



# DRAFT FOR CONSULTATION AND DISCLOSURE

## ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK AND PLAN (ESMF/P)

Project Title	De-risking and Scaling-up Investment in Energy Efficient Building Retrofits
Project Number	5684
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## Abbreviations and Acronyms

ACM	Asbestos Containing Material
AWMG	Asbestos Waste management guidelines
EE	Energy efficiency
ESMF/P	Environmental and Social Management Framework and Plan
GCF	Green Climate Fund
PV	Photovoltaic
MRV	Measurement, Reporting and Verification
SES	Social and Environmental Standards (UNDP)
SESP	Social and Environmental Screening Procedure (UNDP)
SRM	Stakeholder Response Mechanism (UNDP)
SWH	solar water heating
UNDP	United Nations Development Programme
MoE	Ministry of Environment (same as MNP)
ILO	International Labour Organization
PPE	personal protective equipment

# 1. Executive Summary

This Simplified Environment and Social Management Framework and Plan (ESMF/P) was prepared for the Restructuring Proposal of the project De-risking and Scaling-up Investment in Energy Efficient Building Retrofits (5684), implemented in Armenia, funded by the Green Climate Fund (GCF). The overall objective of the project is to scale up investment in energy efficiency (EE) building retrofits in the cities of Armenia and reduce the overall investment risk profile of EE building retrofits to encourage private sector investment and alleviate poverty.

The project pursues this objective primarily by deploying GCF funds in finance mechanisms while also delivering technical assistance in policy development, promotion, monitoring and verification, and design and installation of EE measures. The restructuring phase will focus on the project's Output 4.1: Targeted financial incentives provided to vulnerable groups to help address the affordability gap that supports energy efficiency retrofits to be introduced to 6 schools, 1 youth center, 2 large healthcare facilities in Yerevan, and residential multiapartment buildings in Yerevan and public buildings in 16 local communities throughout the country (Ashtarak, Vedi, Argel, Stepanavan, Spitak, Tashir, Kajaran, Sisian, Gyumri, Dilijan, Berd, Hrazdan).

This ESMF/P is based on the Social and Environment Screening Procedure (UNDP's SESP) that was completed as part of the project restructuring phase. This screening identified 6 risks of which 4 risks are considered Low; and 2 risks Moderate. Thus, the project's overall SES categorization is Moderate Risk. The following Moderate risks were identified in the SESP:

- Risk 3: Retrofits may require handling of asbestos that poses health risks for the construction workers and residents, and
- Risk 5: Building retrofits may increase air emissions.
- Risk 6: Retrofits may be implemented using unregulated working hours and inadequate labor conditions.

The above risks in the project's SESP trigger the following SES Principles and Standards (UNDP SES, 2021):

- Standard 3: Community Health, Safety and Security
- Standard 7: Labour and Working Conditions
- Standard 8: Pollution Prevention and Resource Efficiency

This ESMF/P was developed in consideration of the project's categorization and the triggered Standards. It recommends the following measures for managing Moderate and Low Risks associated with the proposals made in the Restructuring Proposal.

Social and Environmental Management Measures	Focus/Scope <sup>1</sup>	Timeframe	Responsibilities
Asbestos screening (see section 5.1)	Screening all buildings selected to	Before the signature of each	To be commissioned by the UNDP CO and conducted by competent specialists trained in asbestos

<sup>1</sup> This ESMF applies to all future retrofits under the project's Output 4.1: Targeted financial incentives provided to vulnerable groups to help address the affordability gap as per the Restructuring Proposal.

For Moderate Risk 3	be renovated within the project.	Responsible Party Agreements (RPA) or Letters of Agreement (LOA)	surveying, as it is stated in the relevant national law.
Implementation of asbestos waste management measures (see section 5.1)  For Moderate Risk 3	All buildings with asbestos (per screening).	During retrofits realization	This will be managed through responsible party agreements/letters of agreement to which this ESMF/P will be appended.
Air pollution screening (see section 5.2)  For Moderate Risk 5	For all retrofits supported by the project (see details in section 5.2)	Before the signature of each responsible party agreements (RPA) or Letters of Agreement LOA	
Ensuring adequate working and labor conditions during retrofits (see section 5.3)  For Moderate Risk 6	For all retrofits, supported by the project (see details in section 5.3)	Before agreement on the use of GCF grant	This will be managed through responsible party agreements/letters of agreement which would accommodate this requirement prior to disbursement of the GCF grant.
Management of potential grievances or objections from stakeholders concerned (see section 5.3)  For Low Risk 1	For all project activities (see details in section 5.3)	For the entire project duration as per the Restructuring Proposal	This will be managed through responsible party agreements/letters of agreement which would accommodate this requirement. UNDP will be requested to be informed in case any grievance is submitted to any of the financing partners/responsible parties.
Management of risks related to structural failures in the respective buildings (see section 5.3)  For Low Risk 2	For all retrofits, supported by the project (see details in section 5.3)	Before agreement on the use of GCF grant	This will be managed through responsible party agreements/letters of agreement which would accommodate this requirement prior to disbursement of the GCF subsidy.
Management of standard construction waste from building retrofits (see section 5.3)	For all retrofits, supported by the project (see details in section 5.3)	Before agreement on the use of GCF grant	

For Low Risk 4			

**The retrofits at a given site/building cannot begin until the above management measures are in place, according to the rules and procedures of this ESMF/P.**

## 2. Introduction & Project Description

### 2.1 Purpose of this ESMF

The Simplified Environmental and Social Management Framework and Plan (ESMF/P) describes the social and environmental impacts and related safeguards requirements for the UNDP-supported GCF-financed project De-risking and Scaling-up investment in Energy Efficient Building Retrofits, Armenia, PIMS+ ref: 5684.

As further described below, this project has been screened with the UNDP Social and Environmental Screening Procedure (SESP); categorized as **Moderate Risk**; and determined to require an ESMF given that there are multiple sub-projects *that require further management, in particular, the management of asbestos-related Risk 3 and air quality Risk 5* *Labour intensive character of retrofitting work indicates a need to set up and maintain adequate labour and working conditions – related Risk 6*. Therefore, this ESMF/P provides an operational and control framework to ensure that the retrofits are screened and assessed and that appropriate management measures are in place prior to their implementation.

### 2.2 Project Description

This ESMF/P is for the Restructuring Proposal of the project ‘De-risking and Scaling-up Investment in Energy Efficient Building Retrofits in Armenia’. The overall objective of the project remains as stated in the Funding Proposal: to scale up investment in EE building retrofits in the cities of Armenia and reduce the overall investment risk profile of EE building retrofits to encourage private sector investment and alleviate poverty. The project pursues this objective primarily by deploying GCF funds in finance mechanisms while also delivering technical assistance in policy development, promotion, monitoring and verification, and design and installation of EE measures.

As of December 2022, the project has implemented energy-efficiency (EE) retrofits in 44 public buildings and 98 residential buildings, leading to emissions reductions of 13,675 tCO<sub>2</sub> per year or around 273,503 tCO<sub>2</sub> over the 20-year lifetime of the interventions. This corresponds to around 20 percent of the target set for this impact indicator. The total number of beneficiaries stands at 29,844, including 20,773 in public buildings (44) and 9,071 in residential buildings (98), which corresponds to 60% of the final target (50,000 beneficiaries) set for this impact indicator.

Following the Refocus Analysis approved by the GCF in 2020, the Restructuring Proposal (1 March 2023) requests a 36-month extension and:

1. Confirms changes introduced in 2020 (in refocus analysis) to the number of building EE renovation projects in various building types with a shift toward increasing the share of public buildings and opening the project scope towards the residential multi-apartment buildings (MABs) outside Yerevan. Overall, energy efficiency retrofits will be introduced to 6 schools, 1

youth center, 2 large healthcare facilities in Yerevan, and multiapartment residential buildings in Yerevan and residential and public buildings in 16 local communities throughout the country (Ashtarak, Vedi, Argel, Stepanavan, Spitak, Tashir, Kajaran, Sisian, Gyumri, Dilijan, Berd, Hrazdan).

2. Adds new responsible parties - in addition to the Municipality of Yerevan as per the Funded Activity Agreement, to execute/receive parts of the GCF grant for EE retrofit activities.
3. Adds new financing sources/partners for the execution of the subsidy component of the project (see the restructuring proposal for details).

### 2.3 Scope of this ESMF/P

Following the re-screening of the project during the preparation of the Restructuring Proposal in March 2023, the project is recategorized from C (no/low risk) to B (medium risk) as per the GCF safeguards standards. This corresponds to the category of moderate risk as per the UNDP Social and Environmental Standards, which corresponds to the medium risk as per the GCF safeguards policy, as confirmed during the re-accreditation of UNDP.

The ESMF/P applies to all future retrofits under the project's Output 4.1: Targeted financial incentives provided to vulnerable groups to help address the affordability gap as per the Restructuring Proposal and focuses on the social and environmental safeguard requirements of construction and supervision of installation of building energy retrofits, specifically:

- (a) full retrofit of (103) public buildings;
- (b) simple retrofits of (202) public buildings;
- (c) retrofits of (10) multi-apartment buildings (MABs) not eligible for state subsidy;
- (d) retrofits of (188) MABs under state subsidy programme, and
- (e) retrofits of (200) single-family houses.

Energy-efficiency measures applied during retrofits involve thermal insulation of external walls, roofs/attic floors, and basement ceilings, replacement of doors and windows of the buildings, installation of LED lighting systems inside and outside of buildings, replacement of old heating systems with new units, and installation of renewable energy sources (photovoltaic systems and solar water heating).

Other project's components - Component 1 on Establishment of building sector MRV and knowledge management, Component 2 on Policy de-risking, and Component 3 on Financial de-risking - and other Outputs under Component 4 are not considered to be associated with any relevant social and environmental risks, therefore these are not addressed in the ESMF/P.

### 3. Potential Social and Environmental Impacts

During the project restructuring proposal, the UNDP Social and Environmental Screening Procedure (SESP) was used to identify potential social and environmental risks associated with this project. Both the potential positive and negative potential impacts of the proposed restructuring are described next.

#### 3.1 Summary of Potential Positive Social and Environmental Impacts

The project aims to achieve greenhouse gas (GHG) emission reductions from improved energy efficiency and lower energy-intensity buildings, targeted at an estimated 100 ktCO<sub>2</sub> per year or 1.4 million tCO<sub>2</sub> over the 20-year lifetime of the EE interventions. The project also aims to have 280,000 beneficiaries, which is an increase from the original Full Proposal and is expected to bring the additional social, health and environmental benefits listed below:

##### **Social and health co-benefits:**

- Poverty reduction through reduced energy bills: over 30% of Armenian households are considered energy poor, where energy poverty is defined as households spending more than 10% of their budgets on energy.
- Instant increase in the real estate market value for apartments in retrofitted buildings.
- Improved conditions for home-owners and tenants, including improved health due to reduced exposure to harsh climatic conditions, improved indoor air quality and thermal comfort and a healthier indoor environment from the absence of molds. The World Health Organization (WHO) estimates that, in 2012, 1,123 deaths in Armenia were attributable to household air pollution from solid fuel use.
- Increase of the lifetime of the buildings, slowing down the degradation levels;
- Creation of green jobs in the construction sector (estimated as 1,700)
- Promoting active women participation in developing new energy efficiency building codes and standards, and in developing EE projects (15 % of participants in meetings at Yerevan municipality on EE retrofits in MABs were women) and requires contractors or ESCOs to employ local labor including women, as appropriate.

##### **Environmental co-benefits:**

- Improved air quality due to the reduction in the use of solid fuel heating: In 2010, 19% of the population of Armenia still used solid fuels in the home (UN MDG Database<sup>1</sup>).
- Noise reduction due to sound insulation: this is beneficial in multi-family apartment buildings, where noise levels can be a major issue and can cause friction between neighbors.
- Reduced need for cooling in summer
- Support the safe handling of asbestos that is contained in approx. 30 percent of buildings in Armenia. The project will promote best-practice model arrangements for asbestos handling during building retrofits that comply with Armenian legislation and UNDP SES and promote the use of the UNDP/UNEP's International Best Practice Guidelines for Safe Handling of Asbestos.

#### 3.2 Summary of Potential Negative Social and Environmental Impacts

The SESP identified 6 social and environmental risks of which 4 risks are considered Low; and 2 risks Moderate. The project's **moderate SES risks** were determined as follows:



Risk 3: Retrofits may require handling of asbestos that poses health risks for the construction workers and tenants

Justification: Prior to the dissolution of the USSR, asbestos was widely used in Armenia in building materials and products (slate, partition plates, pipes, ventilation, electric heaters, etc.). Roofing slates used in rural areas mostly contain asbestos. With the introduction of new roofing materials, such as roof tile, and laminated/painted steel sheets, the use of asbestos as a building material dropped dramatically. However, despite the decline of the new use of asbestos in construction, the existing asbestos materials and waste remain a problem, and it cannot be excluded that some of the project-targeted buildings will contain it.

Related standards:

- Standard 3: Community Health, Safety and Security:
  - Risks to communities and workers from construction and other interventions prevented or minimized and managed
- Standard 7: Labor and Working Conditions:
  - Working conditions may not meet national labour laws and international commitments
  - Occupational health and safety risks may arise due to physical, chemical, biological and psychosocial hazards
- Standard 8: Pollution Prevention and Resource Efficiency:
  - The project may generate waste (both hazardous and non-hazardous)

Risk 5: Building retrofits may increase air emissions

Justification: Replacement of old heating systems with new units might possibly lead -in case of heating capacity expansion or fuel changes – to elevated air emissions. Also, during retrofits, air pollution levels will be increased, and the main pollutants caused by these operations will include exhaust gases emitted by machines and dust caused by the stonework.

Related standards:

- Standard 3: Community Health, Safety and Security
  - The project may cause air pollution, noise, vibration, traffic, injuries, physical hazards, poor surface water quality due to runoff, erosion, sanitation

These risks are further accompanied with four additional low-level risks presented in Table 1 below.

**Table 1: Potential Risks with Associated Project Outputs**

Potential Negative Impact / Risk Description	Relevant Project Outputs/ Activities	Relevant SES Principle/ Standard
Risk 1: Low Building retrofits may potentially raise grievances or objections from stakeholders concerned, especially if they are to disrupt the operations of the public entities (residing in those buildings)	Output 4.1: Targeted financial incentives provided to vulnerable groups to help address the affordability gap	Accountability Principle (P.14)

<p>Risk 2: Low Building retrofits may cause structural failures in the respective buildings</p>	<p>Output 4.1: Targeted financial incentives provided to vulnerable groups to help address the affordability gap</p>	<p>Standard 3: Community Health, Safety and Security (3.1)</p>
<p>Risk 3: Moderate Retrofits may require handling of asbestos that poses health risks for the construction workers and tenants.</p>	<p>Output 4.1: Targeted financial incentives provided to vulnerable groups to help address the affordability gap</p>	<p>Standard 7: Labour and Working Conditions (7.1 and 7.6) Standard 8: Pollution Prevention and Resource Efficiency (8.2)</p>
<p>Risk 4: Low Waste from building retrofits may not be properly handled.</p>	<p>Output 4.1: Targeted financial incentives provided to vulnerable groups to help address the affordability gap</p>	<p>Standard 8: Pollution Prevention and Resource Efficiency (8.2)</p>
<p>Risk 5: Moderate Building retrofits may generate air emissions</p>	<p>Output 4.1: Targeted financial incentives provided to vulnerable groups to help address the affordability gap</p>	<p>Standard 3: Community Health, Safety and Security (3.2)</p>
<p>Risk 6: Moderate Retrofits may be implemented using unregulated working hours and inadequate labor conditions.</p>	<p>Output 4.1: Targeted financial incentives provided to vulnerable groups to help address the affordability gap</p>	<p>Standard 7: Labour and Working Conditions (7.1)</p>

## 4. Legal and Institutional Framework

### 4.1 UNDP's Social and Environmental Standards (SES)

This ESMF has been prepared in line with UNDP's updated Social and Environmental Standards (SES, [www.undp.org/SES](http://www.undp.org/SES)), which came into force on 1 January 2021. These Standards underpin UNDP's commitment to mainstream social and environmental sustainability in its programs and projects to support sustainable development.

Through adherence to the SES, this project will fulfill the requirements of the GCFs' safeguards policy. The objectives of the SES are to:

- (i) strengthen the quality of programming by ensuring a principled approach;
- (ii) maximize social and environmental opportunities and benefits;
- (iii) avoid adverse impacts to people and the environment;
- (iv) minimize, mitigate, and manage adverse impacts where avoidance is not possible;
- (v) strengthen UNDP and partner capacities for managing social and environmental risks; and
- (vi) ensure full and effective stakeholder engagement, including through a mechanism to respond to complaints from project-affected people.

In accordance with UNDP SES policy, the SESP was applied to the project during its development. In accordance with UNDP SES policy, the SES Principles are applicable to all projects. Further risk screening confirms which SES Principle(s) or Standard(s) are 'triggered' based on risks assessed as having either a Moderate, Substantial or High significance (based on its likelihood of occurrence and extent of impact). Risks that are rated as Low significance do not trigger the related Principle or Standard. The SES Principles and Standards triggered, based on risk, for the Project are summarized in the table below.

**Table 2: Summary of applicable SES Principles & Standards based on risk identification**

UNDP SES Principles & Standards	Triggered?	Explanation
Principle: Human Rights	yes	The project, by default, needs to uphold human rights principles of accountability and rule of law, participation and inclusion
Principle: Gender Equality and Women's Empowerment	yes	The project activities need, by default, be designed and implemented in a gender-responsive manner and address both women's and men's needs, interests and concerns.
Principle: Accountability	yes	Stakeholders should, by default, have access to effective grievance redress mechanism or process.
Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management	no	Not applicable.

Standard 2: Climate Change and Disaster Risk	no	Not applicable.
Standard 3: Community Health, Safety and Security	yes	<p><b>Building retrofits may generate air emissions</b>  <i>Relevant Standard 3 requirement (UNDP SES, page 24): Project-related construction activities, shall ensure appropriate control of site access (e.g. fencing, security), use of appropriate personal protective equipment, safely designed work platforms, appropriate engineering and administrative controls (e.g. detours, traffic calming, signs), and safety barriers. Construction personnel will have appropriate qualifications and training. Where public access is intended, incremental risks of public's potential exposure to operational accidents or natural hazards are considered. Where relevant, potential traffic and road safety risks associated with project activities will be identified, evaluated and monitored. Ensure that contractors working on project sites appropriately manage health and safety risks and address the requirements herein.</i></p> <p><b>Retrofits may require handling of asbestos that poses health risks for the residents</b>  <i>Relevant Standard 3 requirement (UNDP SES, page 24): UNDP ensures that actions are taken to avoid, or where avoidance is not possible, minimize potential community exposure to hazardous materials and substances that may be utilized in or released by project activities. Where potential exposure exists to health-and life-threatening hazards, including to workers and their families, special care to avoid such exposure is taken by modifying, substituting, and eliminating the condition or material causing potential hazard. If hazardous materials are part of the existing project-related infrastructure, then due care will be exercised during construction, implementation and decommissioning in order to avoid exposure. Appropriate due diligence is undertaken to control the safety of deliveries and transportation and disposal of hazardous materials and wastes.</i></p>
Standard 4: Cultural Heritage	no	Not applicable.
Standard 5: Displacement and Resettlement	no	Not applicable.
Standard 6: Indigenous Peoples	no	Not applicable.
Standard 7: Labour and Working Conditions	yes	<p><b>Retrofits may require handling of asbestos that poses health risks for the construction workers and tenants.</b>  <i>Relevant Standard 7 requirement (UNDP SES, page 47): Necessary processes and measures that address the safety and health of</i></p>

		<p><i>project workers shall be in place to support project design, planning and implementation. These processes and measures may be encompassed and implemented through the applicable party's occupational safety and health management system or processes and shall address:</i></p> <p><i>a) Identification and assessment of potential hazards and risks, particularly those that could result in serious injury, ill health or death and those identified through worker health surveillance;</i></p> <p><i>b) Elimination of hazards and minimization of risks through implementation of preventive and protective measures in the following order of priority: elimination or substitution, engineering and organizational controls, administrative controls, and where residual hazards and risks cannot be controlled through these collective measures, provision of personal protective equipment at no cost to the worker;</i></p> <p><i>Safety and health training, including on the proper use and maintenance of personal protective equipment, at no cost to workers conducted by competent persons and the maintenance of training records;</i></p> <p><b>Labour intensive character of retrofitting may result in risk of promoting equal rights and opportunity of workers.</b></p> <p><i>Standard 7 requires to: promote, respect and realize fundamental principles and rights at work; prevent discrimination and promoting equal opportunity of workers; to ensure applicable parties comply with national employment and labour laws, applicable rules and regulations and international commitments.</i></p> <p><i>Project responsible party will have to ensure that procedures that ensure observance of workers' rights and procedures to prevent discrimination are in place and adequately managed during retrofitting works. (See the more detailed management measures in the Section 5.3.)</i></p>
<p>Standard 8: Pollution Prevention and Resource Efficiency</p>	<p>yes</p>	<p><b>Retrofits may require handling of asbestos that poses health risks for the construction workers and tenants</b></p> <p><i>Relevant Standard 8 requirement (UNDP SES), Pollution prevention and resource efficiency are core elements of a sustainable development agenda and UNDP projects must meet good international practice in this regard (page 51)</i></p> <p><i>UNDP ensures that projects avoid the generation of hazardous and non-hazardous waste materials. Where waste generation cannot be avoided, projects reduce the generation of waste—including plastics—and recover and reuse waste in a manner that is safe for human health and the environment. Where waste cannot be recovered or reused, it is treated, destroyed, or disposed of in an environmentally sound manner that includes the appropriate control of emissions and residues resulting from the handling and processing</i></p>

		<p><i>of the waste material. UNDP projects develop waste management plans where waste generation and handling may be significant. If the generated waste is considered hazardous, reasonable alternatives for its environmentally sound disposal will be adopted while adhering to the limitations applicable to its transboundary movement. When hazardous waste disposal is conducted by third parties, UNDP will ensure the use of contractors that are reputable and legitimate enterprises licensed by the relevant government regulatory agencies and that chain of custody documentation to the final destination is obtained. UNDP projects will ascertain if licensed disposal sites are being operated to acceptable standards; if this is not the case, the project will minimize waste sent to such sites and consider alternative disposal options (pages 52-53).</i></p>
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## 4.2 Applicable International Treaties and Agreements

### Chemicals and waste management

Armenia is a signatory to several multilateral agreements and conventions on chemicals that may be released during buildings' retrofit. These include but are not limited to the following.

#### The Rotterdam Convention

The Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade (revised in 2019) aims to promote transparency and information exchange and to ensure that countries take appropriate measures to protect human health and the environment from the risks associated with asbestos use and trade. Asbestos is listed under the Rotterdam Convention (with the exception of chrysotile asbestos, which has been considered for inclusion, but consensus has not been reached yet) as one of the chemicals subject to the prior informed consent procedure.

#### ILO's Asbestos Convention

Armenia is not the party to the Asbestos Convention (No. 162), adopted in 1986 by the International Labour Organization (ILO), however its provisions are considered relevant by UNDP, as it requires:

- replacement of asbestos or of certain types of asbestos or products containing asbestos with other materials or products evaluated as less harmful,
- total or partial prohibition of the use of asbestos or of certain types of asbestos or products containing asbestos in certain work processes,
- measures to prevent or control the release of asbestos dust into the air and to ensure that the exposure limits or other exposure criteria are complied with and also to reduce exposure to as low a level as is reasonably practicable.

This convention is further supplemented by the ILO Resolution concerning asbestos was adopted by the International Labour Conference at its 95th Session in 2006. Noting that all forms of asbestos, including chrysotile, are classified as human carcinogens the resolution calls for:

- the elimination of the future use of asbestos and the identification, and

- proper management of asbestos as the most effective means to protect workers from asbestos exposure and to prevent future asbestos-related diseases and deaths.

### **Minamata Convention on Mercury**

Major highlights of the Minamata Convention include a ban on new mercury mines, the phase-out of existing ones, the phase-out and phase-down of mercury use in a number of products and processes, control measures on emissions to air and on releases to land and water, and the regulation of the informal sector of artisanal and small-scale gold mining. The Convention also addresses interim storage of mercury and its disposal once it becomes waste, sites contaminated by mercury as well as health issues.

### **W and labour conditions**

Armenia joined the International Labour Organization (ILO) on 26 November 1992 and has ratified several **ILO Conventions**;

- 8/8 Fundamental Conventions
- 3/4 Governance (Priority) Conventions: C122 – Employment Policy and C144 – Tripartite Consultation; and C81 – Labour Inspection Convention
- 18/176 Technical Conventions (including C174 – Prevention of Major Industrial Accidents; and C176 – Safety and Health in Mines)
- C14 (weekly rest), C26 (Minimum wage-fixing machinery, and C97 (Migration for Employment)

Armenia also applies **International Standards Organization (ISO)**, including ISO 14001 on environmental management systems and ISO 45001 on occupational health and safety.

## **4.3 Applicable National Policy Framework**

### **Regulatory Framework for waste management and urban development, with a focus on asbestos-containing waste, construction waste, and air pollution from construction works**

Handling asbestos-containing waste is subject to licensing in accordance with the procedure established by the RA Government Decree N 121-Ն (2003) “On the procedures of treatment, utilization, storage, transportation and disposal of hazardous waste in RA” that provides for regulations on handling hazardous waste generated in Armenia including those in urban development sector. These are further supplemented by the Ministry of Environment Order "28" July" 2020 No.246 L On Approval of the Guidance for the Asbestos-Containing Waste Management.

These specialized regulatory tools are further supplemented by the following overall regulations relevant to the implementation of the Project<sup>2</sup>:

- Law on Wastes (2004) regulates the collection, transportation, storage, treatment, recycling and disposal of wastes, including construction-related ones.

<sup>2</sup> Full list of the RA waste related legislation is available at <https://ace.aua.am/waste/library/legislation/>

- The RA Law on Waste Disposal and Sanitary Cleaning, No. 237, 2011
- Order of licensing for recycling, treatment, storage, transport and disposal actions on hazardous wastes in the Republic of Armenia; approved by the No. 121-N Governmental Decision of January 30, 2003 (amended by N 1029-Ն Government Decree of 27.09.2018)
- Asbestos-containing wastes are included in the Lists approved by the Orders No. 342-N, of October 26, 2006, and N430-N, of December 25, 2006 of the Minister of Environmental of the Republic of Armenia and according to them belong to the 1-4 classes of hazard.
- Handling asbestos-containing waste is subject to licensing in accordance with the procedure established by the Resolution N121-N of the Government of the Republic of Armenia of January 30, 2003.

Republic of Armenia has adopted the Law “On Mercury” (HO-84-N) in March, 2022). It regulates the use of mercury, mercury compounds, mercury waste and mercury-added products in the Republic of Armenia, the purpose of which is to protect human health and the environment from anthropogenic emissions and releases of mercury and mercury compounds. It has provisions on the import, export and use of mercury in the Republic of Armenia.

According to the Resolution N47-N of the Government of the Republic of Armenia of January 19, 2006, the hazard class of each type of asbestos containing waste, as well as the composition and toxicity of the components, their origin, aggregate state, chemical composition, volume and other data are included in the waste generators’ Waste Passport, which is subject to approval by the manager of the waste generating organization in agreement with the Ministry of Environment.

The safety rules for handling waste in construction and demolition activities are defined in the Protocol of the RA Government Session on the Approval of Terms of Safe Use of Construction and Demolition Waste, No 30, 2009.

The Decision of the RA Government on Establishment of Registry Conduct of Waste Disposal Sites, No. 1180, 2006.

### **Guidance on safe handling of construction waste**

Guidance on the handling of asbestos- containing material worked out by the MNP, the Hazardous Substances and Waste Policy Division.

### **Policy framework on air quality management**

The RA Law on Atmospheric Air Pollution, from 1994, which was last amended in 2017 and is currently under legislative reform. It includes the conditions to ensure that construction, reconstructions, development of cities and other localities, do not result in exceeding of specifications of maximum permissible concentration of polluting substances in atmospheric air and specifications of maximum permissible harmful physical influences on atmospheric air.

Provisions to decrease concentration of dust are included in the RA Government Decision No. 160-N dated 02 February 2006 ON ‘Approval of standards of limitation of permitted concentrations of atmospheric air polluting substances’; and in RA Government Decision No. 1673, dated 27 December



2012 'On determining the procedures for development and approval of standards of permitted emissions of atmospheric air polluting substances'.

### **Regulatory framework for work and labor conditions, with focus on their compliance with international standards and enforcement, occupational health and safety and discrimination and equal opportunity.**

RA Labor Code, adopted by the government in November 2004, present the key framework document setting up the working and labour conditions. Objective of the labour code is to:

- Establish state guaranties for labor rights and freedoms for natural persons, i.e., citizens of RA, citizens of foreign country, persons without citizenship (hereinafter citizen),
- Contribute to the creation of favorable labor conditions, and
- Protect the rights and interests of the employees and employers.

Law NO. HO-57-N of 20 May 2013 on Guaranteeing Equal Rights and Opportunities for Women and Men, which ensures equality between women and men in all areas and provides legal protection against discrimination.

Employment Act, adopted by the government in December 1996, which provides legal guarantees for employment, regulates employment, provides for social guarantees of employment, and sets responsibility for violation of the respective law.

### **Policy framework on environmental oversight and inspections**

Law on Environmental Oversight (2005) regulates the organization and enforcement of the oversight over the implementation of environmental legislation of the Republic of Armenia and conditions set in the Expert Examination Conclusion.

Law on Organization and Implementation of Inspections in Armenia (2000) regulates the procedures on performance of inspections over the economic activities.

In addition, environmental quality standards that are used to assess impacts on water, air, noise, vibration, and other environmental components are in place and are applicable to all economic agents including the urban development sector.

## **4.4 Other Relevant Policies**

### **International Best Practice Asbestos Handling and Disposal Guidelines**

These guidelines<sup>3</sup> developed by UNEP and UNDP, address any asbestos product or material that is ready for disposal, including contaminated building materials. It includes recommendations related to:

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<sup>3</sup> available at <https://www.undp.org/sites/g/files/zskgke326/files/migration/lb/Asbestos-Handling-and-Disposal-Guidelines.pdf>

- Duty of organizations undertaking or funding debris clean-up which has a risk of asbestos waste towards the involved workers
- Preparation of the Waste Management Plan (WMP)
- Proper asbestos temporary in-situ management
- Transportation of asbestos waste

Since these guidelines fully comply with – and actually go beyond - the UNDP SES requirements related to handling of hazardous materials and waste, and effectively incorporate the relevant ILO and WHO requirements for the safe handling of asbestos, they were used as the key reference for the gap analysis below.

## 4.5 Identification of Potential Gaps

### Asbestos handling and disposal

The analysis of gaps between the UNDP/UNEP International Best Practice on Asbestos Handling and Disposal Guidelines and the key provisions in the MoE Order "28" July" 2020 No.246 L On Approval of the Guidance for the Asbestos-Containing Waste Management, suggests that the MoE Order "28" July" 2020 No.246 L (hereafter the MoE Order) has certain shortcomings as it does not:

- require appropriate training of personnel involved.
- fully meet the UNDP/UNEP recommendations if the asbestos waste could not be transported by special vehicles and when it comes to wetting of the asbestos waste during offloading
- fully meet the UNDP/UNEP recommendations for the safe disposal of asbestos waste.

In order to provide for the appropriate and safe asbestos handling, in addition to the provisions in the national legal system, the project should require:

- Appropriate levels of training and awareness should be provided for everyone coming into contact with, or potentially exposed to, asbestos fibers, and everyone working with or near the waste must use appropriate personal protective equipment
- Proper asbestos waste transport arrangements. Where asbestos waste transport would not be arranged by specialized asbestos waste management service providers, the organizations transporting asbestos waste should consider (and where possible follow) UNDP/UNEP recommendations for transport and off-loading of asbestos waste.
- Asbestos waste should be ideally finally disposed of in a proper construction and demolition waste facilities where asbestos waste can be safely disposed of in cells that are specifically dedicated for the disposal of asbestos waste. Should such facility not be available or reachable through cost-effective transport means, the ACMs should be disposed in designated engineered sanitary landfill facilities where adequate cover material is available, access is good and controllable and where the waste cannot be exposed by water or wind erosion, slope failure, further disasters or re-excavation. Asbestos waste should be wetted during and after the disposal and no visible emissions occur during and after the disposal of asbestos waste. Asbestos-containing waste should be covered with at least 15cm of compacted non-asbestos-containing material within 24 hours of disposal.

Please see Annex 1 for the detailed gap analysis and required provisions.

## **Labour and work conditions**

The analysis of the gaps between the provisions and requirements of the ILO Conventions and the Armenia legal framework and practice, in protecting workers' rights and supporting occupational health and safety has shown, that there are major gaps in the following areas, relevant for this project implementation:

- Occupational health and safety
- Labour inspections
- Discrimination and harassment

### Occupational health and safety (OHS)

Armenia has no specific and comprehensive OHS law that would specify the general OSH principles and obligations of the State, employers and workers. Current provisions included in the country Labour code provide for the reactive and corrective approach focused on reparation, compensation, and protection, rather than on the proactive approach, based on a risk management approach (avoidance, assessment, and control) and focused on prevention. Key issues and challenges include: labour inspectorate do not investigate work-related accidents and occupational diseases; there are no reliable statistics on work-related accidents and occupational diseases; there is no insurance system to compensate damages arising from work-related accidents and occupational diseases; and employers apply the contra productive legal provision of paying higher wages to workers for being exposed to harmful or hazardous working conditions instead of fulfilling obligation to ensure the safety and health of workers.

### Labour inspections

Performance and actions of labour inspectors are rather restricted in terms of freedom to act (inspection visits cannot be conducted without prior notice), scope (inspections are conducted exclusively based on checklists approved by the Government), duration (the inspection visits limited to not more than 15 consecutive working days per year) and frequency (only once a year to for high-risk subjects and less frequent to the subjects of medium and low risks)

### Discrimination and harassment

According to Article 3.1, point 1 of the Labour Code, discrimination is prohibited under Armenian law, but there is no special procedure for resolving discrimination claims. The general rule is that labour disputes are subject to hearings according to the Code of Civil Procedure.

## 5. Required Procedures for Screening, Assessment and Management Assessment and Management Procedures

The relevant SE assessment and management measures are listed here and further specified below. The measures described below supplement national requirements and fill the gaps with international best practices (noted in Annex 1). The general procedure is as follows:

- 1) The first step of asbestos screening (in 5.1 below) will be conducted in addition to the existing steps of verification that will be carried out in line with the project's Operations Manual.
- 2) This ESMF/P will be appended to the site-/building-level Agreements (Letters of Agreement or Responsible Party Agreements), which are to be signed prior to the start of all retrofitting works.
- 3) Relevant capacity building will be undertaken by the project team to ensure that the measures established are understood. (See section 8.2 below for detail.)
- 4) The project team (and UNDP) will monitor the implementation of these measures in line with the M&E plan described in section 9 below.

**Table 3: Overview of Required Social and Environmental Instruments**

Social and Environmental Management Measures	Focus/Scope <sup>4</sup>	Timeframe	Responsibilities
Asbestos screening (see section 5.1)  For Moderate Risk 3	Screening all buildings selected to be renovated within the project.  AWMG prepared for all buildings with asbestos presence detected.	Before the signature of Responsible Party Agreements or Letters of Agreement	To be commissioned by the UNDP CO and conducted by competent specialists trained in asbestos surveying, as it is stated in the relevant national law.
Implementation of asbestos waste management measures (see section 5.1)  For Moderate Risk 3	As defined in the AWMG (see details in section 5.1)	During retrofits realization	This will be managed through responsible party agreements/letters of agreement which would accommodate this requirement prior to disbursement of the GCF subsidy.
Air pollution screening (see section 5.2)  For Moderate Risk 5	For all retrofits, supported by the project (see details in section 5.2)	Before agreement on the use of GCF subsidy	
Ensuring adequate working and labor conditions during retrofits (see section 5.3)  For Moderate Risk 6	For all retrofits, supported by the project (see details in section 5.3)	Before agreement on the use of GCF grant	This will be managed through responsible party agreements/letters of agreement which would accommodate this

<sup>4</sup> This ESMF applies to all future retrofits under the project's Output 4.1: Targeted financial incentives provided to vulnerable groups to help address the affordability gap as per the Restructuring Proposal.

			requirement prior to disbursement of the GCF grant.
Management of potential grievances or objections from stakeholders concerned (see section 5.3)  For Low Risk 1	For all project activities (see details in section 5.3)	For the entire project duration as per the Restructuring Proposal	This will be managed through responsible party agreements/letters of agreement which would accommodate this requirement. UNDP will be requested to be informed in case of any grievance is submitted to any of the financing partners/responsible parties.
Management of risks related to structural failures in the respective buildings (see section 5.3)  For Low Risk 2	For all retrofits, supported by the project (see details in section 5.3)	Before agreement on the use of GCF subsidy	This will be managed through responsible party agreements/letters of agreement which would accommodate this requirement prior to disbursement of the GCF subsidy.
Management of standard construction waste from building retrofits (see section 5.3)  For Low Risk 4	For all retrofits, supported by the project (see details in section 5.3)	Before agreement on the use of GCF subsidy	

**The retrofits cannot begin until the above management measures are in place, according to the rules and procedures of this ESMF.**

**5.1 Asbestos waste management measures**

The buildings proposed for energy efficiency retrofit will be, prior to signature of the Letters of Agreement (or Responsible Party Agreement), screened for presence of asbestos-containing materials (by a competent specialist with training in asbestos surveying), in accordance with national law.

If asbestos is present in the building, the respective energy efficiency retrofit must involve provisions for the safe handling of asbestos by appropriately trained personnel in accordance with national law, including MoE Order “28 July” 2020 No.246 L. In addition, the EE retrofits will follow the UNDP/UNEP International Best Practice on Asbestos Handling and Disposal Guidelines.

The project will prepare asbestos waste management guidelines (AWMG) for adequate and safe disposal of ACMs that will be handled during energy efficiency retrofits within the framework of the GCF project. These guidelines shall reflect the requirements of the MoE Order “28” July” 2020 No.246 L and also contain relevant additional measures from the UNDP/UNEP International Best Practice Guidelines on Asbestos Handling and Disposal Guidelines.

Specifically, the asbestos waste management guidelines will explain the legal position concerning work with and disposal of asbestos waste and the relevant requirements and recommendations for each stage of the collection, transportation, storage, and disposal of materials:

- Procedures people should take to protect themselves;
- What control measures are required;
- What equipment do people need to do the job properly;
- How to choose, use and look after personal protective equipment (PPE), including respiratory protective equipment (RPE);
- Decontamination of yourself, work equipment, and work areas;
- Waste handling and waste disposal.

When doing so, the guidelines will also address the following matters:

1. Detailed identification of the asbestos-containing materials (ACMs): The contractor will conduct a thorough inspection of the building or structure to identify all ACMs that need to be removed.
2. Removal methods: The contractor will outline the methods that will be used to remove the ACMs, including any necessary containment measures, protective equipment, and waste handling procedures.
3. Transport and Disposal procedures: The contractor will specify the disposal procedures that will be used to dispose of the ACMs, including the type of disposal facility and the rules for the safe offloading and disposal of the ACMs. Here, in particular, the relevant organizations managing the disposal of asbestos waste will follow the UNDP/UNEP international best practice recommendations.
4. Health and safety procedures: The contractor will follow the health and safety procedures needed to protect workers and the environment from the hazards associated with asbestos removal and disposal.
5. Recordkeeping: The contractor will maintain detailed records of all aspects of the asbestos removal and disposal process, including documentation of the location and condition of the ACMs, the methods used for removal and disposal, and any other relevant information.

The asbestos waste management guidelines will be prepared by experts who have experience with demolishing buildings/structures containing asbestos, managing asbestos movement, or asbestos demolition and waste disposal.

## 5.2 Air pollution screening and management

The responsible parties shall confirm that the installation of the new heating units meets the applicable national/local requirements for air quality management and that the replacement of heating systems does not significantly increase the emissions of pollutants into air as compared with the old heating system.

Air pollution levels linked to the construction dust and machinery used will be monitored as per the requirements of the local legislation. Dust related emissions will be managed by applying provisions listed in the respective national legislation (see the section 4.3 above) and will include measures such as construction trucks to be covered, wheels to be washed before entering roads, and so on.

This will be managed through the responsible party/letter of agreement.

### 5.3 Labour and working conditions

Responsible party agreement/letter of agreement will include a commitment to comply with the international standards and best practice when it comes to workers' rights and non-discriminatory practices and to occupational health and safety. The measures to be included are as follows:

- Ensure written labour management procedures (e.g. human resources policies) are in place
- Provide project workers with clear and understandable information on terms and conditions of their employment, such as payment on a regular basis in a timely manner, written notice of termination and payment of all wages and benefits on termination, etc.
- Ensure decisions regarding employment are not made on basis of personal characteristics unrelated to inherent job requirements and equal remuneration for work of equal value for women and men
- Set out measures to prevent and address violence, harassment, intimidation or exploitation, including any form of gender-based violence; and adopt appropriate measures to protect and assist vulnerable project workers (e.g. women, persons with disabilities, migrant workers, young workers)
- Appoint a person responsible for environment/ health & safety, emergency constantly present on site
- Exclude unsafe working practices and uncontrolled unsafe tools left on the construction-site.
- Ensure that workers' PPE will comply with international good practice (always hardhats, as needed masks and safety glasses, harnesses and safety boots)
- Introduce appropriate signposting of the sites will inform workers of key rules and regulations to follow; make the first aid kits available and easily accessible in all sections of the construction, and arrange for fire-extinguisher that is easily accessible in all operating machinery and in all sections of the construction site.
- Provide for the workers introductory job- focused safety trainings before starting work; training event is properly registered in the instructions' book
- Report and record Health & safety incidents

### 5.3 Management measures for other risks

The SESP has identified other low-level risks that do not require dedicated management regimes but nevertheless warrant attention. To this end, the project shall take the following measures to avoid, minimize or offset any such risks (despite being categorized as low).

#### **Management of potential grievances or objections from stakeholders concerned**

The responsible parties shall confirm that the owners and tenants of the respective buildings agree with the proposed retrofit and there are no objections to it within the wider community from the residents

or the beneficiaries (in case of public buildings).

They must also inform the relevant stakeholders about an opportunity to file potential complaints or disputes through the project's Grievance Redress Mechanism (GRM) and UNDP's Accountability Mechanism (see Section 7).

This will be managed through responsible party agreements/letters of agreement which would accommodate this requirement. UNDP will be requested to be informed in case of any grievance is submitted to any of the financing partners/responsible parties.

### **Management of risks related to structural failures in the respective buildings**

The responsible parties shall confirm that:

- Energy efficiency retrofits comply with applicable national construction norms/building codes and standards and international best practices. The same applies for electric systems (installation of photovoltaic systems, solar heating systems, and the installation of LED lighting systems inside and outside of buildings).
- Works will be implemented and maintained by the legally registered contractor(s) having relevant permits for the relevant works. Proof of experience and track record will be required from the contractor(s) prior to the award of the retrofit work.
- Contractor(s) will be required to conduct orientation and training for workers on EE building retrofits, particularly multi-family apartment buildings and public buildings.

This will be managed through responsible party agreements/letters of agreement which would accommodate this requirement prior to the disbursement of the GCF subsidy.

### **Management of standard construction waste and chemicals related to building retrofits**

The responsible parties shall confirm that the management of waste/construction debris will be part of the conditions in granting the funds and for awarding the civil works to the contractor. These will require EE building retrofits to use the best available techniques for the removal and safe handling of any hazardous substances during construction and dispose of demolition waste and the waste generated from civil works in accordance with the applicable regulations. According to the Laws of the Republic of Armenia on Waste Disposal and Sanitary Purification, on Local Self-Government, Self-Government in Yerevan City and Law on Waste, arrangement of waste disposal is part of the community's mandatory responsibilities.

There is small potential for occurrence of substances such as mercury and lead (see the SESP document). These will be handled and stored following the procedures in the relevant national legislation, listed in the section 4.3 above. The provisions will include measures such as separation and safe storage (as per relevant legislation) old lighting systems that may contain mercury, and the removal of old paint coating containing lead gradually, meaning separating the respective parts of building to avoid exposure to people. The protective equipment will be used by the workers.

This will be managed through responsible party agreements/letters of agreement, which would accommodate this requirement prior to the GCF subsidy's disbursement.



## 6. Stakeholder Engagement & Information Disclosure Process

### 6.1 Summary of Stakeholder Engagement

As stated in the SESP elaborated for the Restructuring Proposal, the project is closely consulted with the National Designated Authority (the Ministry of Environment of the Republic of Armenia). It also has, with UNDP's active facilitation, very close, strong, mutually supportive relations with the Government of Armenia, including the Office of the Prime Minister, the Ministry of Finance, the Ministry of Territorial Administration (which runs the State Subvention Programme) and numerous line ministries. Collaboration with the Municipality of Yerevan remains strong and positive. Project staff and UNDP Country Office senior management regularly engage with all of these parties via very frequent email correspondence, one-on-one meetings, and meetings of the Project Board. All updates to planned project activities have been discussed with the stakeholders and providers of financing.

Active women participation has been supported in developing new energy efficiency building codes and standards, and in developing EE projects: 15 % of participants in meetings at Yerevan municipality on EE retrofits in MABs were women.

### 6.2 Information Disclosure Processes

This draft ESMF/P (and the project's SESP) will be translated and disclosed via the UNDP Armenia CO website for 30 days and also in person / hard-copies in the project office, in accordance with the RA Law on Freedom of Information (2003) and the UNDP policy. The final ESMF/P will be published for the entire duration on the project webpage and also in person / hard-copies in the project office.

**Table 4: Summary of Disclosure Timeframes/Requirements for Each A&M**

Required Social and Environmental Management Measures	Approx. Disclosure Timing	Disclosure Period
Asbestos Waste Management Guidelines	Before the signing of the first LoA / Responsible Party Agreement, after Restructuring Proposal approval	Once adopted, the guidelines will be published for the entire duration on the project webpage
Reports from monitoring of the application of the social and environmental standards prescribed by this ESMF/P	During retrofits realization	Published for the entire duration on the project webpage

## 7. Project's Accountability Mechanism

### 7.1 Grievance Redress Mechanism (GRM)

A project-level GRM will be established by 31 of August 2023 in line with UNDP policy and guidance available at: [https://info.undp.org/sites/bpps/SES\\_Toolkit/Pages/Guidance-and-Templates.aspx](https://info.undp.org/sites/bpps/SES_Toolkit/Pages/Guidance-and-Templates.aspx) and will fully follow the TOR for GRM presented in Annex 2 to this ESMF.

## 7.2 Additional UNDP's Accountability Mechanism

The UNDP SES recognizes that even with strong planning and stakeholder engagement, unanticipated issues can arise. Therefore, the UNDP SES are underpinned by an Accountability Mechanism with two components:

- 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](#) (SRM) 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.

UNDP's Accountability Mechanism is available to all of UNDP's project stakeholders and does not replace the project-level GRM. However, engagement with project-affected people should ensure they are aware of their options and how to access both the GRM and UNDP's Accountability Mechanism.

## 8. Institutional Arrangements & Capacity Building for ESMF Implementation

### 8.1 Roles and Responsibilities

The roles and responsibilities for the implementation and oversight of ESMF implementation are embedded in the overall governance and management arrangements for the project.

While the following also applies to implementation of the subsequent management plans to be prepared during implementation of the project, per this ESMF, additional specific roles and responsibilities will be defined further in those plans.

**Project Board**, comprised of the representatives of the Ministry of Nature Protection, the Ministry of Finance, Yerevan Municipality, UNDP and financing institutions (European Investment Bank)., has the following role:

- Monitor implementation of this ESMF and compliance with national and international regulations, and UNDP's SES;
- Maintain decision making for the adoption of necessary measures including full integration of management measures within project Outputs and annual work plans;
- Establish and support GRM mechanism to address any grievances;
- Make decisions on corrective actions or changes to the project that may be needed to address social and environmental risks and issues; and
- Provide strategic guidance to implementation of the Project including oversight for safeguards and the implementation of this ESMF.

#### **Project Assurance (UNDP)**

UNDP—including the CO in Armenia, regional hub in Istanbul, and the UNDP Bureau for Policy and Programme Support (BPPS)/ Nature, Climate and Environment (NCE) team —has the following roles and responsibilities:

- Provide oversight and quality assurance on all matters related to safeguards, including quality assurance of required assessments and management plans prior to submission to GCF and finalization.
- Ensure disclosure of relevant documents through UNDP's website;
- Inform all the stakeholders and right-holders involved in, or potentially impacted, positively or negatively, by the project, about the UNDP's corporate Accountability Mechanism (described above);
- Ensure adherence to the SES for project activities implemented using funds channeled through UNDP's accounts, and identify corrective actions to address any shortcomings and escalate to the Project Board when needed;
- Conduct oversight missions and/or independent social and environmental audits of the project if/when deemed necessary;
- Verify and document that all UNDP SES requirements have been addressed; and
- Provide technical guidance on implementation of this ESMF and administrative assistance in recruiting and contracting expert safeguards services (as required), and monitor adherence of each project to the ESMF and UNDP policies and procedures.

**Project Management Unit** will be led by the Project Manager and staffed by a construction engineer, energy audit specialist and public relations specialist. Each project component will be further supported by the task leaders and short time local experts and international experts. The PMU role is:

- Supervise and manage implementation of measures defined in this ESMF;
- Carry out specific responsibilities for implementation of this ESMF, including monitoring, and community consultations on the draft subsequent management plans;
- Maintain relevant records associated with management of environmental and social risks, including updated SESPs, impact assessments, , a log of grievances together with documentation of management measures implemented;
- Report to the Implementing Partner and the Project Board on the implementation of the ESMF; and
- Ensure that all service providers are informed of their responsibilities for the day-to-day compliance with the ESMF.

As noted above, the subsequent management plans will describe the roles and responsibilities in the implementation of those plans. Those new roles and responsibilities will be assessed and integrated, as appropriate, as part of the participatory decision making and implementation proceedings of the project.

## 8.2 Capacity Building

The SES Officer for the project will be hired for the project and will ensure capacities are in place for successful ESMF/P implementation and will ensure that the relevant social and environmental commitments are incorporated into other relevant sub-contracts and bidding processes for the project (e.g. construction firms, engineers, etc.) and the SES Officer will also review capability of institutions at different administrative levels (e.g. local, regional, and national) to manage and monitor the implementation of the relevant environmental and social standards. Where necessary, capacity building and technical assistance activities will be included to enable their proper implementation.

Some of the key components to effective capacity building for ESMF/P include:

1. Environmental and social risk screening: Capacity building programs helping stakeholders and partners understand how to identify potential risks associated with the proposed retrofits, as well as the steps that can be taken to mitigate these risks.
2. Regulatory compliance: Capacity building programs assisting stakeholders and partners understand the regulatory requirements related to environmental and social management, including the need for proper documentation, reporting, and monitoring.
3. Stakeholder engagement: Capacity building programs highlighting the importance of stakeholder engagement in environmental and social management, including how to engage with local communities and other stakeholders to identify concerns and develop appropriate mitigation measures.
4. Planning and management: Capacity building programs aimed at developing effective ESMF plans, including identifying appropriate mitigation measures and monitoring plans to ensure compliance with environmental and social standards.

The SES Officer will also provide regular updates and trainings on the ESMF including an induction session for the Project Management Unit (and implementing partners, as needed) on safeguards responsibilities and approaches.

The UNDP NCE team will provide advice to the PMU as needed to support the implementation of this ESMF.

## 9. Monitoring and Evaluation Arrangements for ESMF/P Implementation

The ESMF/P monitoring and evaluation plan is outlined below in Table 5. The Social and Environment Safeguards Officer will prepare and/or compile reports on implementation of this ESMF.

The following indicators will be used to track implementation of the ESMF/P:

- All buildings selected for retrofitting screened for asbestos presence in elements or building shell components where retrofitting actions and measures are planned
- Asbestos Waste Management Guidelines (AWMG) developed, approved by UNDP, published and distributed to responsible parties
- AWMG fully implemented by responsible parties
- Level of construction and heating systems related air polluting emissions
- All contracts and agreements for retrofitting work are signed under the condition they observe the requirements related to workers' rights, equal employment rights and opportunities and occupational health and safety.

**Table 5: ESMF M&E Plan with Estimated Budget**

<b>Monitoring &amp; Evaluation Activity</b>	<b>Description</b>	<b>Frequency / Timeframe</b>	<b>Expected Action</b>	<b>Roles and Responsibilities</b>
Monitor, track, and report on ESMF implementation	Monitoring and reporting of ESMF implementation, with key results and issues presented to the Project Board on a regular basis.	At least annually	Systems will be developed to ensure monitoring and tracking of progress on ESMF implementation; annual reports will be prepared.	Project Manager and Safeguards Officer (SESO)
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 Manager and SESO
Risk tracking	Ensure identified social and environmental risks are tracked in the Project Risk Register, including assignment of Risk Owner, Treatment Owner and status of treatment (i.e. management) measures.	Updated at least annually	Social and environmental risks tracked in UNDP's Risk Register and presented to the Project Board during annual Project Board meetings.	UNDP CO
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	Every other year	Areas of strength and weakness are reviewed and used to inform decisions to improve project performance.	UNDP CO, UNDP-GEF RTA, Project Manager and Project SESO
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 are discussed by the Project Board and used to make course corrections. ESMF also reviewed and adjusted as needed.	Project Board (considering stakeholders' opinions)
Annual project implementation reports	As part of progress report to be presented to the Project Board and key stakeholders, analysis, updating and recommendations for risk management will be included	Annually	Updates on progress of ESMF will be reported in the project's annual PIRs.	UNDP CO, UNDP-GEF RTA and Project Manager
Project review	The Project Board 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 Board. Recommendations will be made, discussed and agreed upon.	Project Board, UNDP-GEF RTA, Project Manager, SESO
Final Evaluation	The lessons learned and findings are consolidated and presented to the Project Evaluator.	Project closure	The lessons learned and findings to be analyzed and included into the Project Final Evaluation report.	UNDP-GEF RTA, Project Manager, SESO, Evaluator

## 10. Implementation Action Plan (schedule and budget) for ESMF/P Implementation

The budget for the implementation of this ESMF/P is included in the budget for the Project with an estimated cost shown in Table 6 below.

The budget required for ESMF implementation comprises of costs associated with environmental and social safeguards, monitoring and reporting, stakeholder engagement, and capacity building initiatives. The budget will be allocated appropriately to ensure that sufficient resources are available to complete each task.

Costs associated with UNDP oversight and assurance functions are not included.

**Table 6: ESMF Budget & Schedule**

ESMF Activity	Cost (US\$)	Timeframe
Handover of ESMF/P, including Inception Workshop, ESMF Training and onboarding of SES Specialist	15,000.00	Before the signing of the first LoA/RPA after the Project extension granted
Asbestos screening and AWMG preparation	10,000.00	After the handover of ESMF/P, including Inception Workshop, ESMF Training and onboarding of SES Specialist
AWMG implementation	To be determined	To be determined during the AWMG
SES Specialist in PMU, leading execution of the ESMF/P	15,000.00	Q3, 2023
Monitoring and Reporting of ESMF	10,000.00	Q3, 2023
Conducting stakeholder engagement	N/A	2023-2025
Establishing/updating the Grievance Redress Mechanism	8,000.00	Q3-Q4, 2023
Capacity development/trainings	25,000.00	Periodically 2023-2025

## 11. Annexes and Resources

### ANNEX 1: Gap analysis of the national social and environmental framework(s) and applicable requirements of UNDP's SES

Key recommendations in UNDP/UNEP International Best Practice on Asbestos Handling and Disposal	Key provisions in the MoE Order "28" July" 2020 No.246 L On Approval of the Guidance for the Asbestos-Containing Waste Management	Gaps and proposed measures to fill the gaps
<p>A Waste Management Plan (WMP) is the key to adequate and safe asbestos disposal: This plan can be a simple document which describes the steps that everyone involved in the management and disposal of asbestos or materials which have been contaminated with asbestos fibers. The document should define who will be responsible for each stage of the collection, transportation, storage and disposal of materials and the standards to which they will work.</p>	<p>9. Handling asbestos-containing waste is subject to licensing in accordance with the procedure established by the Resolution N121-N of the Government of the Republic of Armenia of January 30, 2003.</p> <p>10. According to the Resolution N47-N of the Government of the Republic of Armenia of January 19, 2006, the hazard class of each type of asbestos containing waste, as well as the composition and toxicity of the components, their origin, aggregate state, chemical composition, volume and other data are included in the waste generators' Waste Passport, which is subject to approval by the manager of the waste generating organization in agreement with the Ministry of Environment.</p> <p>11. Design documents of industrial organizations contain data on the quantity or volume of asbestos containing waste, their quality and their hazard classes related to the given production processes and according to the production technologies, and in accordance with the expected increase in production volumes and measures aimed at environment protection.</p>	<p>The MoE Order "28" July" 2020 No.246 L (hereafter the MoE Order) does not require the preparation of a waste management plan for adequate and safe asbestos disposal proposed in the UNDP/UNEP International Best Practice on Asbestos Handling and Disposal (here-after UNDP/UNEP recommendations).</p> <p>However, such step may be needed for adequate and safe asbestos disposal at model mitigation projects funded by the GCF</p> <p>The project should therefore require:</p> <p>A) preparation of a simple asbestos waste management guidelines (AWMG) for adequate and safe disposal of asbestos or materials which have been contaminated with asbestos fibers. This plan shall meet the requirements of the MoE Order "28" July" 2020 No.246 L on the steps that define who will be responsible for each stage of the collection, transportation, storage and disposal of materials and the standards to which they will work.</p> <p>B) The AWMG should be prepared by experts competent to carry out asbestos surveys or asbestos waste management, e.g.: asbestos contractors who have experience with the</p>



		demolition of buildings/structures containing asbestos, managing asbestos movement, or asbestos demolition and waste disposal.
Ensure workers are not exposed to asbestos fibers as a result of this work: Organizations arranging, undertaking or funding debris clean-up which has a risk of asbestos waste exposure have a duty of care to ensure workers are not exposed to asbestos fibers as a result of this work. Appropriate levels of training and awareness should be provided for everyone coming into contact with, or potentially exposed to, asbestos fibers. Everyone working with or near the waste must use appropriate personal protective equipment.	7. The safety rules for handling waste in construction and demolition activities are defined by the RA Government Protocol Decision N30, of July 23, 2009.	The MoE Order does not follow the UNDP/UNEP recommendations for the appropriate training of personnel involved.  To this end, C) The AWMG should provide appropriate levels of training and awareness should be provided for everyone coming into contact with, or potentially exposed to, asbestos fibers. The training should address: <ul style="list-style-type: none"> <li>• The legal position concerning work with and disposal of asbestos waste;</li> <li>• Procedures people should take to protect themselves;</li> <li>• What control measures are required;</li> <li>• What equipment people need to do the job properly;</li> <li>• How to choose, use and look after personal protective equipment (PPE), including respiratory protective equipment (RPE);</li> <li>• Decontamination of yourself, work equipment and work areas;</li> <li>• Waste handling and waste disposal;</li> </ul>
Temporary in-situ management.  Asbestos waste that has been segregated, or waste which is too contaminated to be segregated and therefore must be classified as asbestos waste, should be stored separately in secure, covered, labelled, containers until	12. The collection and temporary storage of asbestos-containing waste is recommended to be carried out in compliance with the following basic conditions:  ... 3) scrapings and garbage build-up on the floor under and around the relevant devices, structures or mechanisms shall be removed by means that prevent	The MoE Order in principle meets all UNDP/UNEP recommendations.  The project only needs to implement the following UNDP/UNEP additional recommendation:

<p>transportation to an appropriate site takes place.</p> <ul style="list-style-type: none"> <li>It is recommended that appropriate containers or skips are used to store known asbestos waste as these are the easiest to transfer to transport vehicles without exposing contaminated materials. These should be labelled correctly and covered to prevent access to contained materials or asbestos fiber release and should be locked when not in use to restrict access. Should large containers or skips not be available, then asbestos waste should be double-bagged and stored safely until transport can be arranged.</li> <li>In situations where the volume of asbestos or asbestos contaminated materials are too large for temporary in-situ storage, it may be feasible to store these materials as waste piles in a dedicated, secured location. However, in this case the surface should be covered in large tarpaulins (medium, minimum 80 gsm) or similar to minimize wind dispersion. Periodic downwind air monitoring may be necessary to confirm the absence of fiber release. Warning signs should be placed around any asbestos waste sites at all locations at which the general public could access the site.</li> </ul>	<p>dust generation. In case of collecting them by hand, it is recommended to use individual respiratory protective equipment (respirator);</p> <ol style="list-style-type: none"> <li>loose materials collected by other means shall be placed in impermeable bags (containers);</li> <li>when collecting loose materials, repairing and dismantling equipment, dust-proof covers shall be used to facilitate the subsequent disposal of waste in bags and containers;</li> <li>workplaces with regular waste collection and disposal shall be provided with a sufficient number of spare containers to avoid their overfilling. The containers shall be replaced and emptied mechanically;</li> <li>solid waste (bonded asbestos, asbestos cement, plastering waste, demolition waste, bituminous rubber residues, waste generated during the repair of pumping stations, etc.) shall be stored in specific places preventing degradation prior to disposal;</li> <li>bags or other containers containing loose asbestos fibers are recommended to be disposed of in a designated area by shredding and/or packing in portable bales. The specially designated place (room) shall bear warning signages showing protective measures to be used, and it shall be connected to the vacuum system;</li> <li>bags used for asbestos waste can be reused as secondary raw materials in the production of asbestos cement and other products.</li> <li>asbestos-containing liquid waste shall be stored in special containers, tanks or warehouses and shall be regularly emptied;</li> <li>all asbestos-containing wastes ready for disposal, which are in containers, bags or tanks shall be respectively labeled or marked;</li> <li>where practically possible, before collecting loose or dust asbestos waste the storage place shall be wetted;</li> <li>in case of placing the waste in indoor or outdoor industrial areas of the organization, health and environment protection norms shall be observed to prevent possible emissions and leaks of hazardous substances.</li> </ol>	<p>D) The AWMG should require everyone (not only persons transporting asbestos waste but anyone working with or near the asbestos waste) must using appropriate personal protective equipment.</p>
<p>Transporting asbestos waste</p>	<p>13. Transportation of asbestos-containing industrial waste to landfills shall be carried out</p>	<p>The MoE Order does not fully meet the UNDP/UNEP</p>

<p>Where possible, asbestos waste should be transported by carriers with a waste carrier license. When not possible, asbestos waste should be transported in conformity with government regulation, using a sealed skip or a vehicle with the following:</p> <ul style="list-style-type: none"> <li>• segregated compartment for asbestos;</li> <li>• easily cleanable; and</li> <li>• lockable.</li> </ul> <p>If sealed skip transportation is not available, the following should be applied before and during transportation:</p> <ul style="list-style-type: none"> <li>• Dampen all waste to be moved and continue to maintain a level of dampening throughout the process of disturbing the hazardous waste;</li> <li>• Ensure everyone working with or near the waste is using appropriate PPE;</li> <li>• Once the waste is deposited in the transportation vehicles, cover the waste securely with 1000-gauge polythene sheet or minimum 80 gsm tarpaulin;</li> </ul> <p>Once the waste has been transported to its final disposal site, the above should be applied when offloading vehicles, with waste being re-dampened to contain airborne fibers, personal protective equipment worn by all operatives and non-operatives kept well away from the site.</p>	<p>by vehicles owned by the given organization or by vehicles of a contracted organization.</p> <p>14. Loading and transportation, off-loading and burial of asbestos-containing waste shall be carried out by machinery with the help of small lifting transport excluding the use of hooks and other sharp tools.</p> <p>15. Loading and off-loading operations for standard batches of asbestos-containing waste bags on pallets shall be carried out with the help of container carriers, forklifts, cranes or other similar machinery.</p> <p>16. Transportation of small batches of asbestos-containing waste can be carried out without packaging (in bulk) by special vehicles or in rubber-cord containers (big bags).</p> <p>17. Transportation of asbestos-containing waste shall be carried out by covered vehicles.</p> <p>18. After the completion of work all vehicles used for the transportation of asbestos-containing waste shall be properly cleaned of waste residues.</p> <p>19. It is recommended to furnish the asbestos-containing waste loading and off-loading places with industrial vacuum cleaners of sufficient capacity and to have sufficient supply of adhesive tapes for quick removal of debris.</p> <p>20. It is recommended to fill asbestos-containing liquid and pasty waste into the vehicle in a manner to prevent overflowing.</p> <p>21. When handling asbestos containing waste dust, all stages of loading, transportation, off-loading and storing the waste shall be leveled.</p> <p>22. In the case of minor spills, the waste shall be collected in the original container, and in the case of significant spills, it is recommended to wet it before disposal taking the necessary precautions, including personal protective equipment.</p> <p>23. Asbestos-containing waste loading and off-loading workers and drivers of transport vehicles shall be properly instructed on the rules of loading, off-loading and transportation of such waste.</p>	<p>recommendations if the asbestos waste could not be transported by special vehicles and when it comes to wetting of the asbestos waste during offloading.</p> <p>To this end:</p> <p>E) The AWMG should require proper asbestos waste transport arrangements. Where asbestos waste transport would not be arranged by specialized asbestos waste management service providers, the organizations transporting asbestos waste should condire (and where possibly follow) UNDP/UNEP recommendations for transport and off-loading of asbestos waste.</p>
<p>Final disposal of asbestos waste</p> <p>Asbestos waste is classed as hazardous waste for the purposes of final disposal. Asbestos contaminated waste should be disposed of in a licensed disposal site wherever possible, in line with government regulation.</p> <p>Asbestos waste can be disposed of in appropriate landfill facilities designated as non-hazardous, for example, a construction and</p>	<p>25. The asbestos-containing waste of class 4 hazard, asbestos-cement scrap and crushed asbestos shall be allowed be taken to landfills without quantitative restrictions and used as insulating material, and the class 4 hazardous waste - in a limited volume (no more than 30% of the mass of municipal solid waste) shall be disposed of together with municipal solid waste.</p> <p>26. Asbestos-containing waste transported to the landfill shall have a hazardous waste passport including the specification of the composition of the waste and a brief description of measures for the safe use of waste in the landfill.</p>	<p>The MoE Order does not fully meet the UNDP/UNEP recommendations for safe disposal of asbestos waste.</p> <p>To this end, the AWMG should:</p> <p>F) Ideally designate proper construction and demolition waste facilities where asbestos waste can be safely disposed of in cells that are specifically dedicated for the disposal</p>

<p>demolition (C&amp;D) waste facility. In this case, asbestos waste should only be disposed of in cells that are specifically dedicated for the disposal of asbestos waste. Any interaction between asbestos waste and biodegradable waste should be prevented. Any cells used to dispose of asbestos waste must have clear signs at all access points as, once capped with earth, contents will not be clear.</p> <p>Asbestos and asbestos containing materials should be disposed of in a designated, engineered, hazardous waste landfill facility wherever possible. When this is not achievable, a dedicated C&amp;D waste facility or separate cell in a non-hazardous, sanitary landfill can be used.</p> <p>Landfill design should comply with The European Union Landfill Directive, specifically Annex 1, as well as national standards, including anticipated national standards for landfill facilities.</p> <p>The following provides an overview of the main requirements when selecting the site for a hazardous waste facility.</p> <ol style="list-style-type: none"> <li>1. Site: In collaboration with the local government, locate a site where adequate cover material is available, access is good and controllable and where the waste cannot be exposed by water or wind erosion, slope failure, further disasters or re-excitation.</li> <li>2. The location of the facility should be either naturally or should be engineered to prevent any unacceptable discharges to ground and surface water and emissions over the entire life of the facility.</li> <li>3. Vehicles: Clearly label vehicles transporting asbestos waste and ensure they are operated by trained personnel.</li> <li>4. Emission protection: During and after the disposal of asbestos waste, make sure no</li> </ol>	<p>27. Asbestos-containing waste of class 4 hazard shall be disposed in the landfill in layers, with each layer being leveled and compressed.</p> <p>28. Hard and dusty waste containing asbestos of class 1-3 hazard shall be buried in pits. The pit sizes are not regulated. The asbestos-containing waste shall be filled into the pit in layers and compressed. It is recommended to plan the maximum level of asbestos-containing waste in the pit below the designed value, at a distance of at least 2 m from the area adjacent to the pit.</p> <p>29. The burial of asbestos-containing dust waste in the pits shall be carried out in a manner to prevent the spread of such waste by wind during off-loading from the vehicle which can be achieved by wetting or by transporting them in packages and paper bags. After filling the dust waste into the pit, it shall be isolated with a layer of soil.</p> <p>30. After filing the pit with asbestos-containing waste up to the designed level, the pit shall be isolated with a 0.25 m layer of compressed soil.</p> <p>31. Pits and hole can be used only for the storage of asbestos waste containing debris.</p> <p>32. After the end of the operation period of the landfill, it is recommended to carry out reclamation or recultivation of the disturbed lands of the given area in accordance with the procedure established by the decision of the Government of the Republic of Armenia N1643 of December 14, 2017.</p> <p>33. Workers employed to bury the asbestos-containing waste shall be properly instructed on burial rules.</p>	<p>of asbestos waste. Should such facility not be available or reachable through cost-effective transport means, the AWMG should designate engineered sanitary landfill facilities where adequate cover material is available, access is good and controllable and where the waste cannot be exposed by water or wind erosion, slope failure, further disasters or re-excitation.</p> <p>G) Ensure that asbestos waste is wetted during and after the disposal of asbestos waste and that no visible emissions occur during and after the disposal of asbestos waste.</p> <p>H) Ensure that asbestos-containing waste is covered with at least 15cm of compacted non-asbestos-containing material within 24 hours of disposal.</p>
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<p>visible emissions occur and cover waste with at least 15cm of compacted non-asbestos-containing material within 24 hours of disposal.</p> <p>5. Barriers: If no natural barriers exist around the site to deter access, install fencing, trenches or other barriers to prevent unauthorized access to the designated area.</p> <p>6. Warning signs: Post warning signs at the entrance of the site and around the perimeter or, in the case of cells within a non-hazardous landfill facility, at access points and around relevant cells.</p> <p>7. Closure: Final closure of an area containing asbestos waste requires at least an additional 75cm of compacted non-asbestos material to provide a 1m final cover. This must be done within 90 days of the last deposition.</p>		
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## **Annex 2: UNDP Social and Environmental Standards: Sample Terms of Reference: Project-level Grievance Redress Mechanism**

Please refer to the [UNDP Social and Environmental Standards Toolkit](#) for additional information.

### **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, and
- 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; and
- (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.<sup>5</sup>

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;

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<sup>5</sup> Oral acknowledgments can be used for expediency (and also recorded), but must be followed by a written acknowledgment.



- 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; and
- 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.

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; and
- (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; and
- 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.