



Forest Carbon Partnership Facility (FCPF)

Application of the Safeguard Policies

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Application of IBRD/IDA Safeguard Policies

- Charter: All World Bank Operational Policies and Procedures apply to both funds
- This is straightforward for the Carbon Fund:
 - Follow standard application of policies as in normal carbon finance transactions (and investment lending)
- More challenging for the Readiness Fund:
 - Safeguards traditionally apply to investment projects
 - Unlikely to have projects/activities on the ground
 - Strategic planning and preparation, with potentially far-reaching impacts -- hopefully positive, possibly negative (e.g. definition of carbon ownership, design of benefits-sharing mechanisms)
 - So, what have we come up with to determine exactly *how* and *when* do safeguards apply in this case?
 - SESA with an ESMF as a key component

Strategic Environment and Social Assessment (SESA)

- SESA can be defined as “A range of analytical and participatory approaches that aim to integrate environmental and social considerations into policies, plans and programs (PPPs) and evaluate the inter linkages with economic, political, and institutional considerations”
- SESA can be described as a family of approaches which use a variety of tools, rather than a single, fixed, prescriptive approach
- SESA approach is consistent with OECD DAC guidance, and examples of its use around the world are multiplying
- Includes a process of consultation and stakeholder involvement in formulating and implementing R-PPs
- SESA is mainstreamed into the country’s proposal and ought to be undertaken at early stage of REDD+ readiness preparation

SESA and Safeguards

- SESA is meant to be fully integrated into the readiness preparation process
 - Integration of SESA into the R-PP template rather than separate track strengthens the thinking about safeguards and the actions required at the country level
- Which specific safeguards will be triggered will be determined as the R-PP is being formulated
 - In a generic sense the policies that will most likely be triggered include Environmental Assessment (OP 4.01), Natural Habitats (OP 4.04), Forests (OP 4.36), Indigenous Peoples (OP 4.10), and Involuntary Resettlement (OP 4.12)

Environmental and Social Management Framework (ESMF)

- Countries will prepare Environment and Social Management Framework (ESMF) to mitigate and manage risks related to adoption of future projects, activities, and policies and regulations
- Guidelines on preparation of the ESMF appear in section 2d. of the R-PP Template
- The ESMF should be prepared:
 - At the latest before investments / carbon transactions are undertaken
 - Ideally relevant components of it should fall into place soon after key strategic decisions are taken
- Specific guidance on development of ToRs for preparing an ESMF are forthcoming

ESMF and Safeguards

- Environmental and Social Management Framework lays out process to be followed for identifying and mitigating the potential impacts associated with project(s), activity(-ies), policy(-ies)/regulation(s) and in the future
- The final ESMF to include the following components, as relevant:
 - Environmental Management Framework
 - Resettlement Policy Framework
 - Process Framework
 - Indigenous Peoples Planning Framework
- Development of impact mitigation/management plans tied to the implementation of specific project(s), activity(ies), policy(-ies)/regulation(s) follows the procedures specified in the ESMF if Bank funding is used

Steps in Relation to Readiness Phases

Phase 1: Proposal Formulation

Phase 2: Preparing for Readiness

Implementation

Assessment of R-PP

Assessment of Readiness Package

1

DETERMINE
APPLICABLE
POLICIES

2

ANALYSIS OF ENVIRONMENTAL
AND SOCIAL CONSIDERATIONS

Mainstreamed elements
of SESA guidelines
(March 7, 2010)
into R-PP template.

3

CONSULTATION AND PARTICIPATION

4

ENVIRONMENTAL AND SOCIAL
MANAGEMENT FRAMEWORKS

5

REFORMS AND INSTITU-
TIONAL STRENGTHENING



THANK YOU!

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