The objective of this session is to review and discuss key issues that can be challenging to manage, but are important to the EBRD. These topics include:

- Climate Change
- Cumulative Impacts
- Human Rights
- Gender
- Vulnerable Groups
CLIMATE CHANGE
EBRD's CLIMATE CHANGE CHALLENGES

- Among most energy intensive/wasteful in world
- Distorted pricing & lack of standards (e.g., efficiency)
- Industries will continue & the EBRD will finance.
  - Key: less demand & more efficient
- Target: low carbon growth & energy efficiency (Sustainable Energy Initiative)
EBRD REQUIREMENTS: CLIMATE CHANGE ADAPTATION

EBRD Requirement

Need to consider climate change adaptation as part of ESDD. Issues include:

- infrastructure project integrity
- water scarcity
- coastal retreat
- extreme events
- working temperatures
- overall efficiency

Local Experience

How does adaptation influence project in this country?
EBRD REQUIREMENTS: GREENHOUSE GAS EMISSIONS REPORTING

• Applies to all projects with specific reporting requirements for projects emitting over 25 MT CO$_2$e

• GHG assessment scope:
  – all direct emissions from the facilities, activities and operations that are part of the project or system
  – indirect emissions associated with the production of energy used by the project

• May require specific technical expertise on the team
• Annual Reporting requirement
HUMAN RIGHTS
HUMAN RIGHTS IN POLICY

• Responsibility of clients to:
  ➢ Respect human rights
  ➢ Avoiding infringement human rights of others
  ➢ Address adverse human rights impacts that business causes, or contributes to

- EBRD

7 - HR definition guided by International Bill of Human Rights, the UN Declaration of Human Rights, and eight core conventions of the ILO
“RUGGIE FRAMEWORK”

- The State Duty to Protect
- The Corporate Responsibility to Respect
- Access to Remedies
VOLUNTARY PRINCIPLES ON SECURITY AND HUMAN RIGHTS

• Risk Assessment
  – Identify security risks
  – Potential for violence
  – Human rights record
  – Rule of law
  – Conflict analysis
  – Equipment transfers

• Companies and Public Security
• Companies and Private Security
ADDITIONAL REQUIREMENTS FOR AN HRIA

• Good ESIA includes most data
• Analysis framework = Human Rights respect
• Must include specific participation to identify issues & train (staff & community on company role)
ADDITIONAL RESOURCES ON HUMAN RIGHTS

• IFC, International Business Leaders Forum and UN Global Compact Guide:
  https://www.unglobalcompact.org/resources/25

• International Council Mining and Metals:

• IPECA: http://www.ipieca.org/human-rights
VULNERABLE GROUPS
EBRD REQUIREMENTS: IMPACT (PR1 AND PR5)

Impact

• Where groups or individuals are vulnerable, the ESMP will include differentiated measures:
  – So that adverse impacts do not fall disproportionately on them
  – They can take advantage of project benefit opportunities

• Pre-existing vulnerability vs. Project-induced vulnerability
EBRD REQUIREMENTS: ENGAGEMENT (PR10)

Engagement

- Identify individuals/groups differentially or disproportionately affected by project due to disadvantaged/vulnerable status

- Identify whether these or other stakeholders may be excluded from, or unable to participate in, mainstream consultation and implement specific measures or assistance to enable
CUMULATIVE IMPACTS
CUMULATIVE IMPACTS

• Cumulative impacts are the aggregate effects of all stressors affecting a specific environmental and social component in the project landscape
  – e.g., changes for project AND past, present & future actions

• Cumulative effects can be:
  – similar in nature (e.g., emissions to air from multiple projects), or
  – distinct (e.g., the cumulative effect of habitat loss, habitat fragmentation, and vehicular mortality on a species of wildlife)

• Include all relevant existing, planned or reasonably defined developments in Cumulative Impact Assessment

• Can delay projects if not done correctly as part of the ESIA process
Cumulative Impacts:

- Standard guidance & methodologies (e.g., use of VECs)
- *IFC Good Practice Handbook on Cumulative Impact Assessment and Management: Guidance for the Private Sector in Emerging Markets*
- Only “likely” cumulative effects should be addressed… uncertainty will always exist
FIGURE 3. ESIA: PROJECT-CENTERED PERSPECTIVE
CUMULATIVE IMPACTS

FIGURE 4. CIA: VEC-CENTERED PERSPECTIVE

Other human activities not subject to ESIA
Natural environmental drivers (stresses)

VEC

Project 1
Indirect Impact
Project 2
Project 3
PART III
Gender equality essential to well-functioning economy & democratic society

- Expects clients to identify gender-specific & disproportionate impacts & mitigate/reduce

- May request enhanced positive impact: access to finance, services & employment

- EBRD
WHY EBRD EMPHASIZES GENDER

- Many gender gaps, some widening in EBRD countries
- Best early in Project cycle – change in attitude & ideas
- Gender approaches usually benefit clients: > efficiency, profit and reputation
- Need support to move from micro-business / basic service provision to others
## Gender Inclusion Gaps

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1. The quality and amount of sex-disaggregated labour market data in post-conflict Kosovo is significantly limited and gender gaps cannot be computed. However, anecdotal evidence and grey reports show that large gender gaps exist in a number of areas. For example, the labour force participation rates are much lower for women than men in Kosovo. According to the 2012 UNDP Kosovo Human Development Report Private Sector and Employment, in 2009 only 29 per cent of women participated in the labour market as compared to 67 per cent for men. Unemployment rates are very high in Kosovo, with 57 per cent of women and 41 per cent of men being officially unemployed in 2009. The unemployment rates are exceptionally high amongst the young, which is of particular concern in Kosovo, given that the country has the youngest population in Europe.
HOW IS GENDER IMPORTANT IN THE PRs?

- PR1: Environmental and Social Appraisal and Management
- PR2: Labour and Working Conditions
- PR3: Pollution Prevention and Abatement
- PR4: Community Health, Safety and Security
- PR5: Land Acquisition, Involuntary Resettlement and Economic Displacement
- PR6: Biodiversity Conservation and Sustainable Management of Living Natural Resources
- PR7: Indigenous Peoples
- PR8: Cultural Heritage
- PR9: Financial Intermediaries
- PR10: Information Disclosure and Stakeholder Engagement
GENDER RESOURCES

- Gender Equality resources: http://www.ebrd.com/pages/about/principles/gender.shtml
- Gender Toolkits
  - By Performance Requirement
  - By Sector (i.e., retail, natural resources, etc.)
Emerging specialist areas are critical considerations for producing compliant documents on some projects and are increasingly required for review.

Understanding these requirements assists a consulting company to:

- Develop compliant proposals
- Include the right skills on the team
- Allow enough time for required studies
MULTICULTURAL • ON THE GROUND • CREATIVE
CHANGING PERSPECTIVES • READY TO GO
SOCIAL DEVELOPMENT

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