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|  | Annex 10: DRAFT Environmental and Social Management Framework (ESMF) |  |

For UNDP-supported, GEF-financed project in Iraq:

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| **Project Title:** | Promoting Carbon Reduction Through Energy Efficiency (EE) Techniques in Iraq |
| **UNDP-GEF PIMS ID number:** | 6487 | **GEF ID number:** | 10392 |
| **Country:** | Iraq |
| **Implementing Partner:** | UNDP Country Office in Iraq |
| **Management Arrangements:** | Direct Implementation (DIM) |
| **GEF-7 Focal Area/Non-Focal Area:** | Climate Change (CCM-1-3) |
| **Co-financing:** | USD 27,010,000 | **Total Project Cost:** | USD 30,402,009 |
| **CEO Endorsement/Approval** | TBD | **Expected Project Start Date:** | TBD |

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| **Public Consultation/Disclosure Notice** |
| Date:  **1 April 2022** |
| The United Nations Development Programme (UNDP) is requesting feedback on the attached draft Environmental and Social Management Framework and associated Social and Environmental Screening Procedures for this project.Comments and questions can be sent to the following address: |
| United Nations Development Programme**Physical Address**: The United Nations Development Programme (UNDP) in IraqUnited Nations Compound, International Zone, Baghdad, Iraq**Tel**: + **Fax**: + **Email**: registry.iq@undp.org **Website**: <http://www.iq.undp.org/> |
| **The last date for receiving of comments is 1 August 2022** |

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# Executive Summary

This Environmental and Social Management Framework (ESMF) was developed for the UNDP-supported, GEF-financed project “*Promoting Carbon Reduction Through Energy Efficiency (EE) Techniques in Iraq*”. The project will be implemented by the UNDP Country Office in Iraq.

This ESMF has been prepared for the submission of the UNDP project proposal to the GEF for the purposes of assisting in the assessment of the project’s potential environmental and social impacts. Preliminary analysis and screening conducted during the project development phase via UNDP’s Social and Environmental Screening Procedure (SESP) identified potential social and environmental risks associated with project activities including, in particular, establishment and retrofitting an EE Center in Baghdad and proposing EE regulations, policies and standards for the building sector. This screening resulted in the identification of nine risks, eight of which were considered “Moderate” while one was rated as “Substantial”, resulting in an overall social and environmental risk categorization of “Substantial” for the Project.

This ESMF has been developed based on this project risk categorization to specify the processes that will be undertaken by the Project Management Unit for the additional assessment of potential impacts and identification and development of appropriate risk management measures, in line with UNDP’s Social and Environmental Standards (SES; 2021).

This ESMF identifies the steps that will be followed during the inception phase of the project:

1. Scoped strategic social and environmental assessment (SESAs) for upstream activities including proposed legislations, National Energy Efficiency Action Plan (NEEAP), Building Energy Efficiency Codes (BEEC) and Minimum Energy Performance Standards (MEPS) (Activity 2.2.1);
2. Scoped ESIA for the activity related to retrofitting of the EEC, based on which, preparing a scoped Environmental and Social Management Plan(s), for avoiding, and where avoidance is not possible, reducing, mitigating, and managing adverse impacts, which will include an Occupational Health and Safety Plan and Waste Management Plan.

This ESMF also details the roles and responsibilities for its implementation and includes a detailed budget and monitoring and evaluation plan.

# Abbreviations and Acronyms

|  |  |
| --- | --- |
| BEEC | Buildings Energy Efficiency Codes |
| BRESC | Baghdad Renewable Energy and Sustainability Center |
| EE | Energy Efficiency |
| EEC | Energy Efficiency Center |
| EIA | Environmental Impact Assessment |
| EMP | Environmental Management Plan |
| ESCP | Environmental and Social Commitment Plan |
| ESMF | Environmental and Social Management Framework |
| ESMP | Environmental and Social Management Plan |
| FSP | Full Sized Project (GEF) |
| GEF | Global Environment Facility |
| GEFSEC | Global Environment Facility Secretariat |
| GRM | Grievance Redress Mechanism |
| M&E | Monitoring and Evaluation |
| MEPS | Minimum Energy Performance Standards |
| MoHEn | Ministry of Health and Environment |
| MVE | Monitoring, Verification and Enforcement |
| NEEAP | National Energy Efficiency Action Plan |
| PIF | Project Identification Form (GEF) |
| PIR | GEF Project Implementation Report |
| PMU | Project Management Unit |
| PPG | Project Preparation Grant (GEF) |
| SECU | Social and Environmental Compliance Review Unit (UNDP) |
| SES | Social and Environmental Standards (UNDP) |
| SESA | Strategic Environmental and Social Assessment |
| SESP | Social and Environmental Screening Procedure (UNDP) |
| SRM | Stakeholder Response Mechanism (UNDP) |
| UNDP | United Nations Development Programme |
| UNDP-GEF | UNDP Global Environmental Finance Unit |

# Introduction

This Environmental and Social Management Framework (ESMF) was developed for the UNDP-supported, GEF-financed project “*Promoting Carbon Reduction Through Energy Efficiency (EE) Techniques in Iraq*”.

The main objective of this project is to promote low carbon development in Iraq through supporting the design of a regulatory framework for enhancing EE in buildings and the creation of an enabling environment for its operationalization. The development challenge which the project aims to address is the need for rapid expansion in the buildings sector, as part of the post-war reconstruction effort, while minimizing the load on the readily strained fuel-based electricity network.

## Project Description

The project’s theory of change relies on the assumption that the essential ingredients for enhancing EE in buildings are present in Iraq, but require (1) proper integration in the procedure followed by public partners due to lack of streamlined intra-government collaboration on EE and limited technical and administrative capacity; (2) a focal point with a trained team dedicated to promoting EE in buildings; (3) standards and guidelines for the interventions promoted and the ways to assess them; and (4) effective communication with private partners and end-users on EE practices and benefits. Hence, the project builds upon existing work and develops a national framework within which past, present and future EE-related policies become aligned, complementing Iraq’s efforts to reduce GHG emissions and bringing maximum benefit to the people of Iraq.

Project Implementing Partner: UNDP Country Office in Iraq

The project is structured under four components, each of which delivers a specific outcome.

**Component 1: Enabling regulatory and institutional framework is designed to promote EE in the buildings sector, including the development of Buildings Energy Efficiency Codes (BEEC) and Minimum Energy Performance Standards (MEPS) for buildings**

**Outcome 1: Appropriate regulatory and institutional framework is designed to catalyze existing policies and programs for promoting EE in buildings, including the operationalization of the National Energy Efficiency Action Plan (NEEAP).** The framework aims to consolidate independent policies, codes, legal clauses, and technical standards relevant to EE in buildings, reflecting them in a comprehensive Executive Regulation for EE in Buildings, to be annexed under one of the approved national plans or readily enforceable laws. The framework will also include institutional aspects, engaging with the NEEAP to support its operationalization and enable EE development in the Iraqi buildings sector. The Outcome will be achieved through two outputs:

**Output 1.1:** An analysis of the existing policies, programmes and national plans is conducted, and an Executive Regulation for EE in Buildings is drafted and submitted for government approval.

**Output 1.2:** An analysis of the NEEAP in Iraq is conducted, and the elements required for its operationalization is provided to support rolling-out EE development with a focus on the buildings sector.

**Outcome 2. Internationally recognized BEEC and MEPS for buildings are selected and localized to become suitable for Iraq, including the associating Monitoring, Verification and Enforcement (MVE) procedure.** One of the top-down strategies commonly employed by policy makers to improve EE in buildings is adopting a set of standards and codes, such as BEEC and MEPS, to enable the enforcement of the proposed regulations. BEEC serves to inform architects and contractors on aspects of passive design and help introducing smart solutions for building envelops. The developed BEEC will build upon the thermal insulation data presently available in the Iraqi buildings code, by studying other aspects thermal insulation requirements and provide recommendations on technologies for air conditioning, energy efficient lighting systems, service water heating, etc. The development process constitutes reviewing the best-practice in BEEC and localizing the most suitable codes for implementation in Iraq.

Complementary to BEEC, MEPS will be developed to promote EE practices and spread a culture of low-carbon development among inhabitants and real estate developers. The localization of BEEC and MEPS covers the associating MVE procedure, which includes performance labelling and certification schemes providing infographics to inform the public on energy use and efficiency - compared to standard levels. Labels and certificates can also include data on the estimated cost of energy consumption. The MVE procedure also include the adoption of a relevant testing procedure. The activities performed under this outcome will form the bases for Outcome 4, i.e. establishing a testing facility and a certification programmes for energy managers and auditors. The Outcome will be achieved through two outputs:

**Output 2.1:** Appropriate BEEC, including the associating labelling, certification scheme and testing procedure, is selected, localized, and submitted for government approval. This will include aspects of passive design and thermal insulation standards.

**Output 2.2:** Appropriate MEPS, including the associating labelling, certification scheme and testing procedure, is selected, localized, and submitted for government approval.

***Component 2: The Energy Efficiency Center (EEC) is established with mandate for advancing EE measures in the buildings sector through providing technical advice to the public, training to practitioners, and supporting the implementation of the proposed MVE procedure***

**Outcome 3: EEC is established and capacitated to support the development of EE programs and applications in the buildings sector.** EEC will be established as a Public-Private Partnership (PPP) between the Ministry of Construction, Housing, Municipalities, and Public Works and Baghdad Renewable Energy and Sustainability Center. To facilitate the accessibility of beneficiaries, EEC will be situated in a building within Baghdad International Fair. This building will be retrofitted to become a demonstration project for best practices of EE in buildings. The Outcome will be achieved through two outputs:

**Output 3.1:** EEC is established, legally and with physical presence, and is operational as the focal point for activities concerned with EE in the Iraqi buildings sector.

**Output 3.2:** Staff at the EEC are capacitated to inform decision-makers, advise investors, raise public awareness, and deliver general and technical training on EE in buildings.

**Outcome 4: Testing facility and certification programmes are established under EEC, in accordance with the proposed BEEC and MEPS, to support the implementation of the framework’s MVE procedure.** As mentioned in Outcome 2, the proposed BEEC and MEPS will include MVE procedure in the form of certification schemes and testing procedure. Their adoption serves to monitor the energy performance of buildings, verify compliance with codes and standards, and enforce regulations as relevant. EEC will be mandated to issue annual MVE reports to EE stakeholders, but the inspection frequency will be identified for each type of testing/certification. The Outcome will be achieved through two outputs:

**Output 4.1:** A testing facility containing suitable equipment to measure energy consumption behavior in the buildings sector and perform regular inspection for buildings, in accordance with the proposed BEEC and MEPS, is established at the EEC and operated by EEC staff:

**Output 4.2:** Certified Energy Management and Building Auditors Programmes are adopted by EEC, where Energy Managers are capacitated to conduct building inspections and make recommendations for optimizing EE in buildings nation-wide.

***Component 3: Individual and institutional capacity and EE technical knowledge and expertise are strengthened to enhance the ability of national parties to develop and operationalize EE policies, regulations, technical codes, and performance standards in the buildings sector***

**Outcome 5: Coordination between national parties for the enforcement of existing policies and strategies, including the Iraqi building code, is supported.** The Outcome will be achieved through two outputs:

**Output 5.1:** Develop a Data Flow Diagram consistent with the proposed Executive Regulation for EE in Buildings to advocate intra-government collaboration and obtain consensus of the parties on it and the manuals to use for staff training

**Output 5.2:** Policy-level training on the proposed regulatory and institutional framework for EE in buildings is conducted, targeting decision makers, public officials, and national experts.

**Outcome 6: The awareness of practitioners involved in the buildings sector, as well as end-users of electricity, on EE regulation and best practices is strengthened.** The Outcome will be achieved through three outputs:

**Output 6.1:** Technical training on EE in buildings is conducted targeting students, technicians, contractors, civil engineers, and architects. This will constitute a Training of Trainers workshops to enhance the sustainability of knowledge sharing

**Output 6.2:** Awareness campaigns and events are organized to promote EE applications and programs, and relevant marketing material is developed to increase consumers’ commitment to EE practices.

**Output 6.3:** Financial schemes and incentive mechanisms to promote EE buildings investments, including attracting the engagement of the banking sector, are identified, promoted, and monitored

***Component 4: Knowledge and expertise on EE in the buildings sector in Iraq is managed, guided by best practices from other countries, and the impacts of the developed regulatory and institutional framework is continuously monitored and evaluated***

**Outcome 7: A Knowledge Management system is developed, and best practices are catalogued through conducting exchange missions to other countries.** The outcome will be achieved through two outputs:

**Output 7.1:** A Knowledge Management system is developed in the form of an online portal for the dissemination of EE in building practices, programs, code, and MVE procedure, on the national level.

**Output 7.2:** Exchange missions to relevant regional or international countries with advanced experience in EE buildings deployment are conducted and a best practices catalogue is developed.

**Outcome 8: A Monitoring and Evaluation (M&E) system is developed to track and document project progress and impacts and support the sustainability of the interventions performed.** The Outcome will be achieved through three outputs:

**Output 8.1:** Set up an institutional mechanism to revise and update building energy performance standards regularly, including the development of guidelines for enforcing EE measures in building.

**Output 8.2:** Set up an inventory mechanism and database management system for national energy balance, detailed consumption statistics and related Greenhouse Gas emission in the buildings sector to monitor and evaluate EE programs.

**Output 8.3:** Capacity building to EEC staff on aspects of M&E, including database management, data collection and reporting, is conducted.

The project’s co-financing includes in-kind contribution from the Ministry of Health and Environment (MoHEn) for allocation of the building to accommodate the EEC (Outcome 3) and a grant, not considered as co-financing, from the Baghdad Renewable Energy and Sustainability Center (BRESC) for retrofitting a minimum of 30 buildings during the project duration to demonstrate and promote EE in the buildings sector among other soft activities. BRESC is planned to be a partner with the government on the establishment of the EEC. EEC will have the mandate of taking the lead on EE projects and agendas on behalf of public parties, which would enhance EEC’s ability to operate with relative independence, including the ability to undertake EE projects as part of the disbursement of co-finance by BRESC.

The duration of the project is 60 months.

## Purpose and Scope of this ESMF

This ESMF is a management tool to assist in managing potential adverse social and environmental impacts associated with activities of this GEF-financed project, in line with the requirements of UNDP’s SES. The implementing partner of the project and the relevant members of the Project Management Unit (PMU) will follow this ESMF during project implementation and ensure the environmental and social risks and impacts are fully assessed and management measures are put in place prior to the implementation of the relevant project activities.

This ESMF identifies the steps for detailed screening and assessment of the project’s potential social and environmental risks, and for preparing and approving the required management plans for avoiding, and where avoidance is not possible, reducing, mitigating, and managing these adverse impacts. Its scope mainly covers Components 1 and 2 of the project. This ESMF also addressed the co-financing activities related to the retrofitting of the 30 buildings, taking into account that this is considered Category 2 co-financing with no associated facilities.

## Potential Social and Environmental Impacts

During the PPG phase, the UNDP SESP was used to identify potential social and environmental risks associated with this Project. The project was scrutinized as to its type, location, scale, sensitivity and the magnitude of its potential social and environmental impacts. All project activities were screened, including planning support, policy advice, and capacity-building, and site-specific, physical interventions. The screening highlighted the project intentions as they related to mainstreaming human rights, gender equality and women’s empowerment and environment sustainability.

Successful implementation of the project will reduce household energy needs and thus their related costs, thereby increasing equitability in energy availability and access. This will contribute to improving the economic situation of Iraqi families and to their general wellbeing. Through engaging all potential project stakeholders, including marginalized and poor communities, and ensuring their contribution to the Project’s decision-making process will also respect the people’s right of self-determination and steer the country towards access to energy for all. EE is directly linked to environmental sustainability and the project will highlight the importance of EE in utilizing energy. Achieving same living standard can be accomplished with less energy and in turn mitigate the emissions related to the energy supply and/or transmission. Closing the energy gap through EE rather than increasing the supply side through fossil fueled energy sources will have great impact on environmental sustainability.

The SESP identified a total of nine risks, eight of which one have been assessed as having Moderate significance while one was rated Substantial; hence overall SESP risk categorization rating for the project is “Substantial”. The project document includes the SESP template that details the specific environmental and social risks identified. The risks mostly apply to project Components 1, 2 and 3, with two related to the overall project and its components.

**Substantial Risk**: defined by UNDP’s SESP as *“Projects that include activities with potential adverse social and environmental risks and impacts that are more varied or complex than those of Moderate Risk projects but remain limited in scale and are of lesser magnitude than those of High Risk projects (e.g. reversible, predictable, smaller footprint, less risk of cumulative impacts).”*

The following are the project risks and their significance as identified in the completed SESP found in Annex 9.1:

* **Risk 1: Poor communities are economically affected by new EE requirements for buildings and action plan (Moderate).** The introduction of new EE regulations and the NEEAP may include new requirements for buildings in Iraq. Poor and marginalized communities, including indigenous peoples, might be economically affected from implementation of these regulations through the need to use of expensive building materials, fixtures or equipment – Associated Activities: 1.1.3, 1.1.4, 1.2.1, 1.2.2, 2.1.1, and 2.2.1.
* **Risk 2:** **Limiting women’s ability to benefit from the proposed project (Moderate).** Women’s opportunities to benefit from the project may be limited by restricting or prohibiting them from engaging in the policy and decision making or in the design and management of new EE plans. The project will also create new green jobs and will conduct training and awareness campaigns. Women may not be well represented in these activities and may not receive the training and awareness raising offered – Associated Activities: Overall.
* **Risk 3: Release of pollutants to the environment from the improper storage, transport and disposal of generated waste (Substantial).** The proposed project includes EE retrofitting activities in the selected EE center and in the building sector, as well as development of a of energy policies and standards that will lead to similar activities at a national scale. This will lead to the generation of waste from the replacement of non-EE existing building materials and fixtures. If not properly handled and disposed, pollutants and hazardous material (ex. mercury in CFLs and FLs) can be released into the environment. The release of hazardous material into the environment might also occur resulting from improper handling and disposal of old AC units at the EE center that may contain already banned refrigerants. The improper disposal of such units leads to the leakage of ODSs. – Associated Activities: 1.1.3, 1.1.4, 1.2.1, 1.2.2, 2.1.1, 2.2.1 and 3.1.3.
* **Risk 4: Possible effects of climate change on the environment and living conditions in Iraq (Moderate).** Possible effects of climate change include: increase in ambient temperature, leading to prolonged heat waves, erratic precipitation, higher than average temperatures and increased disaster intensity; intense droughts, declining precipitation, desertification, salinization, and the increasing prevalence of dust storms may also be observed. – Associated Activities: Overall.
* **Risk 5****: Potential health and safety risks to the local community from exposure to hazardous material (Moderate).** Community health and safety might be affected due to the improper transport, storage, and/or disposal of hazardous materials resulting from the replacement of non-EE items in the building sector during the retrofits that will be done in the demonstration project (EE center), and throughout Iraq as a result of adopting proposed EE regulations and NEEAP – Associated Activities: 1.1.3, 1.2.2 and 3.1.3.
* **Risk 6:** **Spread of communicable diseases such as COVID-19 among the population (Moderate).** There is a risk of the spread of communicable diseases such as Covid-19, especially during the current pandemic, among the population during awareness campaigns or training sessions and among workers dealing with EE retrofitting activities or general EE installations in the building sector – Associated Activities: Overall.
* **Risk 7: Inappropriate behavior by the security personnel engaged by the project (Moderate).** – Associated Activities: Overall.
* **Risk 8: Working conditions by the contractor selected for the project do not meet national or labour laws and international labour commitments (Moderate).** Workers at the construction site engaged in the project may be denied freedom of association and collective bargaining and exposed to discriminatory working conditions, include child labour and/or lack of equal opportunities - – Associated Activity: 3.1.3.
* **Risk 9:** **Occupational health and safety risks associated with the retrofitting activities (Moderate).** Workers at the retrofitting site of the EE Center may be exposed to several occupational health risks including injuries from falling from heights, accidents from moving machines, and exposure to chemicals including hazardous material from old non-energy equipment – Associated Activities: 3.1.3; 1.1.4, 1.2.1, 2.1.1, and 2.2.1.

# Legislation and Institutional Framework for Environmental and Social Matters

## National Legislation, Policies and Regulations

Section two on Rights and Freedom of Iraq's Constitution of 2005 acknowledges the protection of the environment by stating that every individual has the right to live in safe environmental conditions and that the state shall undertake the protection and preservation of the environment and its biological diversity (Article 33). In addition, Section four of the Constitution on Powers of the Federal Government states that competencies shall be shared between the federal authorities and regional authorities to formulate environmental policy to ensure the protection of the environment from pollution and to preserve its cleanliness (Article 114).

The following legislation are relevant to implementation of the project and its activities.

### Environmental Governance

The MoHEn, established by Law No. 37 of 2008, is the leading institution responsible for the protection of the environment and public health as well as ensuring sustainable development in the Republic of Iraq. The Law also defines MoHEn structure, goals and the means of implementing them. Article 4 of this Law states that MoHEn is responsible for evaluating the potential environment impact of new development or projects by studying their EIA reports, spreading awareness on environmental culture and activating the role of civil society, as well as conducting and encouraging seminars and training sessions on environmental protection in an effort to develop human capabilities in this area. MoHEn also has a mandate to establish environmental and health standards, guidelines and control measures in the country.

Law No. 27 of 2009 on the Protection and Improvement of Environment is the overarching environmental legal instrument in the Republic of Iraq. This law requires the undertaking an EIA for new development projects with significant environmental impacts in the country. The Law aims to protect the environment from potential impacts that might result from executing development projects. Moreover, the Law specifies regulations that aim to protect water bodies against pollution, reduce air and noise pollution, protect soil degradation and minimize biodiversity disturbance. The Law also identifies punitive actions for violation of the stated regulations.

Article 10 of Chapter 4 of this Law describes procedures related to EIA studies that the project owner must be committed to conduct prior to project commencement. The EIA study must include the following:

* Assessing the positive and negative impacts of the project on the environment;
* Proposing mitigation measures to prevent or treat pollution sources in order to achieve compliance with environmental standards and guidelines;
* Adopting contingencies for pollution emergencies and potential precautions;
* Proposing alternative technologies that cause the least negative impacts on the environment and rationalize and manage the use of resources;
* Providing waste reduction and recycling options as well as waste reuse options wherever possible;
* Evaluating the environmental feasibility of the project as well as the cost of pollution relative to production.

### Ambient Air Quality

Protection of Ambient Air Quality Regulation No. 4 of 2012 aims to protect ambient air quality and control sources of pollution. The regulation necessitates that sources emitting air pollutants abide by national limits and use monitoring equipment to ensure compliance with standards. It also prohibits the burning of all types of wastes including plastics, rubber, used oils, materials containing heavy metals, medical wastes, and domestic wastes, indoors, in the open air or next to a residential area or near water bodies.

### Noise

By the virtue of Public Health Law No. 89 of 1981, the employer is required to use low-vibration equipment, monitor levels of vibration in workplace, provide their workers with proper protection equipment, as well as offer their workers proper medical checks and treatment for those directly exposed to noise and vibration sources. Last but not least, the Law, in its Article 99, has set out penalties for breaching cases in comparison to limits detailed in relevant regulations.

The Noise Prevention Law no. 21 – 1966 aims to protect against excessive noise levels in public areas. The Law prohibits the use of speakers between 10pm and 8am. And prohibits broadcasting in public places in order not to disturb the peaceful environment, although using internal speakers could be approved by the police department sometimes. Upon Article 3 of the Law, the use of noise-generating equipment should be notified to the police department 3 days beforehand, while sometimes the decision could be made on the same day as the application of that equipment. Article 4 makes clear the right for authorities to supervise and control media broadcast in public places, and to take needed actions in case of violation. Article 5 details violations and penalties should the provisions of the Law be breached.

Noise Prevention Law – Instructions no. 2 – 1993: According to the Iraqi Instructions, industrial and commercial operations have a maximum permissible limits of 70 dB(A), while the stated construction and operation noise level guidelines within residential locations is 55 dB(A) for day-time and 45 dB(A) for night-time Table 1).

**Table 1: Noise limits for different working environments – Iraqi Instructions**

|  |  |  |
| --- | --- | --- |
| **Reception Zone** | **Level LAeq (daytime)** | **Level LAeq (nighttime)** |
| Industrial | 70 | 70 |
| Commercial | 70 | 70 |
| Residential | 55 | 45 |

*Source: Iraqi national standards, Instructions no. 2 – 1993*

### Hazardous Waste Management

Instructions No. 3 of 2015 on Hazardous Waste Management consist of five articles aiming to organize the management of hazardous wastes, by those who produce, transport and treat these wastes. According to Article 2 of this Instruction, the producers have to identify the types of waste, collect and store these wastes in preparation for treatment onsite or transporting it to another site for treatment or disposal. This Article also states that the producer shall obtain the environmental approvals prior to carrying out any treatment, storage, disposal or transportation process. Moreover, the producer should keep both paper and electronic records on the quantities and types of waste, keep a copy of laboratory results, have transport documents if needed, follow the storage instructions, set a contingency plan, and clean up empty containers after use. As for the transporters, Article 3 obliges the transporter of hazardous waste to obtain a work permit from the MoHEn, clean up any pollution caused during the transfer process, have the signed transport document of the product, provide all transport records and documents to the MoHEn and other authorities when requested, and wash and clean the transport vehicles at licensed wash stations. Article 4 sets the obligations for the treatment site operator including: preparing an EIA of the treatment site, rejecting any waste from a carrier without a permit from the MoHEn, keeping records of operational processes and providing them to specific authorities when requested, submitting annual reports on the hazardous waste activities and air quality data to the MoHEn, training of workers on hazardous waste management operations and setting a contingency plan in case of emergencies.

Public Health Law No. 89 of 1981 outlines the landfilling of waste by determining its fundamentals, including site selection, method of burial, machinery required, and staff required. During site selection, cultivable lands and high groundwater tables should be avoided whenever possible. Location inside urban/suburban areas is not permitted. The Law has also stipulated general provisions for the safe handling and storage of chemicals. Precautions involved the need for suitable signage, minimizing quantities and the need to store hazardous materials, and replacing them with less hazardous ones if possible.

Preservation of Water Resources Regulation no. 2 – 2001 As mentioned in article 8 of this regulation, it is prohibited to discharge or throw any kind or any amount of waste from the location to the common water of any kind or quantity, whether the discharge is regular, irregular or temporary, for any reason, unless granted permission from the Office of Protection and Improvement of the Environment or whom it shall authorize.

### Labour

Law 37/2015 governs employment relationships in most of Iraq, while Law 71/1987, as amended (the Kurdish Labour Law) applies in the semi-autonomous Kurdistan Region (comprising the Duhok, Erbil and Sulaymaniyah provinces). Both laws cover all aspects of employment, including the definition of ‘workers’, hiring and termination, health and safety, leave, wages, collective bargaining and avenues for complaints and redress. Discrimination based on race, gender, and religion are prohibited by these laws. The minimum working age in Iraq is 15 years and a minor is defined as someone between the ages of 15 and 18 years old. According to both laws, they are prohibited from engaging in hazardous work and must undergo regular health checks to ensure that.

## International Agreements and Treaties

Iraq is a signatory to several multilateral agreements and conventions that are relevant to the project. These include but are not limited to:

* C087 - Freedom of Association and Protection of the Right to Organise Convention, 2018
* Paris Agreement, 2016
* Stockholm Convention on Persistent Organic Pollutants, 2016
* Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, 2011
* United Nations Framework Convention on Climate Change Convention and Kyoto Protocol, 2009
* Vienna Convention for the Protection of the Ozone Layer and its Montreal Protocol on Substances that Deplete the Ozone Layer, 2008
* C182 - Worst Forms of Child Labour Convention, 2001
* C138 - Minimum Age Convention, Minimum age specified: 15 years, 1985
* C100 - Equal Remuneration Convention, 1963
* C029 - Forced Labour Convention, 1962
* C098 - Right to Organise and Collective Bargaining Convention, 1962
* C105 - Abolition of Forced Labour Convention, 1959
* C111 - Discrimination (Employment and Occupation) Convention, 1959

## UNDP’s Social and Environmental Standards

This ESMF has been prepared in line with UNDP’s Social and Environmental Standards (SES), which came into effect 1 January 2021. These standards underpin UNDP’s commitment to mainstream social and environmental sustainability in its programmes and projects to support sustainable development and are an integral component of UNDP’s quality assurance and risk management approach to programming. Through the SES, UNDP meets the requirements of the GEF’s Environmental and Social Safeguards Policy.

The objectives of the SES are to:

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

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

The screenings conducted during project development indicate that seven of the eleven social and environmental principles and standards have been triggered for the project due to ‘moderate’ and ‘high’ risks:

* Human Rights and Accountability (due to the risk that decision making regarding EE regulations and standards for buildings that may have a negative economic impact on marginalized and poor communities do not take their concerns into account)
* Gender Equality and Women’s Empowerment (due to the risk of perpetuating already existing gender disparities)
* Standard 1: Biodiversity Conservation and Natural Resource Management (due to potential accidental release of hazardous material into the natural environment from improper transport, storage of disposal of non-energy efficient material)
* Standard 2: Climate Change and Disaster Risks (due to potential exposure of living population in Iraq to the effects of climate change including prolonged heat waves and droughts)
* Standard 3: Community Health, Safety and Security (due to the potential risk of exposure of the local community to hazardous waste from improper disposal of non-energy efficient fixtures and material)
* Standard 5: Economic Displacement (due to the potential for economic impact on marginalized and poor communities from the EE regulations in the buildings sector)
* Standard 6: Indigenous Peoples (due to potential marginalization of Indigenous Peoples during decision making related to enforcing legislation and setting standards for EE)
* Standard 7: Labour and Working Conditions (due to the potential risk of exposure of the workers to hazardous material during the retrofitting activities of the EE center and overall implementation of EE measures at the national level)
* Standard 8: Pollution Prevention and Resource Efficiency (due to potential accidental release of hazardous chemicals into the environment from improper transport, storage or disposal of non-energy efficient fixtures and material during retrofitting activities)

A summary of the risk significance under each SES principle and standard, and the project-level safeguard standards triggered by each project (indicated with ticks) are shown in **Table 2**.

**Table 2: Summary of safeguards triggered by the project**

| **Principle / Standard** | **Risk Rating** | **SES Requirement** |
| --- | --- | --- |
| **Overarching Principle: Leave No One Behind** |  |
| Human Rights | **√****Moderate** | **SESA, ESIA, ESMP** |
| Gender Equality and Women’s Empowerment | **√****Moderate** | **GAP, SESA, ESIA, ESMP** |
| **Sustainability and Resilience** |  |
| Accountability | **√****Moderate** | **SEP, SESA, ESIA, ESMP** |
| **Project-level Standards** |  |
| Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management | **√****Substantial** | **SESA, ESIA, ESMP** |
| Standard 2: Climate Change and Disaster Risks | **√****Moderate** | **SESA** |
| Standard 3: Community Health, Safety and Security | **√****Moderate** | **SESA, ESIA, ESMP** |
| Standard 4: Cultural Heritage | **-** |  |
| Standard 5: Displacement and Resettlement | **√****Moderate** | **SESA** |
| Standard 6: Indigenous Peoples | **√****Moderate** | **SESA, ESIA, ESMP** |
| Standard 7: Labour and Working Conditions | **√****Moderate** | **SESA, ESIA, ESMP** |
| Standard 8: Pollution Prevention and Resource Efficiency | **√****Substantial** | **SESA, ESIA, ESMP** |
| **Number of risks in each risk rating category** |  |
| **High** | 0 |  |
| **Substantial** | 1 |  |
| **Moderate** | 8 |  |
| **Low** | 0 |  |
| **Total number of project risks** | 9 |  |
| **Overall Project Risk Categorization** | **Substantial** |  |
| **Number of safeguard standards triggered** | **10** |  |

## Gaps in Policy Framework

Further analysis of the legal and policy frameworks that apply to the project will be completed during the implementation of this ESMF (i.e. during the completion of ESMP). At this stage, gaps in the Iraqi legal framework compared to the UNDP SES that have been identified are as follows:

* Implementation of detailed socio-economic surveys at Project Site and the establishment of a Grievance Mechanism are not stipulated by the national EIA legislation.
* Undertaking a SESA for new policies and legislation is not required by Iraqi law.
* Public participation for development projects are not explicitly mentioned in Iraqi EIA instructions.
* The Iraqi Acquisition Law 12 does not entitle vulnerable groups who do not have legal property rights but are subject to involuntary loss of livelihoods/assets to any kind of compensation.
* There is no explicit mentioning of public disclosure requirements of the findings of the ESIA study in Iraqi EIA instructions, nor do they specify how this information can be provided to the affected communities and stakeholders.

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

This ESMF has been developed as part of UNDP’s due diligence process in the project cycle, following the screening of the UNDP-supported project *“Promoting Carbon Reduction Through Energy Efficiency (EE) Techniques in Iraq”* with the SESP template.

This work will commence during the initiation phase—three months after first Project Board meeting—and no project activities listed **Table 2** (below) can begin before these measures are in place, as follows:

## SESA for Outputs 1.1, 1.2, 2.1 and 2.2

In accordance with UNDP’s SES policy, Substantial Risk projects require comprehensive forms of assessment. A SESA will be developed and carried out to identify and assess social and environmental impacts associated with the proposed legislations (Activity 1.1.4), operationalization of the NEEAP (Activity 1.2.21) and development of the BEEC (Activity 2.1.1) and MEPS (Activity 2.2.1), during their assessment and development, in a participatory manner with stakeholders as follows:

* 1. Identify social and environmental priorities, including gender aspects, to be included in planning and policy processes
	2. Assess gaps in the institutional, policy, and legal frameworks to address these priorities
	3. Identify potential adverse social and environmental impacts associated with policy options
	4. Engage decision makers and stakeholders to ensure a common understanding and broad support for implementation, including potentially affected communities to ensure that the proposed regulations and standards will not affect vulnerable groups, including indigenous peoples.
	5. Formulate policy and institutional measures needed to close policy and legal gaps, address institutional weaknesses, and avoid adverse social and environmental impacts.
	6. A key output of the SESA is a SESA report and Action Matrix.

The SESA will be comprised of a concise report that summarizes (a) main findings and results of SESA, including (a) SESA stakeholder engagement process; (b) key social and environmental priorities and issues associated with chosen PPP; (c) institutional arrangements for coordinating integration of social and environmental issues into chosen PPP; (d) legal, regulatory, policy, institutional and capacity recommendations to address any identified gaps for managing the social and environmental priorities and implementing applicable social and environmental policies; (e) results of assessment of social and environmental risks/impacts associated with the implementation of the proposed regulations and NEEAP; (f) identification of measures (e.g. policies, institutional strengthening, governance reform) to address and manage anticipated adverse social and environmental risks and impacts, including a summary Action Matrix (see Table in Annex ‎9.2 of this ESMF for an indicative outline); and (g) where applicable, final or advanced draft of ESMF as framework for managing social and environmental risks during implementation of the proposed regulations and NEEAP.

## Scoped ESIA and an ESMP for Output 3.1

An appropriately scoped ESIA will be conducted prior to commencement of the EEC retrofitting activity (Activity 3.1.3) to assess all risks identified in the SESP (including gender aspects and risks related to Standard 6 on indigenous peoples) and any additional risks associated with that specific project Output 3.1. Based on the findings of the ESIA, an environmental and social management plan (ESMP) will be developed and put in place. The ESMP will provide a set of avoidance, mitigation, monitoring and institutional measures – as well as actions needed to implement these measures – to achieve the desired social and environmental sustainability outcomes. The measures will be adopted and integrated into the project activities, monitoring and reporting framework and budget, and captured in a revised SESP for the project. The ESMP will at a minimum include an occupational health and safety plan and waste management plan.

The output of the ESIA will be an ESIA report (indicative outline can be found in Annex ‎9.3 of this ESMF and an ESMP. The **ESMP** will define desired social and environmental management outcomes and specify social and environmental indicators, targets, or acceptance (threshold) criteria to track ESMP implementation and effectiveness. It will also provide estimates of the human and financial resources required for implementation and monitoring and identify organizational structure and processes for implementation. An indicative outline of the ESMP can be found in Annex ‎9.4‎ of this ESMF.

## Further Screening

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

1. as prescribed by the SESA and ESMP;
2. when determined necessary by the Project Manager (after consideration of the advice from PMU staff with responsibility for safeguards), the Project Board, or UNDP; and/or
3. when project circumstances change in a substantive or relevant way.

## Other Relevant Plans and Requirements

GAP and SEP: The project’s Gender Action Plan and Stakeholder Engagement Plan may be updated as determined appropriate by the SESA/ESIA consultant or the Project Manager (after consideration of the advice from PMU staff with responsibility for safeguards).

WHO guidelines[[1]](#footnote-2) to limit the spread of Covid-19 will be applied during project implementation:

* Hand hygiene
* Respiratory hygiene
* Physical distancing
* Reduce and manage work-related travel
* Regular environmental cleaning and disinfection
* Risk communication training and education
* Management of people with Covid-19 or their contacts

Private sector assessment/screening: With support from the Project’s partners and the Ministry of Health and Environment, all private sector actors that will be engaged in the project will be subject to the UNDP private sector risk assessment (supplemented by a SESP) to ensure their environmental and social compliance prior to engagement in any project activity. Private enterprises that will provide services within the project, such as the contractor for the EEC, shall also sign a safeguards commitment letter to implement all measures stipulated in the ESMF.

Training of security personnel: All security personnel who will be engaged in the project will be trained on and commit to a Code of Conduct prepared for the project and reflecting SES requirements in light of the undertaken SESP.

## Co-financing from BRESC

For the buildings (minimum of 30) that will be retrofitted by BRESC as co-financing to the GEF-financed project, those activities do not fall within the project’s framework. They are part of the project’s area of influence, but not an “associated facility”. Coordination will be undertaken between UNDP, the PMU, BRESC and the newly established EEC to prepare an exclusion list of activities that may lead to physical resettlement, damage to cultural heritage sites and adverse impacts on Indigenous Peoples. Management measures described in the ESMP prepared for the EEC will be followed to the extent feasible. This will be done through preparation of an Environmental and Social Commitment Plan (ESCP) for each retrofitting activity and ensuring that the beneficiary abides by this plan. The EEC will be responsible for ensuring preparation and implementation of the ESCP in line with the template provided in Annex ‎9.5.

# Institutional Arrangements and Capacity Building

## Roles and Responsibilities for Implementing this ESMF

The roles and responsibilities of project staff and associated agencies in implementation of this ESMF are elaborated upon below.

*Note*: This ESMF does not cover the roles and responsibilities associated with implementation of the subsequent ESMP; those will be defined in the ESMP, as required per this ESMF.

**Implementing Partner** **(UNDP Iraq CO):**

* Ensure that the required SESA, targeted assessment and ESMP are developed, disclosed for public consultation and approved, and management measures are adopted and integrated during project implementation;
* Report, fairly and accurately, on project progress against agreed work plans in accordance with the reporting schedule and required formats;
* Maintain documentation and evidence that describes the proper and prudent use of project resources in conformity to the signed Project Document, and in accordance with applicable regulations and procedures (e.g. SES);
* Ensure all requirements of UNDP’s SES and national regulatory/policy frameworks and relevant international standards have been addressed;
* Hold responsibility and accountability to UNDP for overall management of the project, including compliance with UNDP SES.

**Project Board/Steering Committee** (comprised of UNDP and MoHEn):

* Monitor implementation of this ESMF and compliance with national and international regulations, and UNDP SES;
* Decision making for the adoption of necessary measures including full integration of management measures within project Outputs and annual work plans;
* Establish and support Grievance Redress Mechanisms (GRM) to address any grievances;
* Provide strategic guidance to implementation of the Project including oversight for safeguards and the implementation of this ESMF.

**UNDP:**

* Provide oversight on all matters related to safeguards;
* Inform all the stakeholders and right-holders involved in, or potentially impacted, positively or negatively, by the GEF-financed project, about the UNDP’s corporate Accountability Mechanism (described below);
* Ensure that the Compliance Review and the Stakeholder Response Mechanisms are operational during the lifetime of the project;
* Ensure adherence to the SES for project activities implemented using funds channeled through UNDP’s accounts, and undertake appropriate measures to address any shortcomings;
* Verify and document that all UNDP SES requirements have been addressed;
* 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:**

* Supervise and manage implementation of measures defined in this ESMF;
* Assign specific responsibilities for implementation of this ESMF, including monitoring, and community consultations on the draft ESMP to a staff member(s) of the PMU;
* Maintain relevant records associated with management of environmental and social risks, including updated SESPs, assessments and log of grievances together with documentation of management measures implemented;
* Report to the Implementing Partner (UNDP CO) and the Project Board on the implementation of the ESMF;
* Ensure that all service providers are informed of their responsibilities for the day-to-day compliance with the ESMF.

As noted above, the project’s subsequent ESMP 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.

## Capacity Building

Specialists with expertise in social and environmental safeguards will be engaged to support the completion of the ESMP. These experts will support UNDP staff on safeguards responsibilities and approaches.

During project implementation, UNDP will provide advice to project team members as needed to support the implementation of this ESMF, preparing the SESA and the ESMP and pursuant measures.

The Project Board will have the final responsibility for the integration of the SESA recommendations and ESMP in the execution of the project. The integration will need to consider particular institutional needs within the implementation framework, including a review of the required budget allocations for each measure, as well as the authority and capability of institutions at different administrative levels (e.g. local, regional, and national), and their capacity to manage and monitor its implementation. Where necessary, capacity building and technical assistance activities will be included to enable proper implementation of the ESMP.

# Stakeholder Engagement and Information Disclosure

Discussions with project stakeholders commenced during the project development phase. A list of the stakeholders engaged in these consultations has been Annexed to the Project Document. The project has also prepared a Stakeholder Engagement Plan and Gender Analysis and Action Plan, which are annexed to the Project Document. These Plans will be followed to ensure that stakeholders have been engaged in project preparation and implementation, and particularly, in the further assessment of social and environmental impacts and the development of appropriate management measures. The project’s Stakeholder Engagement Plan will be updated during project implementation based on the assessments and management plans conducted in line with this ESMF, as needed.

Potentially, affected stakeholders will be engaged during implementation of this ESMF.

As part of the stakeholder engagement process, UNDP’s SES require that project stakeholders have access to relevant information. Specifically, the SES (SES, Social and Environmental Management System Requirements, para. 20) stipulates that, among other disclosures specified by UNDP’s policies and procedures, UNDP will ensure that the following information be made available:

* Stakeholder engagement plans and summary reports of stakeholder consultations
* Social and environmental screening report with project documentation
* Draft SESA Report and ESMPs
* Final SESA and ESMPs
* Any required Report social and environmental monitoring reports.

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

This ESMF (and project SESP) will be translated and disclosed via the UNDP Iraq website in accordance with UNDP SES policy. The subsequent ESMP will also be publicly disclosed via the UNDP Iraq website once drafted, finalized, and adopted only after the required time period for disclosure has elapsed.

These requirements for stakeholder engagement and disclosure will be adhered to during the implementation of this ESMF, and the subsequent implementation of the resulting ESMP.

# Accountability and Grievance Redress Mechanisms

## UNDP’s Accountability Mechanisms

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

* 1. A Social and Environmental Compliance Review Unit (SECU) to respond to claims that UNDP is not in compliance with applicable environmental and social policies; and
	2. A Stakeholder Response Mechanism (SRM) that ensures individuals, peoples, and communities affected by projects have access to appropriate grievance resolution procedures for hearing and addressing project-related complaints and disputes.

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

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

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

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

## Project-level Grievance Redress Mechanisms

As described in the Project Document, the project will establish a project-level GRM at the start of implementation. The full details of this GRM will be agreed upon during the Inception Phase, a process that will be overseen by the Project Manager with the Project Officer.

Interested stakeholders may raise a grievance at any time to the Project Management Unit (PMU), the Implementing Partner (UNDP CO), or the GEF.

Further information on GRM can be found in the UNDP Guidance Note on Social and Environmental Standards - Stakeholder Engagement – Supplemental Guidance: Grievance Redress Mechanisms that can be found on the UNDP website at:

<https://info.undp.org/sites/bpps/SES_Toolkit/SES%20Document%20Library/Uploaded%20October%202016/UNDP%20SES%20Supplemental%20Guidance_Grievance%20Redress%20Mechanisms.pdf>

# Budget for ESMF Implementation

Funding for implementation of the ESMF is included in the project budgets. The estimated costs are indicated in **Table 3** below. Costs associated with the time of Project Management Unit Staff, including a Project Safeguards Officer, coordinating the implementation of this ESMF are not shown. Further detail is found in the budget of the Project Document.

**Table 3: Breakdown of project level costs for ESMF implementation**

| **Item** | **Budget Cost (USD)** |
| --- | --- |
| Project Safeguards Officer | Included in budget |
| Contracted company for ESIA/ESMP | $45,000 |
| Travel expenses for consultations | $2,000 |
| SESP capacity building/training expenses | $2,000 |
| Audio-visual & print production expenses | $1,000 |
| **Total:** | **$50,000** |

# Monitoring and Evaluation Arrangements

Reporting on progress and issues in the implementation of this ESMF will be documented in the project’s quarterly reports and annual Project Implementation Reports (PIRs).

Implementation of the ESMP will be the responsibility for the Project Team and other partners as agreed upon and described in those future plans. The ESMF monitoring and evaluation plan is outlined below in **Table 4**.

**Table 4: ESMF M&E plan and estimated budget**

| **Monitoring Activity** | **Description** | **Frequency / Timeframe** | **Expected Action** | **Roles and Responsibilities** | **Cost (if any)** |
| --- | --- | --- | --- | --- | --- |
| Track progress of ESMF implementation  | Implementation of this ESMF and with results reported to Project Board | Annually | Required ESMF steps are completed in a timely manner. | Program Alignment Officer; Project Manager, with support from and Project Officers (M&E, Safeguards) | Included in the project budget and budget for Project Officer (Safeguards) |
| Preparation of SESA and development of ESMP | Carried out in a participatory manner, analysis of potential environmental and social risks including health and safety risks associated with EE regulations, NEEAP and EEC retrofitting activity, as well as identification / validation of mitigation measures, drafted in a participatory manner | Quarter 1 of project implementation | Risks and potential impacts are validated with support of external consultant and participation of project team and stakeholders; management actions identified and incorporated into project implementation strategy | External service provider (environmental and social)With guidance from UNDP, Project Manager, and Project Officers (M&E, Safeguards) | $45,000 |
| Implementation of mitigation measures and monitoring of potential impacts identified in the ESMP | Permanent and participatory implementation and monitoring of impacts and mitigation measures, in accordance with ESMP | Continuous, once ESMP is in place | Implementation of ESMP; participatory monitoring (i.e. identifying indicators, monitoring potential impacts and risks)  | Project Manager, UNDP CO, Project Officers (M&E, Safeguards) | Included in the project budget and budget for Project Officer (Safeguards) |
| 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 Team and used to inform management decisions. | Project Manager, KM/Communications Officer | None |
| Annual project quality assurance | The quality of the project will be assessed against UNDP’s quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project | Annually | Areas of strength and weakness will be reviewed and used to inform decisions to improve project performance | UNDP CO, Safeguards Officer, with support from Project M&E Officer | None |
| Review and make course corrections | Internal review of data and evidence from all monitoring actions to inform decision making | At least annually | Performance data, risks, lessons and quality will be discussed by the Project Board and used to make course corrections | Project Board (considering stakeholders’ opinions) | None |
| Project report | As part of progress report to be presented to the Project Board and key stakeholders, analysis, updating and recommendations for risk management will be included | Annually, and at the end of the project (final report) | Updates on progress of ESMF/ESMP will be reported in the project’s annual GEF PIRs.  | Project Manager | None  |
| Project review | Project Board to hold regular project reviews during which an updated analysis of risks and recommended risk mitigation measures will be discussed | At least annually | Any risks and/ or impacts that are not adequately addressed by national mechanisms or Project Team will be discussed by Project Board. Recommendations will be made, discussed and agreed upon. | Project BoardProject Manager | None |

# Annexes

## SESP Template

## Indicative Outline of Action Matrix for SESA

|  |
| --- |
| **Table 9.1. Indicative sample of an action matrix for summarizing SESA recommendations, including measures to address anticipated social and environmental risks and impacts** |
| **Strategic Priority 1*****Example: Enhance community participation and benefits in sector X*** |
| **Priority reform area** | **Short term actions (1- 2 years)** | **Short term monitorable outcomes** | **Medium-term actions (3-5 years)** | **Medium-term monitorable outcomes** | **Long-term actions****(> 5 years)** | **Final outcomes** |
| *Women’s participation and employment in sector X* | *Establish mechanisms to enhance women’s participation in local government and in negotiations involving companies in sector X* | *Increase participation in negotiations Increase in female employment**Female participation in training programmes* | *Awareness programs for women’s rights* *Refine and strengthen mechanisms for women’s participation* | *Significant increase in female employment and training programmes* | *Reformed procedures for promoting women’s participation in local and regional development* | *Gender differences significantly reduced in sector X and local and regional development processes* |
| *Community disputes with companies in sector X* | *Establish a dispute resolution mechanism on social and environmental issues that is accessible to community* | *Disputes between companies in sector X and local communities resolved more speedily with less conflict* | *Strengthen ability of Community representatives in use of mediation to resolve disputes**Strengthen ability of local governments and community representatives to investigate and motivate legal procedures against companies in sector X with poor social and environmental performance* | *Increase percentage of satisfactory settlements* *Time taken to settle disputes declines* | *Extend and adapt dispute resolution system to other industries associated with sector X* | *Disputes reduced and managed effectively* |

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

UNDP Social and Environmental Standards:

ESIA Report – Indicative Outline

Please refer to the [UNDP SES Guidance Note on Assessment and Management](https://info.undp.org/sites/bpps/SES_Toolkit/SES%20Document%20Library/Uploaded%20October%202016/UNDP%20SES%20Assessment%20and%20Management%20GN%20-%20FInal%20Nov2020.pdf) for additional information.

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

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

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

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

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

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

*(a) Environmental risks and impacts*, including: any material threat to the protection, conservation, maintenance and rehabilitation of natural habitats, biodiversity, and ecosystems; those related to climate change and other transboundary or global impacts; those related to community health and safety; those related to pollution and discharges of waste; those related to the use of living natural resources, such as fisheries and forests; and those related to other applicable standards.[[2]](#footnote-3)

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

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

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

**(8) Stakeholders.** Summarizes and links to project Stakeholder Engagement Plan or ESMP that includes plan for consultations. Includes summary of consultations undertaken for development of ESIA (see appendices).

**(9) Conclusions and Recommendations:** Succinctly describes conclusion drawn from the assessment and provides recommendations. Includes recommendation regarding the project’s anticipated benefits in relation to its social and environmental risks and impacts.

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

## Indicative Outline of Environmental and Social Management Plan (ESMP)

UNDP Social and Environmental Standards:

ESMP – Indicative Outline

Please refer to the [UNDP SES Guidance Note on Assessment and Management](https://info.undp.org/sites/bpps/SES_Toolkit/SES%20Document%20Library/Uploaded%20October%202016/UNDP%20SES%20Assessment%20and%20Management%20GN%20-%20FInal%20Nov2020.pdf) for additional information.

An ESMP may be prepared as part of the Environmental and Social Impact Assessment or as a stand-alone document.[[3]](#footnote-4) The content of the ESMP should address the following sections:

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

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

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

**(4) Stakeholder Engagement:** Summarizes and links to project Stakeholder Engagement Plan or outlines plan to engage in meaningful, effective and informed consultations with affected stakeholders. Includes information on (a) means used to inform and involve affected people in the assessment process; and (b) summary of stakeholder engagement plan for meaningful, effective consultations during project implementation, including identification of milestones for consultations, information disclosure, and periodic reporting on progress on project implementation. Require documentation of consultations (summaries including presentations, key points raised and responses provided, participation lists). Include information on project grievance mechanism (below) and on UNDP Accountability Mechanisms (SRM, SECU).

**(5) Grievance redress mechanism:** Describes effective processes for receiving and addressing stakeholder concerns and grievances regarding the project’s social and environmental performance.

Describe mechanisms to provide stakeholders and potential affected communities avenues to provide feedback or grievances, and receive responses, with regard to the implementation of specific activities, policies, or regulations.

**(6) Implementation action plan (schedule and cost estimates):** For all four above aspects (mitigation, monitoring, capacity development, and stakeholder engagement), ESMP provides (a) an implementation schedule for measures that must be carried out as part of the project, showing phasing and coordination with overall project implementation plans; and (b) the capital and recurrent cost estimates and sources of funds for implementing the ESMP. These figures are also integrated into the total project cost tables. Each of the measures and actions to be implemented will be clearly specified and the costs of so doing will be integrated into the project's overall planning, design, budget, and implementation.

## Indicative Outline of Environmental and Social Commitment Plan (ESCP)

1. *[Introduction about project and financing introducing the Energy Efficiency Center (EEC)]*
2. [*Beneficiary name*] will implement material measures and actions so that the Project is implemented in accordance with the national legislation and best international environmental and social practice. This Environmental and Social Commitment Plan (***ESCP***) sets out a summary of the material measures and actions.
3. Where the ESCP refers to specific plans or other documents, whether they have already been prepared or are to be developed, the ESCP requires compliance with all provisions of such plans or other documents.
4. The table below summarizes the material measures and actions that are required as well as the timing of the material measures and actions. [*Beneficiary name*] is responsible for compliance with all requirements of the ESCP.
5. Implementation of the material measures and actions set out in this ESCP will be monitored and reported to EEC by [*Beneficiary name*] as required by the ESCP and the conditions of the legal agreement, and the EEC will monitor and assess progress and completion of the material measures and actions throughout implementation of the Project.
6. This ESCP may be revised from time to time during Project implementation, to reflect adaptive management of Project changes and unforeseen circumstances or in response to assessment of Project performance conducted under the ESCP itself. In such circumstances, [*Beneficiary name*] will agree to the changes with the EEC and will update the ESCP to reflect such changes. Agreement on changes to the ESCP will be documented through the exchange of letters signed between the [*Beneficiary name*] and EEC.
7. Where Project changes, unforeseen circumstances, or Project performance result in changes to the risks and impacts during Project implementation, [*Beneficiary name*] shall provide additional funds, if needed, to implement actions and measures to address such risks and impacts, which may include environmental, health and safety impacts, labor influx, hazardous waste, etc.

| **NAME OF PROJECT****ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN (ESCP)****Month Year** |
| --- |
| ***Summary of the Material Measures and Actions to Mitigate the Project’s Potential Environmental and Social Risks and Impacts*** | ***Timeframe*** | ***Responsibility / Authority and Resources*** | ***Date of Completion*** |
| 1 | Reporting Requirements |  |  |  |
| 2 | Incident and Accident Notification |  |  |  |
| 3 | Rapid Assessment of Environmental and Social Risks (including labour and working conditions, community health and safety, waste generation, biodiversity, Indigenous Peoples) |  |  |  |
| 4 | Mitigation and Management Measures (including health and safety measures, waste management, code of conduct and training for workers) |  |  |  |
| 5 | Grievance Redress Mechanism (for workers and community) |  |  |  |
| 6 | Emergency Preparedness and Response |  |  |  |

1. WHO (2020). Considerations for public health and social measures in the workplace in the context of COVID-19 (accessed at https://apps.who.int/iris/rest/bitstreams/1277575/retrieve) [↑](#footnote-ref-2)
2. For example, the Environmental, Health, and Safety Guidelines (EHSGs), which are technical reference documents with general and industry-specific statements of Good International Industry Practice. The EHSGs contain information on industry- specific risks and impacts and the performance levels and measures that are generally considered to be achievable in new facilities by existing technology at reasonable cost. Available at [www.ifc.org/ehsguidelines](http://www.ifc.org/ehsguidelines). [↑](#footnote-ref-3)
3. This may be particularly relevant where contractors are being engaged to carry out the project, or parts thereof, and the ESMP sets out the requirements to be followed by contractors. In this case, the ESMP should be incorporated as part of the contract with the contractor, together with appropriate monitoring and enforcement provisions. [↑](#footnote-ref-4)