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Environmental and Social Management Framework (ESMF)

Project title: Integrated Landscape Management for Sustainable Food Systems, Land Use and Restoration in Sabah		
Country: Malaysia	Implementing Partner: Sabah Forestry Department	Execution Modality: NIM
Contributing Outcome (UNDAF/CPD, RPD, GPD): United Nations Strategic Cooperation Framework Malaysia 2021-2025. Outcome 2: By 2025, environmental sustainability and resilience are mainstreamed as priorities within the national development agenda, across all sectors and levels of society; Output 2.2: Natural resources, biodiversity and ecosystems are sustainably managed, adequately protected and conserved for long-term economic and environmental sustainability. Aligned with UNDP Strategic Plan (2022-2025) Output Signature Solution #4 (Environment); contributing to UNDP SP Result 4.1: Natural resources protected and managed to enhance sustainable productivity and livelihoods; and Result 4.2: Public and private investment mechanisms mobilized for biodiversity, water, oceans, and climate solutions.		
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Contents

Executive Summary	4
Abbreviations and Acronyms.....	7
1 Introduction	9
1.1 Project description.....	9
1.2 Purpose and scope of this ESMF.....	17
1.3 Potential Social and Environmental Impacts	18
1.4 Legislation and Institutional Frameworks for environmental and social matters	21
1.5 National Legislation, Policies and Regulations.....	22
1.6 Indigenous laws and customs pertaining to land use and tenure	27
1.7 International Agreements and Treaties.....	27
1.8 UNDP’s Social and Environmental Standards	28
1.9 Gaps in policy framework	30
2 Procedures for Screening, Assessing and Managing Social and Environmental Impacts	30
2.1 Guiding Principles	30
2.2 Overview.....	31
2.3 Screening	31
2.4 Assessment.....	34
2.4.1 Strategic Environmental and Social Assessment:	34
2.4.2 Environmental and Social Impact Assessment	40
2.5 Management.....	41
2.5.1 Environmental and Social Management Plan	41
2.5.2 Indigenous Peoples Plan	42
2.5.3 Additional Procedures for Low Value Grants to Third Parties	43
2.5.4 Additional Sub-Plans.....	44
2.5.5 Exclusions.....	45
3 Institutional arrangements and capacity building	45
3.1 Roles and responsibilities for implementing this ESMF.....	45
3.2 Capacity Building	48
4 Stakeholder engagement and information disclosure.....	48
4.1 Community consultations completed during the project preparation phase	48
4.2 Community consultations during project implementation	51
5 Accountability and Grievance Redress Mechanisms	52
5.1 UNDP’s Accountability Mechanisms.....	52
5.2 Project-level Grievance Redress Mechanisms	52
6 Budget for ESMF Implementation	54
7 Monitoring and evaluation arrangements.....	54
8 Enclosures	57
8.1 SESP Template	57
8.2 Indicative Outline of Environmental and Social Impact Assessment (ESIA)/ Report	57
8.3 Indicative outline of Environmental and Social Management Plan (ESMP)	59
8.4 Indicative outline of Indigenous Peoples Plan (IPP).....	60
8.5 Sample Terms of Reference: Project-level Grievance Redress Mechanism	64

List of Tables:

Table 1 Overview of Project Components, Outcomes, Outputs, and Indicative Activities.....	9
Table 2: Relevant Sabah State Laws, Plans and Instruments.....	23
Table 3: Key Elements of UNDPs Social and Environmental Standards (SES).....	28
Table 4: Summary of safeguards triggered based on screening conducted during project preparation	30
Table 5: Project Activities requiring on-site Social and Environmental Screening Procedure.....	32
Table 6: Project Activities subject to Strategic Environmental and Social Impact Assessment (Provisional).....	35
Table 7 Summary of Stakeholder Consultations during PPG	48
Table 8: Breakdown of project level costs for ESMF implementation.....	54
Table 9: ESMF M&E plan	55

Executive Summary

This Environmental and Social Management Framework (ESMF) has been prepared for the submission of the UNDP project proposal “Integrated Landscape Management for Sustainable Food Systems, Land Use and Restoration in Sabah” to the GEF. Its purpose is to assist in the assessment and management of potential environmental and social impacts. The Framework forms the basis upon which Environmental and Social Management Plan(s) will be developed so as to ensure full compliance with the requirements of UNDP’s Social and Environmental Standards. The ESMP will be implemented by the Sabah Forestry Department and overseen by the UNDP Project Coordinator and Project Officer, and monitored throughout the duration of the project.

Preliminary analysis and screening conducted during the project development phase via UNDP’s Social and Environment Screening Procedure (SESP) identified sixteen potential social and environmental risks associated with project activities. The screening procedure established that the project is rated as being of Substantial risk, and that the identified potential social and environmental impacts are manageable through identified mitigation measures detailed in the Screening Template, included in **Annex 4** to the project document.

Four significant risks are assessed as “**Substantial**”, and highlighted as requiring further study/assessment so that they can be adequately managed:

- Risk 2:** New approaches to land management could result in changes to current access to resources, potentially leading to economic displacement.
- Risk 6:** The project may have adverse impacts on the rights, lands, resources and territories of Indigenous Peoples, who might not be fully involved in project design and therefore not engaged in, supportive of, or benefit fully from project activities.
- Risk 7:** At the field level, indirect job creation brought about through project activities and intensification of the palm oil sector, might inadvertently lead to breaches of human rights and international labour standards, particularly those relating to wage fairness, child and forced labour, working hours and conditions.
- Risk 8:** Field- and policy-level activities related to the value chains of key commodities could inadvertently incur child labour, forced labour, and other violations of international labour standards

Eleven further risks have been identified and assessed as being of “Moderate” significance:

- Risk 1:** Integrated Landscape Management Frameworks/Plans, guidance documents, trainings, and support across the value chain, may be developed in ways, or include provisions, that do not take full account of social and environmental safeguards risks and impacts, leading to: (a) inadequate participation of all stakeholders; (b) inequitable empowerment of all rights holders to claim benefits accruing from the agreements/plans; and/or (c) downstream impacts as a result of their implementation, for which there are inadequate mitigation measures. This could result in the triggering a variety of safeguards risks.
- Risk 3:** New approaches to land management could result in changes to current access to resources, potentially leading to temporary or permanent and partial or full physical displacement.
- Risk 4:** Changes to land tenure arrangements may result in loss of informal or customary land tenure rights, exposing people without registered legal entitlement to the land they farm to economic or physical displacement, or exclude them from project benefits.
- Risk 5:** Vulnerable or marginalized groups, or other stakeholders might not be fully involved in project design and therefore not engaged in, supportive of, or benefit from project activities.
- Risk 9:** Project activities and approaches might not fully incorporate or reflect views of women and girls and ensure equitable opportunities for their involvement and benefit.
- Risk 10:** Existing conflicts related to land use and/or ownership could be exacerbated or reignited by project.
- Risk 11:** A failure of vulnerable groups to benefit from the project, due to “Elite Capture” of project benefits
- Risk 12:** Excessive use of fertilizers as part of oil palm development could lead to contamination of rivers and water sources for drinking and impact on soil degradation and the overall degradation of the natural habitat in that specific area. Workers in commodity supply chains (including smallholder producers) might be exposed to hazards in their use of chemical inputs (pesticides, fertilizers etc.) without adequate PPE, training, and

safeguards, or which might be subject to international bans. Agricultural chemicals also pose the risk of release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts.

Risk 13: Poorly designed or executed project activities could damage critical or sensitive habitats, including through the introduction of invasive alien species during forest restoration-rehabilitation activities.

Risk 15: Project outputs and outcomes may be affected by climate change, potentially resulting in safeguards risks.

Risk 16: Risk imposed by COVID-19 pandemic or similar disease outbreak, having implications at international, national, and sub-national levels. Local community members involved in project activities may be at a heightened risk of virus exposure, e.g., stakeholder meetings, workshops, community field work, etc. Fears over exposure to Covid-19 may discourage vulnerable stakeholders from taking part in meetings.

One further risk, relating to activities funded under low value grants (Risk 14), was rated as Low, and can be adequately managed through standard good project management practices.

The broad scope of project activities and outputs is established. However, additional screening and assessment is required as project activities are further defined, to identify potential adverse impacts from activities at project sites and to identify which users/groups might be affected. Adverse impacts will, as they are identified, be subject to further study and stakeholder consultation to identify and where possible quantify the magnitude and severity of such impacts on the individuals/communities affected. Measures to avoid, minimize, mitigate or manage such impacts will be developed and implemented. Project activities identified as potentially requiring such restrictions to access to resources will not be commenced until suitable, agreed measures are in place.

This ESMF has been developed to specify the processes that will be undertaken by the project for the additional assessment of potential impacts and identification and development of appropriate risk management measures, in line with UNDP's Social and Environmental Standards (SES). The ESMF also details the roles and responsibilities for its implementation and includes a budget and monitoring and evaluation plan.

The ESMF requires:

- A **Strategic Environmental and Social Assessment** scoped to “upstream” project activities (i.e. those which involve planning support, capacity building, policy advice and reform).
- Additional **on-site screening** for “downstream” activities with a physical footprint. Screening of activities will assess any requirement, in accordance with the Environmental and Social Screening Procedure, for additional assessment, such as **Environmental and Social Impact assessment** and will inform site selection and the design of activities

The combined screening and assessments will systematically examine potential adverse risks and impacts associated with the project activities, and develop strategies for avoiding, reducing and managing adverse impacts and enhancing positive impacts, and the outputs of both assessments will inform the overall Environmental and Social Management Plan, ensuring that all relevant issues related to the SES Overarching Principles and Project-level Standards are addressed.

The SESP has identified requirements for additional stand-alone management sub-plans, including:

Stakeholder Engagement Plan: A SEP has been developed and will be updated (see **Annex 7 to the project document**), informed by the SESAs, screenings and ESIs. Sequential updates of the Plan will enable project officers to ensure that selection is carried out in synergy with the related legal and policy governance structure and that the implementation and selection procedures meet the required norms and standards. The plan will specifically consider how to equitably and meaningfully engage marginalized and vulnerable populations including specific measures to include women within the project areas. The plan will also provide terms of reference and modalities for managing stakeholder engagement in project activities at each site and with each community.

A Grievance Redress Mechanism (GRM). The Implementing Partner will establish and implement, a transparent, fair, and free-to-access project-level Grievance Redress Mechanism (GRM), approved by stakeholders, which will be put in place at the start of implementation.

Indigenous Peoples Plan(s). The ESMF also includes a requirement for the development of an Indigenous Peoples Plan, in accordance with SES Standard 6, and requirements that project activities which may affect the rights, lands, resources or territories of indigenous peoples cannot proceed without the Free, Prior, Informed Consent of indigenous communities, with site-specific sub-plans if required. The Plan(s) will define how best to engage with indigenous peoples and to ensure they benefit equally from the project's positive impacts. IPPs will be based on the findings of the SESA, screenings and ESIA's and need to be developed with full, effective, and meaningful participation of potentially affected indigenous peoples. Procedures for FPIC consultations are outlined.

Gender Analysis and Gender Action Plan (GAAP – Annex 9 Project Document): The Gender Action Plan has been developed during PPG, based on existing reports and gender analysis.

The ESMF also contains important **exclusions:** the project will not support any activities which involve or will lead to physical displacement. GEF funds will not be used for any activities which would necessitate, or lead to people being required to relocate, nor any activities which render untenable their continued residency in the project area. Additionally, the project will not implement any activity which would result in a "High" risk rating under the Social and Environmental Screening Procedure.

The SESA and ESIA reports, resultant ESMP and stand-alone management plans will be disclosed via the UNDP website in accordance with UNDP SES policy, and the SESA report, ESIA reports, and ESMF will be finalized and adopted only after the required time period for disclosure has elapsed.

Specific stakeholder consultations will be held to ensure that the SESA and ESIA's processes are conducted in a participatory manner. Particular attention will be paid to inclusion of women and girls.

The requirements for stakeholder engagement and disclosure will be adhered to during the implementation of this ESMF, and the subsequent implementation of the resulting ESMPs and any stand-alone management plans. This ESMF (and the project SESP) will be disclosed via the UNDP website in accordance with UNDP SES policy. The subsequent project ESMPs or stand-alone management plan(s) will also be publicly disclosed via the UNDP website once drafted and finalized. They will be adopted only after the required time period for disclosure and comment has elapsed.

Abbreviations and Acronyms

AWP	Annual work plan
BAU	Business as usual
CBFM	Community-based forest management
CBO	Community-based organization
CC	Climate change
CPD	Country programme document (UNDP Malaysia)
CPO	Crude palm oil
CPOPC	Council of Palm Oil Producing Countries
CSR	Corporate social responsibility
CTA	Chief Technical Advisor
DD	Due diligence
DOA	Department of Agriculture
DOPPA	Dayak Oil Palm Planters Association
ESIA	Environmental and social impact assessment
EPU	Economic Planning Unit
ESMP	Environmental and social management plan
FELDA	Federal Land Development Authority
FFB	Fresh fruit bunches
FMP	Forest management plan
FMU	Forest management unit
FOLUR	Food Systems, Land Use and Restoration (GEF impact program)
FPIC	Free, Prior and Informed Consent
GCP	Green Commodities Programme
GDP	Gross domestic product
GHG	Greenhouse gas
GEF	Global Environment Facility
GRM	Grievance Redress Mechanism
ha	Hectare
HCS	High carbon stock
HCV	High conservation value
HCVRN	High Conservation Value Resource Network
HoB	Heart of Borneo
IDH	The Sustainable Trade Initiative
ILM	Integrated landscape management
IP	Implementing partner / Impact program
IUCN	International Union for Conservation of Nature
KBA	Key biodiversity area
KM	Knowledge management
KPSM	Sustainable Palm Oil Grower Cooperatives
LDN	Land degradation neutrality
LGU	Local government unit
LIGS	Sabah Rubber Industry Board
M&E	Monitoring and evaluation
MAFI	Ministry of Agriculture and Food Industries
MENR	Ministry of Energy and Natural Resources
MEWA	Ministry of Environment and Water (KeTSA)
MITI	Ministry of International Trade and Industry
MPIC	Ministry of Plantation Industries and Commodities
MPOA	Malaysian Palm Oil Association
MPOB	Malaysian Palm Oil Board
MPOCC	Malaysian Palm Oil Certification Council
MSPO	Malaysian Sustainable Palm Oil certification scheme
MTCS	Malaysian Timber Certification Scheme
MTR	Mid-term review

MUDeNR	Ministry of Urban Development and Natural Resources
MYR	Malaysian ringgit
NBSAP	National biodiversity strategy and action plan
NDPE	No Deforestation, No Peat, No Exploitation
NGO	Non-governmental organization
NPD	National Project Director
NTFPs	Non-timber forest products
PCA	Priority conservation area
PFD	Program framework document
PIMS	Project information management system
PIR	Project implementation review
PMU	Project management unit
PPG	Project preparation grant
PPP	Public private partnership
RISDA	Rubber Industry Smallholders Development Authority
RMK	<i>Rancangan Malaysia</i> (5-year Malaysian development plan)
RSPO	Roundtable for Sustainable Palm Oil
RTA	Regional Technical Advisor
SAFODA	Sabah Forestry Development Authority
SBC	Sabah Biodiversity Centre
SDG	Sustainable development goal
SECU	Social and Environmental Compliance Unit
SES	Social and environmental standards (UNDP)
SESA	Strategic environmental and social assessment
SESP	Social and environmental screening procedure (UNDP)
SFD	Sabah Forestry Department
SGDC	Sabah Geospatial Data Clearinghouse
SJC	Sabah Jurisdictional Committee
SLDB	Sabah Land Development Boards
SOP	Standard operating procedure
SPOC	Sustainable Palm Oil Clusters
SSP	Sabah Structural Plan
STAP	GEF Scientific Technical Advisory Panel
TBD	To be determined
TE	Terminal evaluation
TOR	Terms of reference
TPA	Totally protected area
TSA	Targeted scenario analysis
UMS	University of Malaysia Sabah
UNPDF	United Nations Partnership for Development Framework
UNDP	United Nations Development Programme
UNDP CO	United Nations Development Programme Country Office
UNSPF	United Nations Strategic Partnership Framework (Malaysia)
UPM	University Putra Malaysia
USD	United States dollar
WWF	World Wide Fund for Nature

1 Introduction

This Environmental and Social Management Framework (ESMF) has been prepared for the UNDP-supported project “Integrated Landscape Management for Sustainable Food Systems, Land Use and Restoration in Sabah”.

UNDP is the GEF Agency for the project to which this ESMF applies. The UNDP Social and Environmental Standards are the applicable standards for this management framework.

1.1 Project description

The project’s overall aim is to reduce rates of agricultural-driven deforestation and biodiversity loss and to establish a sustainable system of land-use planning to guide future land development activities across landscapes in Sabah. It is part of an innovative approach towards reducing the rates of agricultural driven deforestation and biodiversity loss and to establish a sustainable system of land-use planning to guide future land development activities. The project will work towards achieving this objective by introducing various measures and approaches for improvement of palm oil - the major agricultural commodity in Sabah, as well as within existing conservation areas.

The program aims to do so through specific actions that provide long term sustainable livelihoods for communities, as well as establishment of the coordination, monitoring, reporting, and management systems required to ensure transparency of results delivered and the effective management of resources. This is achieved through the following actions which are divided into the following components:

Component 1: Development of integrated landscape management systems

Component 2: Promotion of responsible value chains for palm oil and smallholder and medium-sized growers support

Component 3: Conservation and restoration-rehabilitation of natural habitats through public-private-community partnerships

Component 4: Knowledge management and impact monitoring

As a result of these key interventions the project will endeavour to demonstrate improvements to the enabling conditions and institutional mandates for sustainable land use management (SLM) in the region, particularly at the subnational level, strengthened multi-stakeholder dialogue mechanisms/platforms for sustainable commodity supply chains, increased investment in sustainable, responsible practices within these supply chains, increased involvement of the private sector, strengthened effectiveness in the designation of priority ecosystems and enhanced effectiveness of PA management, knowledge and capacity of key stakeholders.

Three key intervention areas in Sabah have been identified where these various interventions will be implemented. The project has strong potential for supporting institutional capacity building, strengthening enabling environments, and the establishment of long-term partnerships between farmers, private and public sector agencies and the creation of marketing networks, certification schemes and new markets for the palm oil in Malaysia.

A broad overview of the project components, outcomes, and indicative activities is given in Table 1 below:

Table 1 Overview of Project Components, Outcomes, Outputs, and Indicative Activities

No.	Activity
Component 1: Development of integrated landscape management systems	
Outcome 1: Intra-governmental coordination and multi-stakeholder collaboration enables effective landscape and district-level planning	
Output 1.1. Enabling environment for integrated, multi-stakeholder collaborative approaches strengthened by introducing systems leadership skills and developing guidelines for integrated landscape management	

No.	Activity
1.1.1	Conduct a Strategic Environmental and Social Assessment (SESA), ensuring policy frameworks and other upstream activities under the project are consistent with UNDP SES, fully inclusive of stakeholder inputs and developed with proactive encouragement of the views and perspectives of women and poor/marginalized communities. The assessment will identify and highlight key relevant UNDP Principles and Standards to be reflected in project strategy and upstream outputs.
1.1.2.	Deliver a series of systems change trainings to a cohort of sustainability champions.
1.1.3.	Establish or strengthen an integrated landscape management (ILM) working group, facilitated by nominated facilitators among the cohort of trained sustainability champions
1.1.4.	Develop an ILM guidance document under the oversight of the ILM working group.
1.1.5.	Deliver training and socialisation on application of the ILM guidance document through expert seminars, community meetings and production and dissemination of information materials.
Output 1.2. Data-sharing platform and protocols on integrated landscape management harmonized	
1.2.1.	Conduct a gap analysis of current information and data systems and platforms and prepare recommendations for harmonising according to the requirements outlined in the ILM guidance document.
1.2.2.	Provide technical assistance on strengthening data-sharing platforms and protocols for enabling participatory implementation of ILM.
1.2.3.	Deliver training and socialization of the data-sharing platforms among state and local government departments and agencies, civil society, private sector, and academic institutions.
Output 1.3. Integrated landscape management plans developed through multi-stakeholder collaboration in the target landscapes	
1.3.1.	Establish or strengthen multi-stakeholder collaborative spaces at the landscape level and/or among the three key intervention areas to facilitate the ILM processes.
1.3.2.	Gather and assess the most updated (i) spatial and land use data, policies and regulations, (ii) land use and land cover change in the past 10 years), (iii) land systems, (iv) land and forest designation, (v) concessions/permits and (vi) secondary HCV/HCS data.
1.3.3	Through well-facilitated multi-stakeholder process, develop and assess land use scenarios (comprising of: BAU, compromised sustainable development scenario, feasible sustainable development scenario, and optimal development scenario based on the HCV/HCS maps for the project landscape), e.g., using targeted scenario analyses (TSAs) or similar methodologies.
1.3.4	Conduct public consultation on the draft scenarios with TSA results, with proactive encouragement of the participation of women, and then finalise the scenarios incorporating the feedback from stakeholders into a final version of the ILM framework.
1.3.5.	Develop action plans for each of the three key intervention areas based on the ILM framework and facilitate mainstreaming into state and/or local planning processes.
Outcome 2: Emerging approaches and incentive mechanisms leading towards effectively managed high conservation value areas socialised	

No.	Activity
Output 2.1. Roadmap for strengthening community-based natural resource management and an information package on establishment of OECMs in Sabah developed and socialised	
2.1.1	Prepare and socialise a road map for recognising and establishing conserved areas (including OECMs).
2.1.2	Undertake consultations with stakeholders on the linkages of HCV management and monitoring based on relevant guidelines to complementary management effectiveness tools and programs in Malaysia (e.g. IUCN Green List or OECM program in Malaysia).
2.1.3	Convene a stakeholder workshop to raise awareness on the role and benefits of conserved areas as well as scope of the IUCN Green List and OECM programmes in Malaysia contributing towards equitable and effective area-based management.
2.1.4	Support 4-6 mini workshops to facilitate the registration of conserved areas to the IUCN Green List/OECM programmes with follow up discussions and mentoring on action plans towards achieving the respective standards and screening tools.
Output 2.2. Fiscal and economic instruments explored, and recommendations formulated for incentivizing the uptake of ILM in line with state and national level oil palm development strategies	
2.2.1	Carry out a comprehensive analysis with relevant stakeholder consultation of existing fiscal and economic instruments and formulate recommendations for landscape level financing strategies to support ILM.
2.2.2	Carry out a comprehensive analysis on incentivizing the management of private sector and community managed conserved areas across production landscapes and community sites.
2.2.3	Prepare recommendations for fiscal and economic instruments as contribution towards state and national level budgeting processes.
2.2.4	Develop strategies for mobilising resources and guideline for allocation of CSR contributions for reforestation initiatives.
2.2.5	Convene a stakeholder workshop to share lessons and successes of fiscal and economic instruments and disseminate information on recommendations for strengthening the incentive framework.
2.2.6	Advocate and promote the available fiscal and economic instruments and for strengthening the incentive framework, through government liaison, stakeholder consultations, private sector networking, etc.
Component 2: Promotion of responsible value chains for palm oil and smallholder support	
Outcome 3.1. Value chains for sustainable palm oil strengthened through multi-stakeholder collaboration	
Output 3.1. Multi-stakeholder collaboration processes strengthened	
3.1.1.	Strengthen the functioning of the Sabah Jurisdictional Approach initiative Committee through supporting a Sustainable Production Officer for multi-stakeholder collaborative spaces, engagement with upstream and downstream actors in the palm oil sector and implementation of participatory models on restoration and conservation of critical ecosystems in the project landscapes in accordance with the UNDP SES, and reflecting the findings of the SESA conducted under Output 1.1.1

No.	Activity
3.1.2.	Sponsor development and delivery of training in facilitation and systems thinking leadership skills for identified local champions, ensuring women's perspectives are fully represented.
3.1.3.	Facilitate dialogue between federal and state stakeholders regarding Sabah jurisdictional approach towards MSPO and RSPO certification.
3.1.4.	Prepare a sustainable financing plan for multi-stakeholder collaboration (possible financing sources to consider include circular economy approaches regarding palm waste management, commodity funds, etc.), and advocate for implementation of the plan.
Output 3.2. Strengthened linkages and collaboration through the value chain	
3.2.1	Develop partnerships and alliances with aligned organisations to broker, facilitate and strengthen cross-sector collaboration and public private partnerships for sustainable production and sustainable supply chains – looking across the target landscapes, but also across the palm oil sector in the region (including Malaysia, Indonesia and PNG, and also Thailand, India and China).
3.2.2	Engaging with existing sustainable production initiatives in Sabah to identify specific projects and activities that would benefit from increased support and investment from buyers.
3.2.3	Supporting sustainable production and supply chain projects (as per 3.2.2) to prepare presentation and communication materials for attracting increased support and investment from buyers.
3.2.4	Engage with major industry groups in key demand markets to mobilize increased buyer investment and support in sustainable production and supply chain projects through existing coalitions and partnerships.
3.2.5	3.2.5. Engage with existing sustainable finance initiatives for collaboration with producer and buyer groups to identify and address gaps relating to funding of sustainable palm oil.
3.2.6	Provide on-going capacity building, technical assistance, brokering and facilitation support to ensure the further development and strengthening of coalitions and partnerships for sustainable production and supply chain projects.
Output 3.3. Monitoring of oil palm footprint strengthened to facilitate responsible sourcing	
3.3.1	Assess existing tools related to oil palm smallholder database and traceability to identify the most appropriate system (i.e., traceability from the farms/estates to the mills).
3.3.2	Provide recommendations and feedback on improvement of the MSPO Trace database system on oil palm smallholders and medium-sized growers.
3.3.3	Work with the stakeholders in supporting the development, adoption, and operationalisation of the recommendations.
Output 3.4: Open innovation challenge introduced to identify solutions that can be scaled to address key sustainability issues facing the palm oil sector	

No.	Activity
3.4.1	Develop the concept for the Open Innovation Challenge, ensuring its openness to women and marginalized groups, and set up or link to an online platform.
3.4.2	Establish a grant administration function and support the administration of the Open Innovation Challenge for the duration of the project.
3.4.3	Engage strategic partners and raise financing for the financial prizes/grants.
3.4.4	Launch Open Innovation Challenge invitations, evaluate proposals, announce grantees.
3.4.5	Disburse low-value accelerator grants for strengthening enabling initiatives through SFD (according to UNDP low value grants procedures) that are complementary to the Open Innovation Challenge topics.
3.4.6	Regularly evaluate results and lessons and develop a business plan for sustaining the Open Innovation Challenge after project closure.
3.4.7	Produce communication materials, advocate for a long-term sponsor of the process, convene a workshop to showcase results and strengthen partnerships.
Outcome 4: Smallholder support systems strengthened for participation in sustainable farming and commodity supply chains	
Output 4.1. Capacity building delivered, and durable systems put in place to support smallholder farmers on the promotion of and increased uptake of sustainable production practices and farming systems	
4.1.1	Deliver training to extension officers/farmer support services, mainstreaming of options for environmental sustainability into extension modules of district extension offices (including agricultural extension, crop diversification), NGOs, and private sector, ensuring effective implementation of best management practices and knowledge sharing platforms (SPOC, etc.) by using resources developed by technical experts and the public sector. Sustainability training will be consistent with the UNDP SES and will be informed by the results of the SESA conducted under Output 1.1.
4.1.2	Identify critical areas for the development of a state-wide roadmap for improved smallholder support services and raising awareness on land tenure (e.g., Land and Surveys Department, Sabah Native Land Services programme (PANTAS)) for smallholders and medium-sized growers to support national commitments and NDPE policies.
4.1.3	Conduct upstream-smallholder engagement workshops and multi-stakeholder field-based trainings (in Sabah - coordinate with the Sabah Jurisdictional Approach Initiative Steering Committee) to develop upstream-smallholder management plans, compliant with SES requirements and reflective of the perspectives of women and marginalized groups.
4.1.4	Deliver capacity building (Train the Trainers) in collaboration with research institutions, government sector, CSPO System Holder, private sector and civil society partners on carrying out simplified HCV and HCS assessments for smallholders and recruitment for local monitoring.
4.1.5	assist the JCSC Climate, Environment and Nature Conservation Working Group in developing an HCV compensation and remediation guidance on how the jurisdictional process can address smallholder

No.	Activity
	forest clearance, and clearance of HCV and peatlands. Convene a stakeholder workshop on HCV compensation to share lessons learned.
4.1.6	Advocate for better utilization of company commitments, CSR programmes and CSPO outreach programmes as a platform for expanding and improving extension services within target areas.
Output 4.2. Technical support to smallholders facilitated to participate in deforestation-free palm oil supply chains through certification, planting of high-yield varieties, formation of cooperatives, crop diversification and mill-smallholder best management plans	
4.2.1	Conduct SESP screening of proposed downstream activities, and where required, in accordance with UNDP social and environmental standards, ESIA studies scoped to the risks identified, and develop an Indigenous Peoples Plan, in accordance with UNDP SES Standard 6.
4.2.2	Provide investment assistance (through disbursement of low-value grants, contractual services, memorandum of agreement, letter agreement, or other arrangement) for interventions on improved soil and water management, restoration of degraded cropland, good agricultural practices, agroforestry practices, diversification, high quality seedlings and other yield-improvement and yield-resilient practices, pest management. Proposals will include detailed intervention plans and confirmation of co-financing for value added contributions.
Output 4.3. Smallholders supported to access state crop assistance schemes and rural diversification activities	
4.3.1	Carry out a gap analysis on existing public and private assistance schemes on agriculture diversification activities and develop recommendations on improvement and scalability with significant representation from smallholders and women.
4.3.2	Convene local level workshops, roadshows, inviting representatives of governmental subsidy programmes, rural development banks and other partners to provide information to smallholders on available programmes and the processes and requirements.
4.3.3	Deliver training to smallholders, agricultural cooperatives, and other community-based organizations (CBOs) on proposal development and financial management for handling grant or microcredit funding, with the proactive inclusion of women.
4.3.4	Strengthen capacity of CBOs in accessing and managing grant and microcredit funding through disbursement of low-value grants for technical or financial management improvements
4.3.5	Advocate and promote expanded awareness and access to the available subsidies, government incentives, and microcredit schemes available through the public and private sector, with an emphasis on rural income diversification, sustainable food systems and non-timber forest products (NTFPs).
Component 3: Conservation and restoration-rehabilitation of natural habitats through public-private-community partnerships	
Outcome 5: High-value forest protected, restored-rehabilitated and connected across project landscapes in Sabah	
Output 5.1. Logged/degraded forests restored-rehabilitated to connect HCV/HCS and create wildlife corridors, and connectivity principles mainstreamed into state-funded restoration-rehabilitation schemes	
5.1.1	Building upon existing initiatives and analyses made during the development of the ILM framework, adopt priority degraded areas identified through SESP scoping, and where required, ESIA studies, and

No.	Activity
	systematic approaches such as the Restoration Opportunities Assessment Methodology (ROAM) to accelerate restoration-rehabilitation interventions of forest, agriculture and vulnerable lands.
5.1.2	Deliver capacity building and skills transfer to government, private sector, and civil society stakeholders and support development of intervention plans for participatory restoration and conservation initiatives, including technical aspects, business, and financial aspects, FPIC processes, etc.
5.1.3	Provide investment assistance (through disbursement of low-value grants, contractual services, memorandum of agreement, letter agreement, or other arrangement) for implementation of participatory restoration-rehabilitation and conservation initiatives, e.g., including carbon-insetting, agroforestry for improving/diversity livelihoods, community forest management to enhance ecological connectivity, etc., in accordance with the UNDP SES. Proposals will include detailed intervention plans and confirmation of co-financing for value added contributions.
5.1.4	Safeguard community traditional conservation knowledge through supporting at least one initiative on documenting and/or recording and disseminating traditional approaches, with FPIC from the indigenous communities involved.
5.1.5	Convene a workshop for sharing lessons learned and best practices and promoting upscaling and replication among government, private sector, local communities and civil society.
Output 5.2. Plantation companies and relevant authorities engaged on protection and effective management of HCV/HCS forests within their concessions	
5.2.1	Deliver capacity building for industry sector (FMU license holders and government linked companies) on integrating HCV findings into their sustainable management practices to better orient their conservation initiatives.
5.2.2.	Convene a workshop on best practices in integrating HCV/HCS into management planning processes, inviting oil palm, timber, conservation and other sectors.
Output 5.3. Partnerships strengthened with tertiary and research institutions, contributing to the development of the next generation of experts in Sabah on ecosystem restoration and community co-management	
5.3.1.	Disburse challenge grant funding to tertiary/research institutions for expanding innovation into the field of forest restoration-rehabilitation and community co-management.
5.3.2.	Facilitate partnerships with the grantees and other tertiary/research institutes and the teams implementing participatory models of restoration-rehabilitation and community co-management under Component 3.
5.3.3.	Convene a workshop to showcase best practices, advocate for adoption of innovative approaches and facilitate durable partnerships among tertiary/research institutes, governmental departments and agencies, civil society, and the private sector.
Output 5.4: An online platform developed for data sharing focusing on restoration	
5.4.1	Develop an online database of restoration initiatives by governmental agencies, tertiary/research institutes, private sector, civil society and non-governmental organisations.
5.4.2	Identify opportunities for strategic actions (e.g. sign up to existing platforms or develop a spatial online platform to match donors and restoration projects) and joint efforts (sharing of resources, knowledge etc)
5.4.3	Identify and facilitate a host entity to sustain and maintain the platform over the long term.

No.	Activity
5.4.4	Develop an online database of restoration initiatives by governmental agencies, tertiary/research institutes, private sector, civil society and non-governmental organisations.
Component 4: Knowledge management and impact monitoring	
Outcome 6: Adaptive management and sustainability facilitated through impact monitoring & evaluation and knowledge shared across Malaysia and FOLUR programme	
Output 6.1. Project implementation and results monitored, evaluated and reported	
6.1.1.	Organise the project inception workshop, including review of multi-year work plan, project results framework, tracking tools, stakeholder engagement plan, other safeguard frameworks and plans.; a record of the inception workshop will be documented in a project inception report.
6.1.2.	Organise annual project stakeholder workshops as part of the annual work plan preparation and adaptive management.
6.1.3.	Carry out regular monitoring and evaluation of the GEF core indicators and other metrics included in the project results framework.
6.1.4.	Conduct regular monitoring and evaluation of the SESP, Gender Action Plan, Stakeholder Engagement Plan, and other safeguard frameworks and management plans..
6.1.5.	Prepare the GEF Project Implementation Reports (PIRs) and other progress reports.
6.1.6.	Procure and support an independent midterm review of the project, according to UNDP and GEF guidelines.
6.1.7	Procure and support an independent terminal evaluation of the project, according to UNDP and GEF guidelines.
6.1.8	Prepare the final report for the project; including the PIR for the last year of implementation, the terminal evaluation report, and the management response to the terminal evaluation report.
Output 6.2. Knowledge sharing for replication of best practice nationally and internationally through FOLUR global platform and UNDP Green Commodities programme, and participation in the global IP framework events and activities	
6.2.1	Develop and implement a project Communications and Knowledge Management Strategy and Action Plan, reviewed and updated regularly.
6.2.2	Establish and maintain information and knowledge sharing systems on the project, to reach out to stakeholders at the district, landscape and state levels including internet platforms, social media, for broader reach beyond state levels, etc.
6.2.3	Convene annual lessons-learned workshops to disseminate knowledge products and lessons learned, linked to Heart of Borneo workshops.
6.2.4	Actively participate in annual Regional and Global FOLUR's workshops.
6.2.5	Actively participate in GCP's community of practice.

No.	Activity
6.2.6	Participate in other relevant knowledge exchange programs or platforms to disseminate lessons learned from FOLUR Malaysia implementation.
6.2.7	Contribute to the development of Global FOLUR annual progress reports and quarterly M&E reports.
6.2.8	Contribute to the development of Global FOLUR knowledge, technical and policy products.
6.2.9	Host and participate in commodity based regional-level knowledge exchanges, especially with Indonesia and Papua New Guinea.
6.2.10	Develop and initiate the implementation of the project sustainability plan.

1.2 Purpose and scope of this ESMF

This Environmental and Social Management Framework (ESMF) has been prepared in support of the project as a tool to assist in managing potential adverse social and environmental impacts associated with project activities, in line with the requirements of UNDP's Social and Environmental Standards. The implementing partners of the project and the relevant members of the project management unit will follow this ESMF during the start of the project implementation to ensure the environmental and social risks and impacts are fully assessed and management measures are in place prior to the implementation of the relevant project activities.

The ESMF forms the basis upon which the implementing partner will develop their specific Environmental and Social Management Plan, to ensure that significant adverse environmental and social impact mitigation and management measures are implemented and monitored as required. It identifies the steps required for detailed assessment of the project's potential social and environmental risks, and for preparing and approving the required management plans for avoiding, and where avoidance is not possible, reducing, mitigating, and managing the identified adverse impacts of this project. Its scope covers all project activities, including co-financing in terms of in-kind contributions and grants investment by government agencies needed to accomplish the project outputs. It also sets out the additional safeguards measures that apply to the project during the inception phase, including but not limited to:

- i. conducting a Strategic Environmental and Social Assessment (SESA), targeted at impacts associated with "upstream" aspects of the project involving planning support, policy advice and reform, training and capacity building;
- ii. conducting screening, using the UNDP SESP template and methodology, of impacts of "downstream" project activities – i.e. activities with a physical footprint – as potential intervention sites and activities are further defined; and
- iii. where required under UNDP's Social and Environmental Assessment and Management policy, to conduct Environmental and Social Impact Assessments (ESIA), targeted at "downstream" impacts of on-the-ground activities identified in the SESP, one per intervention site, paying particular attention to impacts on poor and marginalized individuals, groups, and communities;
- iv. obtaining the Free, Prior, Informed Consent (FPIC) from affected indigenous groups, for project activities which may affect the human rights, lands, territories, natural resources, traditional livelihoods, or cultural heritage.

This ESMF will be publicly disclosed in line with UNDP's Information Disclosure Policy and SES. Free, Prior Informed Consent (FPIC) procedures will be applied to the implementation of the ESMF.

At the current stage, on-the-ground activities have not yet been specified in terms of precise locations and interventions, so cannot be fully assessed for all potential social and environmental risks and impacts. As such,

this ESMF has been prepared to set out the principles, rules, guidelines, and procedures for screening, assessing, and managing the potential social and environmental impacts of the project as additional activities are developed and designed.

1.3 Potential Social and Environmental Impacts

During project development, the project was reviewed with UNDP's SESP. The analysis identified a range of potential social and environmental impacts associated with the project activities. The SESP (**Annex 4**) details the specific environmental and social risks that apply. The significance of each risk, based on its probability of occurrence and the extent of its impact, has been estimated as being either low, moderate, substantial or high. Based on the significance of these individual risks, the project has been allocated an overall SESP risk categorization rating of "Substantial", the overall risk category being taken from the highest rating allocated to any individual risk. i.e. if a project has one or more substantial risks, it has an overall risk categorization of 'substantial'. The categorizations are as follows:

High Risk: is defined by UNDP's SES¹ as *"Projects that include activities with potential significant adverse social and environmental risks and impacts that are irreversible, unprecedented and/or which raise significant concerns among potentially affected communities and individuals as expressed during the stakeholder engagement process. High Risk activities may involve significant adverse impacts on physical, biological, socioeconomic, or cultural resources, and may have the potential to aggravate existing situations of fragility or conflict, adversely affect human rights, lead to extensive environmental degradation and/or contribute to cumulative impacts."*

Substantial Risk: is defined as *"Projects that include activities with potential adverse social and environmental risks and impacts that are more varied or complex than those of Moderate Risk projects but remain limited in scale and are of lesser magnitude than those of High Risk projects (e.g. reversible, predictable, smaller footprint, less risk of cumulative impacts). Substantial Risk projects may also include those with a varied range of risks rated as "Moderate" that require more extensive assessment and management measures. Scoping and assessment may determine that a scoped, fit-for-purpose Environmental and Social Impact Assessment (ESIA) or Strategic Environmental and Social Assessment (SESA) may be required in order to ensure that the SES requirements are appropriately addressed."*

Moderate Risk: is defined by UNDP's SES as *"Projects that include activities with potential adverse social and environmental risks and impacts that are limited in scale, can be identified with a reasonable degree of certainty, and can be addressed through application of standard best practice, mitigation measures and stakeholder engagement during Project implementation."*

Low Risk: *"Projects that include activities with minimal or no adverse social or environmental risks and impacts. Further assessment of potential adverse social and environmental risks and impacts is not required. However, the SES Programming Principles and stakeholder engagement requirements still apply to project activities."*

The **Substantial Risk** categorization is due to the following risks, identified in the SESP (**Annex 4** to the project document):

Risk 2: New approaches to land management could result in changes to current access to resources, potentially leading to economic displacement. The project will focus on supporting the development of a comprehensive land use planning approach linking production, conservation, and restoration at scale – including land outside the forest reserves under traditional authorities, district, and state government.

There is a possibility that buffer zones around Community Conserved Areas which the project may establish, might be encroached upon by land users. This means that some areas will be placed under voluntary set-asides of HCV and HCS forest within their concessions and under co-management agreements for protection and sustainable use of HCV / HCS forest.

¹ UNDP SES, page 47.

Spatial planning & zoning of land can further restrict access and use of certain lands from collection of fuel wood, hunting, gardening, or introduce restrictions to the use of customary land as per agreed zoning areas. This could have a detrimental effect on livelihoods.

Note that the Standard 5 does not apply to restrictions of access to natural resources under community-based management arrangements, where a community decides to restrict its own access to resources based on a decision-making process that reflects voluntary, informed consensus.

Risk 6: The project may have adverse impacts on the rights, lands, resources and territories of Indigenous Peoples, who might not be fully involved in project design and therefore not engaged in, supportive of, or benefit fully from project activities. Indigenous Peoples are present throughout all project landscapes. Standard 6 is therefore triggered.

Risk 7: At the field level, indirect job creation brought about through project activities and intensification of the palm oil sector, might inadvertently lead to breaches of human rights and international labour standards, particularly those relating to wage fairness, child and forced labour, working hours and conditions.

The project will promote responsible sourcing by strengthening existing traceability systems for palm oil, as well as support to capacity development and sustainability certification for smallholder producers. The project therefore has clear potential to produce a net benefit in improving labour standards compliance through promotion of third-party certification standards. However, in view of the general poor adherence to international labour standards in the agricultural sector, and the number of smallholders who may be using occasional or semi-permanent casual labour, this may be difficult to monitor and enforce. Moreover, the migrant labourer shortage that has resulted during the COVID-19 pandemic increases the risk of child labour, forced labour, and other illegal labour practices. Although due diligence assurance is conducted on corporate partners, at the field level they may lack capacity and knowledge to adequately monitor labour standards and informal labour employment conditions and rights in participating smallholdings and farms.

Risk 8: Policy-level activities, such as the development of ILM plans, guidelines and training, may be developed without due regard to Standard 7, and fail to adequately incorporate its provisions into policy documents, guidance papers, extension work and training.

The project will support the participation of smallholders in deforestation-free supply chains through achieving MSPO and/or RSPO certification, both of which observe many international labour and HR standards, but may not be sufficient in themselves to ensure full compliance with Standard 7.

The SESA will include a high-level review of labour standards in Sabah, including a gap analysis between RSPO/MSPO requirements and UNDP Standard 7, and identify the drivers of the risk. The SESA will make recommendations as to how best to incorporate the requirements of Standard 7 into policy guidelines, training and multi-stakeholder platforms. The risk applies particularly to Outputs 1.3, 2.2, 3.1, 3.2, 3.3, 4.3, and 5.1, 5.2, 5.3 and 5.4.

In addition, the following risks were identified and rated as “Moderate”:

Risk 1: Integrated Landscape Management Frameworks/Plans, guidance documents, trainings, and support across the value chain, may be developed in ways, or include provisions, that do not take full account of social and environmental safeguards risks and impacts, leading to: (a) inadequate participation of all stakeholders; (b) inequitable empowerment of all rights-holders to claim benefits accruing from the agreements/plans; and/or (c) downstream impacts as a result of their implementation, for which there are inadequate mitigation measures. This could result in the triggering a variety of safeguards risks. Despite the inclusion of SESA and ESIA studies as project activities which will fully involve all stakeholders and further inform project design, it is recognized that some stakeholders may still find it difficult to participate fully. Locations for some activities have yet to be fully specified, meaning that the full extent of potential impacts arising from them is not clear at this stage (e.g. the selection of the

priority locations for conservation and restoration-rehabilitation of natural habitats under Component 3).

This means it will be essential for further screening and assessment of safeguards risks to be carried out in an integrated way as part of the scope of work carried out to develop the plans and agreements, and that integrated avoidance/mitigation/ management measures are embedded into the resulting landscape management plans and other project activities.

Risk 3 New approaches to land management could result in changes to current access to resources, potentially leading to temporary or permanent and partial or full physical displacement. To preserve the integrity of the protection and conservation forests some classes of Forest as well as buffer zones, prohibition on cultivating these areas may have to be enforced.

Risk 4: Changes to land tenure arrangements may result in loss of informal or customary land tenure rights, exposing people without registered legal entitlement to the land they farm to economic or physical displacement, or exclude them from project benefits.

The project has the potential to affect land tenure arrangements and/or community-based property rights or customary rights to land, territories and/or resources. This could be via formalizing individual land tenure as part of community based forest management interventions. Although this has potential to benefit some, it could also have adverse impacts on marginalized or unempowered people such as informal or casual forest users, potentially leading to changes of land use and/or economic or physical displacement. Informal land tenure arrangements and/or a failure to update official land use records may result in the exclusion of non-registered farmers from project benefits, especially benefits under Component 2. Although the exact numbers of informal or unregistered land users are not known, this may affect significant numbers of people, (the risk rating is a worst-case scenario).

Risk 5: Vulnerable or marginalized groups, or other stakeholders might not be fully involved in project design and therefore not engaged in, supportive of, or benefit from project activities. Marginalized/vulnerable farmers, or sharecroppers who do not own their land, could potentially be excluded from discussions on its management, improvements, and some potential benefits. This may include smallholders, sharecroppers, tenants, landless, women, ethnic minorities, disabled, and others. Fears over exposure to Covid-19 may discourage vulnerable stakeholders from taking part in meetings.

Risk 9: Project activities and approaches might not fully incorporate or reflect views of women and girls and ensure equitable opportunities for their involvement and benefit. A lack of specific inclusion of women within community activities that have the potential to help generate income, such as spatial planning at the subnational level, or commercial plantations, subsistence farming or market gardening may ultimately impact women and girls disproportionately to the rest of the community. Lack of a proactive approach towards a participatory gender inclusive stakeholder engagement process within land use and development planning activities, Oil Palm Policies and Environmental Management and Governance activities may result in the limited incorporation of a gender perspective. This can adversely affect the successful planning and implementation of project activities and have a more disproportionate impact on women who generally perform core labour in activities such as gardening, domestic work, and marketing of excess produce. Women may be denied additional monetary benefits from increased commodity yields.

Risk 10: Existing conflicts related to land use and/or ownership could be exacerbated or reignited by project. Conflict might be ignited between adjacent land users or groups which did not previously exist where activities on demarcation of land boundaries/spatial planning/zoning is introduced. Tensions could result between local communities on which land to allocate for community forestry, areas designated for tree planting etc. as part of environmental planting activities. Site-specific ESAs will be conducted, and the risks will be assessed through comprehensive stakeholder engagement. The project will fully take into account community views which will inform project outputs for each landscape. No communities will be compelled to take part.

- Risk 11:** A failure of vulnerable groups to benefit from the project, due to “Elite Capture” of project benefits. The Project could have inequitable or discriminatory adverse impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups. Powerful community leaders, landowners and commercial interests may dominate the process of land use development at the local level, due to customary power structures, which may further isolate marginalized/ vulnerable groups from the decision-making processes, excluding their inputs from consideration. A singular focus on investment-heavy cash crops risks concentrating benefits in the hands of those with access to capital and other means of production, at the expense of the poor whose low-input livelihood support activities may be marginalized. There is also a possibility that an increased focus on cash crops marginalizes women and children by displacing their food production.
- Risk 12:** Excessive use of fertilizers as part of oil palm development could lead to contamination of rivers and water sources for drinking and impact on soil degradation and the overall degradation of the natural habitat in that specific area. Workers in commodity supply chains (including smallholder producers) might be exposed to hazards in their use of chemical inputs (pesticides, fertilizers etc.) without adequate PPE, training, and safeguards, or which might be subject to international bans. Agricultural chemicals also pose the risk of release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts. Sabah has made significant progress in reducing the misuse of agricultural chemicals in recent years, although farmers and workers are often ill-informed about the dangers of agricultural chemicals and correct safety procedures. Intensification of commodity agriculture and processing can lead to increased amounts of wastes, fertilizers and/or pesticides released into the environment.
- Risk 13:** Poorly designed or executed project activities could damage critical or sensitive habitats, including through the introduction of invasive alien species during forest restoration-rehabilitation activities. The project targets restoration-rehabilitation of 200,000 ha of degraded HCV/HSC areas through updating forest and plantation management plans and/or establishment of ecological corridors, and to transform shifting cultivation practices to multi-strata agroforestry systems to increase biodiversity and carbon stocks over 15,000 ha. There are risks of introducing invasive alien species (IAS) if the restoration plans are not properly formulated.
- Risk 15:** Project outputs and outcomes may be affected by climate change, potentially resulting in safeguards risks. Oil palm productivity has been affected in recent years by prolonged periods of drought. Climate change may increase the frequency/severity of fires, floods, etc., thereby decreasing ecosystem resilience. A rise in temperatures may push formal or informal farming and unsustainable land use practices to higher altitudes, threatening biodiversity.
- Risk 16:** Risk imposed by COVID-19 pandemic or similar disease outbreak, having implications at international, national, and sub-national levels. Local community members involved in project activities may be at a heightened risk of virus exposure, e.g., stakeholder meetings, workshops, community field work, etc. Fears over exposure to Covid-19 may discourage vulnerable stakeholders from taking part in meetings. Project implementation activities could be suspended or delayed in case of continuation or recurrence of the COVID-19 pandemic or similar. A pandemic may also disrupt food supply chains, resulting in potential implications for food security if local food production is reduced as a result of increased emphasis on commodity production.

Further details of identified risks, including a further risk rated as Low, are contained in the SESP report (Annex 4)

1.4 Legislation and Institutional Frameworks for environmental and social matters

This section provides a preliminary review of the policy, legal and institutional (PLR) framework related to the potential risks and benefits of the proposed project and prospective activities to be implemented with the use of the funding received. The PLR framework underpins how social and environmental safeguards will be addressed and respected. This analysis will be further expanded in the ESMP when the SESA is conducted, to compare national PLRs to the social and environmental standards as appropriate to specific project activities

and indicate institutional and operational capacities and/or weaknesses, with recommendations to address identified gaps or weaknesses where appropriate.

1.5 National Legislation, Policies and Regulations

Malaysia is governed under a two-tier structure of Federal and State, with various government functions and responsibilities divided between the two levels. The overall picture is complex - in some cases decisions and legislation can be made by State governments without consent from the Federal Government, while in others decision-making is carried out at both levels. For example, the Federal government is committed to the Convention on Biological Diversity (CBD), however, the commitment needs to trickle down to the state level because the jurisdiction over land and forest is under the purview of the state governments. Therefore, the relationship between federal and state government is dynamic due to the dual responsibilities of each jurisdiction and legislative body under the country's federal constitution.

In the context of the FOLUR program, legislation relating to "land, forest and agriculture", is subjected to the state power, while matters related to "land and development planning", "wildlife" and "social welfare" are shared by federal and state levels. Sabah and Sarawak opted to have their own wildlife legislation, respectively. Meanwhile matters related to financial incentives, tax mechanisms, as well as commitment to international convention and treaties fall under the jurisdiction of the Federal government.

The legal and policy frameworks in relation to land use, land planning and forest management are under the purview of the State Government. There are obvious competing government agencies within the state governance structure on how to utilize land to its maximum potential. Policies for land preservation and land utilization are not integrated.

Land and land-based resources come under the purview of the State, which in turn means that each State government has the authority to legislate on land matters, including agriculture, forestry, as well as turtles and riverine fishing. The state is responsible for the land registry.

Other areas such as town and country planning, rehabilitation of mining land, housing, drainage, and irrigation are the responsibility of both the Federal and State governments. However, cadastral systems come under the purview of Federal government.

An analysis of the relevant institutional frameworks, and their relevance to the FOLUR program is contained in "Annex O: Baseline report/situation analysis on governance, policy and land use planning", including sections on land use governance, land ownership and management and forest certification mechanisms.

The following State plans and policies are relevant:

Table 2: Relevant Sabah State Laws, Plans and Instruments

No.	Policy	Description	Lead Agency	Date / Status	Analysis: relation to land use planning, designation of High Conservation Value HCV/High Carbon Stock HCS, protected areas, concession areas, commodity production, etc.
1	Sabah Structural Plan 2033 (SSP2033)	SSP2033 has been prepared under the provision of the Town and Country Planning Ordinance (Sabah Cap. 141), Section 4E, and it covers the whole State and its territorial waters (including Exclusive Economic Zone). SSP2033 represents a long-term strategic planning document that will guide and direct the State's future physical growth and development up to 2033. This plan has a key role in pinpointing the changes we must make in order to secure a more prosperous and sustainable future.	TRPD	2016-2033	Strategic policies will be provided to safeguard areas identified as High Conservation Value Environment (HCVE) and Priority Conservation Areas (PCA) on land, islands, and territorial waters. Policies will concentrate on protection, conservation, rehabilitation, and management of the environment and its natural resources through development control measures and land use restrictions. Areas that are currently protected from development are areas that are gazetted as Protection Forest Class I, Mangrove Forest Class V, Virgin Jungle Reserve Class VI, and the Wildlife Reserve Class VII under the Sabah Forestry Enactment 1968, Parks under the Sabah Parks Enactment 1984 and the Wildlife/Bird/Marine Sanctuaries under the Wildlife Conservation Enactment 1997.
2	Sabah State Policy on the Environment	The policy formulated through participatory approach among government agencies, private sectors, NGOs, individuals and other groups in society. The policy is guided by a number of core principles.	EPD-MTCE	2017	Through proper assessment and zoning, land will be allocated for development, only in areas where such development may be implemented without causing unnecessary environmental risks.
3	Third Sabah Agricultural Policy (SAP3)	Third Sabah Agricultural Policy (SAP3) (2015-2024) has been formulated with key emphasis on sustainable food production while increasing farmers' income. The policy has identified key issues and challenges faced by the sector, and accordingly formulated strategic goals and core enablers to address them. The State will prioritise land for food-based production purposes given the scarcity of suitable land for agriculture activities.	MoA	2015-2024	Agricultural land use will be decided based on sustainable development principles and optimal utilization of available resources. This is to ensure minimum impacts on the environment, such as deforestation, erosion and siltation as well as degradation of ridges and mountains. To further engage in effective management of the environment and land use, the state will regulate the type and intensity of land use through proper zoning and gazettement on critical food and industrial crops for environmental protection purposes.
5	Sabah Biodiversity Strategy	The Policy is a 10-year strategy that charts Sabah's commitment and contributions to fulfil the pledge made by Malaysia to implement the CBD. The Strategy seeks to conserve Sabah's biological diversity and to ensure that its components are utilised in a sustainable manner for the continued progress and socio-economic development of the state. The Strategy highlights the need to reduce pressures from economic activities and to integrate biodiversity considerations into the economic sphere.	SaBC - NRO	2012-2022	The Master List of Sabah's protected areas has 93 named protected areas covering about 1,174,398 ha of land, representing about 15.95 percent of Sabah's land area (Payne, 2006). The majority of these areas, which are all owned by the state and managed by a specified government authority, gazetted under either the Land Ordinance 1930 (as reserve for conservation purposes), or Parks Enactment 1984 (as a Park), or Wildlife Conservation Enactment 1997 (as Wildlife Sanctuary), or Forest Enactment 1968 and its subsequent amendments (as Forest Reserve).
6	Sabah Tourism Master Plan (up to year 2025)	The principal objective of the second STMP is to formulate a strategic development plan for tourism in Sabah to bring the industry to the next level of value added and long-term sustainable growth. This would involve the utilisation and management of Sabah's tourism resources to benefit a wide range of stakeholders that includes tourism players and rural communities, and also to contribute significantly to Sabah's economy in line with the objectives of Sabah Development Corridor.	MTCE		<i>Review and formulated in 2011-2015. Final draft but document not yet released.</i> The principal objective of the second STMP is to formulate a strategic development plan for tourism in Sabah to bring the industry to the next level of value added and long-term sustainable growth. This would involve the utilisation and management of Sabah's tourism resources to benefit a wide range of stakeholders that includes tourism players and rural communities, and also to contribute significantly to Sabah's economy.
11	Sabah Water Resources Master Plan	The Master Plan integrates the management of water resources, including water quantity, water quality, the aquatic environment and land use. The pattern of growth and development in Sabah is being shaped by Vision 2020 and related national policies, so this Master Plan has been developed to suit the objectives of Vision 2020.	DID	1994	Existing State legislation covers the provision of water services, land use and forest management, as well as development planning. As for gazette water catchment, residents may be permitted to stay with possibly some subsistence agriculture or strictly prescribed types of commercial or industrial activity. Secondly, the incentive to enter the catchment prior to the event and establish a "plantation" is reduced, as this would not provide valuable land, even

No.	Policy	Description	Lead Agency	Date / Status	Analysis: relation to land use planning, designation of High Conservation Value HCV/High Carbon Stock HCS, protected areas, concession areas, commodity production, etc.
					<p>if some land entitlement were granted.</p> <p>Thirdly, more comprehensive management is required. Change of ownership of titled land could also be permitted, subject to the restrictions on land use listed above.</p> <p>Where a Commercial Forest Reserve Class II, or a Forest Reserve Class V (Mangrove) occurs within a proposed protected catchment area, it should be reclassified to Protection Forest Reserve Class I.</p>
12	Sabah Development Corridor Blueprint	<p>SDC’s vision is for Sabah to be a leading economic region in Asia by being a preferred gateway for trade, investment and leisure for talents and businesses</p> <p>The strategy for the SDC initiative is to leverage Sabah’s inherent strengths, namely its strategic location, rich resources, as well as cultural and biological diversity to expand and grow high potential economic activities.</p>	SEDIA	2008-2025	<p>In terms of land, a total of 2.1 million hectares has been identified as suitable land for agriculture, of which 1.4 million hectares have already been developed as of 2005.</p> <p>As of 2005, 59% of Sabah’s land mass was covered with forest. The Class II Commercial Forest Reserve (or Production Forest) has the largest hectarage (2.7 million hectares), followed by Class I Protection Forest Reserve and Class V Mangrove Forest Reserve.</p>
13	Sabah Land Utilisation Policy Study (SLUPS)	<p>The study was to examine the physical attributes of land utilisation in Sabah (e.g. types of land utilisation) and relevant issues that arise from sectoral approaches to land utilisation in the state. Based on these inputs, the ultimate output of the study will be to develop policy guidelines towards integrated and sustainable land utilisation based on environmentally sound principals and provide options towards achieving full potential from land utilisation in the state.</p> <p>The objectives of the study are to formulate a 10-year policy guideline for economically and environmentally sustainable and utilisation in Sabah; and to achieve an orderly, efficient and effective protection and conservation of land to support sustainable development in the State.</p>	NRO		<p>The SLUPS action plan includes: To manage the forest land of Sabah with a fresh concept (carbon offset, REDD, etc) in order to achieve sustainability; Adopt a policy to retain all existing Wildlife Sanctuary and to add specific additional land, water or marine areas as Wildlife Sanctuary or Conservation Area where there are good reasons to do so; To adopt the Bornean Biodiversity and Ecosystems Conservation (BBEC) programme Phase I recommendations (2006) that Forest Reserves, Parks and Wildlife Sanctuaries be extended as necessary in order to better secure the survival of native terrestrial species, through connections and extensions to Sabah’s existing protected areas; To consider the possibilities; for land title holders to formally set aside parts of their land for conservation purposes; Islands should not be used for any extensive agricultural or plantation development, or for any potentially hazardous forms of land use; Identified potential areas along the coast and navigable rivers should be demarcated and set aside for the purpose for ports and marine activities and to be zone in accordance to the Sabah shoreline management Plan.</p> <p><i>This policy was never endorsed by state cabinet, but the government agencies implementing their action plans that reflected in the SLUPs Document.</i></p>
14	Sabah Environmental Action Plan	<p>The Sabah State Policy on the Environment outlines strategies and action plans based on five thematic aspects of the environment, namely land, air, water, biodiversity and social dimension. The policy outlines three objectives, namely, to provide a vision for environmental conditions and standards, an environmental framework for regulatory mechanisms, and guidance for all decision makers and implementing agencies in the execution of the mandates and duties.</p>	EPD/MTCE	2018-2033	<p>Some of the strategies outlined in this action plan are: Incentive schemes will be introduced to promote introduction of land uses such as wilderness areas, wildlife refuges, recreational areas on alienated land; Use of for example water catchment regulations to regulate land management regime will be intensified; Forest habitats and ecosystems covering at least 50% of Sabah’s land area will be gazetted or maintain gazetted. All existing TPAs will be maintained while the total coverage of PA will be expanded to cover 30% of Sabah’s land territory; Relevant departments and agencies will continue rehabilitating degraded forest areas through enrichment planting and other silviculture treatment; Through proper assessment and zoning, land will be allocated for development, only in areas where such development may be implemented without causing unnecessary environmental risks; Mangrove areas will continue to be protected as barriers against wave and erosions.</p>
15	Sabah Environmental Quality Monitoring Master Plan	<p>The policy aims to guide and inspire the population of Sabah to maintain the state as a healthy and prosperous place to live.</p> <p>The policy provides a vision of the environmental conditions and standards which will be targeted in the development of Sabah; an environmental framework to guide the continued development of environmental regulatory mechanisms in Sabah; guidance for all decision makers and implementing agencies in the execution of their mandates and duty.</p>	EPD-MTCE	2018	<p>The monitoring programme covers habitats/ ecological zones consisting of: Stratum 1 – Conservation areas and legally protected areas other than Class II Forest Reserves; Stratum 2 – Marine conservation areas or legally protected areas; Stratum 3 – Areas recognized as “High Conservation Value Area”; Stratum 4 – Class II Forest Reserves; Stratum 5 – Community- based conservation project areas; and Stratum 6 - Eco-tourism areas; Stratum 7 – Fragmented forest landscapes; Stratum 8 - Tree- crop plantation ecosystem; Stratum 9 – Highland ecosystem; Stratum 10 – Peat swamps areas.</p>

No.	Policy	Description	Lead Agency	Date / Status	Analysis: relation to land use planning, designation of High Conservation Value HCV/High Carbon Stock HCS, protected areas, concession areas, commodity production, etc.
16	Forest Policy	The Forest Policy strengthens the commitment and direction in managing designated forest areas and tree cover through sustainable forest management. This policy considers environmental, social and economic sustainability, through good forest governance and best management practices, to ensure forestry remains an integral and competitive land use in Sabah. The aim is for institutionalised good governance of forest management.	SFD	2019	The State Government pledge to preserve at least 30% of Sabah's land area as TPAs by the year 2025. The total forest areas rehabilitated through silviculture treatment, tree planting and forest plantations has exceeded 750,000 hectares as of 2018.
17	Sabah LEAP	By 2035, the people of Sabah will lead productive and meaningful lives in harmony with nature, conserving it for future generations and supported by vibrant and sustainable economy.	UPEN	2035	The LEAP action plan includes: Preserve existing ecosystems and biodiversity by expanding terrestrial and marine protected areas; <i>Environmental protection</i> will be built into every initiative taken by Sabah –the “Greenest Place in Asia” has to be inherent and genuinely built in development plans.
18	Strategic Plan of Action (Sabah) Heart of Borneo Initiative (2014-2020)	The three countries (Brunei Darussalam, Indonesia and Malaysia) have committed to build partnerships to secure the future of inland areas of the Heart of Borneo (HoB) Initiative. The general objective of the initiative is to carry out collaborative programs on conservation and sustainable development through the implementation of effective management and conservation of a network of protected areas, sustainable management of productive forests and implementation of sustainable land-uses.	SFD		Within Sabah the HoB area extends 39,236 km ² spanning mainly Sabah's core region. Of this region approximately 19% is composed of protected areas combining Class I Protection Forest Reserves (7,388 km ²), Class VI Virgin Forest Reserves (437 km ²), both under Sabah Forestry Department (SFD) jurisdiction, and Parks (2,440 km ²) under Sabah Parks jurisdiction. A further 50% (19,720 km ²) is Class II Commercial Forest Reserves that is made up of Natural Forest Management areas and plantations (mainly industrial tree plantations but with increasing oil palm plantations), under SFD. Class III Domestic Forest Reserves and Class IV Amenity Forest Reserves combined made up less than 1% (46 km ²) of the HoB area combined, with both classes again under SFD. The remaining 25% (9,775 km ²) of land mass within the HoB boundary will be State land or alienated titled land by the Lands and Surveys Department, such as Native title and Country lease title.
19	Orangutan Action Plan	The 5-year plan is a comprehensive document detailing priority actions for conservation of the orangutan to ensure the survival of this species. This plan considers the views and concerns of all major stakeholder involved in the management and conservation of orangutans and also to identify potential partners and donors who can assist in the implementation of the proposed action plans	SWD		The Orangutan Action Plan includes: Improving current agricultural practices in large-scale plantations and also small holdings or private orchards by introducing effective mitigation features, either by physical construction or by establishing conflict mitigation units; Acquisition of land along designated rivers and between isolated patches of forest supporting wildlife to provide for wildlife corridors in consultation with various stakeholders; Better forest management service by keeping the High Priority Areas for Orangutan Conservation in Commercial Forest Reserves under natural forest management ;Conversion of forest areas within existing orang-utan population regions into oil palm plantations and other crops should be minimized and eliminated. Conversion of these forests to Industrial Tree Plantations may be authorized if HCVF are properly identified before and protected during the establishments of these ITPs.
20	Elephant Action Plan	The plan places the protection of remaining wild elephant populations and their habitat at the highest priority. The plan also promotes greater awareness towards rehabilitating or conserving important wildlife areas such as natural corridors and important resource areas.	SWD		The action plan includes implementing the concept of Managed Elephant Ranges (MERs) in four important natural areas including the Lower Kinabatangan, Northern Kinabatangan, Tabin, and Central Sabah. The elephant habitats will then be identified and secured with the creation of corridors to connect existing protected areas. This will then facilitate migration routes which potentially help to maintain and enhance wild population.
21	Sumatran Rhinoceros Action Plan	The current (2010) number of living Bornean subspecies of the Sumatran Rhino is possibly around forty or less. Sabah has the best prospect of saving the species in Malaysia. The action plan aims to implement a policy of zero poaching and trapping of rhinos anywhere in Sabah; and to establish and operate a fenced, managed “Borneo Rhino Sanctuary” inside Tabin Wildlife Reserve, to be populated by rhinos translocated from other sites where rhinos are unable to contribute to species survival	SWD	2012-2016	Establishing rhino sanctuaries in forest reserves to increase the population of rhinos is one of the strategies in the action plan. Borneo Rhino Sanctuary (BRS) consists of managed, fenced facilities similar to those at SRS at Way Kambas in Lampung. The purpose is to bring together rhinos in a single managed facility in order to increase prospects for breeding of rhino. Rhinos will be maintained, monitored and cared for in individual paddocks (about 2 ha each) under natural forest cover inside TWR.

No.	Policy	Description	Lead Agency	Date / Status	Analysis: relation to land use planning, designation of High Conservation Value HCV/High Carbon Stock HCS, protected areas, concession areas, commodity production, etc.
22	Jurisdictional Certification (RSPO/MSPO)	RSPO was formed with the objective of promoting the growth and usage of sustainable palm oil products through credible international standards. By implementing the RSPO framework, suppliers are committing their organisation to work closely with other like-minded suppliers in an effort to reduce the environmental impact of palm oil plantation and production. The MSPO Certification provides a credible sustainable and responsible management, to bring about positive social, environmental and economic impacts, while minimising the negative impacts, particularly on its people and the environment	SFD		The Sabah Forestry Department took the lead of organising the Jurisdictional Certification Steering Committee (JCSC) as it has the largest land area set aside for this purpose in Sabah, of over 200,000 ha (500,000 acres), but only as an interim measure while the secretariat is being established. The JCSC consists of five governmental bodies, five civil societies and five industry players and has since been focusing on achieving three main goals of the first five-year work plan. i.e., achieve no loss of High Conservation Value (HCV) and High Carbon Stock (HCS) forests for all oil palm in Sabah, to enable zero-conflict in oil palm production landscapes in Sabah, and to strengthen smallholder sustainability and uplift local livelihoods.
23	REDD+	REDD+ is a mechanism which provides an economic incentive to encourage developing countries to reduce carbon emissions through sustainable forest management. The EU-REDD+ project is a project funded by the European Union and implemented in three selected pilot sites across different areas in Sabah (Kota Marudu, Kinabatangan, Kinabalu Ecolinc) for a duration of four years (2014 to 2017) plus a two years no-cost extension (2018-2019).	SFD	2012	The REDD+ mechanism comprises the conservation of forest carbon stocks (establishment of conservation areas); Sustainable Forest Management (SFM); and enhancement of Forest carbon stocks through restoration and enrichment planting activities.
24	No Net Loss Policy	This policy means not only maintaining forested areas, but also increasing it to achieve a gain of forests and biodiversity in Sabah. The State aims to maintain at least 50 percent of Sabah's land mass under forest reserves and tree cover, moving towards achieving a No Nett Loss/Net Gain of forest and biodiversity as well as ensuring that 30 percent of Sabah's land area are totally protected by 2025.	SFD	2014	The government plans to establish and restore a system of connected forests across Sabah. This policy implies to not only maintain the current forest areas, but also increase it further to achieve an overall net gain of forests and biodiversity in Sabah. The plan to increase the area of forests under protection to 30% of land area in the next 5 years will make Sabah a global leader in conservation of nature.
25	Agriculture Blueprint	Aims to attract public participation, especially among graduates, in the agriculture and fisheries sector while reducing imports of such goods.	MoA	2019	To contribute to the economy and create job opportunities for youths and reduce dependency on imports of food supplies. To diversify our economic activities. The targets set out under the blueprint include increasing the revenue in seaweed farming, cage fish farming, fresh milk, and rice yield. The focus will be on crops such as Musang King durian, coconut, honey pineapple, pomelo, mushrooms, cabbage, coffee, honey, rubber and rice.

1.6 Indigenous laws and customs pertaining to land use and tenure

The terms ‘native customary rights’ or ‘customary title’ describe the interests of the indigenous peoples of Sabah in their traditional lands, and section 15 of the Sabah Land Ordinance 1930 spells out the conditions under which indigenous peoples can claim Native Customary Rights (NCR). The term “native title” arises from the traditional customs and laws of indigenous peoples’ communities. The land ownership system of indigenous people is embedded in their traditional belief systems and way of life. Their property and everything they own, including land, are subject to the rules and regulations established by their belief systems, which have been translated into the adat, which has become the generally accepted guideline for indigenous communities.

These customs are recognized as part of the law of Malaysia under s 160 (2) of the Federal Constitution. In addition to customary laws, the English common law, the Land Code 1958, Land Ordinance 1930, and protections under the Federal Constitution are relevant in defining the content and scope of native title in Malaysia. With regard to the federal constitution, the primacy of equality between the various ethnic groups that comprise the Malaysian citizenry and special protections for the indigenous people of Sabah are important guiding principles in defining and protecting indigenous peoples’ land rights.

Indigenous peoples’ land is inherited property and is often passed down from one generation to the next within the family. The ownership of such land is governed by the adat system of the relevant local community and legalized through the torrent system, as stated in the land title under the Land Ordinance. The status of such land is often disputed because of the differences in the definitions of land ownership between the adat (custom) and state law perspectives.

Section 15 of the Sabah Land Ordinance 1930 spells out the conditions under which indigenous peoples can claim “Native Customary Rights” (NCR), which gives detailed criteria for the establishment of NCR over a plot of land. However, it is not without problems, and may not in all cases adequately address the problems faced by Indigenous People in establishing NCR. For the indigenous communities, the practice of managing land and natural resources is closely tied to the adat system, whereas for the state, land management is strictly under the provisions of state laws and regulations.

1.7 International Agreements and Treaties

Of the nine core international human rights instruments, Malaysia has ratified:

- the Convention on the Rights of the Child (CRC)
- Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) and
- Convention on the Rights of Persons with Disabilities (CRPD).

The following have not been ratified:

- International Convention on Elimination of All Forms of Racial Discrimination (ICERD),
- International Convention on Civil and Political Rights (ICCPR),
- International Convention on Economic, Social and Cultural Rights (ICESCR),
- Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (commonly known as the United Nations Convention against Torture or UNCAT),
- International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families,
- and International Convention for the Protection of All Persons from Enforced Disappearance (ICPPED).
- State ratification of any international instrument is a sovereign call and would normally require a policy decision by the Government on whether to proceed or bypass the international legal obligation.

Lack of ratification does not necessarily imply that the provisions of these instruments are not reflected in law, either at the State or the Federal level. In some cases, national-level ratification is difficult due to the federal nature of the constitution.

1.8 UNDP’s Social and Environmental Standards

UNDP’s Social and Environmental Standards (SES), which came into effect 1 January 2015 and were updated in January 2021, underpin UNDP’s commitment to mainstream social and environmental sustainability in its programs and projects to support sustainable development, and are an integral component of UNDP’s quality assurance and risk management approach to programming.

UNDP uses its [Social and Environmental Screening Procedure](#) (SESP, Annex 4), to identify potential social and environmental risks and opportunities associated with all proposed projects. Each project is scrutinized as to its type, location, scale, sensitivity, and the magnitude of its potential social and environmental impacts. All project components are screened, including planning support, policy advice, and capacity-building, as well as site-specific, physical interventions. Activities that will be completed under project co-financing are also included in the scope of the assessment.

Projects are required to comply with [UNDP’s Social and Environmental Standards \(SES\)](#). The SES underpin UNDP’s commitment to mainstream social and environmental sustainability in its Programs and Projects to support sustainable development. Through the GEF Accreditation Process, the SES are acknowledged to be consistent with the GEF’s Environment and Social Standards. The objectives of the standards are to:

- Strengthen the social and environmental outcomes of Programs 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, outlined in Table 2, are an integral component of UNDP’s quality assurance and risk management approach to programming. This includes the Social and Environmental Screening Procedure (see the completed SESP for the project in Annex 4 to project document).

Table 3: Key Elements of UNDPs Social and Environmental Standards (SES)

Overarching Policy	Project-Level Standards	Policy Delivery Process & Accountability
<p>Overarching Principle: Leave No-One Behind</p> <p>Principle: Human Rights</p> <p>Principle: Gender Equality and Women's Empowerment</p> <p>Principle: Sustainability and Resilience</p> <p>Principle: Accountability</p>	Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management	Quality Assurance
	Standard 2: Climate Change and Disaster Risks	Screening and Categorization
	Standard 3: Community Health, Safety and Security	Assessment and Management
	Standard 4: Cultural Heritage	Stakeholder Engagement and Response Mechanism
	Standard 5: Displacement and Resettlement	
	Standard 6: Indigenous Peoples	Access to Information
	Standard 7: Labour and Working Conditions	Monitoring, Reporting, Compliance review
	Standard 8: Pollution Prevention and Resource Efficiency	

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.

Where projects are rated as being Substantial Risk, scoping and assessment may determine that a scoped, fit-for-purpose Environmental and Social Impact Assessment (ESIA) and/or Strategic Environmental and Social Assessment (SESA) may be required in order to ensure that the SES requirements are appropriately addressed, and that mechanisms to manage identified risks are developed and implemented. The assessment must be commensurate with the magnitude and severity of foreseen risks.

The nature of the assessment will vary according to the type of risk foreseen. Where potential impacts are foreseen from "upstream" project activities, such as those involving planning support, policy advice and reform, or capacity building, they are typically assessed using forms of Strategic Environmental and Social Assessment (SESA). Risks and impacts associated with projects that have a physical footprint ("downstream" activities) are typically addressed through an Environmental and Social Impact Assessment (ESIA). Where appropriate, the assessments can be scoped to particular project components or activities, or identified risks.

Safeguard Policies Triggered:

The Social and Environmental Screening Procedure (SESP) has been applied to the project during the project development phase. Under this procedure, a SES principle or standard is triggered when a potential risk is identified and assessed as having either a 'moderate', 'substantial' or 'high' risk rating based on its probability of occurrence and extent of impact. Risks that are assessed as 'low' do not trigger the related principle or standard.

The SESP was finalised during project preparation, as required by UNDP's Social and Environmental Standards. The SESP identified 16 risks for this project that could have potential negative impacts in the absence of safeguards. One of these risks were rated as low, eleven as moderate and four as substantial.

The screenings also indicate that five of the ten social and environmental principles and standards have been triggered due to 'substantial' risks:

- Principle: Human Rights
- Standard 4: Cultural Heritage
- Standard 5: Displacement and Resettlement
- Standard 6: Indigenous Peoples
- Standard 7: Labour and Working Conditions

In addition, seven of the ten Principles and Standards are triggered due to potential impacts rated as 'moderate'. They are:

Principle: Gender Equality and Women's Empowerment

Principle: Accountability

Standard 1: Biodiversity, Conservation and Sustainable Natural Resource Management

Standard 2: Climate Change and Disaster Risks

Standard 3: Community Health, Safety and Security

Standard 4: Cultural Heritage

Standard 5: Displacement and Resettlement

Standard 6: Indigenous Peoples

Standard 7: Labour and Working Conditions

Standard 8: Pollution Prevention and Resource Efficiency

Full details on the risks and categorizations is contained in the SESP Template, which is attached as Annex 4. . A summary of the risk significance under each SES principle and standard, and the project-level safeguard standards triggered by each project is shown in Table 3 below.

Table 4: Summary of safeguards triggered based on screening conducted during project preparation

Overarching Principle / Project-level Standard	Risk rating
Principle: Human Rights	✓ Substantial
Principle: Gender Equality and Women's Empowerment	✓ Moderate
Principle: Accountability	Moderate
Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management	✓ Moderate
Standard 2: Climate Change and Disaster Risks	✓ Moderate
Standard 3: Community Health, Safety and Security	✓ Moderate
Standard 4: Cultural Heritage	Substantial
Standard 5: Displacement and Resettlement	✓ Substantial
Standard 6: Indigenous Peoples	✓ Substantial
Standard 7: Labour and Working Conditions	✓ Substantial
Standard 8: Pollution Prevention and Resource Efficiency	Moderate
Number of risks in each risk rating category:	
High	0
Substantial	4
Moderate	11
Low	1
Total number of project risks	16
Overall Project Risk Categorization	Substantial
Number of safeguard standards triggered	10

1.9 Gaps in policy framework

The Strategic Environmental and Social Assessment conducted under Component 1 (see Section 2.3 below) will include analysis of the legal and policy frameworks that apply, identifying gaps and strategies to enable the project's policy-level activities to operate with and alongside state and federal jurisdictional realms.

2 Procedures for Screening, Assessing and Managing Social and Environmental Impacts

2.1 Guiding Principles

The project will follow UNDP's requirements and procedures for screening, assessment, and management according to its substantial-risk project categorization. The following principles will guide the procedures:

- **Mitigation Hierarchy:** the project will first seek to avoid potential adverse impacts, then minimize them; where impacts remain, it will then apply mitigation measures; the offset of impacts that have not been mitigated will be used as a last resort.
- **Precautionary Principle:** the lack of full scientific certainty shall not be used as a reason for postponing measures to prevent serious threats.

- Direct, Indirect, and Cumulative impacts: the project will consider all relevant impacts, not just in the immediate project areas but also in the project's area of influence; it will also consider cumulative impacts from the project or from other relevant past, present, and reasonably foreseeable developments in the geographic areas.

2.2 Overview

The SESP has been conducted on the broad sweep of project activities, and has identified two groups of activities, each requiring distinct assessment strategies:

- (i) Risks associated with "upstream" project activities, i.e. those involving planning support, policy advice and reform, training and capacity building; and
- (ii) Risks from "downstream" field activities with a physical footprint.

Assessment for a Substantial-rated project would typically be addressed by subjecting significant upstream risks to Strategic Environmental and Social Assessment (SESA), while downstream activities with a physical footprint would be prescribed an appropriately scoped Environmental and Social Impact Assessment (ESIA).

At the current stage, precise field locations and activities are not fully specified for downstream activities; risks and impacts may be site-specific and dependent on the exact nature of the activities. It is therefore not possible to identify levels of risks from field activities with a degree of certainty sufficient to establish which of them require further in-depth assessment or an ESIA. All downstream activities will therefore be subject to additional screening with the SESP. These additional screenings will take place as intervention sites and activities are specified, in order to ascertain the need, if any, for additional study and assessment. Nevertheless, as indigenous peoples are present throughout the project landscape, a requirement for some site-specific Environmental and Social Impact Assessments, and FPIC consultations, can be expected.

Outputs of the SESA, screenings, ESIA's and any other assessments, will inform an over-arching Environmental and Social Management Plan, which will in turn inform the development of site-specific management plans for each intervention site. Procedures for screening, assessment and management are outlined below.

2.3 Screening

Field Activities with a Physical Footprint

The SESP was conducted during PPG and is summarized in Table 3 above, and included as Annex 4 to the ProDoc. While jurisdictions, provinces and districts of operation have been established, exact locations (referred to as 'intervention sites') for on-the-ground activities, (and hence the project's direct beneficiaries and project-affected communities), have not been specified at the present stage of project development. Additionally, specific activities with a physical footprint are currently not fully specified and may present additional risks and impacts.

The relevance of the risks identified in the current SESP may vary across sites, and the significance or likelihood of the risks or impacts identified will not necessarily be uniform across all locations. Further screening is required to identify risks' site-specific significance, and to effectively target any required further impact assessment or management.

Proposed intervention sites and project activities specific to those locations will be defined during the first year of the project. Once the initial project activities are fully specified and exact sites proposed, further screening using the SESP will be required to ground-truth and update the SESP, and to determine whether additional social and environmental impacts may be present that will require further assessment and management. On-site screening will also be useful in the selection of sites, as well as the design of interventions, enabling the ruling out of unsuitable sites due to potential unacceptable or unjustifiable impacts, or lack of community consent, and enabling adverse impacts to be "designed out" of intervention activities. On-site SESP screening will encompass, but not necessarily be limited to, the activities in Table 4 below:

Table 5: Project Activities requiring on-site Social and Environmental Screening Procedure

Component 1: Development of integrated landscape management systems	
Outcome 1: Intra-governmental coordination and multi-stakeholder collaboration enables effective landscape management	
Output 1.3: Integrated landscape management framework developed and mainstreamed through multi-stakeholder collaboration	<p>1.3.3 Through well-facilitated multi-stakeholder process, develop and assess land use scenarios (comprising of: BAU, compromised sustainable development scenario, feasible sustainable development scenario, and optimal development scenario based on the HCV/HCS maps for the project landscape), e.g., using targeted scenario analyses (TSAs) or similar methodologies.</p> <p>1.3.5. Development of action plans for each of the three key intervention areas based on the ILM framework and facilitate the mainstreaming into state and/or local planning processes.</p>
Component 2: Promotion of responsible value chains for palm oil and smallholder and medium-sized growers support	
Outcome 4: Smallholder and medium-sized growers support systems strengthened for participation in sustainable farming and commodity supply chains	
Output 4.2: Interventions on restoration of degraded cropland, adoption of good agricultural practices, formation of cooperatives, crop diversification and implementation of upstream-smallholder management plans.	<p>4.2.2 Provide investment assistance (through disbursement of low-value grants, contractual services, memorandum of agreement, letter agreement, or other arrangement) for interventions on improved soil and water management, restoration of degraded cropland, good agricultural practices, agroforestry practices, diversification, high quality seedlings and other yield-improvement and yield-resilient practices, pest management. Proposals will include detailed intervention plans and confirmation of co-financing for value added contributions.</p>
Component 3: Conservation and restoration-rehabilitation of natural habitats through public-private-community partnerships	
Outcome 5: High conservation value areas protected, restored-rehabilitated and connected across project landscapes	
Output 5.1: Logged/degraded forest landscapes restored-rehabilitated to regain ecological functions, including connecting HCV/HCS and creating wildlife corridors, and mainstreaming connectivity principles into existing restoration-rehabilitation schemes through gender responsive approaches and partnerships with communities and the private sector	<p>5.1.1. The adoption of priority degraded areas identified through SESP scoping, and where required, ESIA studies, and systematic approaches such as the Restoration Opportunities Assessment Methodology (ROAM) to accelerate restoration-rehabilitation interventions of forest, agriculture and vulnerable lands.</p>
	<p>5.1.2. To support development of plans for participatory restoration and conservation initiatives, including</p>

	<p>technical aspects, business, and financial aspects, FPIC processes, etc. and deliver capacity building and skills transfer to government, private sector, and civil society stakeholders.</p> <p>5.1.3. Provide investment assistance (through disbursement of low-value grants, contractual services, memorandum of agreement, letter agreement, or other arrangement) for implementation of participatory restoration-rehabilitation and conservation initiatives, e.g., including carbon-insetting, agroforestry for improving/diversity livelihoods, community forest management to enhance ecological connectivity, etc., in accordance with the UNDP SES. Proposals will include detailed intervention plans and confirmation of co-financing for value added contributions.</p>
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Screening of proposed intervention sites and activities will be the responsibility of the PMU and the Gender and Safeguards Officer.

Over the course of the project, further project activities and/or intervention sites which have not yet been included in the existing SESP nor subsequent updates, will be proposed and developed. Such proposed activities will, as they arise, require screening using the SESP methodology to ensure that any impacts are identified, their significance is established, and any required impact-specific management actions are developed and applied. All additional proposed activities will be subject to screening using the SESP template, impacts identified and categorized as “High”, “Substantial”, “Moderate” or “Low”.

Site-specific screening of proposed downstream project activities will also establish the presence or absence of risks relating to Standard 6. Project activities which impact the human rights, lands, territories, natural resources, traditional livelihoods, tangible or intangible cultural heritage (including knowledge and practices), of indigenous peoples, and which require their Free, Prior, Informed Consent, will be identified. (See also Section 2.5.2 below)

The ESMP must therefore ensure:

1. Use of the SESP, on-site, as a first step in site selection for proposed project activities with a physical footprint, to ground-truth and update the existing SESP. This is required as soon as proposed locations and on-the-ground activities are specified and must take place during the first year of project operation. Where sites are not yet specified, the SESP may also be used to inform the site-selection process.
2. Screening of activities proposed through the low value grants, including the open innovation challenge under Output 4.2, and restoration and conservation activities under Outputs 5.1, 5.2 and 5.3, and all other project activities with a physical footprint.
3. Further screening of all newly proposed activities, as they are proposed during the project, on a location- and activity-specific basis.

Overall project SESP updates

During implementation, the project will be re-screened with the UNDP SESP:

1. as prescribed by the project’s SESA, ESIA/ESMP and screening procedures and management plans (as relevant);
2. when determined necessary by the Project Manager (after consideration of the advice from PMU staff with responsibility for safeguards), the Project Board, or UNDP;
3. project activities will be re-screened with the UNDP SESP as needed in the course of required assessments, when determined necessary by the respective Project Manager (after consideration of

the advice from the Gender and Safeguards Officer), by the Project Steering Committee, or UNDP CO, and/or when project circumstances change in a substantive or relevant way.

Where screening, at any stage, identifies activities which entail impacts rated Moderate, Substantial or High significance, they will be subject to further assessment (either scoped SESA or ESIA) in accordance with the SES and this ESMF.

Screening shall be the responsibility of the project Gender and Safeguards Officer.

2.4 Assessment.

The SESP has identified the project as being Substantial Risk, and has highlighted issues which require further detailed assessment. Potential impacts from specific “upstream” project activities (i.e. those which involve planning support, capacity building, policy advice and reform), will be assessed through scoped Strategic Environmental and Social Assessments (SESAs), and where site-specific SESP screening of downstream activities with a physical footprint indicates the potential for impacts rated Moderate or above, appropriately-scoped Environmental and Social Impact Assessments (ESIAs) will be required in order to identify and assess impacts and develop management mechanisms to mitigate identified risks.

The combined assessments will develop strategies for avoiding, reducing and managing adverse impacts and enhancing positive impacts, and the outputs of both assessments will inform the overall Environmental and Social Management Plan, and will be implemented as described below.

2.4.1 Strategic Environmental and Social Assessment:

At project inception, the implementing partner will commission appropriate experts to conduct a Strategic Environmental and Social Assessment, which will assess potential impacts from, and develop strategies for the management of, upstream policy-level project activities to ensure compliance with the SES.

SESA refers to a range of analytical and participatory assessments that aim to integrate social and environmental considerations into policies, plans and programmes and evaluate their interlinkages, where appropriate with economic considerations. SESA evaluates the effect of strategies and programmes on a broad, cross-sectoral basis with the aim of making “upstream” development decision-making more sustainable. It identifies and prioritises the relevant Principles and Standards, and risks, to ensure that they are integrated into project design.

The assessment will be focused on the relevant upstream project activities as described in Table 5 below, and focused on the principles and standards identified in the SESP. The assessment of upstream impacts will evaluate their interlinkages with economic, sustainability, and poverty-reduction considerations, and will integrate SES requirements into policies, plans and programmes.

The SESAs will be carried out by independent experts in accordance with UNDP’s SES policy and the [UNDP SES Guidance Note on Assessment and Management](#) to systematically examine potential adverse risks and impacts associated with the upstream activities. The studies will be conducted in a participatory manner with stakeholders and will:

1. Identify potential adverse social and environmental impacts associated with activities, and situations where there is, or which might bring about or enable, a risk of non-compliance with the SES.
2. Analyse the nature of the risks, whether they are systemic, procedural or operational, and identify how SES requirements can be addressed in upstream activities, and the priorities to be included in planning and policy processes.
3. Ensure that SES requirements are fully embedded in programmes, guidelines, trainings and policy developments.
4. Assess gaps in the institutional, policy, and legal frameworks to address these priorities.
5. Identify where upstream project activities may affect the rights, territories, resources and traditional livelihoods of indigenous peoples (see section 2.5.2 below).

6. Identify where upstream project activities might contribute to violations of human rights obligations and the core international human rights treaties, and any indirect risk that the project may lead to breaches of SES Standard 7 on Labour and Working Conditions.
7. Assess broad downstream implications of identified risks to inform site-specific screening and/or ESIA or similar assessments.
8. Engage decision makers and stakeholders to ensure a common understanding and broad support for implementation.
9. Formulate policy and institutional measures needed to close policy and legal gaps, address institutional weaknesses and avoid adverse social and environmental impacts.
10. Identify measures (e.g. inclusions in policies, guidelines and training materials) to address and manage anticipated adverse social and environmental risks and impacts, including a summary Action Matrix.
11. Identify where and how the Principles of the SES (Human Rights, Gender Equality and Women’s Empowerment, Sustainability and Resilience, and Accountability) can be proactively promoted in policies and guidelines.

Information and strategies identified will inform decision-making and will be used to guide subsequent screening and assessments of downstream activities.

The detailed scope of the SESA will be refined by the experts conducting the assessment, and may be widened at their discretion, but will include focus on the activities detailed in Table 5 below, and the risks identified in the SESP (Annex 4).

Table 6: Project Activities subject to Strategic Environmental and Social Impact Assessment (Provisional)

Component 1: Development of integrated landscape management systems	
Outcome 1: Intra-governmental coordination and multi-stakeholder collaboration enables effective landscape management	
Output	Activities
Output 1.1: Enabling environment for integrated, multi-stakeholder collaborative approaches strengthened by introducing systems leadership skills and developing guidelines for integrated landscape management, in accordance with UNDP Social and Environmental Standards (SES)	1.1.3. Establish or strengthen an integrated landscape management (ILM) working group, facilitated by nominated facilitators among the cohort of trained sustainability champions. 1.1.4. Develop an ILM guidance document under the oversight of the ILM working group. 1.1.5. Deliver training and socialisation on application of the ILM guidance document through expert seminars, community meetings and production and dissemination of information materials.
Output 1.2: Data-sharing platforms and protocols harmonized in support of integrated landscape management	1.2.2. Provide technical assistance on strengthening data-sharing platforms and protocols for enabling participatory implementation of ILM. 1.2.3. Deliver training and socialization of the data-sharing platforms among state and local government departments and agencies, civil society, private sector, and academic institutions.
Output 1.3: Integrated landscape management framework developed and mainstreamed through multi-stakeholder collaboration	1.3.1. Establish or strengthen multi-stakeholder collaborative spaces at the landscape level and/or among the three key intervention areas to facilitate the ILM processes.

	<p>1.3.3. Through well-facilitated multi-stakeholder process, develop and assess land use scenarios (comprising of: BAU, compromised sustainable development scenario, feasible sustainable development scenario, and optimal development scenario based on the HCV/HCS maps for the project landscape), e.g., using targeted scenario analyses (TSAs) or similar methodologies.</p> <p>1.3.4. Conduct public consultation on the draft scenarios with TSA results, and then finalise the scenarios incorporating the feedback from stakeholders into a final version of the ILM framework.</p>
<p>Outcome 2: Emerging approaches and incentive mechanisms leading towards effectively managed high conservation value areas socialised</p>	
<p>Output 2.1: Roadmap for strengthening community-based natural resource management and an information package on establishment of OECMs in Sabah developed and socialised</p>	<p>2.1.1. Prepare and socialise a road map for expanding community-based natural resource management.</p> <p>2.1.2. Undertake consultations with stakeholders on the linkages of HCV management and monitoring based on relevant guidelines to complementary management effectiveness tools and programs in Malaysia (e.g. IUCN Green List or OECM program in Malaysia).</p> <p>2.2.3. Convene a stakeholder workshop on community-based natural resource management and OECMs and advocate for uptake across Sabah.</p>
<p>Output 2.2: Fiscal and economic instruments explored, and recommendations formulated for incentivizing the uptake of ILM in line with state and national level oil palm development strategies</p>	<p>2.2.2. Prepare recommendations for fiscal and economic instruments included into 5-year Malaysia Plan and advocate for approval.</p> <p>2.2.3. Develop a guideline for allocation of CSR contributions for conservation and reforestation initiatives.</p> <p>2.2.5. Advocate and promote the available fiscal and economic instruments and for strengthening the incentive framework, through government liaison, stakeholder consultations, private sector networking, etc.</p>
<p>Component 2: Promotion of responsible value chains for palm oil and smallholder and medium-sized growers support</p>	
<p>Outcome 3: Value chains for sustainable palm oil strengthened through multi-stakeholder collaboration</p>	
<p>Output</p>	<p>Activities</p>
<p>Output 3.1: Multi-stakeholder collaboration processes strengthened</p>	<p>3.1.2. Sponsor development and delivery of training in facilitation and systems thinking leadership skills for identified local champions.</p> <p>3.1.3. Facilitate dialogue between federal and state stakeholders regarding Sabah jurisdictional approach towards MSPO and RSPO certification.</p> <p>3.1.4. Prepare a sustainable financing plan for multi-stakeholder collaboration (possible financing sources to consider include circular economy approaches regarding palm waste management, commodity funds, etc.), and advocate for implementation of the plan.</p>

<p>Output 3.2: Output 3.2: Strengthened linkages and collaboration through the value chain</p>	<p>3.2.1. Develop partnerships and alliances with aligned organisations to broker, facilitate and strengthen cross-sector collaboration and public private partnerships for sustainable production and sustainable supply chains – looking across the target landscapes, but also across the palm oil sector in the region (including Malaysia, Indonesia and PNG, and also Thailand, India and China).</p> <p>3.2.2. Engage with existing sustainable production initiatives in Sabah to identify specific projects and activities that would benefit from increased support and investment from buyers.</p> <p>3.2.3. Supporting sustainable production and supply chain projects (as per 3.2.2) to prepare presentation and communication materials for attracting increased support and investment from buyers.</p> <p>3.2.5 Engage with existing sustainable finance initiatives for collaboration with producer and buyer groups to identify and address gaps relating to funding of sustainable palm oil.</p> <p>3.2.6. Provide on-going capacity building, technical assistance, brokering and facilitation support to ensure the further development and strengthening of coalitions and partnerships for sustainable production and supply chain projects.</p>
<p>Output 3.3: Traceability oil palm in Sabah strengthened to facilitate responsible sourcing</p>	<p>3.3.1. Assess existing tools related to oil palm smallholder database and traceability to identify the most appropriate system (i.e., traceability from the farms/estates to the mills).</p> <p>3.3.2. Provide recommendations and feedback on improvement of the MSPO Trace database system on oil palm smallholders and medium-sized growers.</p>
<p>Output 3.4: Open innovation challenge introduced to identify solutions that can be scaled to address key sustainability issues facing the palm oil sector</p>	<p>3.4.1. Develop the concept for the Open Innovation Challenge and set up or link to an online platform.</p> <p>3.4.2. Establish a grant administration function and support the administration of the Open Innovation Challenge for the duration of the project.</p> <p>3.4.3. Engage strategic partners and raise financing for the financial prizes/grants.</p> <p>3.4.5. Disburse low-value accelerator grants for strengthening enabling initiatives through SFD (according to UNDP low value grants procedures) that are complementary to the Open Innovation Challenge topics.</p>
<p>Outcome 4: Smallholder and medium-sized growers support systems strengthened for participation in sustainable farming and commodity supply chains</p>	
<p>Output 4.1: Capacity building delivered, and durable systems put in place to support smallholder farmers and medium-sized growers on the promotion of and increased uptake of sustainable production practices and farming systems</p>	<p>4.1.1. Deliver training to extension officers/farmer support services, mainstreaming of options for environmental sustainability into extension modules of district extension offices (including agricultural extension, crop diversification), NGOs, and private sector, ensuring effective implementation of best management practices and knowledge sharing platforms (SPOC, etc.) by using resources developed by technical experts and the</p>

	<p>public sector. Sustainability training will be consistent with the UNDP SES.</p> <p>4.1.2. Identify critical areas for the development of a state-wide roadmap for improved smallholder support services and raising awareness on land tenure (e.g., Land and Surveys Department, Sabah Native Land Services programme (PANTAS)) for smallholders and medium-sized growers to support national commitments and NDPE policies.</p> <p>4.1.3. Conduct upstream-smallholder engagement workshops and multi-stakeholder field-based trainings (in Sabah - coordinate with the Sabah Jurisdictional Approach Initiative Steering Committee) to develop upstream-smallholder management plans, compliant with SES requirements.</p> <p>4.1.4. Deliver capacity building (Train the Trainers) in collaboration with research institutions, government sector, CSPO System Holder, private sector and civil society partners on carrying out simplified HCV and HCS assessments for smallholders and recruitment for local monitoring.</p> <p>4.1.5. Assist the JCSC Climate, Environment and Nature Conservation Working Group in developing an HCV compensation and remediation guidance on how the jurisdictional process can address smallholder forest clearance, and clearance of HCV and peatlands. Convene a stakeholder workshop on HCV compensation to share lessons learned.</p>
<p>Output 4.3: Smallholders supported to access state crop assistance schemes and rural diversification activities</p>	<p>4.3.1. Carry out a gap analysis on existing public and private assistance schemes on agriculture diversification activities and develop recommendations on improvement and scalability with significant representation from smallholders and women.</p> <p>4.3.2. Convene local level workshops, roadshows, inviting representatives of governmental subsidy programmes, rural development banks and other partners to provide information to smallholders on available programmes and the processes and requirements.</p> <p>4.3.3. Deliver training to smallholders, agricultural cooperatives, and other community-based organizations (CBOs) on proposal development and financial management for handling grant or microcredit funding.</p> <p>4.3.4. Strengthen capacity of CBOs in accessing and managing grant and microcredit funding through disbursement of low-value grants for technical or financial management improvements</p> <p>4.3.5. Advocate and promote expanded awareness and access to the available subsidies, government incentives, and microcredit schemes available through the public and private sector, with an emphasis on rural income diversification, sustainable food systems and non-timber forest products (NTFPs).</p>
<p>Component 3: Conservation and restoration-rehabilitation of natural habitats through public-private-community partnerships</p>	

Outcome 5: High conservation value areas protected, restored-rehabilitated and connected across project landscapes	
Output 5.1: Logged/degraded forest landscapes restored-rehabilitated to regain ecological functions, including connecting HCV/HCS and creating wildlife corridors, and mainstreaming connectivity principles into existing restoration-rehabilitation schemes through gender responsive approaches and partnerships with communities and the private sector	<p>5.1.3. Provide investment assistance (through disbursement of low-value grants, contractual services, memorandum of agreement, letter agreement, or other arrangement) for implementation of participatory restoration-rehabilitation and conservation initiatives, e.g., including carbon-insetting, agroforestry for improving/diversity livelihoods, community forest management to enhance ecological connectivity, etc., in accordance with the UNDP SES. Proposals will include detailed intervention plans and confirmation of co-financing for value added contributions.</p> <p>5.1.4. Safeguard community traditional conservation knowledge through supporting at least one initiative on documenting and/or recording and disseminating traditional approaches, with FPIC from the indigenous communities involved.</p>
Output 5.2: Plantation companies and relevant authorities engaged on protection and effective management of HCV/HCS forests within their concessions	<p>5.2.2. Deliver capacity building for industry sector (FMU license holders and government linked companies) on integrating HCV findings into their sustainable management practices to better orient their conservation initiatives.</p> <p>5.2.3. Document a road map and identify appropriate mechanisms for incentivising the adoption of HCVs as conserved or OECMs.</p> <p>5.2.4. Convene a workshop on best practices in integrating HCV/HCS into management planning processes, inviting oil palm, timber, conservation and other sectors.</p>
Output 5.3: Partnerships strengthened with tertiary and research institutions, contributing to the development of the next generation of experts in Sabah on ecosystem restoration and community co-management	<p>5.3.1. Disburse challenge grant funding to tertiary/research institutions for expanding innovation into the field of forest restoration-rehabilitation and community co-management.</p> <p>5.3.2. Facilitate partnerships with the grantees and other tertiary/research institutes and the teams implementing participatory models of restoration-rehabilitation and community co-management under Component 3.</p> <p>5.3.3. Convene a workshop to showcase best practices, advocate for adoption of innovative approaches and facilitate durable partnerships among tertiary/research institutes, governmental departments and agencies, civil society, and the private sector.</p>
Output 5.4: An online platform developed for data sharing focusing on restoration	<p>5.4.1. Develop an online database of restoration initiatives by governmental agencies, tertiary/research institutes, private sector, civil society and non-governmental organisations.</p> <p>5.4.2. Identify opportunities for strategic actions (e.g. sign up to existing platforms or develop a spatial online platform to match donors and restoration projects) and joint efforts (sharing of resources, knowledge etc)</p> <p>5.4.4. Develop an online database of restoration initiatives by governmental agencies, tertiary/research institutes, private sector, civil society and non-governmental organisations.</p>

As a high-level document, the SESA is based on the broad scope of envisaged high-level project activities. As these are already identified and broadly defined, work on the SESA will commence during the first 6 months of the project. Information and strategies identified in the SESA will inform decision making and will be used to guide assessments and the formulation of downstream activities to ensure SES compliance.

2.4.2 Environmental and Social Impact Assessment

The current SESP findings are broad-based, provisional, and require on-site confirmation. Each of the downstream activities requires on-site screening with the SESP, to ground-truth the provisional findings and to confirm the nature of the risks, as described in 2.2 above. Where risks are identified as being Moderate or above, some form of Environmental and Social Impact Assessment will be required. As indigenous peoples are present throughout the project area, and activities which may affect their lands, territories, traditional livelihoods or traditional culture are rated as being at least “extensive” (i.e. an impact rating of 4 on the SESP assessment matrix), it can be expected that appropriately scoped ESIA will be required for at least some of the downstream activities.

The ESIA will be developed and carried out by independent experts in a participatory manner with stakeholders. This will involve stakeholder consultations and engagement, as well as research, fieldwork, and management planning. (See also Section 4 on Stakeholder Engagement and Information Disclosure, and Section 2.5.2 below on Indigenous Peoples Plan).

An outline of a full ESIA is included in Section 8.2 below. However, it should be noted that the exact nature of the impacts and the nature and size of the affected communities, will determine the type and depth of assessment required, which must be commensurate with the significance of the foreseen risks. Some impacts from activities may be assessed adequately with targeted assessments, such as risk hazard assessments, water resources impact studies, or health and safety assessments, etc. The term “ESIA” is used here in a broad sense to describe all types of structured, formal, third-party assessment of risks, leading to risk management strategies based on the mitigation hierarchy, with an emphasis on the poor and vulnerable, and sufficient to ensure Social and Environmental Standards are not breached, and the Principles are proactively promoted.

ESIA will commence in the first year of project implementation. They will focus on, but not be restricted to the potential impacts identified during the SESP screening processes, which may be present in their location-specific contexts.

The implementing partner will commission the ESIA in conjunction with the SESA. The assessment(s) will be conducted in a manner consistent with national regulations and the UNDP SES and lead to the development of appropriately scaled management measures and plans to address the identified risks and impacts.

The ESIA, informed by on-site screening and SESA findings, will:

- Screen social and environmental issues and impacts specific to the local context.
- Further clarify the applicable social and environmental standards (including UNDP SES) triggered by the project activities.
- Integrate, where appropriate, FPIC principles and procedures for consultations with indigenous communities.
- Take 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.

The UNDP SES and SESP require that in all cases required social and environmental assessments and adoption of appropriate mitigation and management measures must be completed, disclosed and discussed with stakeholders prior to implementation of any activities that may cause adverse social and environmental impacts.

2.5 Management.

2.5.1 Environmental and Social Management Plan

The project will create an overarching Environmental and Social Management Plan, which will be informed by the SESP, SESA and ESIA and/or other assessment reports, and management plans including the Gender Action Plan. The Plan will:

- Provide time-bound specific recommendations for avoiding adverse impacts, and where avoidance is not possible, for reducing, mitigating, and managing those impacts for all project activities.
- Further identify project activities that cannot take place until certain standards, requirements and mitigation measures are in place and carried out (complimenting and updating what has already been identified in this draft ESMF).
- Develop site-specific management plans, as necessary and as required by the applicable UNDP SES. These will outline the management objectives, potential impacts, control activities and the environmental performance criteria against which projects will be evaluated (e.g. audited). Recommendations will be adopted and integrated into the project activities, monitoring and reporting framework and budget.
- Stakeholder engagement, including FPIC consultations with indigenous peoples (see below), and plans for stakeholder engagement during implementation of management measures.
- Actions to implement mitigation measures for each identified risk and impact.
- A monitoring and reporting plan.
- Summary of identified adverse social and environmental impacts and any residual risks remaining after impact avoidance/mitigation/minimization.
- Capacity development and training.
- Stakeholder engagement plans including FPIC procedures.
- Defined roles and responsibilities.
- Implementation schedule, cost estimates and funding sources.

Impact management will adhere to the “mitigation hierarchy” model. Where possible, adverse impacts will be “designed out” – i.e. design of project activities will be amended or adjusted so as to avoid the identified impacts. Where this is not possible, measures will be developed, in conjunction with stakeholders, to reduce, minimize, mitigate or manage those impacts.

The above required assessments and management plans must be prepared and mitigation measures in place as per those plans, prior to the initiation of any project activity that may cause adverse impacts, including any actions that may lead to or cause physical or economic displacement and/or impacts on Indigenous People.

Where appropriate, appendices to the ESMP will be created for each intervention site, outlining the specific impacts and mitigation and management methods required for each site. Each of these is dynamic and will require amending as new project activities are identified, screened, and assessed in accordance with the procedures described. Additional required mitigation and impact management measures must be integrated into management plans, and in some cases may require, or benefit from, input from the Project Gender Specialist.

Project-affected stakeholders will be consulted on the scope and parameters of the assessment processes and their findings, including proposed mitigation and management measures. It may be necessary to undertake targeted consultations to ensure that marginalized or disadvantaged groups, women and girls, and individuals affected by the project, have sufficient opportunities to participate.

Assessment reports and adoption of appropriate mitigation plans/measures will be completed, disclosed, and discussed with stakeholders prior to initiation of any project activities that may cause adverse social and environmental impacts.

2.5.2 Indigenous Peoples Plan

SES Standard 6 requires that where a project may affect the rights, lands, resources or territories of indigenous peoples, an Indigenous Peoples Plan (IPP), must be developed and integrated into the design of the project. On-site screening will identify the presence of these peoples at each of the intervention sites, and further establish the nature of the risk(s), including any gender-related issues specific to indigenous groups. As indigenous peoples are present throughout the project landscape, it is expected that on-site screening will confirm the triggering of Standard 6 and the requirement for an IPP. An Indigenous Peoples Plan will be developed, and integrated into the ESMP

The Plan will define how best to engage with indigenous peoples and to ensure they benefit equally from the project's positive impacts. The IPP will be based on the findings of the SESA, screenings and ESIA's (or other assessments), and needs to be developed with full, effective, and meaningful participation of potentially affected indigenous peoples.

The IPP will enable and map out the communication to take place with affected Indigenous groups throughout the decision-making process, facilitating information exchange during the development of integrated landscape management plans. It will describe how Indigenous people will be involved at all stages of project development, and subsequent on-the-ground project activities.

Discussions on upstream elements of the project will include Indigenous People's representatives, who will be consulted in the course of the SESA and ESIA's. As specific intervention sites and activities are proposed, further FPIC discussions will take place at grass roots level with affected communities.

As required under Standard 6 of the SES, Plans will include arrangements for culturally-appropriate consultation with the objective of achieving agreement and Free Prior and Informed Consent.

FPIC, for the purposes of the project, is defined as follows:

Free means the process will be self-directed by the customary landholders from whom consent is being sought, unencumbered by coercion, expectations or timelines that are externally imposed. The process:

- will be free from coercion, bias, conditions, bribery or rewards;
- will ensure that the decision-making structure is determined by stakeholders;
- will give information transparently and objectively;
- meetings and decisions will take place at locations and times and in language and formats determined by the stakeholders; and
- all community members will be free to participate regardless of gender, age or standing. .

Prior means that no project activity implementation takes place before a decision by the customary landowners and local communities has been made. The process will ensure that enough time is provided to customary landowners to understand, access, and analyse information on the proposed activities.

Informed: Information will be provided in a manner that is accessible, clear, consistent, accurate, and transparent. It will be:

- delivered in appropriate language and format (including video, graphics, radios, documentaries, photos, etc.);
- given to the landowner communities about their rights as relevant to the project and possible impacts;
- objective, covering both the positive and negative potential of activities and consequences of giving or withholding consent;
- complete, covering the spectrum of potential social, financial, political, cultural, environmental impacts, including scientific information with access to original sources in appropriate language;
- delivered in a manner that strengthens and does not erode indigenous or local cultures;

Consent is:

- made by the customary landowners through their customary decision-making process.
- a freely given decision that may be a “Yes” or a “No”, including the option to reconsider if conditions agreed upon are not met, there are changes in the proposed activities or if new information relevant to the proposed activities emerges;
- a collective decision determined by affected people in accordance with their forms of decision making (e.g. consensus, majority, etc.);
- based on full understanding of opportunities and risks associated with the proposed activity;
- given or withheld in phases, over specific periods of time for distinct stages or phases of the project;

Indigenous communities’ decision-making processes must be respected and allowed to operate in an open and transparent manner. Their right to choose how they want to live will be respected and If consent is not given, this shall be respected.

The collective right to give or withhold consent applies to all activities, legislative and administrative measures and policies (and their associated processes and phases) that may directly impact the lands, territories, resources, cultures and livelihoods of the indigenous communities. Consent must be sought and granted or withheld according to the formal or informal political-administrative dynamic of each community.

FPIC consultations will be comprehensively documented. Ideas, questions and concerns raised by different stakeholders, including related government institutions, NGO, CSOs, and women’s groups, private institutions, landholder groups, local village community and/or resource-owners, shall be captured, well documented and shared with the relevant national government agencies.

FPIC Consultations must be carried out in a culturally appropriate manner, be delivered by culturally appropriate personnel, in culturally appropriate locations, and include capacity building of indigenous or local trainers. Consultations shall be delivered with sufficient time to be understood and verified, and measures must be taken to ensure that consultations reach the most remote, rural customary land and natural resource users, women, marginalized and vulnerable and are provided on an on-going and continuous basis throughout the FPIC process.

The IPP will enable and map out the communication to take place with affected Indigenous groups throughout the decision-making process, facilitating information exchange during integrated landscape management processes. It will describe how Indigenous people will be involved at all stages of integrated landscape management plan development, and subsequent on-the-ground project activities. During the project’s first year, discussions on upstream elements of the project will include Indigenous People’s representatives.

The plan must be developed during the first year of the project and integrated with the ESIA development.

No activities that may adversely affect the rights, customs, existence, land value, use or enjoyment of customary/traditional lands, resources or territories or cultures, of Indigenous People will commence without the explicit free, prior, Informed Consent (FPIC) - of affected Indigenous People, and until impact management methods are in place.

An indicative template is appended to this document as Enclosure 8.4, outlining the required IPP sections. The IPP is to be project-wide, with site-specific sections as appropriate.

2.5.3 Additional Procedures for Low Value Grants to Third Parties

The project plans to disburse low-value grants under Output 3.4, 4.2, 4.3, 5.1 and 5.3. Low-value grants will be carried out in partnership with expert organizations, e.g., conservation agencies, protected area management administrations, NGOs, or local governments.

The SESA will conduct further assessment on risks associated with low value grants and integrate specific procedures into the ESMP. At a minimum, these will include requirements for grantees to:

- adhere to the UNDP social and environmental standards (SES),

- subject all on-the-ground activities to screening, using the SESP
- clear all proposed activities with the project Gender and Safeguards Officer
- ensure that gender considerations are fully integrated into all activities, and that activities proactively promote women's empowerment and human rights
- prepare bi-annual reports on progress, including status of their compliance with UNDP environment, social, and gender policies.

ESMP procedures for selection and management of LVG grantees will be developed in accordance with UNDP's [operational guide for LVGs](#) and guidance on [Selecting Responsible Parties and Grantees](#).

2.5.4 Additional Sub-Plans

The SESP has identified requirements for the following additional stand-alone management sub-plans:

- **Stakeholder Engagement Plan:** A SEP has been developed and will be updated (see Annex 7 to the project document), informed by SESA, SESP, ESIA and any other assessments. Sequential updates of the Plan will enable project officers to ensure that selection is carried out in synergy with the related legal and policy governance structure and that the implementation and selection procedures meet the required norms and standards. The plan will specifically consider how to equitably and meaningfully engage marginalized and vulnerable populations including specific measures to include women within the project areas. The plan will also provide terms of reference and modalities for managing stakeholder engagement in project activities at each site and with each community.
- **Livelihood Action Plans:** Site-specific Livelihood Action Plan(s) will be required where/if project activities cause economic displacement, whereby the livelihoods of individuals or communities are restricted, partially or fully, and either directly or indirectly, in their access to land or resources to support their economic well-being, as a consequence of project activities. Acceptance of any economic displacement will be very much a last resort, and the project will be required to demonstrate that economic displacement is unavoidable, and justifiable in terms of the benefits of the displacement-driving activity. Action plans will address beneficiary participation in economic displacement decision-making, adequate (full and fair) compensation and assistance, as well as risk management to ensure that livelihoods are at least as good as prior to the program implementation and that the livelihoods of poor and marginalized are improved. Plans will include independent monitoring procedures, clarification of land rights consistent with applicable law, and outline capacity, training, and development actions targeting beneficiaries' livelihoods. They will ensure that UNDP SES requirements, best practice standards and mitigation measures are being met. Program activities that may create economic displacement cannot proceed until completion of the and livelihood action plans that are site-specific. Further guidance on Livelihood Action Plans is contained in the UNDP Guidance Note on Standard 5: Displacement and Resettlement.
- **Gender Action Plan:** The plan is in place and included as **Annex 10** to the project document. Updates will be informed by the ESIA/SESA, and progress against relevant benchmarks.
- **A Grievance Redress Mechanism (GRM).** The Implementing Partner will establish and implement, a transparent, fair, and free-to-access project-level Grievance Redress Mechanism (GRM), approved by stakeholders, which will be put in place at the start of implementation. The mechanism is described in Section 5.2 below, and a template for its development is included as Enclosure 8.5.
- **Climate Change:** The Climate Change impact screening report has been completed, and is included in Annex 13.
- **COVID-19 Risks and Opportunities:** An assessment of risks and opportunities from Covid-19 has been conducted and is included as Annex 14.

Further information on stand-alone management plans can be found on the UNDP website at: https://info.undp.org/sites/bpps/SES_Toolkit/SitePages/Guidance%20and%20Templates.aspx.

2.5.5 Exclusions

The project will not support any activities which:

- Involve, or will lead to physical displacement. GEF funds will not be used for any activities which would necessitate, or lead to people being required to, relocate, nor any activities which render untenable their continued residency in the project area.
- Any proposed project activity which when screened and assessed, is rated as having a risk significance of “High”, and hence would increase the overall project risk rating to “High”.

Project activities that involve or would lead to the above will not be implemented.

3 Institutional arrangements and capacity building

3.1 Roles and responsibilities for implementing this ESMF

The roles and responsibilities of project staff and associated agencies in the implementation of this ESMF is as follows. This ESMF does not cover the roles and responsibilities associated with implementation of the subsequent ESMPs and/or stand-alone management plans; those will be defined for each management plan that is developed in the project inception phase, as required per this ESMF.

Implementing Partner: The Implementing Partner for this project is the **Sabah Forestry Department**, and is responsible for executing the project. Specific tasks include:

- Project planning, coordination, management, monitoring, evaluation, and reporting. This includes ensuring that the required assessments (SESA and ESIA as above), assessment reports and the required management plan(s) (an ESMP and/or stand-alone management plan, as above) are developed, disclosed for public consultation and approved, and management measures are adopted and integrated during project implementation;
- Approve and supervise the work of the Gender and Safeguards Officer to develop and implement the ESMP, and any other safeguards-related personnel deemed necessary once the ESIA/SESA and resultant plans are developed has been prepared.
- Ensuring all requirements of UNDP’s SES and national regulatory/policy frameworks and relevant international standards have been addressed (e.g. mitigation of identified adverse social and environmental impacts).
- Hold responsibility and accountability to UNDP for overall management of the project, including compliance with UNDP SES.
- Providing all required information and data necessary for timely, comprehensive, and evidence-based project reporting, including results and financial data, as necessary. This will include ensuring that project-level M&E is undertaken by local institutes and is aligned with local systems, so that the data used and generated by the project supports state and federal systems.
- Risk management with respect to Social and Environmental Standards, as outlined in the ESMP.
- Procurement of goods and services, including human resources.

The Project Board will have the final responsibility for the integration of ESMP in the execution of the project. The integration of those plans will need to consider particular institutional needs within the implementation framework for application of these plans, including a review of the required budget allocations for each measure.

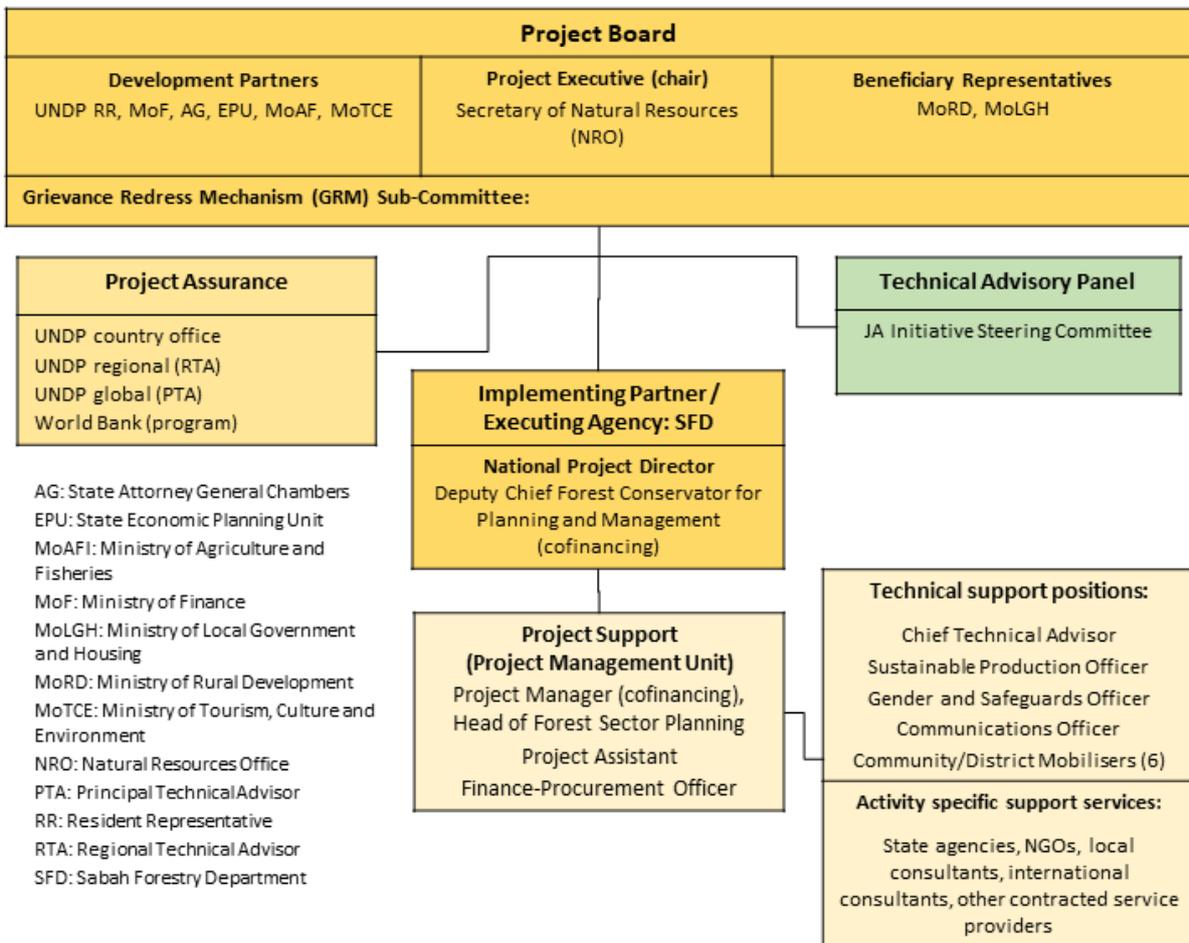
Project stakeholders and target groups: The project will work with existing multi-stakeholder partnership mechanisms and establish new partnerships where necessary to ensure project target groups are involved in

the design, implementation, and monitoring & evaluation of the activities in their communities. Direct beneficiaries (or target groups) are primarily the local communities in the project landscape, including the smallholder farmers and middle-size growers, and people involved in and benefitting from the project interventions and capacity building activities.

UNDP: UNDP is accountable to the GEF for the implementation of this project. This includes oversight of project execution to ensure that the project is being carried out in accordance with agreed standards and provisions. UNDP is responsible for delivering GEF project cycle management services comprising project approval and start-up, project supervision and oversight, and project completion and evaluation. UNDP is also responsible for the Project Assurance role of the Project Board/Steering Committee. UNDP’s role includes:

- provision of oversight on all matters related to safeguards.
- informing all the stakeholders and right-holders involved in, or potentially impacted, positively or negatively, by the GEF-financed projects, about the UNDP’s corporate Accountability Mechanism (described below).
- ensuring that the Compliance Review and the Stakeholder Response Mechanisms are operational during the lifetime of the projects.
- ensuring adherence to the SES for project activities implemented using funds channelled through UNDP’s accounts, and undertake appropriate measures to address any shortcomings.
- Verifying and documenting that all UNDP SES requirements have been addressed.
- Providing technical guidance on implementation of this ESMF and administrative assistance in recruiting and contracting expert safeguards services (as required), and monitoring adherence of each project to the ESMF and UNDP policies and procedures.

Project organisation structure:



Project Assurance: UNDP performs the quality assurance role and supports the Project Board and Project Management Unit by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed. The Project Board cannot delegate any of its quality assurance responsibilities to the Project Coordinator. UNDP provides a three – tier oversight services involving the UNDP Country Offices and UNDP at regional and headquarters levels. Project assurance is totally independent of the Project Management function.

GRM Sub-Committees: The Project Management Unit will serve as the secretariats for the project-level grievance redress mechanism (GRM). GRM Sub-Committees will be established and convened on an ad hoc basis, to attempt to resolve the grievance, request further information to clarify the issue, refer the grievance to independent mediation or determine the request is outside the scope and mandate of the steering committees and refer it elsewhere (e.g., the state judicial system). See Section 5 below.

Technical Working Groups: Technical supports Working Groups will provide advisory support through providing technical inputs to the project on an ad hoc basis.. The technical working group will be agreed upon during the project inception workshop and terms of reference will formulated and included in the inception report.

Project Management Unit: Project Management Unit staffed with specific responsibility for the ESMP are as follows:

- Project Manager (Head of Forest Sector Planning, SFD)
- Project Assistant

Three full-time technical support positions: the Chief Technical Advisor, Sustainable Production Officer and Gender and Safeguards Officer, will provide technical support services on the project. Summary descriptions of these positions are presented below, and their duties and responsibilities are outlined in **Annex 6 (Overview of technical consultancies/subcontracts)** to the project document.

- The **Chief Technical Advisor** will report to the Project Manager and be responsible for providing overall technical backstopping support to the project. Solid technical and stakeholder engagement qualifications will be required for this position.
- The **Gender and Safeguards Officer** will be responsible for supporting the governmental partners in ensuring the completion of the required SESA, ESIA and associated plans, and the development and implementation of the Environmental and Social Management Plan. As a substantial-risk project, it will be imperative that environmental and social risks are proactively mitigated in accordance with UNDP SES standards.
- **Sustainable Production Officer** will work closely with the Sabah Jurisdictional Approach Initiative, responsible for developing and maintaining partnerships with private sector enterprises and associations, governmental agencies, NGOs and other stakeholders the state, national, regional and global levels.

Technical Support Services: Short-term technical support will be procured as needed among qualified consultants, institutes, and civil society organizations and other service partners through competitive bidding processes. The types of expertise envisaged on short-term assignments include but are not limited to the following:

- Policy specialist
- Land use / natural resource management specialist
- Forestry / HCV-HCS specialist
- Agroforestry specialist
- Geospatial specialist
- Community development

- Indigenous peoples
- Facilitation
- Systems leadership
- Resource economist / conservation finance specialist
- Government liaison / advocacy
- Traceability and supply chain specialist
- Business development, marketing and branding, financial management
- Training of trainers on good agricultural practices
- Low-value grant administration
- Monitoring and evaluation
- Gender mainstreaming
- Knowledge management and communication
- Environmental and social impact assessment

3.2 Capacity Building

Specialists with relevant expertise in social and environmental safeguards will be engaged to conduct the SESA, ESIA and/or associated studies. These experts will offer an induction session for Project Management Units (and implementing partners, as needed) on safeguards responsibilities and approaches.

The UNDP-GEF Unit will provide advice to project teams as needed to support the implementation of this ESMF and the preparation, implementation and monitoring of social and environmental management plans/measures.

The Project Steering Committee will have the final responsibility for the integration of ESMP and stand-alone management plan(s) in the execution of the project. The integration of those plans will need to consider particular institutional needs within the implementation framework for application of the ESMP, including a review of the required budget allocations for each measure, 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 ESMP implementation. Where necessary, capacity building and technical assistance activities will be included to enable proper implementation of the ESMP.

4 Stakeholder engagement and information disclosure

4.1 Community consultations completed during the project preparation phase

Stakeholder consultations were conducted in September 2022, including a field mission to Sawit Kinabalu and the lower Kinabatangan, meeting with smallholders, NGOs and representatives of the Sabah Forestry Department. An inception/design workshop was held in Kota Kinabalu, on 26 and 27 September, attended by representatives from the federal, state and local governments, civil society, private sector, local community groups, UNDP Malaysia and PPG team. The workshop reviewed, and took inputs on the key contents of the Project Document, including the proposed outputs and activities, project results framework, management arrangements, baseline and co-financing requirements, stakeholder engagement and partnerships, among others. Extensive consultations were also held in October 2019 and January and February 2020. A summary is included below in Table 6, and is available in more detail in the Stakeholder Engagement Plan (Appendix 7).

Table 7 Summary of Stakeholder Consultations during PPG

Date	Activity	Location	Remarks
29 Sep 2022	PPG Field Mission, Consultation with Sawit Kinabalu	Sawit Kinabalu Conservation Information Centre	The consultation involved key representatives from Sawit Kinabalu, a state government-linked company in the palm oil industry. It was intended to understand stakeholder initiatives and views from a private sector perspective on the challenges and opportunities in sustainable palm oil production in Sabah and to what extent the FOLUR project might support the endeavour. Potential synergies and platforms for partnerships, particularly within the ILM context, were also explored. Representatives

Date	Activity	Location	Remarks
			from Sabah Forestry Department, UNDP Malaysia and PPG team were also in attendance.
29 Sep 2022	PPG Field Mission, Consultation with KOPEL	Sawit Kinabalu Conservation Information Centre	The consultation with KOPEL, a village-based cooperative focusing on tourism and conservation initiatives, was aimed at understanding sustainability initiatives from a community perspective. The KOPEL representatives shared their experiences in forest restoration and sustainable livelihood projects in the Lower Kinabatangan area. The main challenges and opportunities facing the projects were discussed, including opportunities for women's participation. Representatives from Sabah Forestry Department, UNDP Malaysia and PPG team also took part in the consultation.
28 Sep 2022	PPG Field Mission, Consultation with WildAsia	KOPEL Meeting Room	WildAsia, a private company, supports small independent palm oil producers to improve their farming practices and achieve compliance with internationally recognized standards through a group certification scheme. The consultation with WildAsia shed light on pathways towards developing local solutions towards sustainable livelihoods, natural resources management and sustainable production. Stakeholders included representatives from WildAsia, Sabah Forestry Department, Jurisdictional Approach Secretariat, UNDP Malaysia and PPG team.
28 Sep 2022	PPG Field Mission, Consultation with smallholders	Sabah Forestry Institute, Telupid	The consultation involved smallholder farmers from 10 villages in the districts of Kinabatangan, Telupid, Beluran and Tongod. There was a balanced representation of gender from the districts. These smallholder farmers were part of the Forever Sabah Certified Sustainable Palm Oil (CSPO) Programme. The consultation provided insights into the existing CSPO practices, including challenges and opportunities the stallholder framers encountered in the certification process. The findings provided a basis for devising context-specific strategies for sustainable production and livelihoods. Representatives from community cooperatives, Sabah Forestry Department, Forever Sabah, UNDP Malaysia and PPG team also participated in the consultation.
26 – 27 Sep 2022	Project Preparatory Design Workshop	Kota Kinabalu, Sabah	The workshop served as a multi-stakeholder platform for reviewing and co-creating the key contents of the Project Document, covering the proposed outputs and activities, project results framework, theory of change, management arrangements, baseline and co-financing requirements, stakeholder engagement and partnerships, among others. The workshop agreed on the timelines and next steps for the preparation of the Project Document. The workshop was participated by representatives from the federal, state and local governments, civil society, private sector, local community groups, UNDP Malaysia and PPG team.
20 Feb 2020	Multi-stakeholder PPG Review Workshop	Kota Kinabalu, Sabah	Progress review regarding project preparation and outstanding information needs and discussion of key project document sections, including theory of change, results framework, outputs and proposed activities, management arrangements, baseline and co-financing activities, and co-financing letters, stakeholder engagement and partnerships. Stakeholders included federal, state, and local government officials; civil society; private sector; academic institutions; GEF Secretariat representative; World Bank representative; UNDP Malaysia; UNDP Asia-Pacific Region; and PPG team.
18 Feb 2020	Multi-stakeholder PPG Review Workshop	Kuching, Sarawak	Progress review regarding project preparation and outstanding information needs and discussion of key project document sections, including theory of change, results framework, outputs and proposed activities, management arrangements, baseline and co-financing activities, and co-financing letters, stakeholder engagement and partnerships. Stakeholders included federal, state, and local government officials; civil society; private sector; academic institutions; GEF Secretariat representative; World Bank representative; UNDP Malaysia; UNDP Asia-Pacific Region; and PPG team.
17 Feb 2020	Meeting with Sarawak stakeholder	Petra Jaya, Kuching, Sarawak	Attended by Sarawak Planning Unit, Sarawak State Attorney General, State Financial Secretary, MANRED, MUDENR, Forest Department of Sarawak, Sarawak Forestry Corporation, Land and Survey, SALCRA, MPOB, Ministry of Women, and UNDP NC. Summary: Follow-up to previous meeting (7 th February 2020) above.

Date	Activity	Location	Remarks
7 Feb 2020	Meeting with Sarawak stakeholder	Petra Jaya, Kuching, Sarawak	Attended by Sarawak Planning Unit, Sarawak State Attorney General, State Financial Secretary, MANRED, MUDENR, Forest Department of Sarawak, Sarawak Forestry Corporation, Land and Survey, SALCRA and UNDP NC. Summary: Identification of further data requirements from key Sarawak stakeholders, and discussion of available information. Preparatory discussions for the forthcoming validation workshops in Kuching and Kota Kinabalu.
7 Feb 2020	Meeting with Wildlife Conservation Society (WCS)	Kuching, Sarawak	Attended by WCS and UNDP NC. Summary: Discussion chaired by Dr Melvin Gumal, Country Director of WCS, providing a detailed explanation of WCS involvement in conservation. Basic information from WCS on their Sarawak stakeholder engagement and the proposed FOLUR IP project.
21 Jan 2020	FOLUR Stakeholder Meeting	Kuala Lumpur	Chairperson: Dato Wan Mazlan Wan Mahmood (Under Secretary Biodiversity and Forestry Management Division). Attended by KATS, MPOB, MPI, Sabah Forestry, Land and Survey Sabah, District Officer of Sipitang Tenom and Kemabong, Sarawak Forestry Corporation, Forestry Department of Sarawak, MANRED, MUDENR, DOA Sarawak, Sarawak Planning Unit and the UNDP PPG Team. Summary: Meeting to update the project document, project strategy and results framework, and to collaboratively review and finalize the framework and catalogue of information, data, and stakeholder consultations required for formulating the Project Document and supporting annexes.
17-18 Oct 2019	PPG Project Design workshop.	Kuching, Sarawak	Aimed at increasing understanding of program objectives, project strategy and results framework. Collaborative reviewing and finalization of the framework and catalogue of required information, data, and stakeholder consultations required for formulating the Project Document and supporting annexes.
15-16 Oct 2019	Rumah Manggat, Batang Ai: Field survey and observations; Interview with local villagers	Sarawak	UNDP team and members of the house and governmental officers conducted observations and informal interviews at RH Manggat and surrounding landscapes. Site visit conducted at RISDA Sri Aman rubber farm, RH Johnson.
14 Oct 2019	PPG Site visit in Sarawak - Meeting in SALCRA Lubok Antu Palm Oil Mill 2: Site visit to SALCRA plantation and cattle integration project. Batang Ai reservoir – SALCRA & Department of Agriculture Fisheries project. Gaharu Plantation - WWF, FDS and Aquilaris Plantation (Sarawak) Sdn Bhd.	Sarawak	Attended by MANRED, MUDENR, Sarawak Planning Unit, Sarawak Forestry, MPOB, SALCRA, DoA, Land and Survey, District Office, PDRM, and UNDP PPG Team. Summary: Formal meeting chaired by Head of MANRED (Mr. Sulin Lumong). Presentations made by Forestry Department Sarawak (FDS), Sarawak Land Consolidation and Rehabilitation Authority (SALCRA), Malaysia Palm Oil Board (MPOB), Department of Agriculture (DoA) on their respective activities/programmes. Site visit made to Batang Ai Reservoir and Gaharu Plantation, accompanied by local stakeholders and community members.
12 Oct 2019	Nabawan Scheme visit	Nabawan, Sabah	Attended by Head of the Village, Nabawan local communities, DFO Keningau and UNDP PPG Team. Summary: Introduction made by the Head of Village on the Nabawan scheme and farming activities.
11 Oct 2019	Meeting in Kemabong District Office: Field visit to Kampung Marais Site visit to Rundum highlands	Kemabong, Sabah	Attended by Kemabong assemblyman (YB Jamawi Jaafar), ADO Kemabong, ADO Tenom, DFO Keningau, JPS and the UNDP PPG Team Summary: Discussion chaired by YB Jamawi, presenting a detailed explanation of agritourism projects in the district. Site visits made in two teams with the DO and DFO to observe the landscape and meet with local communities.
10 Oct 2019	Meeting in Keningau District Office; Oil palm smallholder landscape adjacent to the Pensiangan Forest Reserves; Oil palm matrix landscape; Rubber/ palm oil; smallholders; Visit to	Keningau, Sabah	Attended by ADO Keningau, DFO Keningau, SLDP, LIGS and the UNDP PPG Team. Summary: Formal meetings with local stakeholders to identify the project landscape and surrounding communities. Site visits made in two teams with the DO and DFO to observe the landscape and meet with local communities.

Date	Activity	Location	Remarks
	Kampung Likowon and Kampung Bonor.		
09 Oct 2019	PPG Inception Workshop	Kota Kinabalu, Sabah	Chairperson: Dato Wan Mazlan Wan Mahmood (Under Secretary Biodiversity and Forestry Management Division), Ministry of Water, Land and Natural Resources. Attended by KATS, and all relevant stakeholders in Sabah and Sarawak. Summary: Group discussions based on Districts within the target project landscape: Tenom, Sipitang, Nabawan, Kalabakan, Keningau and Sarawak, covering governance and collaboration, sustainable production, conservation and restoration, and community development.
07 Oct 2019	Meeting with Ministry of Water, Land and Natural Resources (KATS)	Putrajaya, Kuala Lumpur	Chairperson: Dato Wan Mazlan Wan Mahmood (Under Secretary Biodiversity and Forestry Management Division) Attended by KATS, MPOB, MPI and the UNDP PPG Team Summary: Introduction of the FOLUR-IP project with representatives from the federal government, and Sabah and Sarawak state representatives.

4.2 Community consultations during project implementation

The project has developed a Stakeholder Engagement Plan and Gender Action Plan, which are annexed to the Project Document. The SEP includes a stakeholder analysis, including local communities and farmers within the project landscape, Sabah government stakeholders, federal government ministries, agencies and associations, certification bodies, civil society, the private sector and research institutions. Plans will be followed to ensure that stakeholders are engaged in project implementation and particularly in the further assessment of social and environmental impacts and the development of appropriate management measures. Project Stakeholder Engagement Plans will be updated during project implementation based on the assessments and management plans conducted in line with this ESMF, as needed.

Potentially affected stakeholders will be engaged during the implementation of this ESMF. This will include FPIC consultations with IPs where applicable.

As part of the stakeholder engagement process, UNDP's SES require that project stakeholders have access to relevant information. Specifically, the SES stipulates that, among other disclosures specified by UNDP's policies and procedures, UNDP will ensure that the following information be made available:

- Stakeholder engagement plans and summary reports of stakeholder consultations
- Social and environmental screening reports with project documentation
- Draft social and environmental assessments, including any draft management plans
- Final social and environmental assessments and associated management plans
- Any required social and environmental monitoring reports.

As outlined in the SES and UNDP's Social and Environmental Screening Procedure (SESP), the type and timing of assessments and management plans vary depending of the level of social and environmental risk associated with a project as well as timing of the social and environmental assessment.

This ESMF (and the project SESP) will be disclosed via the UNDP website in accordance with UNDP SES policy. The subsequent project ESMPs or stand-alone management plan(s) will also be publicly disclosed via the UNDP website once drafted and finalized and adopted only after the required time period for disclosure has elapsed.

These requirements for stakeholder engagement and disclosure will be adhered to during the implementation of this ESMF, and the subsequent implementation of the resulting ESMPs and any stand-alone management plans.

5 Accountability and Grievance Redress Mechanisms

5.1 UNDP's Accountability Mechanisms

UNDP's SES recognize that even with strong planning and stakeholder engagement, unanticipated issues can still arise. Therefore, the SES are underpinned by an Accountability Mechanism with two key components:

12. A Social and Environmental Compliance Review Unit (SECU) to respond to claims that UNDP is not in compliance with applicable environmental and social policies; and
13. 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.

UNDP's Accountability Mechanism is available to all of UNDP's project stakeholders.

The Social and Environmental Compliance Unit (SECU) investigates concerns about non-compliance with UNDP's Social and Environmental Standards and Screening Procedure raised by project-affected stakeholders and recommends measures to address findings of non-compliance.

The Stakeholder Response Mechanism helps project-affected stakeholders, UNDP's partners (governments, NGOs, businesses) and others jointly address grievances or disputes related to the social and/or environmental impacts of UNDP-supported projects.

Further information, including how to submit a request to SECU or SRM, is found on the UNDP website at: <http://www.undp.org/content/undp/en/home/operations/accountability/secu-srm/>

5.2 Project-level Grievance Redress Mechanisms

The Implementing Partner will establish and implement, a transparent, fair, and free-to-access project-level Grievance Redress Mechanism (GRM), approved by stakeholders, which will be put in place at the start of implementation. Interested stakeholders may raise a grievance at any time to the Project Management Office, the Executing Agency, Implementing Agency (UNDP), or the GEF. The Implementing Partner will establish sub-committees responsible for the GRM in Sabah and Sarawak, responsible for the development and oversight of the mechanism, including reporting on the work of the GRM to all stakeholders.

The mandate of the GRM will be to:

- (i) receive and address any concerns, complaints, notices of emerging conflicts, or grievances (collectively "*Grievance*") alleging actual or potential harm to affected person(s) (the "*Claimant(s)*") arising from Project.
- (ii) assist in resolution of Grievances between and among Project Stakeholders; as well as the various government ministries, agencies, and commissions, CSOs and NGOs, and others (collectively, the "*Stakeholders*") in the context of the Project.
- (iii) Conduct itself at all times in a flexible, collaborative, and transparent manner aimed at problem solving and consensus building.

The functions of the GRM will be to:

- (i) Receive, Log and Track all Grievances received.
- (ii) Provide regular status updates on Grievances to Claimants, Project Board (PB) members and other relevant Stakeholders, as applicable.
- (iii) Engage the PB members, Government institutions and other relevant Stakeholders in Grievance resolution.

- (iv) Process and propose solutions and ways forward related to specific Grievances *within a period not to exceed sixty (60) days* from receipt of the Grievance.
- (v) Identify growing trends in Grievances and recommend possible measures to avoid the same.
- (vi) Receive and service requests for, and suggest the use of, mediation or facilitation.
- (vii) Elaborate bi-annual reports, make said reports available to the public, and more generally work to maximize the disclosure of its work (including its reports, findings, and outcomes).
- (viii) Ensure increased awareness, accessibility, predictability, transparency, legitimacy, and credibility of the GRM process.
- (ix) Collaborate with Partner Institutions and other NGOs, CSOs and other entities to conduct outreach initiatives to increase awareness among Stakeholders as to the existence of the GRM and how its services can be accessed.
- (x) Ensure continuing education of PB members and their respective institutions about the relevant laws and policies that they will need to be aware of to participate in the development of effective resolutions to Grievances likely to come before the GRM.
- (xi) Monitor follow up to Grievance resolutions, as appropriate.

Further details regarding requirements for the GRM are included in Terms of Reference for developing a Grievance Redress Mechanism, in Enclosure 8.5 below.

6 Budget for ESMF Implementation

Funding for implementation of the ESMF is included in the Project budget. The estimated costs are indicated below. Costs associated with the time of Project Management Unit Staff coordinating the implementation of this ESMF or UNDP support are not shown.

Table 8: Breakdown of project level costs for ESMF implementation

Budget costs for project safeguards	USD
Gender and Safeguards Officer (full time, 66 months)	162,540
International Safeguards Consultant (16 weeks)	48,000
Output 1.1: Contracted partner for Strategic Environmental and Social Assessment (SESA)	50,000
Output 4.2: Contracted partner, scoped ESIA of proposed downstream activities where required in accordance with UNDP SES.	30,000
Output 5.1: Contracted partner, scoped ESIA of proposed downstream activities where required in accordance with UNDP SES.	30,000
Output 6.1: Local M&E and Safeguards Consultants, M&E support from the 6 Community-District Mobilisers, travel expenses	54,396
Total:	374,936

7 Monitoring and evaluation arrangements

Reporting on progress and issues in the implementation of this ESMF will be documented in the project quarterly reports and annual project implementation reports (PIRs). Until the ESMPs and stand-alone management plans are put in place, UNDP CO will be responsible for compiling reports on the implementation of this ESMF, for reporting to the Project Steering Committee. Key issues will be presented to the Project Steering Committee during each committee meeting.

Implementation of the subsequent ESMPs and stand-alone management plans (all projects, as required) will be the responsibility for the individual project management teams, and other partners as agreed upon and described in those future plans.

The ESMF monitoring and evaluation plan is outlined below in Table 9.

Table 9: ESMF M&E plan

Monitoring Activity & Relevant Projects	Description	Frequency / Timeframe	Expected Action	Roles and Responsibilities
Track progress of ESMF implementation	Implementation of this ESMF coordinated for each project, and with results reported to each Project Steering Committee on an annual basis	Quarterly (until ESMPs and management plans are in place)	Required ESMF steps are completed in a timely manner.	Project Coordinator, with support from and Project Gender and Safeguards Officer
Implementation of mitigation measures and monitoring of potential impacts identified in assessment(s) and per the subsequent ESMP	Permanent and participatory implementation and monitoring of impacts and mitigation measures, in accordance with ESMP (to be prepared together with assessment)	Continuous, once ESIA/SESA is completed and ESMP is in place	Implementation of ESMP; participatory monitoring of assessment findings (i.e. identifying indicators, monitoring potential impacts and risks); integration of ESMP into project implementation strategies. Monitoring of environmental and social risks, and corresponding management plans as relevant (tendered to national institute, local consultant, CSO or service provider)	Project Coordinator, Gender and Safeguards Officer, oversight by UNDP CO, Project Board
Development of Indigenous Peoples' Plan	Drafted in a participatory manner, commencing as soon as project-affected indigenous communities are identified.	Year 1 of project implementation	Detailed procedures for the implementation of FPIC are established, and incorporated into impact screening, assessment and management procedures and the ESMP.	External service providers (environmental and social) With guidance from UNDP, Project Coordinator, and Project Gender and Safeguards Officer
Learning	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 teams and used to inform management decisions.	Project Coordinator
Annual project quality assurance	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 and used to inform decisions to improve project performance	UNDP CO, with support from Project Coordinator and Project Gender and Safeguards Officer

Monitoring Activity & Relevant Projects	Description	Frequency / Timeframe	Expected Action	Roles and Responsibilities
Review and make course corrections	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 steering committee and used to make course corrections	Project Board
Annual project implementation reports	As part of progress report to be presented to the Project Steering Committee and key stakeholders, analysis, updating and recommendations for risk management will be included	Annually	Updates on progress of ESMF/ESMP will be reported in the project’s annual PIRs. A summary of the avoidance and mitigation of potential social and environmental impacts will be included in the program annual report, sharing best practices and lessons learned across the program.	UNDP CO, UNDP-GEF RTA, Project Coordinator
Project review	The Project Steering Committee will consider updated analysis of risks and recommended risk mitigation measures at all meetings	At least annually	Any risks and/ or impacts that are not adequately addressed by national mechanisms or project team will be discussed in project steering committee. Recommendations will be made, discussed, and agreed upon.	Project Board, Project Coordinator

8 Enclosures

8.1 SESP Template

8.2 Indicative Outline of Environmental and Social Impact Assessment (ESIA)/ Report

UNDP Social and Environmental Standards: ESIA Report – Indicative Outline

Please refer to the [UNDP SES Guidance Note on Assessment and Management](#) for additional information.

An ESIA report should include the following major elements (not necessarily in the following order):

(1) Executive summary: Concisely discusses significant findings and recommended actions.

(2) Legal and institutional framework: Summarizes the analysis of the legal and institutional framework for the project, within which the social and environmental assessment is carried out, including (a) the country's applicable policy framework, national laws and regulations, and institutional capabilities (including implementation) relating to social and environmental issues; obligations of the country directly applicable to the project under relevant international treaties and agreements; (b) applicable requirements under UNDP's SES; and (c) and other relevant social and environmental standards and/or requirements, including those of any other donors and development partners. Compares the existing social and environmental framework and applicable requirements of UNDP's SES (and those of other donors/development partners) and identifies any potential gaps that will need to be addressed.

(3) Project description: Concisely describes the proposed project and its geographic, social, environmental, and temporal context, including any offsite activities that may be required (e.g., dedicated pipelines, access roads, power supply, water supply, housing, and raw material and product storage facilities), as well as the project's primary supply chain. Includes a map of sufficient detail, showing the project site and the area that may be affected by the project's direct, indirect, and cumulative impacts. (i.e. area of influence).

(4) Baseline data: Summarizes the baseline data that is relevant to decisions about project location, design, operation, or mitigation measures; identifies and estimates the extent and quality of available data, key data gaps, and uncertainties associated with predictions; assesses the scope of the area to be studied and describes relevant physical, biological, and socioeconomic conditions, including any changes anticipated before the project commences; and takes into account current and proposed development activities within the project area but not directly connected to the project.

(5) Social and environmental risks and impacts: Predicts and takes into account all relevant social and environmental risks and impacts of the project, including those related to UNDP's SES (Overarching Policy and Principles and Project-level Standards). These will include, but are not limited to, the following:

(a) Environmental risks and impacts, including: any material threat to the protection, conservation, maintenance and rehabilitation of natural habitats, biodiversity, and ecosystems; those related to climate change and other transboundary or global impacts; those related to community health and safety; those related to pollution and discharges of waste; those related to the use of living natural resources, such as fisheries and forests; and those

related to other applicable standards.²

(b) Social risks and impacts, including: any project-related threats to human rights of affected communities and individuals; threats to human security through the escalation of personal, communal or inter-state conflict, crime or violence; risks of gender discrimination; risks that adverse project impacts fall disproportionately on disadvantaged or marginalized groups; any prejudice or discrimination toward individuals or groups in providing access to development resources and project benefits, particularly in the case of disadvantaged or marginalized groups; negative economic and social impacts relating to physical displacement (i.e. relocation or loss of shelter) or economic displacement (i.e. loss of assets or access to assets that leads to loss of income sources or means of livelihood) as a result of project-related land or resource acquisition or restrictions on land use or access to resources; impacts on the health, safety and well-being of workers and project-affected communities; and risks to cultural heritage.

(6) Analysis of alternatives: systematically compares feasible alternatives to the proposed project site, technology, design, and operation – including the "without project" situation – in terms of their potential social and environmental impacts; assesses the alternatives' feasibility of mitigating the adverse social and environmental impacts; the capital and recurrent costs of alternative mitigation measures, and their suitability under local conditions; the institutional, training, and monitoring requirements for the alternative mitigation measures; for each of the alternatives, quantifies the social and environmental impacts to the extent possible, and attaches economic values where feasible. Sets out the basis for selecting the particular project design.

(7) Mitigation Measures: Inclusion or summary of (with attachment of full) Environmental and Social Management Plan (ESMP) (see indicative outline of ESMP below.) The ESMP identifies mitigation measures required to address identified social and environmental risks and impacts, as well as measures related to monitoring, capacity development, stakeholder engagement, and implementation action plan.

(8) Conclusions and Recommendations: Succinctly describes conclusion drawn from the assessment and provides recommendations.

(9) Appendices: (i) List of the individuals or organisations that prepared or contributed to the social and environmental assessment; (ii) References – setting out the written materials both published and unpublished, that have been used; (iii) Record of meetings, consultations and surveys with stakeholders, including those with affected people and local NGOs. The record specifies the means of such stakeholder engagement that were used to obtain the views of affected groups and local NGOs, summarizes key concerns and how these concerns addressed in project design and mitigation measures; (iv) Tables presenting the relevant data referred to or summarized in the main text; (v) Attachment of any other mitigation plans; (vi) List of associated reports or plans.

² For example, the Environmental, Health, and Safety Guidelines (EHSs), which are technical reference documents with general and industry-specific statements of Good International Industry Practice. The EHSs contain information on industry-specific risks and impacts and the performance levels and measures that are generally considered to be achievable in new facilities by existing technology at reasonable cost. Available at www.ifc.org/ehsguidelines.

8.3 Indicative outline of Environmental and Social Management Plan (ESMP)

UNDP Social and Environmental Standards: ESMP – Indicative Outline

Please refer to the [UNDP SES Guidance Note on Assessment and Management](#) for additional information.

An ESMP may be prepared as part of the Environmental and Social Impact Assessment (ESIA) or as a stand-alone document.³ The content of the ESMP should address the following sections:

(1) Mitigation: Identifies measures and actions in accordance with the mitigation hierarchy that avoid, or if avoidance not possible, reduce potentially significant adverse social and environmental impacts to acceptable levels. Specifically, the ESMP: (a) identifies and summarizes all anticipated significant adverse social and environmental impacts; (b) describes – with technical details – each mitigation measure, including the type of impact to which it relates and the conditions under which it is required (e.g., continuously or in the event of contingencies), together with designs, equipment descriptions, and operating procedures, as appropriate; (c) estimates any potential social and environmental impacts of these measures and any residual impacts following mitigation; and (d) takes into account, and is consistent with, other required mitigation plans (e.g. for displacement, ethnic minorities).

(2) Monitoring: Identifies monitoring objectives and specifies the type of monitoring, with linkages to the impacts assessed in the environmental and social assessment and the mitigation measures described in the ESMP. Specifically, the monitoring section of the ESMP provides (a) a specific description, and technical details, of monitoring measures, including the parameters to be measured, methods to be used, sampling locations, frequency of measurements, detection limits (where appropriate), and definition of thresholds that will signal the need for corrective actions; and (b) monitoring and reporting procedures to (i) ensure early detection of conditions that necessitate particular mitigation measures, and (ii) furnish information on the progress and results of mitigation.

(3) Capacity development and training: To support timely and effective implementation of social and environmental project components and mitigation measures, the ESMP draws on the environmental and social assessment of the existence, role, and capability of responsible parties on site or at the agency and ministry level. Specifically, the ESMP provides a description of institutional arrangements, identifying which party is responsible for carrying out the mitigation and monitoring measures (e.g. for operation, supervision, enforcement, monitoring of implementation, remedial action, financing, reporting, and staff training). Where support for strengthening social and environmental management capability is identified, ESMP recommends the establishment or expansion of the parties responsible, the training of staff and any additional measures that may be necessary to support implementation of mitigation measures and any other recommendations of the environmental and social assessment.

(4) Stakeholder Engagement: Outlines plan to engage in meaningful, effective and informed consultations with affected stakeholders. Includes information on (a) means used to inform and involve affected people in the assessment process; (b) summary of stakeholder engagement plan for meaningful, effective consultations during project implementation, including identification of milestones for consultations, information disclosure, and periodic reporting on progress on project implementation; and (c) description of effective processes for receiving and addressing stakeholder concerns and grievances regarding the project's social and environmental performance.

(5) Implementation action plan (schedule and cost estimates): For all four above aspects (mitigation, monitoring, capacity development, and stakeholder engagement), 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. Each of the measures and actions to be implemented will be clearly specified and the costs of so doing will be integrated into the project's overall planning, design, budget, and implementation.

³ This may be particularly relevant where contractors are being engaged to carry out the project, or parts thereof, and the ESMP sets out the requirements to be followed by contractors. In this case the ESMP should be incorporated as part of the contract with the contractor, together with appropriate monitoring and enforcement provisions.

8.4 Indicative outline of Indigenous Peoples Plan (IPP)

Please refer to the [UNDP SES Guidance Note on Indigenous Peoples](#) and the [IPP Outline](#) for additional information.

Background:

Where there is presence of indigenous peoples and/or communities, an Indigenous peoples Plan (IPP) shall be prepared and implemented for relevant target project sites where Project interventions will affect the rights, lands, resources, or territories of indigenous peoples (IP) communities. These IPPs will be developed and implemented following the UNDP Social and Environmental Standards 6 on Indigenous peoples with details appropriate to the Project's complexity and scale of interventions and its effects on the IPs, and their lands, resources, and territories. A Free and Prior Informed Consent (FPIC) will be procured prior to any project activities in areas where presence indigenous community or people have been recorded or registered and/or in line with UNDP Social and Environmental Standards 6 on Indigenous peoples.

The outline provided below will guide the preparation of the Indigenous Peoples' Plan

1. Executive Summary of the Indigenous Peoples Plan

- Under this Section, describe the IP communities that will be impacted by Project interventions, potential impacts of the Project, including its nature, extent, and scale, on the IP communities as well as recommended strategies and actions necessary to mitigate adverse impacts of Project interventions.

2. Project Description

- Define Project objectives, target outputs and activities with elaborate discussions on activities that will have adverse impacts of Project interventions.
- Explain Project interventions that will result in impacts to IP communities. Explain impacts resulting from and management measures that will help avoid, minimize, and mitigate adverse impacts and maximize positive impacts and opportunities from Site Intervention Plans.

3. Project Impact Analysis for Affected Indigenous peoples

3.1 Profile of Affected IP Communities

Establishing IP presence in the Project sites is the first step to identifying risk mitigation measures necessary to ensure equitable benefit sharing of Project gains. Under this sub-section, discuss:

- IP presence and claims covering the Project sites that will be affected;
 - areas where transient, migrant and permanent indigenous peoples are found;
 - tenurial systems of the land and territories that IPs inhabit or customarily used or occupied, and the natural resources on which they depend;
 - Ethnic tribes of affected IP communities;
 - Baseline information on the size of IP population and number of IP households affected by Project interventions, including the vulnerable groups, i.e., women, children, youth, senior citizens, and People with Disabilities (PWDs)
 - Elaborate a culturally appropriate and gender-sensitive process for meaningful consultation with IPs at each stage of project preparation and implementation, taking the review and baseline information into account;
- Climate risks faced by IP communities in the Project sites;
- Resource dependence of IP communities that will be affected in the Project sites, including: (i) types of livelihood activities of IP communities; (ii) specific location and size of areas utilized by IPs; (iii) frequency, extent and period of utilization of resources by IP communities; and (iv) alternative livelihoods of IP communities in the Project sites. It is important that data on available livelihood options for IP communities are documented for strategic intervention planning;
- Indigenous Knowledge Systems and Practices (IKSPs) and Indigenous Community Conserved Areas (ICCAs), if any, in the Project sites;
- Level of participation of IP communities in resource use management;

- Challenges and opportunities of affected IP communities in the target sites, including economic risks and opportunities.

3.2 Potential Impacts of Project Interventions to IP Communities

The Site Intervention Plans that will be developed for all Project sites will determine the ecosystem and community-based interventions that will be undertaken for the sites. Provide the details below.

- Project interventions that will have impacts on IP communities' economic activities. While the Project is projected to have no adverse impacts on indigenous peoples, an impact analysis on the Project's interventions vis-à-vis indigenous peoples in the areas will be undertaken as a form of validation. For one, displacement or disruption of economic or livelihood activities of indigenous peoples will have to be taken into account.
- Magnitude of impacts of Project interventions on IP communities' economic activities, e.g., income reduction, disruption of IKSPs, customary institutional arrangements, and status of ancestral domains' environment. Define whether these impacts are temporary or permanent; and partial or full; and
- IKSP related to community-based natural resource management that will be affected by Project interventions.

4. Summary of Substantive Rights and Legal Framework

- Discuss the international multilateral agreements and protocols supported at the Federal and State levels, and the local policies recognizing and protecting the rights and vulnerability of the indigenous peoples in the country.
- Discuss provisions of the United Nations Declaration on the Rights of Indigenous peoples (UNDRIP), the Conference of the Parties (COP) to the CBD.
- Discuss key provisions of local legislation, policies, and regulations
 - Discuss general assessment of government implementation of the above policies
- Provide an analysis of Project activities that are contingent on establishing legally recognized rights to lands, resources, or territories. In cases where these contingencies exist, include:
 - A work plan that lays-out the steps and target timeline for establishing tenurial rights of the concerned IP communities; with a discussion on the manner through which IKSPs will be preserved and promoted as well as the process involved in securing FPIC; and
 - Prohibited activities until the delimitation, demarcation and titling is completed.
- Provide an analysis of Project activities that are contingent on the recognition of juridical personality of affected Indigenous peoples. In cases where these contingencies exist include:
 - A work plan that specifies activities and timeline for achieving such recognition with the support of the relevant authority, with the full and effective participation and consent of effected indigenous peoples; and
 - List of activities that are prohibited until the recognition is achieved.

5. Summary of Social and Environmental Assessment and Mitigation Measures

IP Plans will be developed for Project sites where necessary. From the Integrated Landscape Management Plans (ILM), IP Plans will be developed as guidelines to addressing issues related to the needs of IPs in relation to the Project interventions. Under this Section, provide details on:

- Potential adverse and positive environmental, economic and socio-cultural impacts, risks and opportunities of Site Intervention Plans to affected IP communities, based on meaningful consultation with affected IPs;
- Management measures that will help avoid, minimize, and mitigate adverse impacts and maximize positive impacts and opportunities from ILM Plans.
- Project interventions where IP participation can be significant and through which IP benefits can be maximized.
- Grievance redress mechanism; and
- Cost, budget, timetable, and institutional arrangements for the implementation of IP Plans

6. Participation, Consultation, and FPIC Processes

Discuss IP engagement in the implementation processes, including:

- Indigenous peoples engagement in planning, implementation and, monitoring, evaluation and reporting phases of the Project;
- Sustained preservation of IKSPs in decision-making processes, resource management, economic activities and cultural practices;
- Securing free, prior and informed consent of indigenous peoples who will be affected by Project interventions or;
- Data collection activities undertaken: (i) from State Agencies; (ii) through conduct of Focus Group Discussions (FGDs) among LGUs, IP-related People's Organizations (POs) and/or identified IP community representatives in the areas; and (iii) conduct of Key Informant Interviews (KIIs) with non-government organizations (NGOs) working with IPs in the areas.

7. Appropriate Benefits

- Discuss Project interventions where IP participation can be significant and through which IP benefits can be maximized.
- Discuss measures to be taken to ensure that indigenous peoples receive equitable social and economic benefits that are culturally appropriate, including a description of the consultation and consent processes that lead to the determined benefit sharing arrangements.

8. Capacity support

- Describe Project activities aimed at increasing capacity within the government and/or the affected indigenous peoples, and facilitating exchanges, awareness, and cooperation between the two.
- Describe measures to support social, legal, technical capabilities of indigenous peoples' organizations in the project area to enable them to better represent the affected indigenous peoples more effectively.
- Where appropriate and requested, describe steps to support technical and legal capabilities of relevant government institutions to strengthen compliance with the country's duties and obligations under international law with respect to the rights of indigenous peoples.

9. Grievance Redress Mechanism

- Discuss project-specific Grievance Redress Mechanism (GRM) that will be established to complement the existing mechanisms at the local level. In areas where IPs may be present, discuss the separate mechanism that will be established in consideration of their traditional grievance resolution processes and systems. Describe how this GRM for IP communities will take into account the different customary institutional practices of the concerned ethnic tribes and language barriers in the Project sites.
- Describe the institutional arrangements for the IP GRM. Discuss the feedback system that will be implemented, including identified responsible focal person from the IP communities, regional Project Team and national Project Management Unit (PMU). Discuss how the IP GRM that will be developed will promote mutual acceptable resolution of issues.
- Describe how the IP GRM will be put in writing in languages that are understandable to the ethnic tribes concerned, translated into user-friendly Information, Education and Communication (IEC) materials, and distributed to concerned IP communities to facilitate accessible, fair, transparent and constructive process of resolving conflicts. Explain the IP GRM procedure on public posting, including the set period of resolving conflicts, necessary forms to be filled-up by the complainant and resolution procedure as well as appeals process.
- Describe the formal documentation process of resolving conflicts, including the setting-up of the database on grievances and resolutions that will be undertaken. Discuss how this documentation process and grievance registry/database will form part of the Projects M&E system.
- Describe the eligibility criteria that will be set by the concerned IP communities together with the PMU based on traditional decision-making structures and the Project GRM. Minimum eligibility criteria may include, among others:
 - Negative economic, environmental and socio-cultural impacts on an individual IP or communities perceived to result from Project interventions;
 - Identified impact that has occurred or has the potential to occur and description of the extent of impacts that may arise from Project interventions; and

- Specific IP person and/or communities filing a complaint and/or grievance is impacted or can potentially be impacted or representative of the impacted IP person and/or communities with authorization.

10. Monitoring, Reporting, Evaluation

- Describe the Project M&E system that will be developed will include M and E indicators related to the implementation of the IP Plans.
- Discuss how the project will ensure participation of IPs in the development of M&E indicators concerning IPP implementation.
- Define IP focal persons and local NCIP offices which will form part of the project governance and technical committees.

11. Institutional Arrangements

- Describe the institutional arrangement responsibilities and mechanisms for carrying out the measures contained in the **IPP**, including participatory mechanisms of affected indigenous peoples. Describes role of independent, impartial entities to audit, conduct social and environmental assessments as required, and/or to conduct oversight of the project.
- Describe the roles of the Environmental and Social Safeguards Specialist.
- For the IP communities that will be impacted or perceived to be impacted by Project interventions, discuss how the PMU will work with the focal persons from the communities on the implementation of the IP Plans.

12. Budget and Financing

- Present an appropriately costed plan, with itemized budget sufficient to satisfactorily undertake the activities described.

Note: The **IPP** will be implemented as part of Project implementation. However, in no case shall Project activities that may adversely affect indigenous peoples – including the existence, value, use or enjoyment of their lands, resources or territories – take place before the corresponding activities in the **IPP** are implemented. The relationship between the implementation of specific **IPP** measures and the permitted commencement of distinct Project activities shall be detailed within the **IPP** to allow for transparent benchmarks and accountability. Where other Project documents already develop and address issues listed in the above sections, citation to the relevant document(s) shall suffice.

8.5 Sample Terms of Reference: Project-level Grievance Redress Mechanism

Source: Guidance Note on Stakeholder Engagement, UNDP Social and Environmental Standards (SES), October 2017

I. Mandate

The mandate of the GRM will be to:

- i. Receive and address any concerns, complaints, notices of emerging conflicts, or grievances (collectively “*Grievance*”) alleging actual or potential harm to affected person(s) (the “*Claimant(s)*”) arising from Project.
- ii. Assist in resolution of Grievances between and among Project Stakeholders; as well as the various government ministries, agencies, and commissions, CSOs and NGOs, and others (collectively, the “*Stakeholders*”) in the context of the Project.
- iii. Conduct itself at all times in a flexible, collaborative, and transparent manner aimed at problem solving and consensus building.

II. Functions

The functions of the GRM will be to:

- i. Receive, Log and Track all Grievances received.
- ii. Provide regular status updates on Grievances to Claimants, Project Board (PB) members and other relevant Stakeholders, as applicable.
- iii. Engage the PB members, Government institutions and other relevant Stakeholders in Grievance resolution.
- iv. Process and propose solutions and ways forward related to specific Grievances within a period not to exceed sixty (60) days from receipt of the Grievance.
- v. Identify growing trends in Grievances and recommend possible measures to avoid the same.
- vi. Receive and service requests for, and suggest the use of, mediation or facilitation.
- vii. Elaborate bi-annual reports, make said reports available to the public, and more generally work to maximize the disclosure of its work (including its reports, findings, and outcomes).
- viii. Ensure increased awareness, accessibility, predictability, transparency, legitimacy, and credibility of the GRM process.
- ix. Collaborate with Partner Institutions and other NGOs, CSOs and other entities to conduct outreach initiatives to increase awareness among Stakeholders as to the existence of the GRM and how its services can be accessed.
- x. Ensure continuing education of PB members and their respective institutions about the relevant laws and policies that they will need to be aware of to participate in the development of effective resolutions to Grievances likely to come before the GRM.
- xi. Monitor follow up to Grievance resolutions, as appropriate.

III. Composition

The GRM will be composed of:

[Name of Implementing Partner] as the Secretariat and either:

- (a) A standing GRM Sub-Committee [made up of x, y, z PB members],

and/or

- (b) Ad hoc GRM Task Teams in response to specific requests for grievance.

The GRM Sub-Committee will be balanced in composition (government and non-government) and should not include any PB members with a direct interest or role in the grievance/dispute.

IV. [Name of Implementing Partner]

In its role as GRM Secretariat, [Name of Implementing Partner] will perform the following core functions:

- Publicize the existence of the GRM and the procedure for using it.
- Receive and log requests for dispute resolution.
- Acknowledge receipt to the requestor.
- Determine eligibility.
- Forward eligible requests to the PB for review and action.
- Track and document efforts at grievance/dispute resolution and their outcomes.

V. Project Board/GRM Sub-Committee/GRM Task Team

The Project Board/GRM Sub-Committee and/or GRM Task Team will perform the following core functions:

- Take direct action to resolve the grievance/dispute (e.g. bring the relevant parties together to discuss and resolve the issue themselves with oversight by the PB).
- Request further information to clarify the issue, and share that information with all relevant parties, or ensure that a government agency represented on the PB took an appropriate administrative action to deal with a complaint.
- Refer the grievance/dispute to independent mediation, while maintaining oversight; or
- Determine that the request was outside the scope and mandate of the PB and refer it elsewhere (e.g. Ministry of Justice and Police or to the courts).

VI. Communicating a Grievance

(i) Who can Submit a Grievance?

A Grievance can be sent by any individual or group of individuals that believes it has been or will be harmed by the Project.

If a Grievance is to be lodged by a different individual or organization on behalf of those said to be affected, the Claimant must identify the individual and/or people on behalf of who the Grievance is submitted and provide written confirmation by the individual and/or people represented that they are giving the Claimant the authority to present the Grievance on their behalf. The GRM will take reasonable steps to verify this authority.

(ii) How is the Grievance Communicated?

The GRM shall maintain a flexible approach with respect to receiving Grievances in light of known local constraints with respect to communications and access to resources for some Stakeholders. A Grievance can be transmitted to the GRM by any means available (i.e. by email, letter, phone call, meeting, SMS, etc.). The contact information is the following:

[Implementing Partner to add address, phone number, fax, etc.]

To facilitate communications with and between the GRM and potential Claimants, the GRM will receive support from the PB members' institutions, local government, and civil society organizations

(iii) What information should be included in a Grievance?

The Grievance should include the following information:

- (a) the name of the individual or individuals making the Complaint (the "Claimant").
- (b) a means for contacting the Claimant (email, phone, address, other).
- (c) if the submission is on behalf of those alleging a potential or actual harm, the identity of those on whose behalf the Grievance is made, and written confirmation by those represented of the Claimant's authority to lodge the Grievance on their behalf.
- (d) the description of the potential or actual harm.
- (e) Claimant's statement of the risk of harm or actual harm (description of the risk/harm and those affected, names of the individual(s) or institutions responsible for the risk/harm, the location(s) and date(s) of harmful activity).
- (f) what has been done by Claimant thus far to resolve the matter.

- (g) whether the Claimant wishes that their identity is kept confidential.
- (h) the specific help requested from the GRM.

However, complainants are not required to provide all of the information listed above. Initially, the complainant need only provide enough information to determine eligibility. If insufficient information is provided, the GRM has an obligation to make a substantial, good faith effort to contact the complainant to request whatever additional information is needed to determine eligibility, and if eligible, to develop a proposed response.

VII. Logging, Acknowledgment, and Tracking

All Grievances and reports of conflict will be received, assigned a tracking number, acknowledged to Claimant, recorded electronically, and subject to periodic updates to the Claimant as well as the office file.

Within one (1) week from the receipt of a Grievance, the GRM will send a *written* acknowledgement to Claimant of the Grievance received with the assigned tracking number.⁴

Each Grievance file will contain, at a minimum:

- i. The date of the request as received.
- ii. The date the written acknowledgment was sent (and oral acknowledgment if also done).
- iii. The dates and nature of all other communications or meetings with the Claimant and other relevant Stakeholders.
- iv. Any requests, offers of, or engagements of a Mediator or Facilitator.
- v. The date and records related to the proposed solution/way forward.
- vi. The acceptance or objections of the Claimant (or other Stakeholders).
- vii. The proposed next steps if objections arose.
- viii. The alternative solution if renewed dialogues were pursued.
- ix. Notes regarding implementation.
- x. Any conclusions and recommendations arising from monitoring and follow up.

IX. Maintaining Communication and Status Updates

Files for each Grievance will be available for review by the Claimant and other Stakeholders involved in the Grievance, or their designated representative(s). Appropriate steps will be taken to maintain the confidentiality of the Claimant if previously requested.

The GRM will provide periodic updates to the Claimant regarding the status and current actions to resolve the Grievance. Not including the acknowledgment of receipt of the Grievance, such updates will occur within reasonable intervals (not greater than every thirty (30) days).

X. Investigation and Consensus Building

Within one (1) week of receiving a Grievance, [Implementing Partner] will notify the **PB/GRM Sub-Committee (GRM SC)/GRM Task Team (GRM TT)** and any other relevant institutions of the receipt of the Grievance.

[IF THE PB, RATHER THAN A PRE-DESIGNATED GRM SC OR GRM TT IS THE PRIMARY BODY RECEIVING COMPLAINTS: The PB will identify a specific team of individuals drawn from the PB and/or their respective institutions to develop a response to the Grievance. The names of these individuals will be made available to the Claimant.]

The designated PB members/GRM SC/GRM TT will promptly engage the Claimant and any other relevant Stakeholders deemed appropriate, to gather all necessary information regarding the Grievance.

⁴ Oral acknowledgments can be used for expediency (and also recorded), but must be followed by a written acknowledgment

Through the PB members/GRM SC/GRM TT, the GRM will have the authority to request from relevant Government institutions any information (documents or otherwise) relevant to resolving the Grievance and avoiding future Grievances of the same nature.

As necessary, the PB members/GRM SC/GRM TT will convene one or more meetings with relevant individuals and institutions in [national capital], or elsewhere in [name of country] as needed.

The objective of all investigative activities is to develop a thorough understanding of the issues and concerns raised in the Grievance and facilitate consensus around a proposed solution and way forward.

The PB members/GRM SC/GRM TT will procure the cooperation of their respective staff with the investigation.

At any point during the investigation, the PB members/GRM SC/GRM TT may determine that an onsite field investigation is necessary to properly understand the Grievance and develop an effective proposed solution and way forward.

XI. Seeking Advisory Opinion and/or Technical Assistance

At any point after receiving a Grievance and through to implementation of the proposed solution and way forward, the PB members/GRM SC/GRM TT may seek the technical assistance and/or an advisory opinion from any entity or individual in [country] or internationally which may reasonably be believed to be of assistance.

XII. Making Proposed Actions and Solutions Public and Overseeing Implementation

The PB members/GRM SC/GRM TT will communicate to the Claimant one or more proposed actions or resolutions and clearly articulate the reasons and basis for proposed way forward.

If the Claimant does not accept the resolution, the PB members/GRM SC/GRM TT will engage with the Claimant to provide alternative options.

If the Claimant accepts the proposed solution and way forward, the GRM will continue to monitor the implementation directly and through the receipt of communications from the Claimant and other relevant parties. As necessary, the GRM may solicit information from the relevant parties and initiate renewed dialogue where appropriate.

In all communications with the Claimant and other stakeholders, the GRM will be guided by its problem-solving role, non-coercive principles and process, and the voluntary, good faith nature of the interaction with the Claimant and other stakeholders.

XII. Monitoring and Evaluation

Bi-annually, the GRM will make available to the public, a report describing the work of the GRM, listing the number and nature of the Grievances received and processed in the past six months, a date and description of the Grievances received, resolutions, referrals and ongoing efforts at resolution, and status of implementation of ongoing resolutions. The level of detail provided with regard to any individual Grievance will depend on the sensitivity of the issues and Stakeholder concerns about confidentiality, while providing appropriate transparency about the activities of the GRM. The report will also highlight key trends in emerging conflicts, Grievances, and dispute resolution, and make recommendations regarding:

- i. Measures that can be taken by the Government to avoid future harms and Grievances.
- ii. improvements to the GRM that would enhance its effectiveness, accessibility, predictability, transparency, legitimacy, credibility, and capacity.

XIII. Mediation

For the option of independent mediation, mediators on the roster/panel should have at least the following qualifications:

- Professional experience and expertise in impartial mediation.

- Knowledge of [project type and activities in the country] and the region, including an understanding of indigenous and tribal culture and practices.
- [National and local language, as appropriate] proficiency.
- Availability in principle for assignments of up to 20 days.
- Willingness to declare all relationships and interests that may affect their ability to act as impartial mediators in particular cases.

If mediation succeeded in resolving the dispute or grievance, the outcome will be documented by [Implementing Partner] and reviewed by the Task Team. If it is unsuccessful, stakeholders will have the option to return to the PB members/GRM SC/GRM TT for assistance.

XIV. Without Prejudice

The existence and use of this GRM is without prejudice to any existing rights under any other complaint mechanisms that an individual or group of individuals may otherwise have access to under national or international law or the rules and regulations of other institutions, agencies, or commissions.