ENVIRONMENT AND SOCIAL MANAGEMENT FRAMEWORK

Safeguard Policies and Procedures

Revised on June 30, 2020

National Trust for Nature Conservation

Khumaltar, Lalitpur

2019

*The Governing Board of Trustees ("Board") of National Trust for Nature Conservation ("NTNC" or the "Trust") has adopted the following **'Environment and Social Management Framework (ESMF)'** as safeguard guidelines and procedures for all projects and programmes managed and implemented under NTNC. The ESMF shall be followed by all projects and programmes managed and implemented under NTNC. The framework is in line with the Government of Nepal's Environmental Protection Act, 2076 (2019), the NTNC Act, 1982, NTNC Regulation, 1984 and NTNC Bye-laws, 1996. It has been prepared taking into account that environmental and social issues are of fundamental importance to the development process and to achieving the NTNC's Vision and Goals.*

Table of Content

Abbreviations

EIA	Environmental Impact Assessment
ESA	Environment and Social Assessment
ESIA	Environment and Social Impact Assessment
ESMF	Environment and Social Management Framework
ESMP	Environmental and Social Management Plan
IEE	Initial Environmental Examination
NTNC	National Trust for Nature Conservation

Introduction

National Trust for Nature Conservation (NTNC) works with a mission to promote, conserve and manage nature in all its diversity balancing human needs with the environment on a sustainable basis for posterity ensuring maximum community participation with due cognizance of the linkages between economics, environment and ethics through a process in which people are both the principal actors and beneficiaries.

NTNC is committed to promoting environmentally friendly and socially inclusive paths to harness the full potential Nepal's conservation to (i) the achievement of community-based biodiversity conservation, and (ii) improved livelihood for participating communities. Within the first thematic pillar, NTNC is dedicated to supporting environmentally sound and sustainable conservation in the full range of NTNC supported activities. NTNC believes that environmental and social sustainability is a fundamental aspect of achieving outcomes consistent with its mandate, and recognizes that interventions that foster environmental and social sustainability rank among the highest priorities of its activities.

In order to meet this goal, NTNC has adopted a set of Environmental and Social Management Framework (ESMF) to strengthen NTNC's accountability to the societies and communities it aims to support; stakeholders in the conservation processes; and the broader conservation cooperation and donor community. Additionally, safeguard approaches are regarded to be suitable vehicles for consultation and disclosure of information. This ESMF is in line with the NTNC Act, 1982, NTNC Regulation, 1984 and NTNC Bye-laws, 1996.

The framework aims to provide the NTNC team with a set of tools and guidance to be able to strategically design and implement environmentally and socially sustainable projects that support the achievement, equitability and sustainability of conservation results. It brings together in one process the various issues that need to be considered and mainstreamed into all of the work that NTNC does, providing a more streamlined approach to project management.

Furthermore, this framework is developed to provide NTNC with standard procedures to avoid or minimize and manage negative environmental and social impacts, and where residual impacts remain, offset or compensate for social and environmental risks and enhance positive impacts to the maximum extent possible. Thus, the purpose of this NTNC's ESMF is to avoid the adverse impact, risk of environmental and social impacts caused by project and programs, when unavoidable, minimize or apply appropriate alternative or compensation options.

The ESMF provided hereafter is built upon and comply to the various policy and management instruments already developed and applied by various organizations such as the United States Agency for International Development (USAID), the World Bank, Green Climate Fund (GCF), Global Environment Facility (GEF), and other sources of financing and with its issuance, this framework shall be applied to all NTNC's projects.

This ESMF describes the environmental and social management policy with detail procedure and requirements, composed of following:

- Scope of application
- Principles
- Safeguard Policy on Natural Resource Management and Biodiversity Conservation

- Safeguard Policy on labour and working condition
- Safeguard Policy on Resource Efficiency and Pollution Control
- Safeguard Policy on Community Health, Safety and Security
- Safeguard Policy on Involuntary Resettlement
- Safeguard Policy on Cultural Heritage
- Safeguard Policy on Indigenous Peoples
- Policy delivery process and accountability

Overarching Policy and Principles

Scope of Application

This ESMF shall serve as standards for developing and implementing projects. This sets the minimum sustainability requirements for NTNC and its implementing and executing partners and enables NTNC to anticipate and manage emerging environmental and social issues. It also fully responds to the relevant policies of the World Bank, the Green Climate Fund (GCF) and other topics of specific relevance to NTNC's partners.

The NTNC requires ESMF to ensure that NTNC has necessary systems in place to implement this safeguards framework, and it shall be periodically updated and revised as necessary. It includes a commitment from NTNC to maintain the appointments of appropriately skilled people to appraise projects, ensure they meet the safeguard requirements, and apply these standards fairly and consistently throughout NTNC's project portfolio.

Principles

Principle 1: Compliance with national and international laws

NTNC shall not support activities that do not comply with applicable national laws and obligations under international law. NTNC seeks to support governments to adhere to their human rights obligations and empower individuals and groups, particularly the most marginalized, to realize their rights and interests, and to ensure that they fully participate throughout the development and implementation of projects.

Principle 2: Human Rights

NTNC recognizes the centrality of human rights to sustainable development and ensuring fair distribution of development opportunities and benefits. NTNC shall both refrain from providing support for activities that may contribute to violations of a National human rights obligations and the core international human rights treaties, and seek to support the protection and fulfilment of human rights. Projects shall not exacerbate existing inequalities, particularly with reference to marginalized or vulnerable groups.

NTNC shall uphold the principles of accountability and the rule of law, participation and inclusion, and equality and non-discrimination. NTNC shall also ensure the meaningful, effective and informed participation of stakeholders in the formulation, implementation, monitoring, and evaluation of its activities.

Principle 3: Gender Equality and Social Inclusion

NTNC supported projects shall be gender responsive in their design and implementation. Gender equality and social inclusion (GESI) are critical elements of the organizational commitment to ensure that human rights of all women and men from diverse communities are appropriately respected for achieving organizational productivity influencing sustainable conservation development.

NTNC supported projects shall ensure that both women and men are able to participate meaningfully and equitably, have equitable access to project resources, and receive comparable social and economic benefits. NTNC is dedicated and commits to advancing gender equality and social inclusion in the organization and in all programs. NTNC's commitment to GESI is further strengthened through the GESI Policy. NTNC projects will provide a gender assessment and a project-level Gender Action Plan.

Principle 4: Child Protection

NTNC is committed to protecting children from exploitation and abuse of all kinds in all of its project activities. NTNC applies a zero-tolerance approach to child exploitation and abuse and shall not knowingly engage directly or indirectly with anyone who poses an unacceptable risk to children. A risk-based approach shall be used to assess all activities which have contact with children. If high-risk activities are undertaken, steps shall be taken and documented to reduce or remove these risks.

Principle 5: Transparency and inclusivity

NTNC is committed to ensuring that throughout the environmental and social assessment process, the project development team engages in meaningful and transparent consultation with affected communities, particularly with vulnerable groups, to ensure that they can participate in in decisions about avoiding or managing environmental or social impacts.

Principle 6: Labor Working Conditions

NTNC anticipates and avoids adverse impacts on the health and safety of project workers and the surrounding community during the project life from both routine and non-routine circumstances. Furthermore, it seeks to protect local communities from disease, hazards including natural disasters which may be exacerbated by project activities, or accidental collapse of project structures. This applies to all NTNC projects where impacts to occupational and community health may arise from project related-activities. Particular attention is paid to vulnerable people including among others children, migrants and indigenous people. NTNC shall propose mitigation measures that favor avoidance of risks and impacts over minimization.

Principle 7: Climate resilience

NTNC recognizes the importance of addressing both the causes and the consequences of climate change in its operations. NTNC engages, whenever appropriate, in innovative investments and technical assistance to support no/low-carbon investments and climate change mitigation and adaptation opportunities. NTNC works with the stakeholders to ensure that supported projects enhance climate resiliency and avoid unwarranted increases in greenhouse gas emissions.

Principle 8: Biodiversity and Ecosystem Services

NTNC shall not support any projects which result in significant or unjustified impacts on biodiversity or ecosystem services.

Principle 9: Waste Management

NTNC shall not support any projects which result in significant or unjustified waste generation.

Principle 10: Green Economy

NTNC shall promote green infrastructure and technology that fosters green economy enabling people to create genuine shared prosperity. It focuses on wellbeing that includes financial, human, social, physical and natural capitals.

Standards for NTNC Projects

Safeguard 1: Policy on Natural Resource Management and Biodiversity Conservation

This ESMF is developed to ensure that the projects undertaken or supported by NTNC ensures protection and conservation of biodiversity, maintains the benefits from ecosystem services[1] and promote the sustainable management of living natural resources through the adoption of integrated conservation and development approach.

Scope:

The applicability of this safeguard shall be determined through the environmental and social screening process. The safeguard shall apply to projects i) located in modified, natural and critical habitats; and ii) that potentially impact or are dependent on ecosystem services.

Requirements:

1. The screening process shall consider both direct and indirect impact to biodiversity and ecosystem services. Consideration shall be given to relevant threats to biodiversity and ecosystem services including: habitat loss, degradation and fragmentation; invasive alien species; overexploitation; and pollution.

2. Impacts to biodiversity and ecosystem services shall be avoided where possible, and where avoidance is not possible, measures to minimize impacts and restore biodiversity and ecosystem services shall be implemented.

3. Adaptive management practices like ecosystem-based adaptation shall be adopted in longer-term projects. For the protection and conservation of biodiversity, the mitigation hierarchy (avoid, mitigate, restore or rehabilitate and offset) shall be followed.

4. Through NTNC supported projects, there shall be no loss of threatened species from the natural habitat through maintenance of biological corridors, restoration of habitats and biodiversity offsets.
5. NTNC shall not develop, implement and support projects that involves significant physical constructions and with potential to disrupt the existing natural environment in areas of critical habitat unless all of the following are demonstrated:

---

[1] Ecosystem services are the benefits that people, including businesses, derive from ecosystems. They are organized into four types: i) provisioning services, which are the products people obtain from ecosystems; ii) regulating services, which are the benefits people obtain from the regulation of ecosystem processes; iii) cultural services, which are the nonmaterial benefits people obtain from ecosystems; and iv) supporting services, which are the natural processes that maintain the other services.

a. No other viable alternatives within the region exist for development of the project on modified or natural habitats that are not critical; and

b. The project does not lead to measurable adverse impacts on those biodiversity values for which the critical habitat was designated, and on the ecological processes supporting those biodiversity values.

6. NTNC implemented or supported project needs to be aligned or give adequate consideration to the national biodiversity strategy and action plans and other national and international commitments.

7. NTNC shall ensure that there shall not be any intentional introduction of new alien species unless this is carried out in accordance with the existing regulatory framework. Measures to avoid spreading existing alien species shall also be implemented.

Safeguard 2: Labour and Working Condition

This ESMF is a commitment of NTNC to ~~withhold~~ uphold nationally and internationally agreed commitments to promote fair-treatment, non-discrimination and equal opportunity of workers, safety and health at work, protect workers, including vulnerable categories of workers, such as children. This ESMF builds on the provisions related to labour and working conditions mentioned in the NTNC's Employees Administration and Financial Administration By-laws, 1996.

Scope:

The applicability of this Safeguard is determined through the environmental and social screening process. Specific provisions applicable to the permanent, temporary, contract and daily wage employees are mentioned.

Requirements:

1. The policies and procedures regarding employees' administration mentioned in NTNC's Employees Administration and Financial Administration By-laws, 1996 be strictly implemented.

2. NTNC must provide clear information regarding the probation period, reporting authority, rights, roles and responsibility and benefits, in the job description for all the employees.

3. NTNC must adhere to right to information of the workers and respect freedom of movement and freedom of association of workers. No employee of the NTNC shall take part in politics on the behalf and against of any representative. But the employee shall not be deprived from the right to vote as provided by law.

4. Safety and security, health, incentives and other specific requirements of workers must be appropriately addressed to the extent possible during the project implementation and field movements.

5. Children shall not be employed in any manner that is economically exploitative, or is likely to interfere with the child's education, or be harmful to the child's health, or physical, mental, spiritual, moral or social development. NTNC shall have zero tolerance for child exploitation and abuse.

6. Workers shall be provided with a safe and healthy work environment. Appropriate health equipment and medicines shall be ensured in working stations and during research works that involves more than a week of working in the field. Health insurance of all the permanent and contract employees shall be made compulsory.

7. Programs to build capacity, ensure team work and facilitate healthy working relationship shall be carried out annually.

Safeguard 3: Resource Efficiency and Pollution Control

This ESMF is developed to encourage maximum sustainable use of resources; avoid, minimize or reduce any types of pollution emerging from the project implementation and lower greenhouse gas emissions in relation to the project.

Scope:

The applicability of this safeguard shall be determined through the environmental and social screening process. This ESMF shall be applied to medium and large-scale projects of NTNC.

Requirements:

1. NTNC shall require projects to be resource efficient. Projects shall adhere to the activities that support lower greenhouse gas (GHG) emissions, pollution prevention and efficient use of resources to the financially and technically possible extent.

2. Generation of waste and other pollutants shall be reduced or minimized. This applies to the release of pollutants to air, land, and water due to routine, non-routine, and accidental circumstances during running projects. Appropriate waste disposal process must be followed in order to minimize impacts on the environment and health of people.

3. The project shall consider alternatives and implement technically and financially feasible and cost-effective options to reduce project-related GHG emissions during the design and operation of the project. Alternative energy programs shall be encouraged.

4. The projects that conserve and maintain and or increase water availability without significant impact on people and environment shall be encouraged.

5. The liquid waste disposal outlet of any infrastructure constructed by NTNC shall be avoided to discharge directly in existing natural water bodies. Where avoidance is not possible, waste water treatment process shall be followed through physical or chemical or biological treatment plant before discharging to natural water bodies.

6. To address potential adverse impacts on existing ambient conditions, the project shall consider the following factors: i) existing ambient conditions, ii) the finite assimilative

capacity of the environment; iii) existing and future land use; iv) proximity to areas of important biodiversity (terrestrial and aquatic); and v) potential for cumulative impacts with uncertain or irreversible consequences.

7. Projects shall be expected to avoid the generation of hazardous and non-hazardous waste materials. Where avoidance is not possible, NTNC expects that waste generation shall be reduced, and that waste shall be recovered, re-used or disposed in a safe manner for human health and the environment.

Safeguard 4: Community Health, Safety and Security

This ESMF has been developed to anticipate and avoid adverse impacts on the health and safety of the Affected Community during project implementation and to ensure safeguarding of personnel and property is carried out in accordance with relevant human rights principles.

Scope:

The applicability of this safeguard shall be determined through the environmental and social screening process. This ESMF shall be applied to all the projects of NTNC.

Requirements:

1. Projects supported by NTNC are required to evaluate the risks and impacts to the health and safety of the Affected Communities during the project life cycle.

2. NTNC shall support hydropower projects on case by case basis based on the reports from field study, Initial Examination Reports or Environmental Impact Assessments which shows that there is significant benefit to the people and that the positive benefits outweigh the negative impacts and that measures to address the impacts are on place.

3. NTNC shall require projects to identify potential impacts to provisioning and regulating ecosystem services that may result in increased vulnerability and community safety related risks.[2] Impacts which could be exacerbated by climate change shall also need to be specifically identified.

4. Community exposure to water borne, water based, water related and vector borne diseases, and communicable diseases related to the project shall be avoided or minimised. This includes communicable diseases introduced through labour influx.

5. NTNC shall expect the project to assist and collaborate with Affected Communities and government agencies in their preparations to respond to emergency situations.

6. The project needs to ensure that Affected Communities have access to a grievance mechanism (annex c) in which they can express concerns about security arrangements.

---

[2] Ecosystem provisioning services are the products people obtain from ecosystems; and ecosystem regulating services are the benefits people obtain from the regulation of ecosystem processes Examples include the change or loss of a natural buffer such as forest, grassland or wetland area which mitigates the effects of flooding, landslides and fire.

Safeguard 5: Involuntary Resettlement

This ESMF is developed to avoid, and when avoidance is not possible, to minimize physical and economic displacement caused by a project and to minimize the impacts upon Affected Communities caused by land acquisition or restrictions on land use.

Scope:

The applicability of this safeguard shall be determined through the environmental and social screening process. This safeguard does not apply to resettlement resulting from voluntary land transactions (i.e. market transactions in which the seller is not obliged to sell and the buyer can not resort to expropriation or other compulsory procedures if negotiations fail).

Requirements:

1. NTNC requires projects to consider feasible alternative project designs to avoid or minimize displacement, paying particular attention to impacts on the poor and disadvantage community.

2. When displacement cannot be avoided, NTNC shall require to ascertain appropriate compensation, entitlements or resettlement process before implementing project.

3. Continuous consultations and livelihood support for the affected communities shall be carried out by the project that involves displacement.

4. Identification households with potential to displacement as a result of project shall be done through collection of relevant socio-economic baseline data.

5. Where only economic displacement is required, NTNC shall require that a Livelihood Improvement Plan (LIP) be developed and supported. Affected households or communities are deemed to have been provided with adequate opportunity to re-establish their livelihoods.

Where land acquisition and resettlement are the responsibility of the government, NTNC shall require the project to collaborate with the government line agency, to the extent permitted by the line agency, to achieve outcomes consistent with this safeguard.

Safeguard 6: Cultural Heritage

The purpose of this ESMF is to protect cultural heritage from the adverse impacts of project activities and support its preservation; and promote the equitable sharing of benefits from the use of cultural heritage.

Scope:

The applicability of this safeguard shall be determined through the environmental and social screening process.
The Standard applies to projects that may adversely impact Cultural Heritage, including projects that meet any of the following criteria: (i) located in, or in the vicinity of, a Cultural Heritage site; (ii) involving significant excavations, demolitions, movement of earth,

flooding, or other environmental changes.

<u>Requirements:</u>

1. NTNC requires that projects identify and protect cultural heritage. The country's obligations under the Convention Concerning the Protection of the World Cultural and Natural Heritage shall also be upheld.

2. Cultural heritages that are identified by local communities as important shall be preserved by integrating cultural heritage promotion programs in the management plans or project activities.

3. Projects shall be sited to avoid adverse impacts to cultural heritage where possible.

4. Where cultural heritage may be affected, consultation with Affected Communities shall be undertaken for decision making process on how to manage the impact to the cultural heritage.

5. Where the development of the project limits or restricts access to previously accessible cultural heritage sites, continued access shall be maintained or an alternative access route shall be developed considering local communities values.

6. Where a project encounters tangible cultural heritage that is replicable and not critical, adverse impacts shall be avoided. Where avoidance is not possible, the following mitigation hierarchy must be applied by projects supported by NTNC:

   a. Minimize adverse impacts and implement restoration measures, *in situ*, that maintain the value and functionality of the cultural heritage;
   b. Where restoration *in situ* is not possible, restore the functionality of the cultural heritage in a nearby location; and
   c. The permanent removal of historical and archaeological artefacts and structures is carried out according to nationally and internationally recognized principles.

7. Non-replicable cultural heritage shall not be removed on a NTNC supported project.

8. Projects shall not remove, significantly alter or damage critical cultural heritage, where critical cultural heritage consists of one or both of the following types of cultural heritage: i) the internationally recognized heritage of communities who use, or have used within living memory, the cultural heritage for long-standing cultural purposes; or ii) legally protected cultural heritage areas, including those proposed by host governments for such designation. In exceptional cases, if impacts to critical cultural heritage are unavoidable, a process of informed consultation and participation and good faith negotiation shall be undertaken between the project and the Affected Communities. External experts shall be drawn upon to assist in the assessment of protection of critical cultural heritage.

9. Projects located in legally protected cultural heritage sites shall also have to meet the following requirements:

   a. Comply with defined national or local cultural heritage regulations or the

protected area management plans;

  b. Consult the protected area sponsors and managers, local communities and other key stakeholders of the projects; and

  c. Implement additional programs to promote and enhance the conservation aims of the protected area.

10. Where a project proposes to use the cultural heritage of local communities for commercial purposes, NTNC shall require that the project inform the communities of i) their rights under national law, ii) the scope and nature of the proposed commercial development; and iii) the potential consequences of such development. Such commercialization shall not proceed unless the project enters into a good faith negotiation process with Affected Communities that results in a documented outcome and that provides for equitable sharing of benefits from commercialization.

11. Where physical cultural resources are encountered through *chance find* during project, especially those working on earth movement and excavations, on recognition of artifacts (objects) as a physical cultural resource, construction will be halted, chance find will be immediately informed to local authorities and will be salvaged/preserved as per the authorization of the concerned authorities.

Safeguard 7: Indigenous Peoples

This ESMF is developed to ensure that projects foster full respect for the human rights, dignity, aspirations, culture and natural resource-based livelihoods of Indigenous Peoples; anticipate, avoid and minimize impacts on communities of Indigenous Peoples, and to respect and preserve the culture, knowledge and practices of Indigenous Peoples.

Scope:

The applicability of this safeguard shall be determined through the environmental and social screening process. There is no universally accepted definition of "Indigenous Peoples", however in this safeguard; it is used in a generic sense to refer to a distinct social and cultural group possessing the following characteristics in varying degrees:

- Self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;
- Collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories;
- Customary cultural, economic, social, or political institutions that are separate from those of mainstream society or culture; or
- A distinct language or dialect, often different from the official language of languages of the country or region in which they reside

Requirements:

1. NTNC shall require that a project to identify and determine any impact may cause by the project to the Indigenous Peoples identified by government. Adverse impacts to Affected Communities of Indigenous Peoples shall be avoided where possible. Where alternative project designs to avoid impact are not possible, the impacts shall be

minimized and Affected Communities of Indigenous Peoples shall be compensated in a culturally appropriate manner commensurate with the nature and scale of such impacts and the vulnerability of the affected people.

2. NTNC shall require Free Prior Informed Consent (FPIC) to be carried with the Indigenous Peoples that result in informing about the project, its beneficial and negative impacts to the Indigenous Peoples. Projects shall assess the magnitude of impact in terms of (a) customary rights of use and access to land and natural resources, (b) socio-economic status; (c) cultural and communal integrity; (d) health, education, livelihood; and (e) the level of vulnerability of the affected group.

3. Engagement with Affected Communities of Indigenous Peoples shall be undertaken in a culturally appropriate manner. It shall also involve Indigenous Peoples' representative bodies and organizations as appropriate and provide sufficient time for Indigenous People's decision-making processes.

4. NTNC shall require the project that focus to preserve the cultural monuments and knowledge of Indigenous People and enhance their livelihood through tourism promotion in their vicinity.

5. Where the government has a defined role in the management of Indigenous Peoples' issues in relation to a project, NTNC shall require the project to collaborate with the responsible government agency, to the extent permitted by the agency, to achieve outcomes that are consistent with the NTNC safeguards.

Project Screening, Assessment and Management of Environmental and Social Risks and Impacts

NTNC shall screen out the projects with the start of their development. ESMF shall be applicable in all the stage of project cycle viz. concept development, preparation and appraisal, project approval, implementation and supervision and project completion and closing.

NTNC shall screen project proposal concept to review the concept to identify whether there are likely to be any adverse environmental and social risks or impacts, using the Safeguards as a checklist. Based upon the identified potential risks and impacts, the project shall be categorised as Low risk, Moderate risk or High risk in terms of environmental and social risk and/or impact defined as below.

> **Low Risk** (Category C) – Projects that include activities with minimal or no risks of adverse environmental and social consequences (no further assessment is required).
>
> **Moderate Risk** (Category B) – Projects with the potential to cause limited adverse environmental and/or social impacts that are few in number, generally site-specific, largely reversible, and readily addressed through mitigation measures (partial assessment is required).
>
> **High Risk** (Category A) – Projects with the potential to cause significant adverse environmental and/or social impacts that are diverse, irreversible or unprecedented (full or comprehensive Environment and Social Impact Assessment [ESIA] is required).

High Risk categorized projects shall not be undertaken unless they go substantial revision or modified to address the safeguards. Projects that undergo substantive revision after the initial screening and categorization shall be re-screened and potentially re-categorized.

Environment and Social Assessment (ESA) is required for High Risk project, and may also be utilized to address potential impacts of Moderate Risk Projects to undertaken during stage 2 (Preparation and appraisal) depending on the nature of risks identified during the screening process.

Methodology for Conducting ESA

The scope and detail of the environmental and social assessment required for a project shall be proportionate to the complexity of the project and the nature, scale and magnitude of the potential risks and impacts. It shall also need to meet the requirements of the country regulation in the country of implementation.

Types of ESA

The purpose of the environmental and social assessment is to predict and assess the type and scale of potential impacts to affected communities and the environment, and identify management strategies to reduce adverse impacts and improve beneficial impacts. Three levels of environmental and social assessment have been defined in this ESMFS:

- *Environmental and Social Screening (E&S Screening):* Environmental and social screening is the primary step in the assessment of environmental and social risks and

impacts of project activities. The results of the screening form the basis for assigning the environmental and social risk category of activities and informs decisions on the extent and depth of environmental and social due diligence that shall be undertaken. The process of screening identifies the key aspects that may need to be further examined and managed. Procedures to be followed during E&S screening in provided in Annex A.

- *Environmental and Social Impact Assessment (ESIA):* Environment and social assessment (ESIA) of the project area shall be carried out in case the E&S screening identified the need ESIA is a comprehensive process for analyzing environmental and social impacts with a dedicated methodology for stakeholder consultation; it encompasses an analysis of the policy, regulatory and administrative framework; analysis of project alternatives; documentation of environmental and social baseline data; analysis of environmental and social impacts generated by the project; description of stakeholder engagement conducted with regard to the project; and development of an environmental and social management plan (ESMP). The general steps to be followed for E&S assessment, project implementation and monitoring is provided in Annex D & E.

- *Topic Specific Assessments:* Assessments limited in scope to address specific potential risks or impacts, aligned with one or more of the Standards. Topic specific assessments could be conducted in the absence of an ESIA if the project is broadly considered low risk. Examples could include an assessment on the use of pesticides and a management plan for addressing any pesticide use within the project.

- *Risk/Hazard Assessments:* Address risks of injury to workers and the public from potential hazards related to project activities, such as the release of toxic or hazardous material or unsafe conditions due to construction.

High risk projects shall almost always require a full ESIA to be completed. Where a High-Risk project has undertaken or is undertaking a national level IEE or EIA, the scope of the ESIA assessment shall include both the national requirements and those needed to meet NTNC's ESMFS requirements. The objective shall be to undertake a single ESIA which meets the needs of all stakeholders, wherever possible.

The process for determining the appropriate level of environmental and social assessment for a Moderate Risk project shall be informed by two additional factors:

- Does national legislation require the project to undertake an EIA/IEE/ESIA? If yes, then an ESIA will need to be completed. If no, the project can progress to the next project cycle;

- Is the project likely to trigger NTNC's Safeguards? If yes, then the project will have to complete an ESIA appropriate to the scale of the risk. If no, the project will likely be required to complete topic specific assessments relevant to the potential impacts generated by the project.

Low Risk projects shall follow a similar decision pathway to Moderate Risk projects; however, it is more likely that Low Risk project shall only require a topic specific assessment or a risk/hazard assessment.

Methodology for developing the ESMP

The ESMP shall draw upon the findings from the ESA and document them in a format which can be used to manage the environmental and social risks and impacts of the project. The ESMP shall cover the following topics:

- A summary of the overall approach to environmental and social risk and impact management
- Detail of all identified Environment and Social risks and impacts
- Detail of mitigation measures which will be applied for each risk
- Roles and responsibilities for management of risks and impacts
- Monitoring and evaluation framework
- Reporting requirements
- Detail of the grievance mechanism
- Relevant Annexes including ESIA and other study reports, details of consultations etc.

Once the ESMP has been completed, the environmental and social appraisal of the project shall commence. For Moderate and Low Risk Projects, the Project Proponent shall review the quality of the ESMP and any underlying environmental and social assessments to determine whether the information is sufficient for decision-making.

For High and Moderate Risk Projects, the environmental and social appraisal would be conducted by the Project Management Team. The review shall confirm that the ESMP (including the environmental and social assessment):

- Complies with the terms of reference provided for the environmental and social assessment;
- Has adequately identified the environmental and social impacts potentially generated by the project, has applied the mitigation hierarchy and has reduced the impacts and risks to an acceptable level;
- Has received government approval for an ESIA if one was required for the project;
- Is in accordance with the NTNC environmental and social Principles and Safeguards;
- Presents information of sufficient relevance and quality allowing an adequate understanding potential impacts of the project and its alternatives;
- Defines an appropriate monitoring plan;
- Takes account of stakeholder comments and concerns and documents this process; and
- Presents a management plan demonstrating the commitment of the necessary resources to implement the mitigation measures identified in the environmental and social assessment.

An appraisal checklist has been developed to support this review (Appendix B –Environmental and Social Assessment Checklist). Based on this review, the project proponent shall make a recommendation on the adequacy of the environmental and social assessment. Three recommendations are possible:

- Adequate – the environmental and social assessment is considered to have met the requirements outlined above and the project presents an appropriate range of mitigation

measures to manage environmental and social risk at an acceptable level. Some additional studies may be required.

- Not sufficient – Additional information, data, analyses or stakeholder feedback needs to be collected to inform the assessment.

- Inadequate – Serious deficiencies requiring immediate remedy have been identified.

The final step to be completed during Stage 2: Full proposal preparation is the Environmental and Social Clearance. The Clearance process is undertaken by the Project Proponent, and reviewed by the Project Management Team. The purpose of the clearance is to appraise whether the findings of the environmental and social assessment have been adequately built into the project proposal through the ESMP. The appraisal is documented on the Environmental and Social Clearance form (see Annex B), which is a sign-off form that formally concludes the environmental and social assessment process. Three outcomes are possible:

- Cleared – the project is considered to have met all requirements with regards to avoiding or mitigating environmental and social risks: the proposal is accepted;

- Conditionally cleared – the project is considered to have materially met most requirements; however additional work is required in a discrete number of areas to bring it into full clearance;

- Clearance rejected – the project has not met NTNC's environmental and social requirements and will not progress to the next stage of the project cycle. In some cases, additional work is required for the project to get clearance, while in others; clearance may be rejected because of an environmental and social fatal flaw which cannot be remedied.

Monitoring and Evaluation

Monitoring and evaluation of environmental and social performance is critical during the implementation and closure phases of a project. The monitoring needs to achieve a number of objectives:

- To verify the project is implementing the mitigation measures committed to within the project proposal and ESMP;
- To assess the effectiveness of the mitigation measures and determine if additional measures are needed to minimize environmental and social impacts; and
- To inform communication updates prepared for affected communities and interested stakeholders.
- To ensure that category C projects remain in their designated category during implementation and that corrective measures are implemented as necessary.

Monitoring shall be undertaken by the executing agency, with regular reporting through to NTNC. Lessons learned through the monitoring and evaluation process need to be fed into the concept development process to achieve continuous improvement in NTNC's projects.

M&E shall be supervised and monitored by a fully dedicated M&E Officer who will also oversee E&S safeguard management. E&S safeguard component shall be nested in the project's M&E framework where E&S staff (environment expert and social expert) shall be responsible for planning, implementing, monitoring and reporting E&S safeguard progress. The Project

Management Team shall be responsible for implementing the project's E&S safeguard management framework and carry out periodic monitoring to ensure that safeguards compliance has been made as per the requirements. Regular monitoring shall be carried out focusing on key outcomes/ outputs against the E&S indicators and regularly evaluate the implementation progress by the project management team.

M&E Framework: Monitoring shall be an integral part of project management and carried out on a periodic basis. NTNC's central project management body shall have the responsibility of monitoring the project inputs, process and outputs. Such monitoring is expected to provide feedback to the management, including E&S safeguard compliance in taking timely decisions to improve the performance. As part of the broader M&E framework, the project team shall also carry out different studies viz baseline study, independent studies and evaluation. Monitoring of safeguards implementation shall be an integral part of a project cycle and include the following.

- Undertake periodic monitoring to ensure the implementation of safeguards compliance proposed by the M&E framework on monthly basis by the field units and quarterly basis by the central project management team;
- Ensure that information for all key indicators as depicted related to various social and environmental impacts/ compliances are fully captured and collected;
- Do the verification of data *vis a vis* key result monitoring indicator covered;
- Provide recommendations for corrective measures based on the findings from monitoring, and
- Report the outcomes of monitoring.

Monitoring Indicators

Selection of correct indicators is crucial in order to come up with realistic monitoring plan and reporting. In a typical project, the E&S safeguard team shall be formed as required and shall develop monitoring plans along with the key indicators on various safeguards measures, however, not limited to the following:

Key Monitoring Indicators	Methods	Schedule	Responsibility
A. Common Indicators			
No. of Screening checklists/ ESMPs /RAPs/ IPDPs prepared	Review progress report	Half Yearly	Project Management Team/E&S Safeguard Team
No. of social/environmental issues incorporated in subproject design	Review progress report/site visit	Quarterly (during regular reporting)	Project Management Team/E&S Safeguard Team
B. Social Indicators			
No. of affected families by type of loss/impacts recorded	Review progress report	Prior to Subproject approval	Project Management Team/E&S Safeguard Team
No. of user groups formed/ involved in various construction works/ wage payment to the local user groups within the conservation areas/parks	Review contact documents/ site visit	Quarterly	Project site office/Safeguards Team
No. of community consultations held; IPs/ vulnerable groups and women participating in different consultations.	Review progress report	Quarterly	Project Management Team/E&S Safeguard Team
Compensation for losses as per entitlement	Verify with CDC	Quarterly	Project Management

Key Monitoring Indicators	Methods	Schedule	Responsibility
matrix/ other assistance paid, if any, to the affected people	data/review progress report		Team/E&S Safeguard Team
No. of local user committees/groups awarded	Verify with Sub-project Office	Quarterly	Project Management Team/E&S Safeguard Team
Value of activities/works awarded to local committees (Rs)	Verify with Sub-project Office	Quarterly	Project Management Team/E&S Safeguard Team
No. of grievances/disputes registered at different levels (Central, Field and local) and number redressed	Review grievance records/progress report	Quarterly	Project Management Team/E&S Safeguard Team
C. Environmental Indicators			
Compensatory Plantation/NTFP plantation carried out against tree felled as per GoN norms	Review Progress Report	Annually	Project Management Team/E&S Safeguard Team
Solid waste and effluent management	Review Progress Report	Monthly	Project Management Team/E&S Safeguard Team
Conduction of Environmental awareness training program	Review Progress Report	Quarterly	Project Management Team/E&S Safeguard Team
Enhancement measures for Terrestrial, wetland habitats etc.	Review Progress Report	Quarterly	Project Management Team/E&S Safeguard Team
Landslide/ erosion prone area treatment with bioengineering or other indigenous techniques	Review Progress Report	Quarterly	Project Management Team/E&S Safeguard Team

Public Consultation and Disclosure

Effective stakeholder engagement is essential throughout the project cycle. Given the importance of the Environmental and Social Assessment process, and its relevance to Affected Communities, additional public consultation and disclosure activities need to be undertaken during this phase of the project cycle. The purpose of these activities is to ensure Affected Communities and interested stakeholders are provided with relevant information and engaged through meaningful consultations on the project development plans and during project implementation and closing.

Responsibilities and Accountability

Accountability is achieved both through the allocation of responsibilities within NTNC, and through providing a grievance mechanism for stakeholder concerns to be raised. The roles and responsibilities to undertaken project shall be as follows:

Project Management Team

The Project Management team has overall responsibility for developing and operationalizing NTNC projects that shall be formed by the Member Secretary of NTNC. This team shall review projects for the environmental and social screening, categorize them and recommend for Environmental and Social Clearance in case where NTNC is implementing agency. When

NTNC is not implementing agency, the team shall review the recommendations from project proponent and make any recommendations for modifications as appropriate before either Screening Approval or Clearance is confirmed.

At the Project Management team, safeguard staff (environment and social) and M&E Officer shall work together in coordination under the supervision of the Project Manager. The environmental and social safeguards staffs shall be responsible for all planning as well implementation and monitoring of safeguards measures. At the filed level, relevant staff of the NTNC's central and field offices will be trained to undertake safeguard compliance monitoring and reporting, and engage local communities in all stages of E&S safeguard management. Normally, the safeguards related activities shall include the following.

- Preparation of safeguards related guidelines and manuals for use at field level
- Orientation to field level staff on safeguards planning, implementation and monitoring
- Provide guidance to conduct social and environmental screening of each subproject/activity funded under the project
- Conduct /guide to carry out social and environmental assessment of subprojects, if required
- Prepare/guide to prepare social and environmental plans viz ESMP/EMPs, RAP, GAP, IP Development Action Plans, IEE etc. based on the requirements of subproject interventions and as revealed by screening reports
- Coordinate to implement the mitigation measures in compliance with the social and environmental plans
- Monitor the safeguards compliance, and
- Prepare progress reports.

Project Manager

The Project Proponent role described in this ESMF is likely to be undertaken by one of the NTNC Project Managers. The Project Manager's responsibilities shall vary depending on whether NTNC is acting as an Implementing or Executing Agency. However, in all situations, the Project Manager has primary responsibility for ensuring that the ESMF requirements are met for the project they are developing, implementing and closing. In order to effectively meet E&S safeguard requirements, the Project Manager will form an E&S Safeguard Task Team comprising of at least an Environment/Conservation Officer, GESI Officer and M&E Officer to oversee the management of the safeguard activities. The Manager together with the Task Team will undertake decision regarding project categorization and finalization of plans, and delegate to the Member Secretary for issuing project clearance and readiness for implementation.(S)he shall be responsible for
- Supervising the E&S safeguard team in planning, implementing and monitoring E&S safeguard activities,
- Facilitate E&S team in developing E&S performance indicators, E&S safeguard implementation plans and ensure adherence to national and project donor level E&S safeguard requirements,
- Coordinate with the E&S safeguard focal person at the Department of Environment to make decisions on ESMP and EMP implementation, monitoring and reporting,

- Conduct final assessment of the E&S safeguard framework and plans for the project's readiness for implementation;
- Review of E&S safeguard plans and periodic monitoring reports, and
- Coordinate with the Member Secretary, E&S staffs at NTNC central office and field offices for regular revision of E&S compliance and make necessary steps to ensure adequate compliance in case of gaps on E&S performance.

Member Secretary

The Member Secretary has final authorization to approve Environmental and Social Screening report and the Environmental and Social Clearance form of proposed projects.

Grievance Mechanism

NTNC shall ensure that grievance mechanism is in place to receive and resolve the concerns and complains regarding the environmental and social performance of the project. The grievance management process shall involve following steps:

- Disclosure of the grievance mechanism process

- Receive and register grievances

- Review and investigate grievances

- Develop resolution options, respond to grievances and close-out

- Monitor and evaluate.

  Step 1: Publicize the grievance mechanism procedures
  Step 2: Receive and track grievances
  Step 3: Preliminary Assessment
  Step 4: Review and Investigate grievance and develop resolution options
  Step 5: Initial Response to Complainant
  Step 6: Implement and follow-up on agreed resolution
  Step 7: Further action if complainant is not satisfied
  Step 8: Monitor, evaluate and report on grievance mechanism performance

1. **Project Level**

NTNC shall ensure that projects potentially impacting affected communities develop and implement a grievance mechanism. The responsibility for establishing the project level grievance mechanism rests with the Executing Agency. The complexity and scale of the grievance mechanism shall be appropriate to the scale of impact and size of affected population.

2. **NTNC Level**

In addition to the project level grievance mechanisms, affected communities shall also be able to access (if necessary) NTNC's grievance mechanism. A Committee or contact authority or focal person shall be assigned for all NTNC offices who will be responsible to receive and register grievances and proceed the resolution process. NTNC will assess the adequacy of the project-level grievance mechanism and provide a correction plan, where needed.

3. **Basic Characteristics of the GRMs**

In proportion to the complexity of the project and the nature, scale and magnitude of the potential risks and impacts, NTNC will ensure that NTNC's central-level and any Project-level grievance mechanism comply with GRM best practices and UN human rights principles and effectiveness criteria. Specifically, NTNC will ensure that the NTNC-central level and activity-level GRMs are effective, efficient, legitimate, and independent and operate in a manner that is accessible, equitable, predictable, and transparent. The GRM should also allow for continuous learning, be available to a complainant at 'no cost', maintain confidentiality, where needed and protect the complainant against retribution.

The effectiveness criteria for best-practice GRMS are defined as follows:

(a) **Legitimate:** enable trust from the stakeholder groups; be accountable for the fair conduct of the GRM;

(b) **Accessible**: known to all stakeholder groups; provide adequate assistance for access; barriers to access may include lack of awareness, language, literacy, costs, physical location and fears of reprisal;

(c) **Predictable**: provide clear procedure, time frame and process (including monitoring procedure);

(d) **Equitable**: complainants have information, advice and expertise to engage in a grievance process;

(e) **Transparent**: parties to a grievance are informed on progress and have sufficient information on the GRM performance to build confidence in its effectiveness; confidentiality is provided where necessary;

(f) **A source of continuous learning**: lessons learned improve the GRM and prevent future grievances;

(g) **Rights-compatible:** outcomes/remedies accord with human rights (e.g. freedom of movement, religion and association; rights to: equality; non-discrimination; security; rest);

(h) **Based on engagement and dialogue:** consult stakeholders on the GRM design and performance, and focus on dialogue as the means to address and resolve grievances.

Annex A: Environmental and Social Screening Report

Project ID#: _____

Environmental and Social Screening Report Format

Key Project Information			
Project Name			
Estimated Project Duration	Start:	Completion:	Months:
Primary Donor (s) & amount		Total Project Grant $:	
NTNC's Role	Implementing Agency:	Executing Agency:	
Executing Partner[3]			
Key Partners (in delivery)			
Beneficiary/ies			
Has a screening or ESIA been done before?	*If yes, provide details*		
Screening Questionnaire completed by:	*Name, organisation and function, and date*		
Categorisation of Project:	*Please tick one* □ *Low Risk* □ *Moderate Risk* □ *High Risk*		
Screening Questionnaire reviewed and approved by:	*Name, organisation and function, and date*		

---

[3] This is the agency/entity that signs an Executing Partner Agreement with NTNC where NTNC acts as an Implementing Agency.

Part I - Potential risks and impacts related to ESMF and Standards

Important considerations:

- Project activities are screened for their **inherent** environmental and social risk before applying mitigation and management measures. Inherent risks are risks prior to mitigation measures having been applied. It is important to form a clear picture of potential inherent risks in the event that mitigation measures are not implemented or fail.
- Screening for potential adverse environmental and social risks and impacts must consider all activities with potential direct and indirect risks and impacts across the Project's Area of Influence.
- A Safeguard shall be considered to be "triggered" when a low, Moderate or high risk is identified through the questions in the table below. Professional judgement shall be required by the Project Proponent to determine if a low risk actually triggers the Safeguard, but in all cases a Moderate or high risk shall trigger the Safeguard.

When determining the inherent risk, the risk framework described below shall be used:

Determining significance of risk:

Consequence	Likelihood				
	Slight	Not Likely	Moderately Likely	Highly Likely	Expected
Critical	🟥	🟥	🟥	🟥	🟥
Severe	🟨	🟨	🟥	🟥	🟥
Moderate	🟩	🟨	🟨	🟨	🟨
Minor	🟩	🟩	🟨	🟨	🟨
Negligible	🟩	🟩	🟩	🟩	🟩

Green = Low Risk
Yellow = Moderate Risk
Red = High Risk

Definition of Consequence[4]

Critical – Significant adverse impacts high in frequency and magnitude and/or spatial and temporal extent (e.g. large geographic area and/or large number of people affected for longer period). Impact area being of high value and sensitivity (e.g. critical ecosystems and sites); adverse impacts to rights, land, resources and territories of Indigenous Peoples; involve significant displacement or resettlement; generates significant quantities of greenhouse gas emissions; impacts may give rise to social conflict.

Severe – Adverse impacts on people and/or environment of Moderate to large magnitude, spatial extent and duration more limited that critical (e.g. predictable, mostly temporary and reversible). The potential risk impacts of projects that may affect the human rights, lands, natural resources, territories, and traditional livelihoods of Indigenous Peoples at a minimum potentially severe.

Moderate – Impacts of low magnitude, limited in scale (site-specific) and duration (temporary) can be avoided, managed and/or mitigated with relatively uncomplicated accepted measures.

Minor – Very limited impacts in terms of magnitude (e.g. small affected area, very low number of people affected) and duration (short), may be easily avoided, managed or mitigated.

		To be completed by Project Proponent		Risk Rating			NTNC PMT Reviewer
		Yes, No, n/a, TBD	*Where applicable describe potential issues, specify activities causing this*	*Likelihood*	*Consequence*	*Risk Significance*	*Comments, additional observations*
Safeguard 1: Biodiversity Conservation and Natural Resource Management							
1	Is the project likely to affect biodiversity or ecosystem services?						
2	If the project is expected to impact natural habitat, are plans in place to ensure that no net loss of biodiversity is achieved?						
3	Is the project expected to affect critical habitat?						
4	Is the project located in a legally protected area or						

---

[4] Note, this risk format draws heavily upon the approach designed by the UNDP in their Social and Environmental Screening Procedure (2014)

	internationally recognised area?						
5	Is the project likely to introduce invasive alien species to the project area?						
6	Will the project impact on priority ecosystem services?						
7	If yes to the above questions, project shall identify environmental risks and impacts to adopt mitigation hierarchy (anticipate, avoid, minimize, mitigate and offset); and promote environmental performance through management of impacts.						
8	Does the project contribute to cumulative impacts resulting from other projects is the project area? If yes, the project shall respond to managing cumulative impacts through collective actions of multiple stakeholders and collaborate with concerned authorities to prevent, or effectively manage such impacts.						
9	Will the project have social risks and impacts? If yes, project will adopt a comprehensive participatory consultation process which will ensure (a) Free, Prior and Informed Consent (FPIC) (b) Grievance and external communications from are responded to and managed appropriately. (c) Promote and provide means for adequate engagement with affected communities.						
	Is the safeguard triggered?						
Safeguard 2: Labour and Working Conditions							
1	Will the project be required to provide accommodation services for workers?						
2	Is there potential for the project to apply adverse discriminatory practices?						
3	Will the project involve the employment of children?						

4	Is there a risk of child exploitation or abuse linked to the project?						
5	Will the project present unsafe or unhealthy working conditions?						
	Is the safeguard triggered?						
Safeguard 3: Resource Efficiency and Pollution Control							
1	Is the project likely to release pollutants?						
2	Will hazardous waste materials be generated by the project? If yes, the project shall consider alternate options to avoid hazardous materials, or in case hazardous wastes are unavoidable, prepare and implement plans to minimize and manage hazardous wastes.						
3	Are chemical pesticides likely to be used by the project? If yes, the project shall consider alternate options to avoid pesticides, or in case pesticides are unavoidable, prepare and implement plans to minimize and manage pesticide residues.						
4	Will project activities result in greenhouse gas (GHG) emission? If yes, the project shall prepare and implement plans to reduce and offset the equivalent of GHG emission.						
	Is the safeguard triggered?						
Safeguard 4: Community Health, Safety and Security							
1	Will the project require the construction or rehabilitation or any structural components which could pose a risk to Affected Communities?						
2	Is the project likely to increase community exposure to disease (water borne, water based, water related and vector borne diseases as well as communicable diseases)?						
3	In case of an ongoing emergency situation during this						

	screening, project will collaborate with affected communities and government agencies in their preparations to respond to emergency situations.						
	Is the safeguard triggered?						
Safeguard 5: Involuntary Resettlement							
1	Will / could the project involve the physical relocation of people? If yes, the project shall prepare a framework for ensuring free, prior, and informed consent (FPIC) with the affected communities during the project designing.						
2	Will / could the project rely upon expropriation to resettle people?						
3	Is it likely that the project will need to acquire land from individuals and households, causing them to experience economic displacement?						
4	Will the project restrict access to natural resources and areas used by Affected Communities resulting in economic displacement?						
	Is the safeguard triggered?						
Safeguard 6: Cultural Heritage							
1	Is the project likely to affected cultural heritage?						
2	Is the project located in legally protected heritage site?						
3	Has the project prepared a procedure for chance find physical cultural resources at least addressing awareness among contractor and construction workers of possibility of chance find artifacts and reporting mechanism to the concerned authority/ies and obtaining authorization for appropriate actions?						
	Is the safeguard triggered?						
Safeguard 7: Indigenous Peoples							
1	Is the project likely to affect Indigenous Peoples? If						

	yes, the project shall prepare a framework for ensuring free, prior, and informed consent (FPIC) with the affected Indigenous Peoples and other vulnerable communities during the project designing.						
2	Is the project likely to: a) Be located on or commercially develop natural resources on lands traditionally owned by Indigenous Peoples, with adverse impacts anticipated? b) Require the relocation of Indigenous Peoples from lands and natural resources subject to traditional ownership or customary use? c) Use cultural heritage for commercial purposes?						
	Is the safeguard triggered?						
Stakeholder Engagement							
	Projects will adopt a comprehensive participatory consultation process which should be designed and implemented after identifying all potential project stakeholders. This section of the screening will be included in as an annex in the screening report.						
	a) Identify different beneficiaries of the project activities.						
	b) Identify peoples/communities affected adversely by the project activities, directly or indirectly.						
Grievance Mechanism							
	a) Is the project-level GRM adequate? Can the project-level GRM be considered effective and efficient? b) Is the project-level GRM: Legitimate? Independent? Accessible? Equitable? Predictable? and Transparent?						

c) Does the GRM allow for continuous learning?					
d) Is the GRM available to a complainant at no cost? Can the GRM maintain confidentiality? Does the GRM protect a complainant against retribution?					
Gender					
Is the gender assessment and the project-level Gender Action Plan adequate? Does the GAP provide for gender-responsive stakeholder engagement, gender activities, gender indicators, gender-sensitive monitoring, and gender resources (e.g. expertise and budget)?					

Part II –Categorization of Project and Type of E&S Assessment Required

Drawing on the responses to Part I, the following guidance is provided to assist in determining the categorisation of the project. The Project Proponent shall work through the table below from left to right (columns, 1, 2, 3 and then 4).

In addition to the guidance provided below, the following "rules of thumb" may also prove instructive in determining categorisation:
- If there are risks and/or impacts that need to be communicated to an affected community, the project is likely to be a Moderate Risk or High Risk.
- If the Project triggers any of Safeguards 2 – 8, it will be considered to be a High Risk or Moderate Risk project.
- When determining the combined inherent risk of the project always focus on the highest risk identified. Inherent risk shall not be averaged.

Finally, in the event that the Project Proponent remains unclear on how to categorise a project, they shall seek advice from the NTNC PMT Team.

1) **Significance of Risks**	2) **Follow-up Questions**	3) **Categorisation**	4) **Type of E&S**

Identified in Part I			Assessment
If **high risks** are identified, the project shall be Categorised as High Risk. If **Moderate risks** are identified, the project may be either Moderate or High Risk. Proceed to next column.	If there are more than one or two Moderate risks identified, and the consequences of those risks will affect the same ecosystem or same affected community, the project may be considered High Risk. If the Moderate risks identified do not have any additive effects on either an ecosystem or community, then the Project may be Moderate Risk.	**High Risk** - Projects with the potential to cause significant adverse environmental and / or social impacts that are diverse, irreversible or unprecedented.	**ESIA required**
If low risks are identified, the project shall be either Moderate Risk or Low Risk.	If the low risks identified will affect a community or an ecosystem, then the project is considered Moderate Risk. If the low risks identified are not expected to affect either a community or an ecosystem, the project may be considered Low Risk.	**Moderate** – Projects with the potential to cause limited adverse environmental and/or social impacts that are few in number, generally site-specific, largely reversible, and readily addressed through mitigation measures	**ESIA may be required, or if risk is associated with single topic or issue, a topic specific assessment should be undertaken.**
If no risks are identified, the project shall be considered Low Risk		**Low Risk** – Projects that include activities with minimal or no risks of adverse environmental and social consequences	**Risk / hazard assessment should be completed as appropriate to project.**

Annex B: Environmental and Social Assessment Checklist and Clearance Form

This checklist is designed to assist the Project Proponent and/or Project Management Team reviewer to appraise the quality and sufficiency of the Environmental and Social Assessment and its associated Environmental and Social Management Plan (ESMP). As described in NTNC's ESMFS, the ESA may comprise an ESIA, a topic specific assessment or a risk/hazard assessment. All projects must be assessed against those sections marked with an asterisk (*). The sections under Safeguards 2-8 should be completed by projects for which these safeguards have been triggered (as identified in the Screening process).

| Project Name: |
| Date: |
| Reviewer: |

	Yes	No	Comment
*General Appraisal ***			
Does the ESA comply with the terms of reference?			
Is the structure of the ESA easy to follow?			
Does the executive summary provide an adequate summary of the significant issues and their management? E			
Does the ESA identify outstanding issues which still need to be addressed?			
*Policy, Legal and Administrative Framework**			
Has the ESA identified all the relevant national legislation?			
Has the ESA identified relevant international law and conventions?			
Has the ESA identified the compliance standards against which the project will be assessed (e.g. for air emissions, water quality etc.)			
Project Description			
Does the ESA include a detailed description of the proposed project, sufficient to allow for identification of potential environmental and social impacts?			
Has the project design been influenced by environmental and social concerns (e.g. siting considerations etc.)			
*Stakeholder Engagement**			
Does the ESA describe the stakeholder engagement activities which have been conducted to support the assessment?			
Has the stakeholder engagement process been comprehensive (i.e. have all affected stakeholders been identified and engaged			

with?)			
Does the ESA summarize the concerns raised by stakeholders and illustrate how these have influenced project design?			
Are the affected communities broadly supportive of the project?			
*Baseline Data**			
Have all relevant physical, biological, and socio-economic conditions which are relevant for decision-making about project location, design and mitigation measures been described?			
Is the period of data collection sufficient to allow for an informed decision to be made?			
Are there any gaps in the baseline data which need to be addressed?			
*Impact Assessment**			
Does the list of impacts appear complete?			
Is the assessment of impacts rigorous?			
Is the methodology for assessment of impacts appropriate to the impacts being assessed?			
Has gender been considered within the impact assessment?			
Have human rights impacts been assessed (either as part of the topic assessment or as a stand-alone chapter/assessment)?			
Safeguard 1 requirements			
In the case of impacts to natural habitat, has the project been designed to achieve no net habitat loss?			
In the case of impacts to critical habitat, has a critical habitat assessment been undertaken and a biodiversity action plan been prepared?			
Will the project impact legally protected or internationally recognised areas?			
Have impacts to priority ecosystems been assessed?			
Safeguard 2 requirements			
Does the project have documented human resources policies and procedures?			
If accommodation services are being provided by the project, are they to an appropriate standard?			
Is there evidence of a non-discrimination policy?			
Does the project expect to have any child, forced or bonded labour concerns?			
Is the project workplace a healthy and safe			

workplace?			
Safeguard 3 requirements			
Have technically and financially feasible resource efficiency and pollution prevention principles been applied to the design of the project?			
Have efforts been made to reduce the greenhouse gas emissions of the project?			
Have resource efficiency measures been put in place to reduce water consumption?			
Is the waste management strategy appropriate for the nature and extent of wastes being produced?			
In case of expected use of pesticides and pest management, has an assessment of the nature and degree of associated impact of pesticide use been conducted?			
Safeguard 4 requirements			
Has the project evaluated the health and safety risks to affected communities during the project lifecycle?			
Have structural components of the project been designed and reviewed in accordance with GIIP and with the health and safety of affected communities in mind?			
Have impacts been identified which could be exacerbated by climate change?			
Has community exposure to disease as a result of the project been assessed?			
Have human rights impacts been assessed with regard to the use of security (private or public)?			
Safeguard 5 requirements			
Does the project require the restriction of access of significant areas of land resulting in physical or economic displacement of households?			
Have project alternatives been considered to avoid and minimize displacement?			
In case of resettlement, does the project provide compensation, assistance and benefits to enhance or at least restore livelihoods and to improve the standard of living of all displaced persons?			
Have specific measures been put in place to protect the vulnerable during the displacement process?			
Have draft resettlement action plans or livelihood restoration plans been developed			

by the project and are they comprehensive?			
Safeguard 6 requirements			
Does the project have potential impact on items and areas of cultural heritage?			
Have competent professionals been used by the project to assess the impacts to cultural heritage?			
Has a chance find procedure been developed?			
Safeguard 7 requirements			
Is the project likely to impact Indigenous Peoples?			
Has informed consultation and participation been undertaken with Affected Communities of Indigenous Peoples?			
Is the project likely to generate any impacts requiring Free, Prior and Informed Consent (FPIC) from Affected Communities of Indigenous Peoples?			
In the case of FPIC being necessary, has it been achieved?			
Alternatives Assessment			
Have project alternatives been identified and assessed to minimise the environmental and social impacts generated by the project?			
ESMP*			
Have all the mitigation measures and commitments been collated into an ESMP?			
Have responsibilities been allocated for the implementation of the commitments and mitigation measures			
Have sufficient budget and human resources been made available by the project to ensure successful implementation of the ESMP			

Rating of Review	Check
Adequate – the environmental and social assessment is considered to have met the requirements outlined above and the project presents an appropriate range of mitigation measures to manage environmental and social risk at an acceptable level. Some additional studies may be required	
Not sufficient – Additional information, data, analyses or stakeholder feedback needs to be collected to inform the assessment.	
Inadequate – Serious deficiencies requiring immediate remedy have been identified.	
Comments / Recommendations	

Where a project receives a rating of "adequate", the following Environmental and Social Clearance Form should be completed.

Environmental and Social Clearance Form
Top of Form

Key Project Information			
Project Name			
Estimated Project Duration	Start:	Completion:	Months:
Primary Donor (s) & amount		Total Project Grant $:	
NTNC's Role	Implementing Agency:	Executing Agency:	
Executing Partner			
Key Partners (in delivery)			
Beneficiary/ies			
Project was awarded Environmental and Social Screening Approval on which date?	*Provide date*		
Environmental and social assessment documentation (including ESMP) reviewed to inform the Environmental and Social Clearance	*Please list documentation*		
Environmental and Social Assessment documentation was reviewed by:	*Name, organisation and function, and date*		
Environmental and Social Clearance decision:	*Please tick one* □ *Cleared* □ *Conditionally cleared* *Clearance rejected*		
For projects cleared or conditionally cleared, define any additional work required	*Describe additional work required*		
Justification for the clearance decision	*Please describe the basis for the clearance decision.*		

Bottom of Form

Annex C: Project Level Grievance Mechanism Guidance

Where a project is likely to generate adverse impact to affected communities and/or the environment, a simple grievance mechanism shall be implemented right from the beginning of project activity on the ground. The grievance mechanism shall be considered part of the suite of engagement tools used by the project, and shall not replace other stakeholder engagement activities. Similarly, the project needs to explain to affected communities that their use of the grievance mechanism does not inhibit their access to legal or judicial recourse processes and is accessible to the affected person at no cost.

The key principles of a grievance mechanism[5]:
- Proportionality – The project level grievance mechanism shall be scaled to the size and stage of the project. Grievances are likely to be relatively few in the development stages and most frequent during the construction, operation and closure stages of a project.
- Cultural Appropriateness – A project level grievance mechanism needs to take into consideration specific cultural attributes as well as traditional mechanisms for raising and resolving grievances. Accessibility – The level of accessibility of a grievance mechanism is influenced by: clarity of communication; and ease of use. Consideration of language, locations for receiving complaints, literacy and education levels and gender issues shall inform the grievance mechanism design at project level.
- Transparency and accountability – All complaints must be taken seriously and treated fairly and there shall be consistency and predictability in the process. The project shall commit to a certain timing of responses to grievances and shall monitor and share grievance resolutions (where appropriate).
- Appropriate protection – The project must ensure that there is no retribution for use of the grievance mechanism, protect the identity of individuals who file grievances, provide information on mechanisms to escalate grievances and ensure stakeholder's understand their rights to use alternative remedies to resolve their grievances.
- Independence – A project level grievance mechanism needs to be independent and has a clear governance structure with no external interference with the conduct of grievance redress process and reaching arrangements.

Key Characteristics of a Good Practice GRM

The project-level GRM should be effective and efficient. The project-level GRM show be: Legitimate; Independent; Accessible; Equitable; Predictable; and Transparent. The GRM show allow for continuous learning, is available to a complainant at 'no cost'; can maintain confidentiality, where needed and protects a complainant against retribution.

The Grievance Management Process

A basic grievance management process comprises eight steps (illustrated as below figure), each of which is described below.

Step 1: Publicize the grievance mechanism procedures
- Develop a procedure which explains how the grievance mechanism will work on the specific project site
- Present the grievance mechanism at a public meeting held with affected

---

[5] Adapted from IFC (2014) A Strategic Approach to Early Stakeholder Engagement, www.ifc.org

communities.

Step 2: Receive and track grievances
- Identify locations to receive grievances and ensure accessibility to all affected stakeholders
- Recognize that some grievances may be submitted in writing while others will be communicated verbally. All grievances are to be treated with the same level of seriousness and respect
- Log all complaints into a database (depending on the scale of the project and the number of grievances, this might be a notebook or an excel file)

Step 3: Preliminary Assessment
- categorize the complaint, e.g., access to land restrictions; impacts to environment; employment; health and safety; compensation etc.
- Decide how and who will be responsible for addressing the issue

Step 4: Review and Investigate grievance and develop resolution options
- Appoint an appropriate person to obtain information and investigate
- Develop a proposed resolution process, involving communities where appropriate

Step 5: Initial Response to Complainant
- Write or communicate verbally (where literacy is an issue) to the complainant within a set timeframe
- Explain the process and the timeframe for the grievance mechanism process

Step 6: Implement and follow-up on agreed resolution
- Implement the agreed solution
- Follow-up with complainant to ensure satisfaction
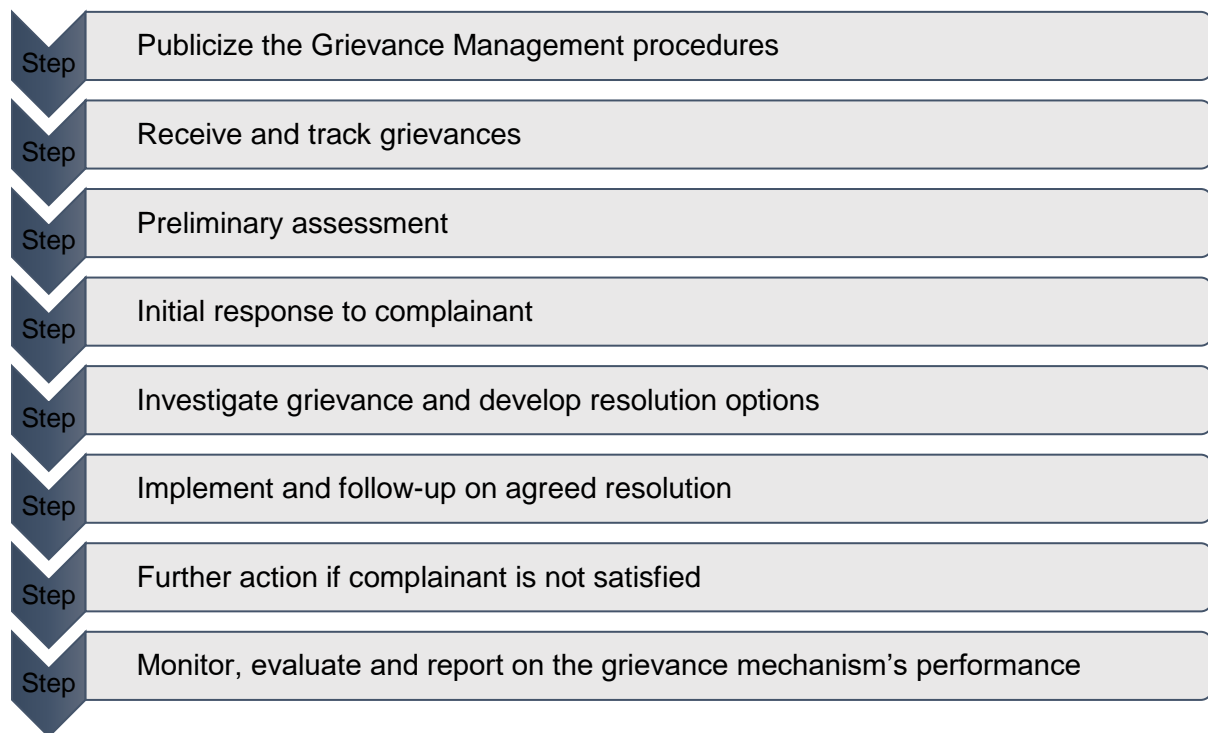- Seek sign-off from complainant, record and file documents in database

Step 7: Further action if complainant is not satisfied
- Discuss further options
- Identify local partners who might be able to assist in finding solutions
- If still unresolved, refer matter to third-party mediation or external review

Step 8: Monitor, evaluate and report on grievance mechanism performance
- Regularly monitor the number and type of grievances received, resolved and outstanding
- Evaluate trends over time and stages of project development

Grievance Mechanism Steps

Step	Publicize the Grievance Management procedures
Step	Receive and track grievances
Step	Preliminary assessment
Step	Initial response to complainant
Step	Investigate grievance and develop resolution options
Step	Implement and follow-up on agreed resolution
Step	Further action if complainant is not satisfied
Step	Monitor, evaluate and report on the grievance mechanism's performance

Annex D: Environmental and Social Screening Guideline and Checklist

Procedures for Conducting Environmental Screening
1. The E&S screening must be preceded by the E&S team's familiarity with project's background and pertaining national legislations and international provisions and guidelines through secondary information before walk-through survey;

2. During walkthrough the team should held discussion or inquires with communities and observation, inspection along the way;

3. The team must carry topographical map with them, mark important environmental features/infrastructures on the map and refer to appropriate section of the checklist. The map should be included as annex to the screening report;

4. The team should take photographs of areas with environmental and social implications, and attach in the report with caption;

5. The team should include summary of the screening findings, listing main environmental and social issues /concerns related to project.

A. Project Introduction

1	District and Municipalities/ Rural Municipalities:
2	Name of project:
3	Brief description of Activity to be undertaken:
5	Implementation approach and institutions involved:

B. Baseline Information and Impacts of Sub-Project
S.N.   **Major Attributes**
1   General description of the area (baseline condition)

Describe in detail

If potential Impacts are expected, describe in detail.

2 Protected /Buffer Zone Area (Name/Location with Flora and Fauna)
If Yes, describe in detail.

If Potential Impacts are expected, describe in detail.

3   National Park, Wildlife Conservation, Forest Area (Name Location, Flora and Fauna)
If yes, describe in detail

If Potential Impacts are expected, describe in detail.

4   Major water sources- streams/rivers/ponds/lakes/springs (Name, location with aquatic animal)

S.N.	Major Attributes

If yes, describe in detail

If Potential Impacts are expected, describe in detail.

5   Landslides location with current condition
If yes, describe in detail

If Potential Impacts are expected, describe in detail.

6   Settlement (Name, Location, with major Caste/Ethnicity)
If yes, describe in detail

If Potential Impacts are expected, describe in detail.

7   Trade Centers (Name/Types and Nature of Trade)
If yes, describe in detail

If Potential Impacts are expected, describe in detail.

8   Public Utility (Name/Number)
If yes, describe in detail

If Potential Impacts are expected, describe in detail.

9   Historical/Religious/Cultural Sites such as temple, mosque, community hall etc.
If yes, describe in detail

If Potential Impacts are expected, describe in detail.

10   Open Public Spaces/Places
If yes, describe in detail

If Potential Impacts are expected, describe in detail.

11   Significant Development Potential (Horticulture, livestock, floriculture, wind power, Micro hydro, Biogas etc.)
If yes, describe in detail

If Potential Impacts are expected, describe in detail.

12   Land use type and pattern
If yes, describe in detail

If Potential Impacts are expected, describe in detail.

12   Quarry sites
If yes, describe in detail

If Potential Impacts are expected, describe in detail.

13   Tipping sites (Spoil disposal sites)
If yes, describe in detail

If Potential Impacts are expected, describe in detail.

S.N.	Major Attributes

14   Existing Situation and availability of labors
If yes, describe in detail

If Potential Impacts are expected, describe in detail.

15   Locations for establishing labor camps if required.
If yes, describe in detail

If Potential Impacts are expected, describe in detail.

16   Existing situation of waste management and probable locations
If yes, describe in detail

If Potential Impacts are expected, describe in detail.

17   Pollution Status (Air/Water/Soil and Noise)
If yes, describe in detail

If Potential Impacts are expected, describe in detail.

18   Community Health and Sanitation Status
If yes, describe in detail

If Potential Impacts are expected, describe in detail.

19   Community setting, homogenous, heterogeneous

20   Community acceptance, willingness and mindset for changes/development

21   Experience of community in similar project activity in the past.

Conclusion of the Screening:

Name of Proposed Project:

A. Environmental and Social Screening Outcome

Select from the following:

☐ <u>Category A</u>. Beyond the Scope of the Project and excluded.

☐ <u>Category B</u>. Further review and management is needed. There are possible environmental and social benefits, impacts, and/or risks associated with the project (or specific project component), but these are predominantly direct and site specific or very short-term and easily assessed and mitigated by implementing provisions of EMPs that shall be prepared.

<u>Category C</u>. Further review and management is not needed, and it is possible to identify these with a reasonable degree of certainty. Impacts and risks are limited in scale and can be identified with a reasonable degree of certainty and can often be handled through application of standard best practice or SS- ESMP shall be prepared to manage the E&S impacts during execution of the project activities.

Screened by: Signature   Date:

1……………………   ……………………..

                 …………………..

2………………   …………………….   ...……………….

Annex E: Steps in ES Assessment (GoN and NTNC requirement)

S.N.	Steps	GoN Requirement		NTNC Requirement	Steps to satisfy both GoN and NTNC requirement
		IEE	EIA		
1	Screening/Planning/Designing	Schedule 1 of Environment Protection Regulations (EPR), 1997 (Based on threshold limit)	Schedule 2 of EPR 1997 (Based on threshold limit)	Based on Risk category.	• Detailed screening of subprojects including consultations/FPIC with affected people and IPs as relevant • Preparation of detailed plans (ESMP, Resettlement Action Plan, IP Development Plan, Gender Action Plan) considering Affected People's (AP) concerns • Disclosure of ESMF framework and other plans
2	Project Implementation	As prescribed in Environment Protection Regulations (EPR), 1997		• Implementation of ESMF policy requirements • Exploration of detailed alternative design to suit E&S requirement through active consultation	• Implementation (ESMP and Site Specific-EMPs, social plans) • Environment Health and Safety (EHS) compliance • Public consultation and capacity building
3	Monitoring and Reporting	Provision of project audit at the end of the project		Stringent monitoring of ESMF's requirements compliance	• Close supervision and monitoring of safeguard/EHS compliance • Use of adequate indicators during monitoring • Periodic and third-party monitoring (independent)