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ADB Safeguard Policy Review and Update: Environmental and Social Impacts and Risk Assessment

REGIONAL CONSULTATIONS

21-23 March 2022



SAFEGUARD
POLICY REVIEW
AND UPDATE

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Gentle Reminders



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Please introduce yourself in the meeting chat box by typing in your **NAME, DESIGNATION**, and **ORGANIZATION**.

- ✓ If possible, join from a quiet, distraction-free area
- ✓ Ensure your audio and video are working
- ✓ Put your microphone on mute when you are not speaking
- ✓ Virtually raise your hand on the Zoom feature to raise a point or question
- ✓ Be respectful to other joining participants
- ✓ Be conscious of time as per the agreed agenda

Simultaneous interpretations available!

Penerjemahan Simultan tersedia!

提供同声传译服务!

មានផ្តល់ការបកប្រែប្រដេញ!

ທ່ານສາມາດຮັບຟັງການແປເປັນພາສາຂອງທ່ານໄດ້!

Chúng tôi cung cấp phiên dịch đồng thời!



1



Please click on the Interpretation button at the Zoom bar on the bottom of your screen.

Silakan klik tombol Interpretation pada fitur Zoom di bagian bawah layar Anda.

请点击屏幕底部Zoom工具栏上的**传译**按钮。

សូមចុចលើប៊ូតុងបកប្រែសញ្ញារូបផែនដី នៅផ្នែកខាងក្រោមអេក្រងរបស់លោកអ្នក។

ກາລຸນາກົດປຸ່ມເພື່ອຮັບຟັງການແປພາສາຜ່ານລະບົບ Zoom ທີ່ຢູ່ທາງຂ້າງລຸ່ມຫນ້າຈໍຂອງທ່ານ

Đề nghị nhấp chuột vào nút phiên dịch (Interpretation) trên thanh công cụ Zoom ở phía dưới màn hình của bạn.

2

Languages available:

Bahasa yang tersedia:

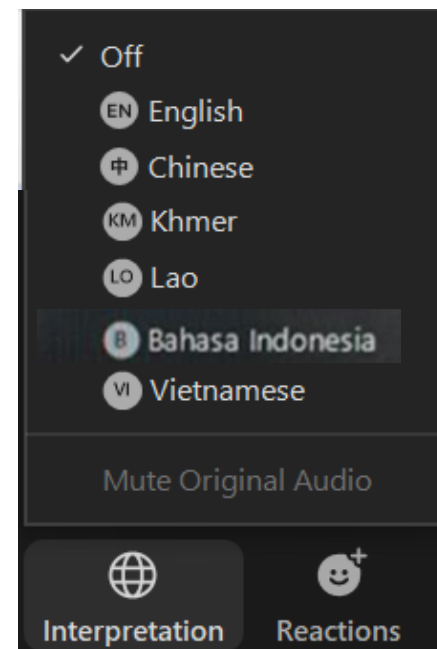
语言服务:

ភាសាដែលមាន:

ພາສາທີ່ສາມາດເລືອກຮັບຟັງໄດ້:

Ngôn ngữ sử dụng:

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



Simultaneous interpretations available!

समकालीन भाषांतरण उपलब्ध है!

رواں ترجمے کے لئے دستاب زبانیں

Осуществляется синхронный перевод!



1



Please click on the Interpretation button at the Zoom bar on the bottom of your screen.

कृपया ज़ूम बार के इंटरप्रिटेशन (Interpretation) बटन पर क्लिक करें जो आपके स्क्रीन के निचले भाग में है।

اپنی سکرین کے بالکل نیچے زوم کی بار پر گلوب کی تصویر والے انٹریپرٹیشن یعنی ترجمہ کے بٹن پر کلک کریں۔

Нажмите на кнопку «Перевод» внизу экрана.

2

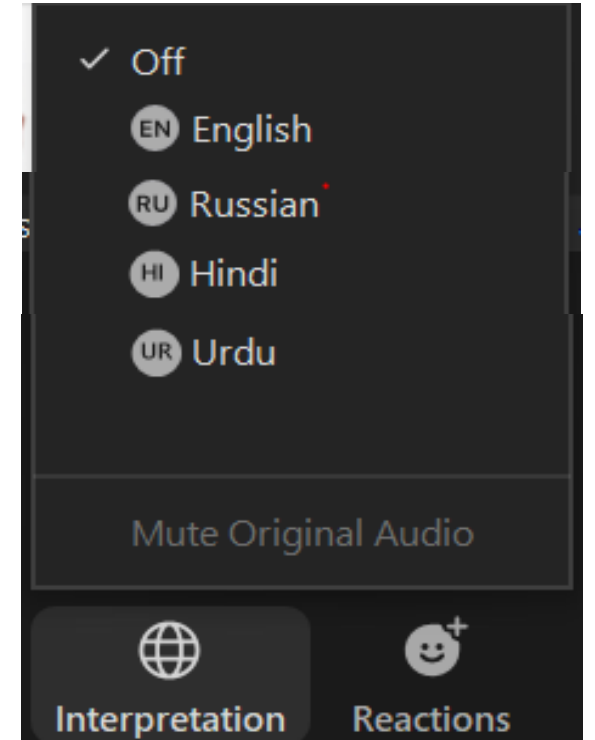
Languages available:

उपलब्ध भाषाएं:

دستیاب زبانیں

Выбор языка:

- **Hindi**
हिंदी
- **Urdu**
اردو
- **Russian**
Русский язык

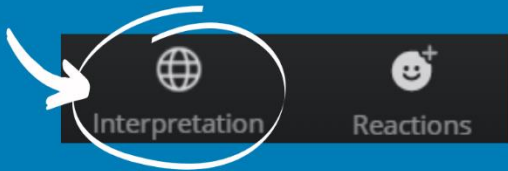




HOW TO LISTEN TO INTERPRETATIONS

1

Click on the Interpretation button at the bottom of your Zoom screen.

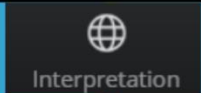


2

Select your preferred language among the list of available interpretations.



Click Mute Original Audio to mute the English audio.



3

CHANGING YOUR NAME ON ZOOM

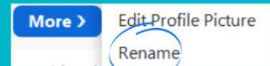
1

Click on the Participants button at the bottom of your Zoom screen



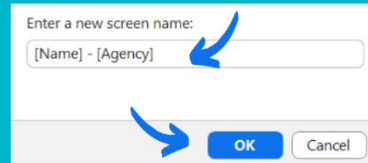
2

On the right hand of your screen, look for your name. Click on the More button on the right side of your name.



3

Click on the Rename button, type in your Name and Agency, then click OK.

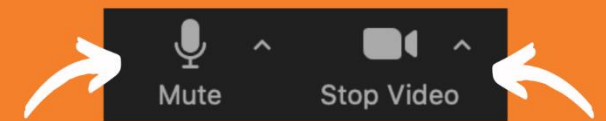
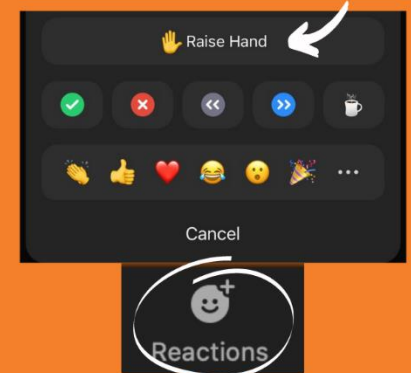


USING ZOOM BUTTONS



Send a message, question or feedback by clicking the chat button.

To comment or raise a question live in the language you prefer, click on the smile icon (Reactions button), and then click on Raise Hand.



To speak and unmute yourself, click on the microphone icon.

To show your video, click on the video icon.





The Safeguard Policy Review and Update Phase 2 consultations provide opportunities for stakeholders to express their views and opinions on ADB's environmental and social safeguards in the most meaningful and safest manner possible.

All stakeholders are encouraged to articulate their inputs and concerns during these consultation sessions. By joining these sessions (and as noted in paragraph 47 of the Stakeholder Engagement Plan) stakeholders are consenting to the video and audio recording of these consultations and their subsequent release. Consultation summaries will also be prepared and publicly disclosed. This will ensure the accuracy and transparency of proceedings.

Stakeholders wishing to exclude themselves from such recordings are asked to contact the Safeguards Policy Review and Update Secretariat on safeguardsupdate@adb.org within 2 weeks of this session with their exceptions and exclusions.

Restatement of ADB's Commitment to Meaningful Consultations



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The recordings and documentation allow the ADB to review, consider and respond to, if necessary, any comments and inputs made. Background materials on the thematic areas have been released in preparation for the consultations and dialogues.

All types of feedback are welcome. These will not be used for the purposes of retaliation, abuse, or any other kind of discrimination.

If you have any issues or concerns on the disclosure, recording, confidentiality, potential risks, abuse, or any kind of discrimination during the course of the consultations, or wish to exclude yourself from the recording of events and discussions, please get in touch with the Secretariat through safeguardsupdate@adb.org.

AGENDA



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1. Introduction (5 mins)

Azim Manji, Session Moderator and SPRU Stakeholder Engagement Team Leader

2. Welcome Remarks (10 mins)

Bruce Dunn, Director Safeguards Division (SDSS), Sustainable Development and Climate Change Department (SDCC)

3. Session 1: Study of Environmental and Social Risk Assessment and Management (30 mins)

Reidar Kvam, ADB Advisor

4. Break (5 min)

5. Session 2: Introduction to Question and Answer Session (5 mins)

Zehra Abbas, Principal Environment Specialist, Safeguards Division (SDSS), Sustainable Development and Climate Change Department (SDCC)

6. Session 3: Moderated Discussion (70 mins)

Felix Nii Tettey Oku, Senior Social Development Specialist, Safeguards Division (SDSS), Sustainable Development and Climate Change Department (SDCC)

7. Event Evaluation (5 mins)

8. Wrap up (5 mins)

Bruce Dunn, Director Safeguards Division (SDSS), Sustainable Development and Climate Change Department (SDCC)

Welcome Remarks

Bruce Dunn, Director Safeguards Division (SDSS) , Sustainable Development and Climate Change Department (SDCC)



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Session I: Study on Environmental and Social Risk Assessment

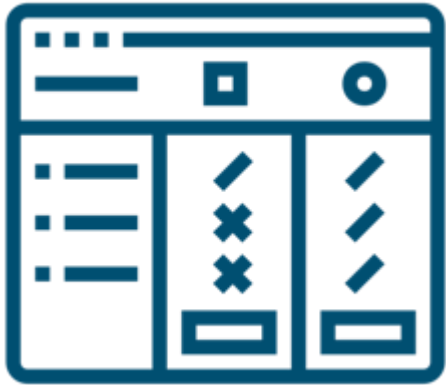
Reidar Kvam, Lead Advisor and Consultant to ADB



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Purpose, Scope, and Methodology of Study



- Comparison of ADB's 2009 SPS risk management framework with international good practice among MFIs
- Identification of gaps
- Proposal of ways in which ADB can incorporate current and emerging good practice related to risk assessment and management
- Based on rapid desk study of publicly available information

Comparator Institutions' Frameworks



- AIIB (2016, updated 2019, 2021)
- World Bank (2018)
- IFC (2012)
- EBRD (2019)
- IDB (2020)
- IDB Invest (2020)

Emerging Good Practice and Areas of Focus



- Integrated and balanced environmental and social assessment process
- Greater attention to stakeholder engagement
- Comprehensive and informed risk management system
- Greater clarity on roles and responsibilities lender / client
- Emphasis on implementation outcomes and results, requiring monitoring and adaptive management
- Four-tier dynamic risk categorization (High, Substantial, Moderate, Low)
- Judgment, flexibility, and sequencing of actions
- Effort and requirements proportionate to project risk, scale, and complexity

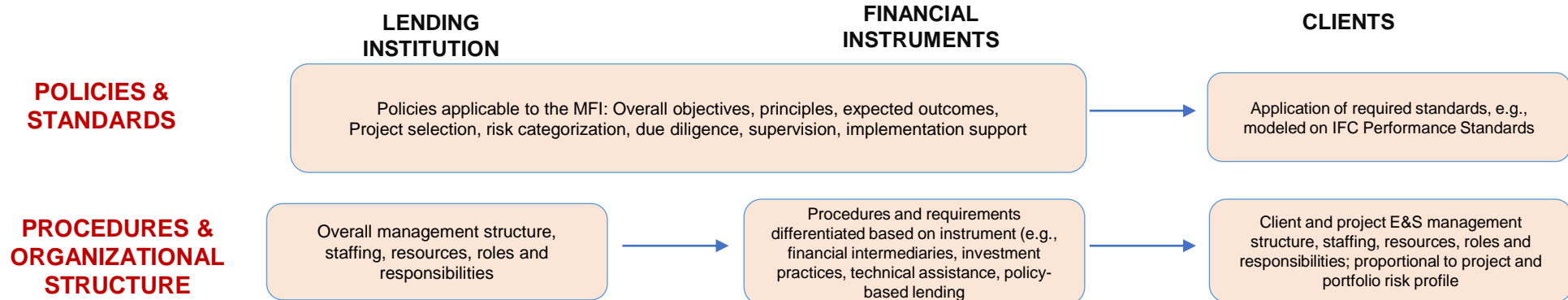
Convergence among MFIs on Policy Architecture

ASPIRATIONAL, NON-MANDATORY

GOALS

Sustainable Development
(SDGs, other goals, social and environmental development opportunities)

MANDATORY REQUIREMENTS



NON-MANDATORY GUIDANCE

GUIDANCE, TOOLS, GOOD PRACTICE

Guidance notes to Standards; good practice notes and handbooks; other tools such as model Terms of Reference, recorded webinars, knowledge and learning materials



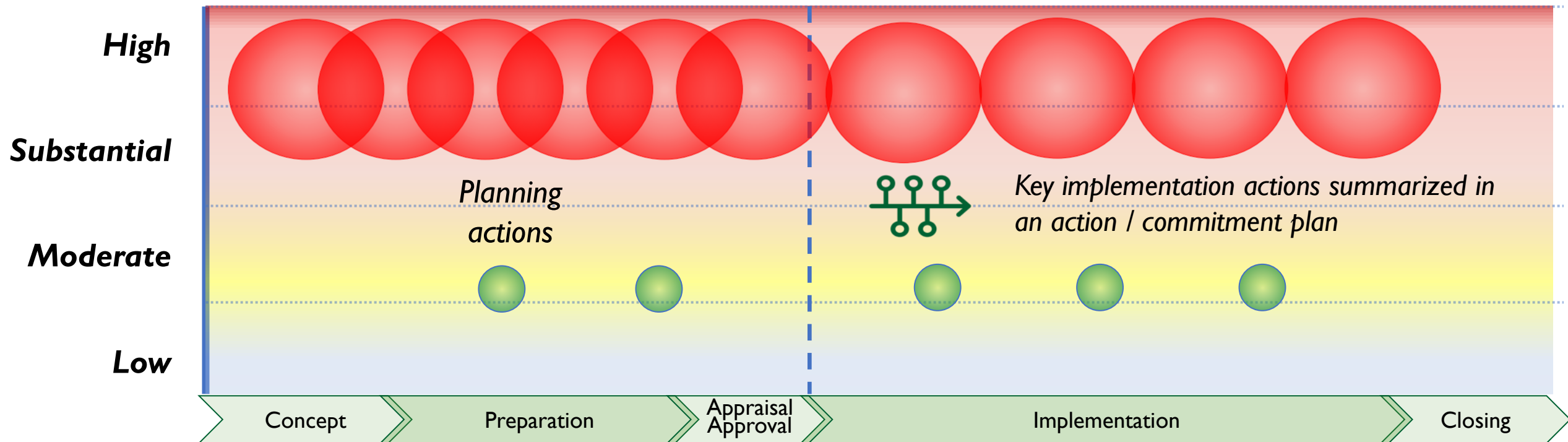
1. **Direct and indirect** adverse impacts a project may cause or contribute to
2. **Inherent** risk factors in different sectors
3. **Vulnerability and sensitivity** in the operating environment, e.g.
 - Biodiversity and natural habitats, resource depletion, natural disasters and climate related events
 - Presence of vulnerable or disadvantaged groups, e.g., based on gender, ethnicity, disability, age, other factors
4. **Contextual** risk factors, e.g., fragility, conflict, and violence; governance and corruption; association with third party risks; human rights issues
5. **Performance** related risk: Management systems, capacity, resources, commitment

Effort and Sequencing Proportionate to Risk



Project Risk Levels

Higher risk projects require more, both during preparation and implementation



Studies, Plans, Mitigation Measures During Implementation

- During project preparation, risk assessment process will inform the risk classification and the scope and range of the assessments required to complete the ESIA process.
- Proportionate to their risk, some studies and plans may be undertaken at different times, during implementation coordinated with other project components and reflected in management decisions
- Some examples may include updating and finalization of studies like:
 - Finalization of biodiversity assessment
 - Updating of Stakeholder Engagement Plan and ongoing stakeholder consultations
 - Site-specific Resettlement Action Plans, RAPs, based on overall Resettlement Management Framework and following final engineering designs
- Risk assessment and management also informs monitoring and reporting requirements across the project cycle



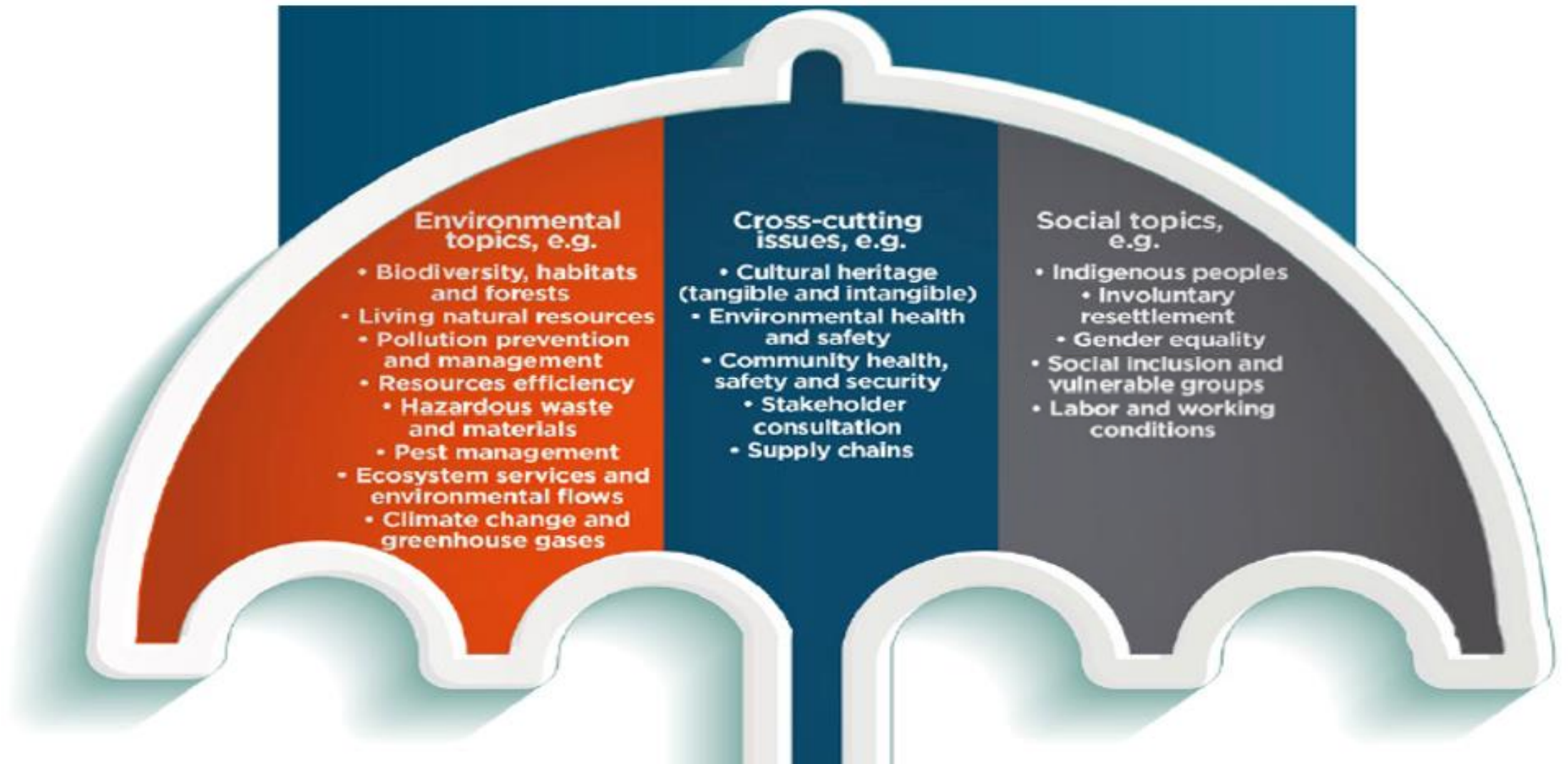
Preparation

Approval

Implementation

Closing

Integrated Environmental and Social Assessment Process

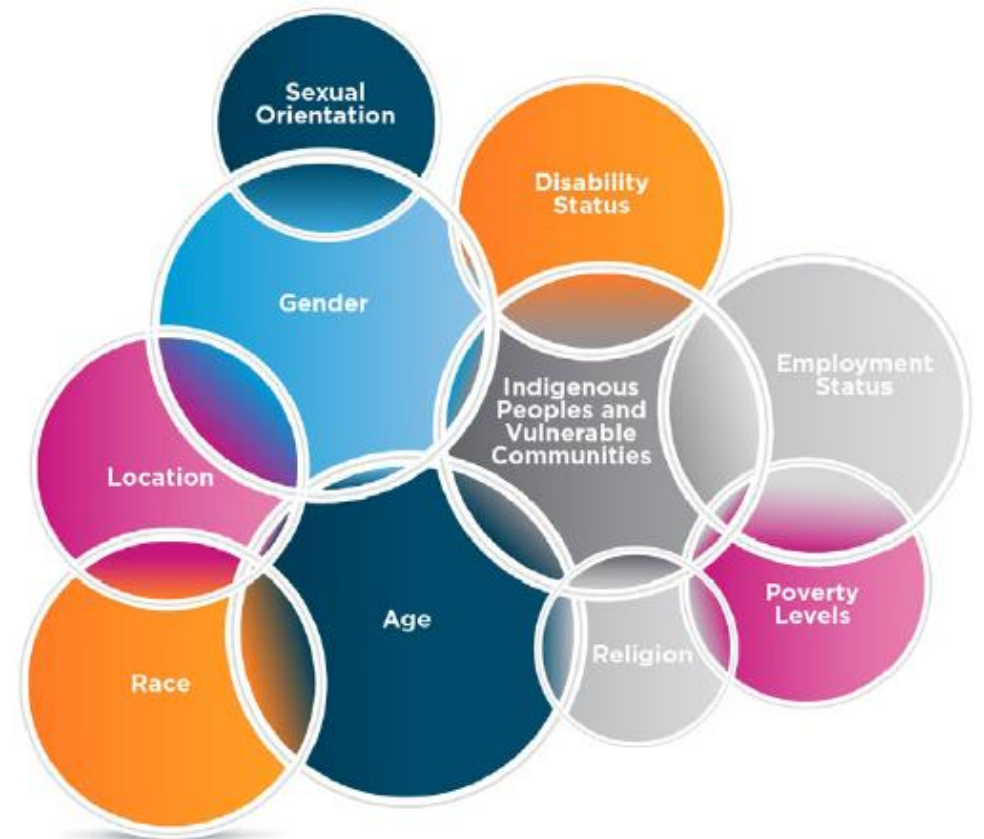


Vulnerable and Disadvantaged Groups

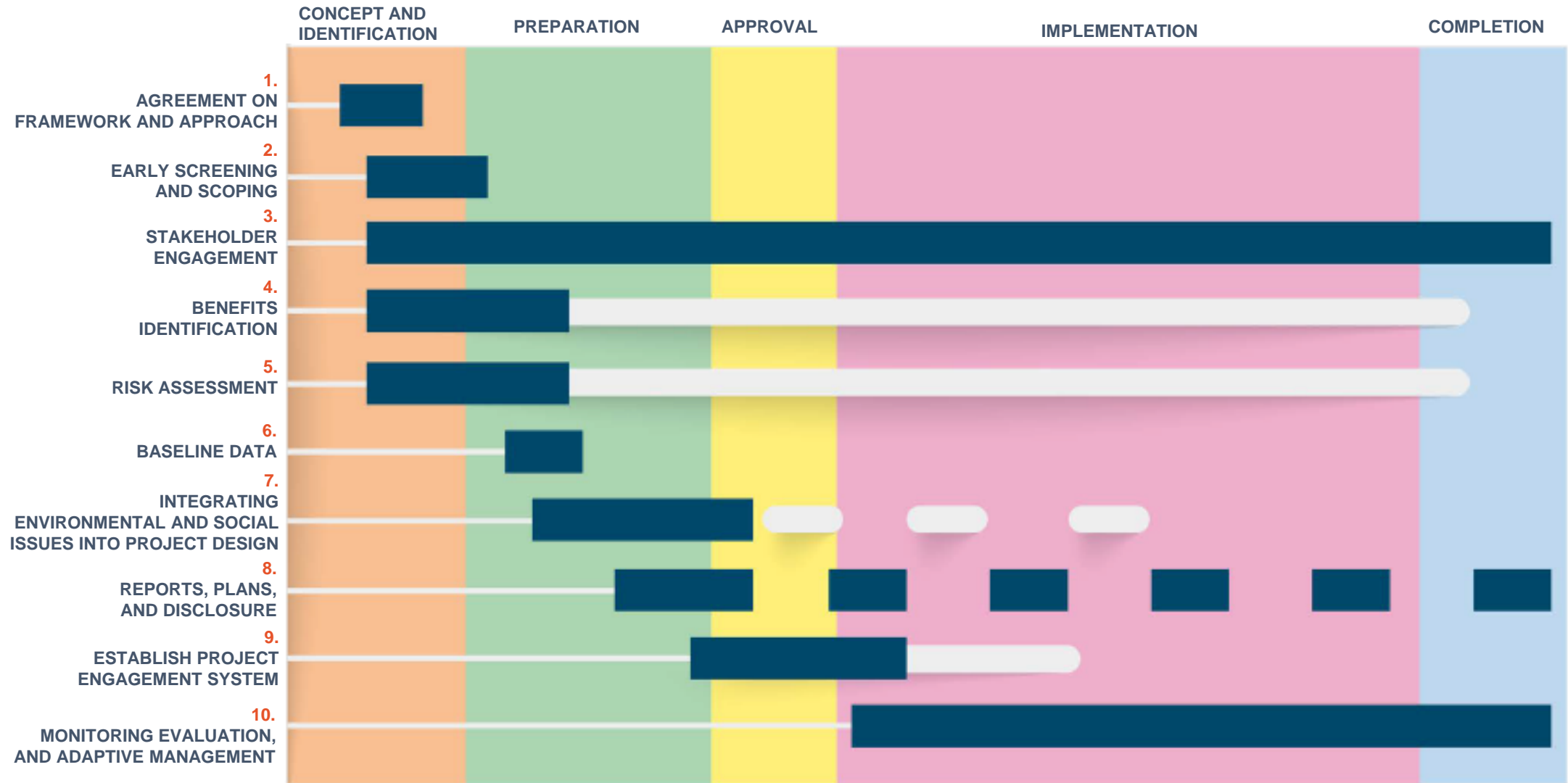


1. May be disproportionately affected by project-related **adverse impacts**
2. Social exclusion and other factors may prevent them from accessing project **benefits**
3. May have less ability to participate in **consultation processes** or to have their concerns heard
4. How can development opportunities be targeted to benefit vulnerable and disadvantaged groups?

INTERSECTIONALITY: MULTIPLE SOURCES OF VULNERABILITY



Assessing and Managing Environmental and Social Issues in a Project Cycle



Issues for Consideration for the SPS Update



1. Adoption of an integrated framework balancing environmental and social factors
2. Definition of risk assessment and management as an iterative and ongoing process involving analysis, stakeholder engagement, and integration of environmental and social considerations in management decisions
3. Better targeting on gender, disadvantaged and vulnerable groups
4. Identification of different risk categories and how they influence each other
5. Adoption of an environmental and social assessment process as ongoing throughout a project's lifetime
6. Balancing pre-approval actions with actions during implementation
7. Requirements, effort, and resources proportional to a project's risk, scale, and complexity

We will be having a short break



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Guide Questions for Discussion

Time remaining for the break

05:00



- **Assessing and managing risks.** How can environmental and social risk and impact assessment processes be strengthened? What are the key challenges?
- **Managing contextual risks.** How should contextual risks (e.g. governance, fragility, conflict and security risks) and client capacity be better considered to ensure project performance?
- **Strengthening inclusion and addressing vulnerabilities.** How can we improve the assessment and management of risks for vulnerable and disadvantaged groups?
- **Increasing focus on implementation outcomes.** What should be the considerations for balancing pre-project approval requirements, with certain actions that can be undertaken later during project implementation?

Session II: Introduction to Question and Answer Session

Zehra Abbas, Principal Environmental Specialist, Safeguards Division (SDSS),
Sustainable Development and Climate Change Department (SDCC)



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Risk Assessment Approach

Next Steps

Integrated Risk Based Classification

- Align the Risk Assessment approach with comparator MFIs and identify areas for strengthening related ADB procedures and guidance
- ADB is considering an integrated risk-based classification system - one integrated categorization across all safeguard standards with consideration of contextual risks and borrowers' implementation capacity.
- The policy provisions will be revised for screening, categorization, and assessment of project impacts to incorporate an approach that considers the interlinkages between social and environmental impacts and risks supported by additional guidance.

Strengthening Integrated Social and Environmental Impact Assessment

- Continued application of the mitigation hierarchy, with a priority for avoidance.
- Requirements for more integrated social and environmental impacts assessment, supported by guidance.
- Strengthen the ESIA process, including climate risks and focusing more attention to gender, vulnerable and disadvantaged groups

Risk Management Approach

Next Steps

- **Adaptive Risk Management**
 - To ensure the delivery of safeguards outcomes ADB will focus on strengthening project implementation and supervision.
 - To implement the risk management approach ADB will follow the principle of adaptive management and ADB will provide guidance on how to balance pre-project approval requirements with actions that can be undertaken based on the level of risk during project implementation.
 - Integrate Environmental and Social Commitment Plans into legal agreements.
- **Strengthening ADB Safeguards Oversight**
 - Additional ADB staff for new policy areas and some technical areas (eg labor, biodiversity, health and safety)
 - Increased safeguards oversight, staffing and allocation of resources based on risk and performance
 - Strengthening safeguards tracking and monitoring systems and strengthen project performance monitoring systems
- **Capacity Building of Borrower and ADB Staff**
 - Policy Implementation Action Plan for building borrower and staff capacity and establishing strategic partnerships
 - Preparation of policy guidance, good practice notes and tools

- **Assessing and managing risks.** How can environmental and social risk and impact assessment processes be strengthened? What are the key challenges?
- **Managing contextual risks.** How should contextual risks (e.g. governance, fragility, conflict and security risks) and client capacity be better considered to ensure project performance?
- **Strengthening inclusion and addressing vulnerabilities.** How can we improve the assessment and management of risks for vulnerable and disadvantaged groups?
- **Increasing focus on implementation outcomes.** What should be the considerations for balancing pre-project approval requirements, with certain actions that can be undertaken later during project implementation?

Session III: Moderated Discussion

Felix Nii Tettey Oku, Senior Social Development Specialist, Safeguards Division (SDSS), Sustainable Development and Climate Change Department (SDCC)



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Moderated Discussion Forum (70 mins)

- Please raise your hand or type your questions and comments in the chat box.
- Anonymous comments can be sent to the session moderator if preferred.

Sequence for Q&A



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1st 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

- **Assessing and managing risks.** How can environmental and social risk and impact assessment processes be strengthened? What are the key challenges?
- **Managing contextual risks.** How should contextual risks (e.g. governance, fragility, conflict and security risks) and client capacity be better considered to ensure project performance?
- **Strengthening inclusion and addressing vulnerabilities.** How can we improve the assessment and management of risks for vulnerable and disadvantaged groups?
- **Increasing focus on implementation outcomes.** What should be the considerations for balancing pre-project approval requirements, with certain actions that can be undertaken later during project implementation?

Quick Poll



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Please rate your satisfaction with today's session:

- 5** – Highly satisfied
- 4** – Somewhat satisfied
- 3** – Neutral
- 2** - Somewhat dissatisfied
- 1** – Very dissatisfied

Quick written feedback via www.menti.com

Please Click the link on the chat box.

Wrap Up and Synthesis

Bruce Dunn, Director Safeguards Division (SDSS) , Sustainable Development and Climate Change Department (SDCC)



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THANK YOU!

GET
INVOLVED

Please send us
your feedback and
suggestions



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