



Global
Green Growth
Institute

GLOBAL GREEN GROWTH INSTITUTE

SUSTAINABILITY AND SAFEGUARDS RULES

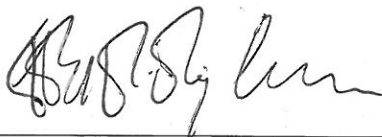
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OVERVIEW

Context

1. The Global Green Growth Institute (GGGI) defines green growth as a development approach that seeks to deliver economic growth that is both environmentally sustainable and socially inclusive. Through the green growth model, countries seek opportunities for economic growth that are low-carbon and climate resilient, prevent or remediate pollution, and maintain healthy and productive ecosystems, as well as create green jobs, reduce poverty, enhance social inclusion and gender equality¹.
2. GGGI's Sustainability and Safeguards Rules are an integral part of this effort by putting in place standards and systems for enhancing sustainability benefits from GGGI's programs and projects, while avoiding unnecessary harm to the environment and people.
3. GGGI's Sustainability and Safeguards Rules are part of GGGI's Accountability Framework which ensures meaningful participation, accountability, non-discrimination, and transparency throughout GGGI's work, including its compliance review mechanisms.
4. This document outlines the operational principles and core environmental and social safeguards standards that GGGI seeks to uphold in the conceptualization, design and implementation of its programs and projects.

Operational Principles

5. Sustainability and Safeguards Rules aim to cover environmental and social safeguards, poverty reduction, gender equality and social inclusion. The objective is to systematically mainstream these elements in GGGI's operational value chain, and into its program development and project cycle management². This includes the Country Planning Framework (CPF) and the biennial Work Program and Budget (WPB) process.
6. At a minimum, GGGI will strive to apply the precautionary approach and safeguard the environment and people from potential negative impacts resulting from GGGI activities, including from its involvement in the development of bankable green investment projects, mechanisms, and national financing vehicles (NFVs).
7. Opportunities for strengthening the pro-poor, inclusive and positive gender impacts will be identified at earliest stages of GGGI's activities, conceptualized during the thematic intervention and program design phase, realized through implementation, tracked through monitoring and guided by evaluation and regular review processes.

¹ Mid-Term Strategic Review of the GGGI Strategic Plan 2015-2020 (March 2017), Appendix 1

² GGGI Project Cycle Management Manual Version 1.0

ENVIRONMENTAL AND SOCIAL SAFEGUARDS

Purpose

8. GGGI's environmental and social safeguards (hereinafter referred to as "Safeguards") aim to ensure that environmental and social soundness of GGGI programs and projects are considered from the outset and throughout their life cycle with the objective of (i) strengthening the social and environmental outcomes of programs and projects; (ii) avoiding adverse impacts to people and the environment; (iii) minimizing, mitigating, and managing adverse impacts where avoidance is not possible; (iv) strengthening the capacities of GGGI and partner countries for managing social and environmental risks; and (v) encouraging full and effective stakeholder engagement where possible, including through a mechanism to respond to grievances from affected people.
9. GGGI will support partner countries to implement their national law and encourage adherence to their international commitments as well as empowering individuals and groups, particularly the most vulnerable, to realize their rights and to ensure that they participate throughout GGGI's programming cycle.
10. GGGI will address environmental and social risks and opportunities in an integrated manner, recognizing the interrelatedness of environmental and social issues. GGGI will screen and review proposed activities for potential environmental and social risks and will ensure that potential adverse impacts are assessed and avoided, or where avoidance is not possible, minimized, mitigated, and managed.

Scope of Application

11. GGGI will ensure adherence to its Sustainability and Safeguards Rules for activities implemented using funds channeled through GGGI's accounts.
12. Most GGGI's activities involve partners that contribute in-kind resources or parallel funding and apply their own policies and procedures to achieve common objectives. Therefore, while GGGI does not ensure compliance with its Safeguards beyond those activities funded through GGGI's accounts, GGGI will review the program and projects holistically for consistency with the requirements of the Safeguards standards. All partners are bound to their respective commitments made within the partnership agreement. GGGI therefore recognizes the limitations of the application of its Sustainability and Safeguards Rules, especially for activities that go beyond GGGI's program or project cycle.
13. Safeguards are applied together with and complement other relevant GGGI policies and procedures, including GGGI's Compliance Review Mechanism, Disclosure Policy, and Rules on Private Sector Engagement.

Safeguards Standards

14. GGGI supported activities will be conceptualized, designed and implemented with due consideration of the following environmental and social safeguards standards.

Standard 1: Compliance with the Law

15. GGGI will engage in activities that comply with all applicable laws in the country the activities are carried out, and to the extent possible and in agreement with partner countries, work to encourage adherence to their international obligations.
16. To address this, relevant legal and institutional frameworks as they relate to the environment, people and gender need to be examined to understand which environmental and social/rights protection measures are applicable as well as the level of enforcement and implementation capacity.

Standard 2: Biodiversity Conservation and Natural Resources

17. Conserving biodiversity, maintaining ecosystem services, and sustainably managing natural resources are fundamental to inclusive green growth.
18. This standard will apply when GGGI activities (i) involve critical or natural habitats or semi-natural habitats or have such habitats within its potential areas of influence; (ii) potentially impact on, or depend on, ecosystem services; (iii) involve strategies, policies or programs that are intended to affect the implementation of biodiversity conservation measures or maintenance of ecosystem services, or that could have impacts on them, including on habitat restoration; or (iv) include the generation of living natural resources (e.g., agriculture, animal husbandry, fisheries, forestry etc).
19. GGGI aims to protect and sustain ecosystem functions, natural capital, and ecosystem services, and seeks to maintain and enhance the goods and services provided by biodiversity and ecosystems to secure livelihoods, food, water and health, enhance resilience, conserve threatened species and their habitats, and increase carbon storage and sequestration.
20. GGGI endeavors to align its work with the objectives of the Convention on Biological Diversity, including the conservation of biological diversity, the sustainable use of its components and the fair and equitable sharing of the benefits arising out of the use of genetic resources.

Standard 3: Resource Efficiency, Pollution Prevention and Climate Change

21. GGGI recognizes that increased industrial activity, urbanization, and intensive agricultural development often generate increased levels of pollution to air, water, and land, as well as produce greenhouse gas emissions that contribute to climate change, and consume finite resources in a manner that may threaten people and the environment at the local, regional, and global level.

22. GGGI will identify, and wherever possible quantify, negative impacts associated with its activities, and integrate necessary and appropriate mitigation and/or adaptation measures to improve resource efficiency, prevent pollution and address climate related risks.
23. GGGI acknowledges and understands that possible negative impacts may arise due to activities that (i) significantly consume or cause consumption of water, energy, or other resources, whether through its own footprint or through the boundary of influence of the activity; (ii) generate or cause significant generation of greenhouse gases; (iii) generate or cause generation of solid, liquid or gaseous hazardous waste; or (iv) use, cause the use of, or manage the use of, storage and disposal of hazardous chemicals, including pesticides.

Standard 4: Gender Equality and Women's Empowerment

24. In line with GGGI's Gender Equality Strategy 2016-2020, GGGI programs and projects will be gender-transformative in their conceptualization, design and implementation. GGGI will seek to identify and integrate different needs, constraints, contributions and priorities of women, men, girls and boys into its programing.
25. GGGI activities will be designed and implemented in such a way that both women and men can participate fully and equally, receive comparable social and economic benefits and challenge the roles and stereotypes that create inequalities and exclusion.

Standard 5: Inclusion of Marginalized and Vulnerable Groups

26. GGGI will work with partners to ensure that benefits arising from projects and programs are shared in a manner that is inclusive and does not impede access to services, such as energy, clean water and sanitation, housing, education, healthcare, land, and finance.
27. GGGI will work with partner countries to avoid imposing any disproportionate impact on marginalized and vulnerable groups including children, women, the elderly, indigenous peoples, ethnic and religious minorities, and persons with disabilities.

Standard 6: Child Protection

28. GGGI has a zero-tolerance approach to child exploitation or abuse, and recognises that it is the shared responsibility of all adults to prevent child exploitation and abuse. This means that GGGI expects its staff, contractors and implementing partners to identify and manage child protection risks, and uphold the United Nations Convention on the Rights of the Child.

Standard 7: Labor and Working Conditions

29. Labor is one of a country's most important assets in the pursuit of poverty reduction, and the provision of safety and health at work are instrumental in developing a strong and productive workforce.

30. GGGI will respect and promote workers' rights and encourage the right to decent work, fair treatment, non-discrimination, and equal opportunity for workers, and to avoid the use of forced labor and child labor.

Standard 8: Indigenous Peoples

31. Indigenous Peoples, as distinct groups of people, are equal to all other peoples. Indigenous individuals and indigenous peoples or communities are entitled to enjoy and exercise their human rights without discrimination. Indigenous Peoples possess collective human rights which are indispensable for their existence, well-being and development as well as individual human rights.
32. GGGI will respect the dignity, human rights, livelihoods, cultures, and traditional knowledge of Indigenous Peoples and recognizes the special relationship that Indigenous Peoples have with their lands, resources, and territories which are integral to their physical, spiritual and cultural survival.

Standard 9: Involuntary Resettlement

33. GGGI recognizes that adverse social and economic impacts can result when an activity (including any project designed, financed, or otherwise supported by GGGI) involves involuntary resettlement, acquisition of land or other assets, or restrictions on the use of or access to land. Involuntary resettlement is understood to comprise both physical displacement of individuals or communities and economic displacement through loss of assets or involuntary restrictions on access to resources such as legally designated parks and protected areas resulting in adverse impacts on the livelihoods of affected persons.
34. GGGI will design and implement its activities in a way that avoids or minimizes the need for involuntary resettlement. In exceptional circumstances and where avoidance is not possible, displacement may occur only with consultation, full justification, appropriate forms of legal protection and appropriate compensation.

Standard 10: Working with the Private Sector

35. In working with private entities GGGI will promote global corporate social responsibility standards and guidelines such as the UN Global Compact and Guidelines on Cooperation between the United Nations and the Business Sector. Other international standards and principles such as the IFC Performance Standards, Extractive Industries Transparency Initiative, Tropic Forest Alliance and the Equator Principles will also be consulted.
36. GGGI will follow its Rules on Private Sector Engagement when partnering with private entities to implement programs and projects.

DELIVERY PROCESS AND ACCOUNTABILITY

Operationalization and Delivery Process

37. GGGI has a dedicated team within the Sustainability and Safeguards Unit that supports country programs and project managers to mainstream safeguards, poverty reduction, gender equality and social inclusion in their programs and projects.

Country Planning Framework (CPF)

38. Poverty, gender and/or social analysis will be carried out as part of the CPF development process especially during the stakeholder mapping and political economy analysis. Country context, its legal and institutional frameworks as they relate to environment, cultural and socio-economic conditions will also be understood and articulated at this point in delivery.
39. It is also important to link CPF with the strategic entry points that have been identified to maximize positive social outcomes in GGGI's four thematic areas (sustainable energy, water, green cities and sustainable landscapes).

Program Level – Project Cycle Management (PCM)

40. GGGI will screen programs early in their development. "Environmental and Social Safeguards Assessment", which is included as part of GGGI's Project Cycle Management (PCM), assists with the identification of potential social and environmental risks and opportunities.
41. PCM documents will incorporate appropriate management and budgetary resources to address, monitor and report on any identified environmental and social risks along with anticipated mitigating actions.
42. At each stage of the PCM, appropriate application of the Safeguards standards will be reviewed as part of GGGI's quality assurance process.

Project Level

43. "Environmental and Social Assessment for Projects" will be utilized to identify potential environmental and social risks and opportunities associated with the proposed activities. Each proposed project will be reviewed for its type, location, scale, sensitivity and the magnitude of its potential impacts on the environment and people.
44. GGGI, led by its Sustainability and Safeguards Unit, will screen all project activities, including planning support, policy advice, and capacity-building (often referred to as "upstream" activities), as well as site-specific, physical interventions ("downstream" activities) in the form of bankable/fundable projects, financial mechanisms, and national financial vehicles (NFVs).

45. Based on this screening and in some cases where more detailed information is required, applicability of specific Safeguards standards may need to be determined through additional scoping, assessment, or review.

Monitoring and Evaluation

46. Monitoring and evaluation of WPBs and projects will address environmental and social risks and opportunities identified during their screening, design and implementation. Key findings and results from this process will be integrated into GGGI's regular reporting as relevant.
47. The extent of monitoring activities will be commensurate with the program or project's risks and impacts. GGGI will require that (i) the progress of implementation of mitigation/management plans, if applicable, is monitored, (ii) complaints/grievances, if relevant, are tracked and monitored; (iii) follow-up on any identified corrective actions is tracked; and (iv) any required monitoring reports on safeguards implementation are finalized and disclosed.

Accountability

48. GGGI recognizes its role as a duty bearer and takes measures to ensure accountability towards governments, affected communities, private companies and donors. GGGI's Accountability Framework will ensure participation, anti-corruption, and transparency, and implement a compliance review mechanism that allows stakeholders, including affected communities to channel their feedback and complaints.

Anti-corruption

49. Corruption is one of the main obstacles to inclusive green growth. Corruption undermines poverty reduction and social inclusion efforts as well as meaningful participation of stakeholders. Corruption creates legal uncertainty.
50. Transparency, accountability, and integrity are key determining factors for a successful transition to an inclusive green economy for GGGI's partner countries.
51. GGGI adopted its Anti-Corruption Policy in November 2013 establishing zero tolerance towards corruption and fraudulent, coercive and collusive practices in GGGI operations. Through program and project designs that mitigate corruption risks, due diligence of contractors, and regular project procurement-related reviews, GGGI will aim to proactively work against corruption and commit to follow up on all allegations.

Compliance Review Mechanism

52. Grievances will be handled through GGGI's Compliance Review Mechanism (CRM) through which persons can bring to the attention of GGGI instances of alleged failure by GGGI to comply with its own regulations, rules, policies and procedures, including the Sustainability and Safeguards Rules.

Final Provisions

53. Detailed guidelines on the application of the Sustainability and Safeguards Rules at the CPF, program and project levels will be issued separately.
54. These Rules repeal and replace any previous policies, rules, guidelines and guidance on its subject matter. To the extent of any inconsistency between the guidelines, arrangements, conditions and procedures set out in these Rules and any existing rules, policies, guidelines or guidance, these Rules' guidelines, arrangements, conditions and procedures supersede and replace the contrary provisions to the extent of the inconsistency.
55. These Rules may be amended, modified or repealed, in whole or in part, by the Director-General at any time.
56. These Rules will enter into force on its date of approval by the Director-General.