

# Written Submission on Asian Development Bank's (ADB) September 2023 Draft Environmental and Social Framework (ESF)

Submission from Japan Center for a Sustainable Environment and  
Society

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## Recommendations on the Working Paper of ADB's Environmental and Social Framework ver.2\* (February 19, 2024)

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\*After CSO Consultations, the recommendations below may be modified.

### Environmental and Social Policy (E&S Policy)

Recommendations	Rationales
1. The sentence "ADB will not finance projects that do not comply with requirements on project preparation of Environmental and Social Policy (E&S Policy)" should be included in para 13 of E&S Policy.	<ul style="list-style-type: none"><li>• The 2009 Safeguards Policy Statements (SPS) states that "ADB will not finance projects that do not comply with its safeguard policy statement, (para 47)." The principle was removed from the Working Paper.</li><li>• Instead of the above principle, the Working Paper proposes that "ADB will only finance projects that are expected to meet the requirements of the ESSs in a manner and within a timeframe acceptable to ADB." However, there is no explanation in detail, especially which requirements the ADB complies with the ADB Board approval.</li></ul>
2. The following document names should be listed in para 49 of E&S policy as examples of documents which ADB is required to disclose prior to the ADB approval. The terms of exceptional cases on post the ADB approval disclosure should be limited/defined clearly in the same paragraph.  a. Environmental and Social Impact Assessment Report  b. Environmental and Social Audit Report  c. Environmental and Social Management Plan  d. Environmental and Social Management Framework  e. Environmental and Social Management System	<ul style="list-style-type: none"><li>• The 2009 SPS requires to "ADB will post the following safeguard documents on its website: (i) for environment category A projects, draft environmental impact assessment reports at least 120 days before Board consideration; (ii) draft environmental assessment and review framework, draft resettlement frameworks and/or plans, and draft Indigenous Peoples planning frameworks and/or plans before project appraisal."</li><li>• The Working Paper proposes that "ADB will disclose documents and information relating to the E&amp;S risks and impacts of High Risk, Substantial Risk, and Moderate Risk projects prior to project appraisal or final credit approval, unless such documents and information including assessment tools and management tools will be prepared by a borrower/client post-ADB approval of a project, as reflected in an ESCP/ESAP."</li><li>• However, it isn't clear whether the current level of disclosure is ensured or not.</li><li>• In order to fulfill the accountability and for transparency in an understandable way, also for clarifying the responsibilities of the ADB information disclosure in detail, explicitly describing which documents are available is necessary.</li></ul>

## Environmental and Social Standards (ESSs)

Recommendations	Rationales
<p>3. Objectives of the ESS 1 should include the following key components mentioned in the Policy Principles of the 2009 SPS:</p> <ol style="list-style-type: none"> <li>1.2 to identify potential direct, indirect, cumulative, and induced impacts and risks</li> <li>1.3 consider the no project alternative</li> <li>1.4 Prepare an environmental management plan (EMP)*</li> </ol> <p>*Regarding (c), Should include the “assessment tools”, and “management tools” including IPP instead of EMP in the Objectives of the ESS1.</p>	<ul style="list-style-type: none"> <li>Policy Principles of the 2009 SPS are requirements for equivalence and acceptability assessments of Country Safeguard Systems (CSS) (Para 68). On the other hand, the Working Paper proposes to use “objectives materially consistent with the ESSs” for compliance check at Common Approach for co-financing and use of Borrower's E&amp;S Systems (paras 17, 19 and 56).</li> <li>However, the terms, “to achieve objectives materially consistent with the ESSs” are not clear, particularly in which criteria and in which objectives. Therefore, at least all descriptions of the objectives of each ESS must include key components to ensure minimum safeguard standards to follow and also not to degrade with compared to the 2009 SPS.</li> </ul>
<p>4. Objectives of the ESS 5 should include the following key components mentioned in the Policy Principles of the 2009 SPS:</p> <ol style="list-style-type: none"> <li>2.3 “Improve, or at least restore, the livelihoods of all displaced persons through (i) <b>land-based resettlement strategies</b> when affected livelihoods are land based where possible or <b>cash compensation at replacement value for land when the loss of land does not undermine livelihoods</b>”</li> <li>2.7 “Ensure that <b>displaced persons without titles to land or any recognizable legal rights to land</b> are eligible for resettlement assistance and compensation for loss of nonland assets.”</li> <li>2.10 “<b>Include the full costs of resettlement in the presentation of project's costs and benefits.</b>”</li> <li>2.11 “<b>Pay compensation and provide other resettlement entitlements before physical or economic displacement.</b>”</li> </ol>	<ul style="list-style-type: none"> <li>See Rationale 3.</li> </ul>

<p>5. Objectives of the ESS6 should include the following key components mentioned in the Policy Principles of the 2009 SPS:</p> <p>a. 1.8 Do not implement project activities in areas of <b>critical habitats</b></p>	<ul style="list-style-type: none"> <li>• See rationale 3.</li> </ul>
<p>6. Objectives of the ESS10 should include the following key components mentioned in the Policy Principles of the 2009 SPS:</p> <p>a. 1.5 Ensure <b>women's* participation in consultation.</b></p> <p>b. 1.5 Involve and concerned <b>nongovernment organizations</b>, early in the project preparation process.</p> <p>c. 1.5 Establish a grievance redress mechanism to receive and facilitate resolution of the affected people's concerns and grievances regarding the project's environmental performance.</p> <p>* Regarding the introduction of "vulnerable people" into the Working Paper for the new ESF, it is not necessary to be described as "women".</p>	<ul style="list-style-type: none"> <li>• See rationale 3.</li> </ul>