

# **ADB's Safeguard Policy Statement: An Introduction**

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**ADB**

# Key Message

- ADB's environmental and social safeguards are a cornerstone of our support to inclusive economic growth and environmental sustainable growth
- We commit to the full implementation of the safeguard policy, and work with our borrowers and other stakeholders (including our consultants) to put the policy principles and requirements into practice

# Policy Update

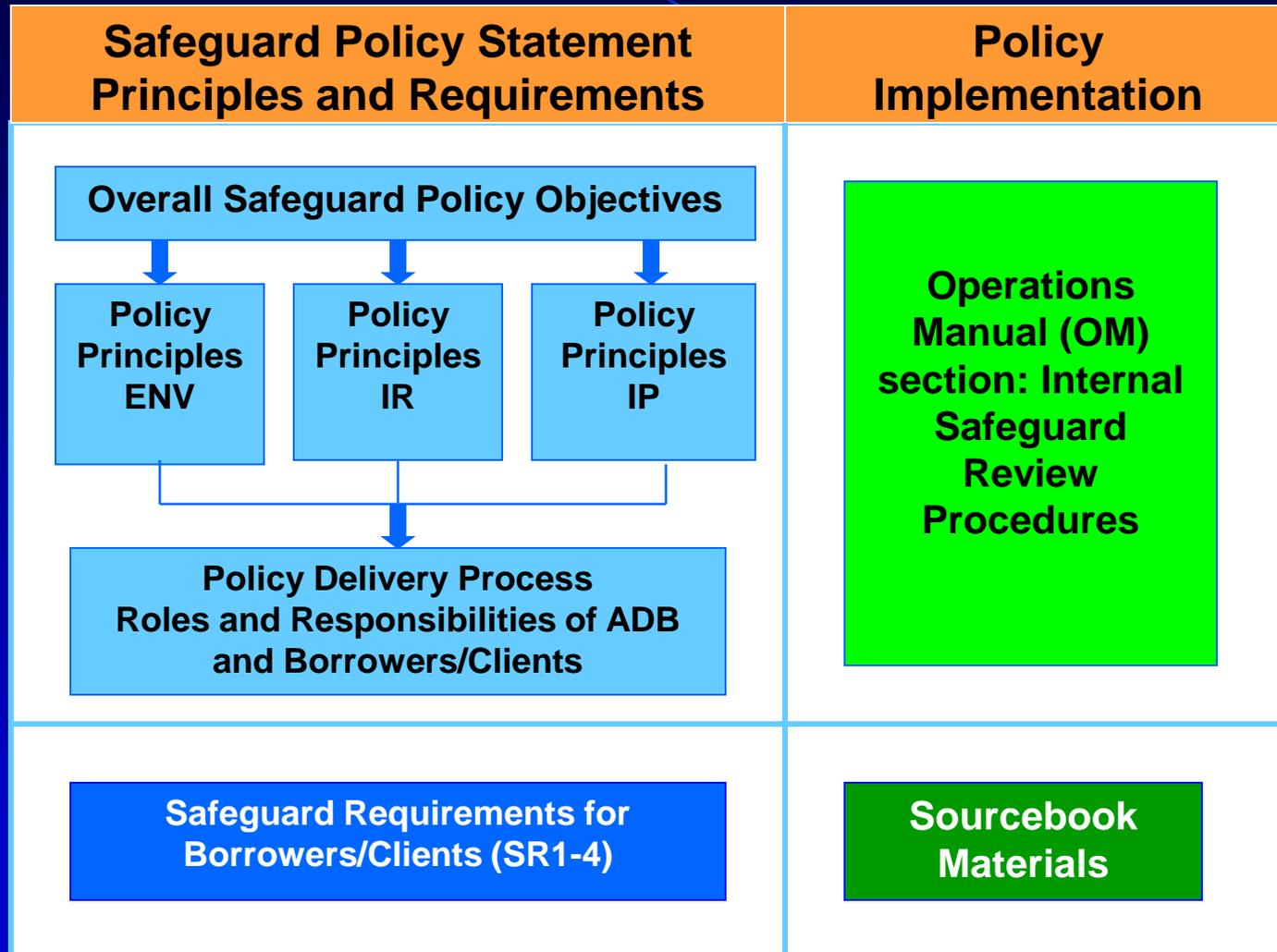
- Previous policies:
  - Environment Policy (2002)
  - Indigenous Peoples Policy (1998)
  - Involuntary Resettlement Policy (1995)
- The **Safeguard Policy Statement** was approved by the Board in July 2009 and became effective in January 2010

# Outline

- Policy Structure and Key Policy Features
- Policy objectives and scope of application
- Key Policy Requirements
- Policy Implementation

# Policy Structure and Key Policy Features

# Policy Structure



# Key Policy Features

- 3-in-1
- Ambiguities clarified
- Consistent with WB and IFC's approaches
- Requirements tailored appropriately to different financing modalities
- Strengthened monitoring and supervision
- Country Safeguard Systems (CSS)
- Emphasis on capacity development in DMCs

# Policy Objectives and Scope of Application

# Overarching Objectives of the SPS

- Avoid adverse impacts of projects on the environment and affected people, where possible;
- Minimize, mitigate, and/or compensate for adverse project impacts on the environment and affected people when avoidance is not possible; and
- Help borrowers/clients to strengthen their safeguard systems and develop the capacity to manage environmental and social risks.

# Scope of Application

- The safeguard policy statement applies to all ADB-financed and/or ADB-administered sovereign and non-sovereign projects, and their components regardless of the source of financing, including investment projects funded by a loan; and/or a grant; and/or other means, such as equity and/or guarantees

# Key Policy Requirements

# Common Policy Requirements

- Project Screening
- Impact assessment
- Planning/Management Plan (EMP,RP, IPP)
- Information Disclosure
- Meaningful Consultations
- Grievance Redress Mechanism
- Monitoring and Reporting

# Safeguard Requirements: Environment

- Biodiversity protection and sustainable natural resources management
- Pollution prevention and abatement
- Occupational and community health and safety
- Physical cultural resources

# Policy Scope and Trigger: Involuntary Resettlement

IR safeguards cover physical displacements (relocation, loss of residential land, or loss of shelter) and economic displacements (loss of land, assets, access to assets, income sources and means of livelihoods) as a result of (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas.

# Safeguard Requirements: Involuntary Resettlement

- Three types of displaced persons:
  - owners of land/assets with titles
  - land users with customary claims
  - occupiers without titles or customary claims
- Compensation
- Assistance
- Benefit sharing
- Negotiated land acquisition

# Safeguard Requirements: Indigenous Peoples

- Ascertaining consent of affected IP communities to three types of project activities *(The consent of affected IP communities refers to a collective expression by the affected IP communities, through individuals and/or their recognized representatives, of broad community support for such project activities. Broad community support may exist even if some individuals or groups object to the project activities.)*
- Avoidance of restricted access to and displacement from protected areas
- Preparation of an Action Plan for legal recognition of customary rights

# Strengthening and Use of Country Safeguard Systems (CSS)

ADB may consider the application of CSS at national, sub-national, sector, or agency level, provided that

- the CSS is equivalent to ADB's, that is, the CSS has the same objectives and adheres to the policy scope, triggers, and applicable principles set out in this SPS (pages 16-18); and
- the borrower has the acceptable implementation practice, track record, and capacity.

# ADB's Roles and Responsibilities

- Screening and categorizing projects
- Advising borrowers/clients about ADB's SPS requirements
- Determining the feasibility of ADB financing
  - due diligence and review
- Helping the borrower/client in capacity building
- Monitoring and supervision
- Disclosing information
- Ensuring compliance with legal agreements

# Roles and Obligations of Borrowers/Clients

Delivering policy principles and meeting the requirements specified in Appendix 1-6

- Assessing project impacts
- Engaging affected persons and communities
- Preparing and implementing safeguard plans
- Monitoring and reporting
- Complying with host country laws regulations and ADB's requirements

# Policy Implementation

# Implementation: Roll-out 2010/2011

- Internal and external briefing/training
- Development of safeguard implementation notes and sourcebooks
- Translation and dissemination
- Technical assistance for the strengthening and use of country safeguard systems
- ADB's WPBF 2010 – 2012, 38 new positions (safeguard specialists)

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# Thank You

For more information, please visit:

<http://www.adb.org/Safeguards>