agro-pastoralism are vital livelihood strategies that are part of building resilient societies since they provide the most adaptable and sustainable ways of living arid and semi-arid environments. However, people's abilities to cope are weakening acutely as the impacts of natural disasters (especially drought and floods) are becoming more devastating. Vulnerabilities have been made worse by degradation of land and water, loss of effective policies and institutions for natural resource management, unsustainable use and exploitation of ecosystem goods and services, lack of market linkages for critical value chain enterprises and lack of effective financing and climate resilient livelihood models, and variable and unreliable rainfall regimes. This has contributed to widespread loss of biodiversity, ecosystem integrity, and reduction in water availability, therefore weakening the adaptive capacity of communities that dwell in these landscapes. The most affected categories are the women, youth, elderly and poor people, who are left most vulnerable to drought and natural disasters due to their direct dependency on ecosystem services.

The BDRP emphasizes the pastoralist and agro-pastoralist models as sustainable mechanisms for survival in the drylands. Moreover, these systems have inbuilt mechanisms such as livestock and human mobility for coping with irregular and variable rainfall. However, these traditional, long and often large scale movements of people and livestock predate national boundaries, causing challenges to the modern nation state that is ill equipped for such movements. Typically, drylands have been marginalized in national development process in comparison to high rainfall or coastal areas, despite making up the largest land area in many countries. As a consequence, communities living in the drylands frequently suffer from consistent under-investment and under-development by national governments. Furthermore, the dominant development model adopted for the drylands is often based on the globally dominant, high-rainfall agriculture model that attempts to transform ecosystems and pastoralist communities to sedentary farmers through irrigation and settlement schemes. These frequently fail and leave pastoralist communities worse off.

Implementation of state governance systems and policies within the Horn of Africa is generally weak, have limited resources and capacity and have paid little attention to pastoralist systems. As a result, most local communities recognize and rely on the tried and tested indigenous/traditional institutions for governance to provide resource management, conflict resolution and judicial functions. Whilst functions and services delivered by these institutions have enabled communities to adapt well to the environmental conditions and their role locally recognized and legitimate, they are also weakening under the pressure of the State and the complex challenges now facing them. There are various formal community organizations including water resource user associations (WRUAs), Community Forest Associations (CFAs) etc. tasked with management of particular

resource and anchored under different ministries and formed by different legislations and policies where their functions have not been harmonized and synergized.

3.1 Potential environmental and social risks and mitigation

Because of the participatory nature of the project on-the-ground interventions are not known in sufficient detail at this planning stage. Table 2 below presents risks and impacts issues that have been identified based on activities that are already known or which are considered as likely and delineates the mitigation approach followed by the project. It also elaborates on the types risks for other possible activities. As such impact identification is still rather preliminary and the table should be understood as indicative. The table also judges the anticipated magnitude of the identified impacts and the probability of the risks occurring, to the extent this is possible at this stage.

Table 2: Potential Impacts and Mitigation Measures				
Project Activities / Sub-projects	Potential negative E&S impacts	Magnitude	Probability	Mitigation measures
Outcome 1: Institutional governance for climate resilience				
1.1. Support focused national stakeholder meetings and processes on conservation restoration of river catchment ecosystems for lessons sharing, standard settings and advocacy for ASALs policies (e.g. thematic meetings)	Uganda has very great ethnic, linguistic and religious diversity. The catchment area is inhabited mainly by Iteso people who are traditionally pastoralists and have a social organization that is based on clans and age sets, and by Acholi and Langi tribal groups who are agriculturalists organized in chiefdoms. Some of the groups were severely affected by human rights abuses and internal displacement in the past; among others such developments affected customary rules for land tenure and might be or become a reason for conflicts between ethnic groups related to land. Organizing dialogues and development of policies meetings may unleash such conflicts or aggravate conflicts if socio-economic and cultural differences and issues related to land-rights are not sufficiently taken into account.	Medium	Possible	The project's approach is to promote inclusiveness of consultation. Particular emphasis will be given to ensure adequate representation of relevant social and ethnic groups. Acknowledging that customary land use of some ethnic groups in Uganda has gone through massive changes due to impacts from political conflicts and displacements in the past (e.g. large numbers of Acholi peoples were displaced and lived in camps) the project will ensure that customary land tenure rights and potential changes induced by displacements are well understood before engaging in dialogue.
	Risk of reinforcing inequitable land rights for men and women given customs and beliefs of some ethnic groups (e.g. Acholi who practice customary land tenure rule that prohibits women from having rights to land independent of their relationship with their father or husband).	Medium	Possible	The project will try to strike a balance between respecting cultural values and beliefs of ethnic groups and strengthening women's role in landscape level dialogue; where needed, separate consultation meetings will be organized for women to ensure that their concerns are heard and to develop strategies for empowerment.
1.2. Facilitate critical and focused local exchange visits (between communities and key stakeholders within a catchment area and/or outside programme site) for problem solving, learning, knowledge exchange and supporting multi-stakeholder processes	n/a	n/a	n/a	n/a
1.3. Develop gender and youth engagement guidelines for the project covering the main project elements.	n/a	n/a	n/a	n/a

1.4. Support the wider adoption of model laws and policies at county/district and national level for increased uptake and implementation of lessons	The bylaws may in a way prohibit unsustainable utilisation of specific natural resources and as such restrict people affect the livelihood of people that are highly depended on these resources.	n/a	n/a	The risk will be mitigated by ensuring that any model law and policy will be rigorously assessed by the project on potential social impacts before being proposed for discussion among wider groups of stakeholder and for uptake.
Component 2: Sustainable catchment restoration and management				
2.1. Develop and review progress and enforcement of the community level management plans (SCMP/ENRMP/micro catchment plans)	The community level management plans may include elements that restrict ways in which specific natural resources are used in order to secure their sustainability (e.g. access to communal resources such as grazing lands, water, pasture). These restrictions can affect the livelihood of people that are highly depended on these resources.	Medium	Possible	The plans are developed by the communities themselves and will therefore take their current practices and resource needs into consideration. While restrictions that are decided by the communities themselves do not trigger the ESMS Standard on Involuntary Resettlement and Access Restrictions and hence don't require a Process Framework, it is recognized that risks for vulnerable sectors of the communities are possible. Hence the mitigation strategy includes the following: <ul style="list-style-type: none"> • Project will ensure that the decision process about the management plans is transparent and inclusive (appropriate representation of all relevant actors); • Prior to decisions about restrictions an assessment of potential risks in particular on vulnerable or marginalized groups, including women and internally displaced people is undertaken; • If negative impacts on vulnerable groups are identified, measures are put in place to mitigate them; possibly by using the CECF grant.
	Risk of excluding women given customs and beliefs of some ethnic groups maintaining inequalities between men and women (e.g. belief that women are the 'property' of the husband in Acholi communities).	Medium	Possible	The project will try to strike a balance between respecting cultural values and beliefs of ethnic groups and strengthening women's land rights and their roles communal land-use planning; where needed, separate consultation meetings will be organized for women to ensure that they can voice their concerns and to develop strategies for empowerment. The project will also ensure that participation is not hindered by logistical or financial barriers.
	Land-use decisions might give rise to unintended discrimination or disadvantaging of certain groups when complexity of customary land rights, changes of such rules caused by displacement and other events and	Minor	Unlikely	Prior to the work on the management plans the project will undertake a comprehensive assessment of the legal framework regulating land tenure and access to natural resource (including water resources): customary land rights, how these have been affected by past political conflicts and displacement and risks related to future

	implications of future developments are not well understood.			land use developments – at the level of each community supported by the project.
2.2. Support development of community-validated strategic water sources for sustainable rangeland utilization in the drylands	The selection of sites for water resources might run risks of unjustified preferential treatment	Minor	Possible	The selection of the sites for the water infrastructure will be guided by a hydrological study; relevant actors of the community will be engaged to tap into their knowledge and understand needs of all different user groups; a fair and transparent process will be implemented to guide the final selection of sites.
2.3. Set up on degraded sites grass fodder banks that are reseeded with overexploited high value grasses and fodder trees for income generation - managed by women/self-help groups	Selection of grass / flora species might not be fully controlled by the project staff and include non-native species – risk of invasive species	Minor	Possible	The selection of species will be guided by a protocol with clear guidance to avoid the unintended or accidental use of invasive species.
2.4. Restore 80 hectares of degraded landscapes and ecosystems with overexploited high value flora species for healthy rangelands (incl. promoting FMNR)	In order to be effective regeneration might require temporal use restrictions which affect the livelihood of groups depending on these resources and no access to alternatives	Medium	Possible	The land-use plans (including identification of degraded areas to be restored) are developed by the communities themselves. Same mitigation strategy applies as under 2.1
2.5. Scale up the identification of mechanisms to reduce conflicts between livestock and crop farming (e.g. watering corridors and riverine reserves)	The delineation of the watering routes if not done well can lead to conflict especially between livestock and crop cultivation members of the community due to competition for space and area especially around water sources/ rivers	Medium	Possible	Decision on the delineation of the corridors will be taken by the communities themselves; the project will ensure that the decision making process is transparent and consensual and potential negative impacts on vulnerable groups are well understood. If impacts are verified, measures for mitigating the impacts (including access to CECF) will be agreed.
Component 3: Inclusive climate smart finance				
3.1. CECF/MaliVerde unit and partnership established and providing advice to the scale up of the mechanism including the development of guidelines, manuals, tools and monitoring	Enterprise activities supported by the fund may cause negative environmental impacts – may be small in size for each individual credit/grant but aggregated may reach a substantial scale.	TBD	TBD	The credit appraisal process will include a due diligence process guiding the selection of grants, including an E&S screening and monitoring of risks. The partners selected for CECF disbursement will be trained in the ESMS procedures and safeguards.
3.2. CECF/MaliVerde capacity building for committees and other stakeholders	n/a	n/a	n/a	n/a
3.3. Design a CECF/MaliVerde fund be supported by government development partners, private sector and conservation trusts/funds; and provide matching funds for establishment of new CECF/MaliVerde groups	Same as above (3.1)	TBD	TBD	Same as above (3.1)

Component 4: Climate resilient value chains				
<p>4.1. Refine enterprise support and business plans/ models to support the 4 already identified value chains in the landscapes (shea and cassava for Uganda and goat rearing and camel milk for Kenya)</p> <p>4.2. Support value addition and marketing actions for the 4 value chains in Uganda and Kenya to improve quality, standards and prices of products for national and international markets</p>	<p>Value chain operations may involve negative E&S impacts specific to each value chain. For example, processing shea kernels involves cooking kernels on open fire which, depending on the conditions, might be associated with respiratory diseases, lead to increased fuel-wood consumption and pressure on forests. Supporting cassava production might require the use of biocides in case of infestation with pests/viruses and/or lead to land use change (conversion of natural habitat) when cultivation and processing becomes more profitable.</p>	TBD	TBD	<p>The risks described are example risks. When developing the enterprise support and business models the four value chains will be analysed on E&S risks taking into account the prevailing harvesting and processing practices and the geographic locations of those operations. Where risks are identified, measures are developed to avoid or mitigate such risks.</p> <p>For example, the project will promote cassava varieties that are resistant to most of the common cassava pests and diseases. Where pesticides are cannot be avoided, the ESMS Guidance Note for Pest Management Planning (available at www.iucn.org/esms) will be adhered to.</p>
<p>4.3. Develop and implement an integrated youth and women training programme to enhance skills and enterprise incubation in nature based enterprises</p>	<p>Risk of unjustified preferential treatment when selecting participants</p>	Minor	Unlikely	<p>The project will establish transparent and fair criteria guiding the selection of training participants.</p>

4. Guidelines for the ESMF implementation

Because of the participatory nature of the project on-the-ground restoration and resource management interventions as well as the value chain support activities are not known in sufficient detail at this planning stage. They will be developed together with the respective communities in a participatory planning process. As the small-scale investments funded by the CECF will be linked to the land-use plans at community level developed during the project and the concrete investment will depend on the communities' social, economic, and agricultural needs, they are not known at this stage either.

Therefore, a due diligence procedure has been established to ensure that these activities do not incur any social or environmental risks. The procedure includes the following steps:

- ESMS Screening;
- Impact Assessment and Risk Management;
- ESMS Clearance;
- ESMP Monitoring and Supervision.

The restoration activities promoted under component 2 will be clustered as one sub-project for each community. All support activities envisioned for each value chain (component 4) will also be considered as one separate sub-project. The due diligence procedure will be carried out for each of these sub-projects.

For component 3 the due diligence procedure will be integrated into the CECF grant appraisal process for each investment.

4.1 ESMS Screening

The purpose of the screening is to understand whether a sub-project might pose risks that could give rise to any negative social or environmental impacts, to establish the sub-project's risk level and - if risks have been identified - to determine the appropriate type and level of assessment needed to ascertain the extent of the risks.

The screening is guided by the ESMS Questionnaire (available at www.iucn.org/esms). The questionnaire provides an extensive list of questions elaborating on typical risk issues associated with risks areas covered by the four ESMS Standards as well as other environmental and social risk issues frequently encountered in conservation projects.

The completed questionnaires will be reviewed by the Regional Monitoring and Evaluation Officer with technical support from the Programme Coordinator. As such he will:

- check the quality of stakeholder engagement during the design of the sub-project;
- decide if any standards have been triggered by the sub-project, and identify potential negative impacts or risk issues;
- check the sub-project for other social and environmental impacts and risk issues;
- assign an appropriate risk category to the sub-project; and to
- determine what ESMS tools should be used in response.

The methodology of assigning the risk category to a sub-project is the following:

- The identified risk issues are listed in a table and the significance of each of the issues (also referred to as risk factor) is rated; this takes into account
 1. the *likelihood* of the impact arising (unlikely, possible, likely, or very likely) and
 2. the likely *consequence* / magnitude of impact (minor, medium, or major).
 Table 3 below guides the rating on significance for each risk factor. Unlikely risk factors or impacts that are expected to have only minor consequences are considered low risk; very likely risks factors that would have major consequences are regarded as high risk; etc.
- The risk category of a sub-project is based on the significance rating of all risk factors. The highest rating would generally guide the project’s risk category. For example, if a sub-project has five risk factors, three of which are considered of low significance and two of which are considered moderately significant, the project will be classified as a moderate risk project.

	Consequence (magnitude of impact)		
Likelihood	Minor	Medium	Major
Very Likely	Moderate	High	High
Likely	Moderate	Moderate	High
Possible	Low	Moderate	Moderate
Unlikely	Low	Low	Moderate

A general definition for the three risk categories is as follows:

- Projects considered to be of high risk have the potential to cause significant adverse environmental and/or social impacts. Their impacts may be related to sensitive receptors (humans, biodiversity, etc.), may severely affect the health of the receptor, have a long duration, be diverse, may go far beyond the project’s area of influence, be unprecedented, may not be reversible, and may be very controversial among stakeholders.
- Projects considered to be of moderate risk have the potential to cause only medium adverse environmental and/or social impacts. These impacts may be few in number, or be very site-specific. Their extent can be determined with a reasonable degree of certainty. Few if any of them are irreversible, and mitigation measures can be easily designed.
- Projects considered to be of low risk generally have no or only minor negative environmental or social impacts. It is possible for a project to be considered low risk but have some potential negative impacts, however, if these impacts have already been identified and mitigated by project activities as part of the project design (in a manner which is expected to adequately address the risks). These mitigation strategies are generally based on well-known and readily available good practices. A rating of low risk, however, should only be used if the grantee has a good track record in applying these practices, and can demonstrate a good knowledge about the project site(s) and local socio-economic conditions.

For sub-projects that are classified as low risk projects no further action is required and the activities can commence. Sub-projects categorized as moderate risk projects require an ESIA and the continuation of the environmental and social due diligence processes as described below (chapter 4.2 to 4.4). It is highly unlikely that any of the sub-projects might be categorized as high risk project given the small-scale and low-impact nature of the restoration, water resource and value chain activities. In the unlikely case of involving risk issues that would be considered high risk, the sub-project will need to be substantially re-designed in order to lower the risk level.

The findings are document in form of a brief Screening report based on the ESMS template.

For the CECF financing component the screening will be undertaken by the partners selected for CECF disbursement who will be supported by the Programme Coordinator in the ESMS procedures and safeguards. The ESMS Officer will supervise the Screening process.

4.2 Impact assessment and risk management

As mentioned above this step is only relevant for moderate risk project. The purpose of an ESIA is to assess the potential negative social and environmental impacts, confirm their significance, and to define a suitable strategy for avoiding impacts – through alternative project design, or by minimizing or compensating for them. The specific ToR for an ESIA for a sub-project will be based on the risks issues identified through the ESMS Screening; however, conducting an ESIA will generally include the following elements and steps:

- collect baseline information about the environmental and social context relevant to the identified risk issues;
- identify relevant stakeholders and analyse how they could be impacted by the project;
- analyse the potential negative environmental and social impacts in consultation with relevant stakeholders, and confirm their significance (likelihood and magnitude);
- develop strategies in consultation with affected groups for avoiding impacts, mitigation measures, and/or culturally-appropriate compensation;
- document the agreed mitigation measures in form of an Environmental and Social Management Plan (ESMP) and specify requirements for monitoring.

Given the small-scale of the restoration work and the value chain activities, most likely only partial ESIA's may be required that focus on a small number of clearly defined impact issues. Depending on the issues identified during screening, the partial ESIA may need to focus on environmental impacts of the projects and might require a technical expert knowledgeable in the specific field. However, very often conservation projects need to investigate social impacts and require carrying out a Social Impact Assessment (SIA). The impact issues to be assessed will depend on the nature of the sub-project and will be defined by the ESMS Screening. Topics of the analysis may be the following:

- Analysis of the socio-cultural, economic, institutional and political context in which the project operates and main social groups (e.g. ethnic or linguistic groups, religion, occupation/livelihood etc.) and their socio-cultural characteristics disaggregated between men and women;
- Identification of vulnerable groups such as landless persons, the elderly, persons with disabilities, children, ethnic minorities, marginalized groups or displaced persons;

- Analysis of their livelihood situation and their dependence on natural resources;
- Land and tenure rights of different groups (statutory and customary), identification of gaps or constraints;
- Social issues and risks faced by social groups, including issues related to access to resources and to social services as well as to their capabilities and development opportunities;

The most important output of the ESIA process is the ESMP which describes the mitigation measures, establishes the implementation schedule, criteria for eligibility, roles/responsibilities, and required resources. Where relevant requirements for capacity building should be included. The ESMP also sets out monitoring/reporting measures to verify their implementation and effectiveness.

Sub-projects that trigger an ESMS standard may also be requested to produce and implement standard-specific ESMS tools (e.g. indigenous peoples plan, pest management plan etc.). Guidance Notes for the different ESMS tools are provided by IUCN; however, given the small-scale nature of the sub-projects only certain elements of such plans might be required.

4.3 ESMS Clearance

The impact assessment process is formally concluded by the ESMS Clearance report issued by the Programme Coordinator. The ESMS Clearance confirms the adequacy of the ESIA process and that reassures that risks issues are appropriately addresses by the ESMP and relevant safeguard tools. Where relevant, the Clearance formulates specific conditions or provisions for ESMP monitoring and supervision.

4.4 Monitoring and Supervision of ESMP Implementation

Monitoring implementation of the EMSP and other ESMS tools as required will be done by the lead executing entity for the respective component. IUCN provides a Guidance Note on ESMP monitoring (available at www.iucn.org/esms).

The executing entity is required to prepare annual reports on ESMP implementation. This includes reporting on:

- progress of ESMP implementation including providing relevant evidence;
- indication of effectiveness of mitigation measures;
- updates on implementation of any other ESMS tools;
- relevant changes to the project context since ESMS screening (including emerging risks),
- any grievances that have been raised, and how these grievances were handled by the project team.

ESMP monitoring will be supervised by the Programme Coordinator through annual supervision missions.

5. Provisions for Disclosure and Grievance Mechanism

In accordance with the ESMS Principle on Accountability it is critical that feed-back from external parties is enabled. This includes establishing public disclosure requirements to assure public

access to relevant information about a project and an institution-wide ESMS Grievance Mechanism dedicated mechanism to capture concerns or grievances related to an IUCN project’s lack of compliance with the ESMS.

The disclosure requirements establish that the ESMF as a whole is made publically available; it further requires that information about moderate risk sub-projects and potential adverse impacts are disclosed and put out for public consultation as part of the ESIA process. Implementation of the principle must adhere to the following guidance:

- Information shall reveal not only general information about the project (e.g., purpose, duration, scale, proposed activities), but also potential risks for communities and planned mitigation measures.
- Disclosure of information must occur in a reasonable timeframe to allow stakeholders to process this information and – if applicable – raise concerns.
- The form of disclosure must be targeted to the audience (particularly to affected groups) in the appropriate language and channels of communication.
- Consultation must be carried out in a culturally appropriate, non-discriminatory and gender-sensitive manner, free of external manipulation, intimidation or coercion.

The IUCN Grievance mechanism provides a transparent, timely and effective procedure for response and for corrective and remedial actions. As such IUCN assures people who fear or suffer from adverse impacts access to justice and redress. The mechanism and its functioning is described on the IUCN website. It is used as the overall framework and provide for easy access in case of complaints.

For moderate risk sub-projects (including projects who trigger at least one of the Standards) the institution-wide grievance mechanism needs to be complemented by a project-level mechanism. This is to ensure that procedures are adapted to the local context and perfectly accessible by all relevant groups and that measures are put in place to proactively prevent grievances from building up. This includes maintaining regular contact with relevant stakeholders and consultation in order to identify and anticipate potential issues early; the identification of a local, respected individual and assigning him/her the role of an ombudsperson is often a very effective and unthreatening way for communities and project management to resolve differences.

6. Implementation Arrangements and Budget

The project will be managed by the IUCN office in Lira. The implementation of the ESMF and the due diligence procedure for risk identification and management described in chapter 4.1 to 4.1 will be ensured by the project staff based in Lira which mainly the Senior Programme Officer. This function is supervised by the Programme Coordinator based in the IUCN regional office in Nairobi. High-level guidance is provided by the IUCN ESMS Coordinator based at IUCN HQ.

Table 4: Roles and Responsibilities			
ESMS steps	Applicable for	Responsible entity	Guidance or Template
ESMS screening and report	All sub-projects	Programme Coordinator	ESMS Questionnaire & Screening Report Template

ToR for ESIA & safeguard tools	Moderate risk sub-projects	Programme Coordinator	
ESIA/SIA & safeguard tools & ESMP	Moderate risk sub-projects	Programme Coordinator	Generic ToR /Guidance Note ESIA/SIA, ESMP– Guidance Note & Template
Appraisal of ESIA report including ESMP	Moderate risk sub-projects	Programme Coordinator	ESIA Appraisal – Template & Checklist
ESMS clearance of project proposal	Moderate risk sub-projects	Programme Coordinator	ESMS Clearance- Template & Checklist
Implement and monitor ESMP & report progress	Moderate risk sub-projects	Executing entity	ESMP– Guidance Note & Template
ESMP Supervision	Moderate risk sub-projects	ESMS Officer	
Effectiveness ESMP (part of project evaluation)	Moderate risk sub-projects	External expert	

Because the due diligence risk identification procedure is assumed by project staff, no additional costs occur. For moderate risk projects and where a consultant with specific technical expertise needs to be contracted, this will be covered by the project's consultancy budget. The costs for potentially needed mitigation measures for specific sub-projects will be covered by the project's operational costs as project activities.