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ADB Safeguard Policy Review and Update: Biodiversity and Sustainable Natural Resource Management

REGIONAL CONSULTATIONS

13-15 December 2021





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- \checkmark If possible, join from a quiet, distraction-free area
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- \checkmark Put your microphone on mute when you are not speaking
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- \checkmark Be respectful to other joining participants
- $\checkmark\,$ Be conscious of time as per the agreed agenda

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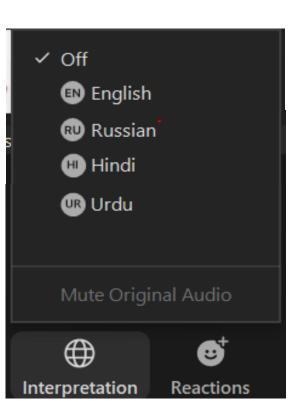
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. دستیاب زبانیں Выбор языка:

- *Hindi* हिंदी
- **Urdu** اردو
- Russian
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Languages available:

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- Bahasa Indonesia
 Bahasa Indonesia
- Chinese 中文
- Khmer ខ្មែរ
- Lao
 - ພາສາລາວ
- Vietnamese Tiếng Việt

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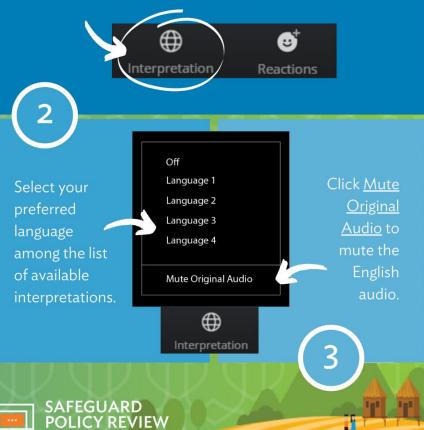


The official online platform for ADB's Safeguard Policy Review and Update (SPRU) Regional Consultations

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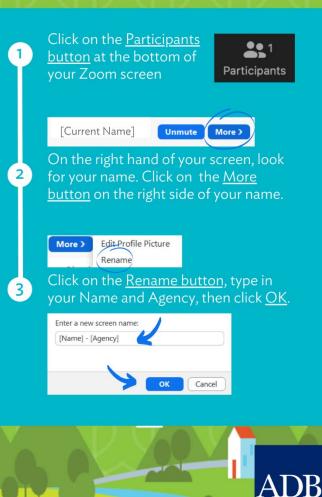
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To speak and unmute yourself, click on the

To show your video, click on the video icon.



https://www.adb.org/who-weare/safeguards/safeguard-policy-review



safeguardsupdate@adb.org

Restatement of ADB's Commitment to Meaningful Consultations





The Safeguard Policy Review and Update Phase II consultations intend to provide opportunities for stakeholders to express their views and opinions on ADB's environment and social safeguards in the most meaningful and safe manner.

All stakeholders are encouraged to articulate any project-related input and concerns they have during the consultation sessions, all of which will be recorded and duly documented during each event proper, allowing ADB to review, consider and respond to, if necessary. Background materials on the thematic areas have been released for the reference of participants in preparation for the dialogues.

All types of project feedback are welcome and will not be used to lead to any retaliation, abuse, or any kind of discrimination. Written session documentations containing the summary of feedback will be open for review by participating stakeholders prior to disclosure to the public to ensure the comfort and safety of stakeholders, and the accuracy and transparency of proceeding records.

If you have any issues or concerns on confidentiality, potential risks, abuse, or any kind of discrimination during the course of the consultations, please get in touch with the SPRU Secretariat through <u>safeguardsupdate@adb.org</u>.







I. Introduction (5mins)

Azim Manji, Session Moderator and Stakeholder Engagement Team Leader

- 2. Session I: Welcome remarks (7 mins) Bruce Dunn, Director, Safeguards Division (SDSS)
- 3. Session 2: Presentations on ADB Safeguards for Biodiversity and Sustainable Natural Resource Management (15 mins) Duncan Lang, Senior Environment Specialist, Safeguards Division (SDSS),
- 4. Session 3: Moderated Discussion (75 minutes) Moderated by Francesco Ricciardi, Senior Environment Specialist, Safeguards Division (SDSS),
- 5. Event Evaluation (5 minutes)
- 6. Wrap up (5 minutes) Bruce Dunn

Session I: Welcome Remarks

Bruce Dunn, Director, Safeguards Division





Session 2: Biodiversity and Sustainable Natural Resource Management (SNRM) – Study Summary

Duncan Lang, Senior Environment Specialist, Safeguards Division





Presentation Overview

- I. Study objectives, approach and methodology
- 2. Existing policy and implementation challenges
- 3. Findings from comparative analysis with multilateral finance institutions (MFIs)
- 4. Areas for further consideration and emerging issues
- 5. Key messages





Safeguards Policy Update Objective of the Study

- Assessment of ADB's current approach to biodiversity and sustainable natural resource management, including elements covered through other ADB strategies and policies.
- Review of the scope, coverage and implementing procedures of other MFIs including (AIIB, EBRD, IDB, IFC, World Bank) and assess key differences in policy scope and coverage.
- Identification of sub-topics and issues that may require additional attention as ADB updates its safeguards framework.
- Emerging issues and topics for further consideration in ADBs revised safeguards framework





Biodiversity and Sustainable Natural Resource Management Safeguards Policy Statement 2009

Main requirements:

- Assess significance of project impacts on biodiversity and natural resources.
- Identify measures to:
 - avoid, minimize, or mitigate adverse impacts and, as a last resort, propose compensatory measures/biodiversity offsets, to...
 - \odot achieve no net loss or a net gain of the affected biodiversity.
- Identify Modified, Natural, Critical Habitat and Legally Protected Areas and apply policy as appropriate (see next slide)
- Invasive Alien Species
- Sustainable management of renewable natural resources





Biodiversity and Sustainable Natural Resource Management Safeguards Policy Statement 2009



Modified Habitat	Exercise care to minimize any further conversion or degradation of such habitat, and will identify opportunities to enhance habitat.
Natural Habitat	 Do not significantly convert or degrade such habitat, unless: There are no alternatives The overall benefits from the project will substantially outweigh the environmental costs Any conversion or degradation is appropriately mitigated
Critical Habitat	 No project activity will be implemented unless: No measurable adverse impacts on the critical habitat which could impair its high biodiversity value or the ability to function Not anticipated to lead to a reduction in the population of any recognized endangered or critically endangered species Any lesser impacts are mitigated
Legally Protected Areas	 The borrower/client will: Act in a manner consistent with defined protected area management plans Consult protected area sponsors and managers, local communities, and other key stakeholders on the proposed project Implement additional programs, as appropriate, to promote and enhance the conservation aims of the protected area

Biodiversity and Sustainable Natural Resource Management Implementation Challenges for the SPS

- **Project alternatives:** Upstream consideration of alternatives and difficulties in ensuring proper analysis is conducted and the mitigation hierarchy is followed
- **Biodiversity Action Planning (BAPs):** Not a direct SPS requirement and so the development of BAPs is variable and requirements for offsetting are limited
- Offsets: Difficulties in ensuring offset requirements are implemented post construction and need for long-term monitoring and financing.
- Quality of assessment: SPS lacks detail as to what is required for baseline collection, impact assessment and mitigation development and management. Capacity of experts to complete assessments is variable.





Themes covered in MFI comparator analysis



- Objectives of the policy
- High-level issues
- Associated/ existing infrastructure
- Risks & impacts
- Critical habitat definition
- Critical Habitat (CH) requirements (general)
- Critical Habitat requirements (targets for CH-qualifying biodiversity)
- Natural habitat definition
- Natural Habitat requirements
- Modified Habitat requirements
- Legally protected areas & internationally recognized area definitions
- Legally protected areas & internationally recognized area requirements
- Ecosystem services
- Physical cultural resources
- Baseline survey requirements
- Mitigation hierarchy
- Offsets
- Management plan requirements

- Monitoring requirements
- Independent verification
- Transparency requirements
- Stakeholder engagement & grievance mechanisms
- Invasive Alien Species
- Genetically Modified Organisms/Living Modified
 Organisms/ synthetic biology
- Living Natural Resource management definition & overall requirements
- Biomass/biofuel
- Agriculture
- Fisheries/ aquaculture
- Forestry
- Supply chains
- Pollution, pesticide use & management
- Resource efficiency
- Climate change
- Health & safety
- Documentation & guidance

Findings from MFI Comparator Analysis Differences and Gaps in Scope and Coverage

- Baseline Some comparator MFIs have clearer requirements and guidelines, and definition of, biological baseline
- Critical Habitat Other MFIs have clearer scientifically-underpinned definitions of Critical Habitat and requirements for projects in Critical Habitat (including net gain)
- Protected and internationally-recognized areas Clear Inclusive definitions of protected and internationally-recognized areas
- Exclusions Some comparator MFIs now have exclusions of funding to projects in the most sensitive sites
- Mitigation Hierarchy and Offsets All MFIs follow the mitigation hierarchy, with some recognizing limits to offsetability that mean avoidance is essential
- Ecosystem Services Other MFIs have variable coverage but clear requirements for identification of ecosystem services, and their impact assessment is better defined





Existing MFI Practices For Further Consideration



- Separate Standard for biodiversity and sustainable natural resource management with supporting technical guidance
- Critical Habitat Clear, scientifically-underpinned definitions of critical habitat and clear requirements for projects in critical habitat (including net gain);
- Exclusions Consideration of exclusion of funding to projects in the most sensitive sites and inclusive definitions of protected and internationally-recognized areas;
- Ecosystem Services Clearer requirements for identification of ecosystem services and impact assessment requirements;
- **Biodiversity Assessment Requirements** Clearer requirements for, and definition of, biological baseline and guidance on biodiversity impact mitigation, management planning, and monitoring;
- Alien Invasive Species Stronger requirements for mitigating potential impacts of alien species;
- Living Natural Resources Clear requirements and guidance for projects involving management of living natural resources.

- Supply chains for natural resources as well as manufactured goods;
- Agricultural/natural resources businesses (including biomass/biofuel, forestry, aquaculture and fisheries);
- Protected areas downgrading, downsizing and degazettement (PADDD);
- Genetically Modified Organisms/Living Modified Organisms/synthetic biology;
- Quantification of ecosystem services; and
- Animal welfare and associated wildlife / human zoonotic disease interface
- Nature positive project outcomes











- I. The ADB SPS has gaps compared to other MFIs in most areas significant changes are necessary
- II. Other MFIs are increasingly aligned there are opportunities for convergence
- III. All reviewed MFIs except ADB & AIIB now have 8-10 sub-standards, including one focused on biodiversity & SNRM
 - ADB is considering developing a separate biodiversity & SNRM standard;
 - Proposed standard should link to the standards for integrated environmental and social assessment
 - ADB will need to supplement the policy with updated guidance material
- IV. ADB would like to improve practice through
 - Stronger language and more guidance on challenging issues such as associated facilities, indirect & cumulative impacts, offsets, monitoring
 - More quantitative impact assessment and monitoring
- V. Some biodiversity/SNRM-related issues will need to be addressed in overarching policy (e.g., exclusions)

We will be having a short break





Overall Questions



ADB

- I. Which aspects of peer biodiversity & SNRM policies should ADB support / continue to support?
- 2. Which aspects of peer biodiversity & SNRM policies do you think ADB should take a different approach on?
- 3. How could ADB better work with its clients (developing member countries and private sector) and civil society organizations (CSOs) on biodiversity and SNRM, including through early intervention and during implementation?

Session 3: Moderated Discussion

Moderator: Francesco Ricciardi, Senior Environment Specialist, Safeguards Division (SDSS)











Ist sequence – Open for statements and sharing of perspectives and recommendations (raised hands to speak)

2nd sequence – Questions sent in advance (through Zoom registration)

3rd sequence – Questions posted on the chat box and participants raising hands will be called in batches







- I. Recognizing that offsets have improved on the status quo in much of Asia, but that few have yet achieved goals, how can they be improved?
- 2. What tools/approaches are available to consider supply chains? How practical is supply chain certification in an Asian context?





From I (not effective) to 5 (highly effective), how would you rate the effectiveness of this consultation?

Quick written feedback via www.menti.com Please Click the link on the chat box:

Wrap Up and Synthesis

Bruce Dunn, Director, Safeguards Division





THANK YOU!

GET INVOLVED Please send us your feedback and suggestions https://www.adb.org/who-we-are/about/safeguard-policy-review WEBPAGE

https://www.facebook.com/ADBsafeguardreview FACEBOOK PAGE

> safeguardsupdate@adb.org E-MAIL



