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# ADB Safeguard Policy Review and Update: Implementing Safeguards in Fragile and Conflict-Affected Situations and Small Island Developing States

## REGIONAL CONSULTATIONS

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29, 31 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.**

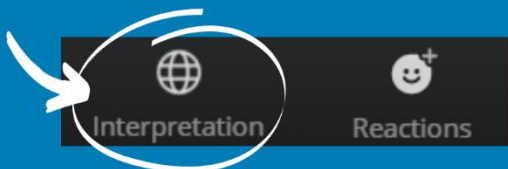
- ✓ If possible, join from a quiet, distraction-free area
- ✓ Ensure your audio and video are working
- ✓ Put your microphone on mute when you are not speaking
- ✓ Virtually raise your hand on the Zoom feature to raise a point or question
- ✓ Be respectful to other participants
- ✓ Be conscious of time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



## 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

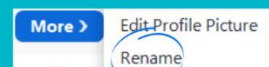
1

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



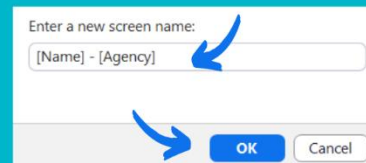
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On the right hand of your screen, look for your name. Click on the More button on the right side of your name.



3

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

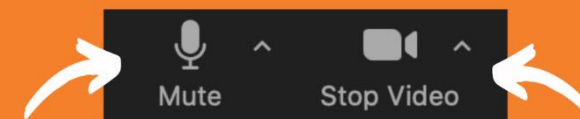
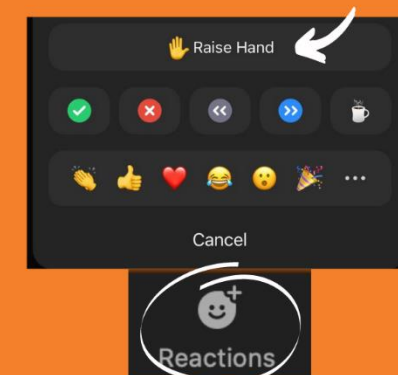


## USING ZOOM BUTTONS



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. ADB will prepare consultation summaries disclose them publicly. 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 at [safeguardsupdate@adb.org](mailto:safeguardsupdate@adb.org) within 2 weeks of this session to share their exceptions and exclusions.



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 consultations, or wish to exclude yourself from the recording of events and discussions, please contact the Secretariat at [safeguardsupdate@adb.org](mailto: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 (5 mins)

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

## 3. Session 1: Analytical study on Safeguards in FCAS and SIDS (20 mins)

- (i) **FCAS and SIDS in ADB**, Rosalind McKenzie, Principal Operations Coordination Specialist (PARD)
- (ii) **Safeguards requirements for FCAS and SIDS and Shared Approach**, Jean Williams, Principal, Environment Specialist (PARD)
- (iii) **Benchmarking findings and key recommendations**, Irina Novikova, Principal Social Development Specialist (SDCC)

## 4. Break (5 min)

## 5. Session 2: Moderated Discussion (75 mins)

Cindy Bryson, Social Development Specialist (PARD) / Taniela Faletau, Safeguards Specialist (PARD)

## 6. Event Evaluation (5 mins)

## 7. Wrap up (5 mins)

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

# Welcome Remarks

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



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# **Session I: Analytical Study on Safeguards in FCAS and SIDS**



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# Fragile and Conflict-Affected Situations and Small Island Developing States



**Geographic challenges**

**High vulnerability to natural hazard and climate change**

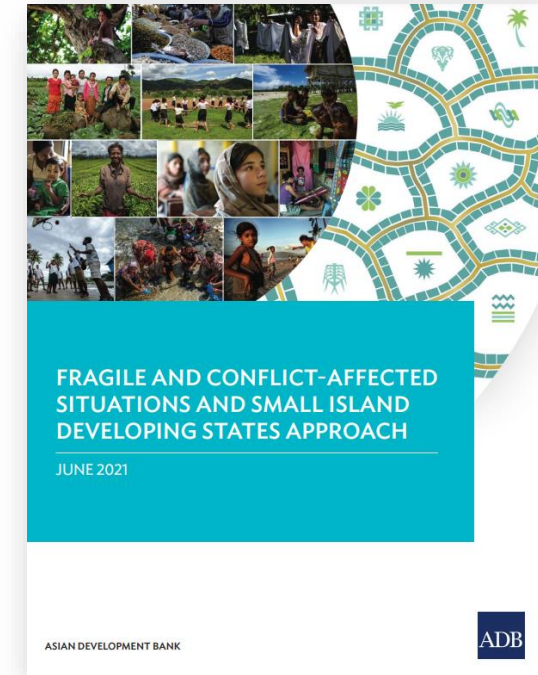
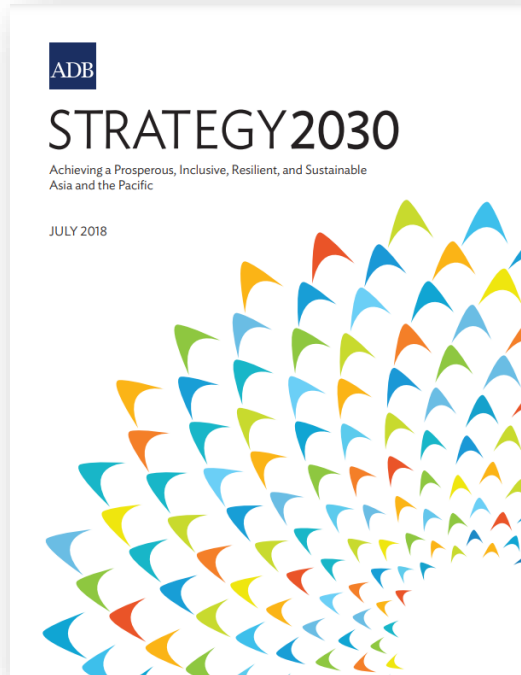
**Concentrated economies; vulnerable to exogenous shock**

**Political instability and/or conflict**

**Weak governance, social and infra service provision**

# ADB Strengthened Response to FCAS and SIDS

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- **Differentiated approaches for FCAS and SIDS**

- Tailored business approaches
- Strengthen human resources
- Predictable long-term financing

- **Building a resilient Pacific**

- Prepare for and respond to shocks
- Deliver quality sustainable services
- Support inclusive growth

- **Improve responsiveness of ADB standard process, procedure**

- **Increase institutional capacity**
- **Enhance context-specific understanding of DMCs**

# Safeguards Requirements and FCAS + SIDS



- ADB Safeguard Policy Statement (SPS) has limited tailoring for FCAS and SIDS
- Approach for conflict-affected situations included as emergency assistance
- Social dimensions require identification of social risks related to political instability, conflict and fragility
- ADB's Independent Evaluation Department (IED) 2020 study specifically identified:
  - Safeguards implementation in FCAS + SIDS countries “less than satisfactory” in terms of quality of project preparation, implementation, and supervision support
  - Key challenges = screening and categorization, safeguards reporting, disclosure and consultations, and lack of adaptation of processes to country contexts beyond the use of the framework/emergency approach
  - Need to adapt to face challenges related to weak governance and limited safeguards implementation capacity
  - Need for higher levels of support from ADB for country systems (safeguards, procurement, financial management) and operational skills

# A Shared Approach for Management of Environmental and Social Risks and Impacts

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Multiple donors....all in furious agreement and best intentions



Layers of “same-same; but different” policies



Small governments and micro-PMUs

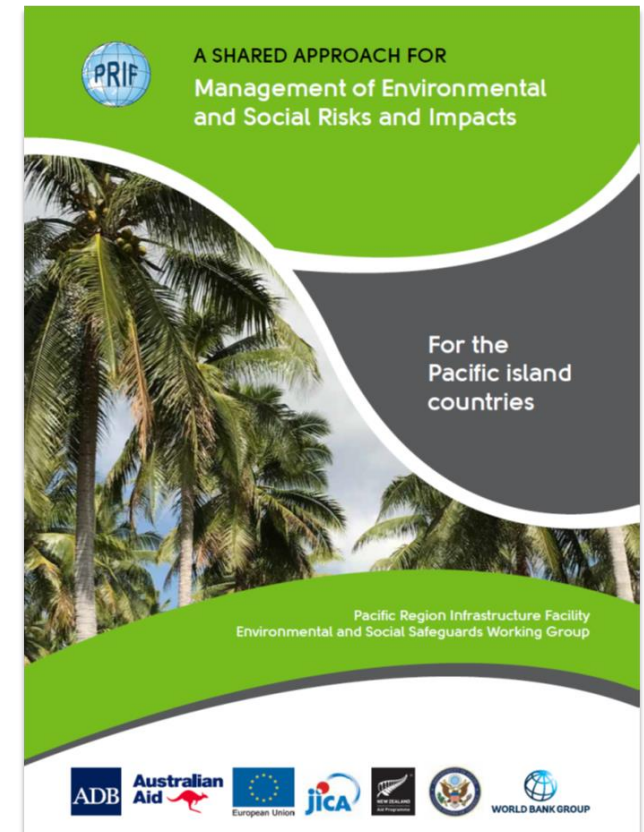


Building a process for “capacity sharing”



Use what we already have

## The “Backstory”

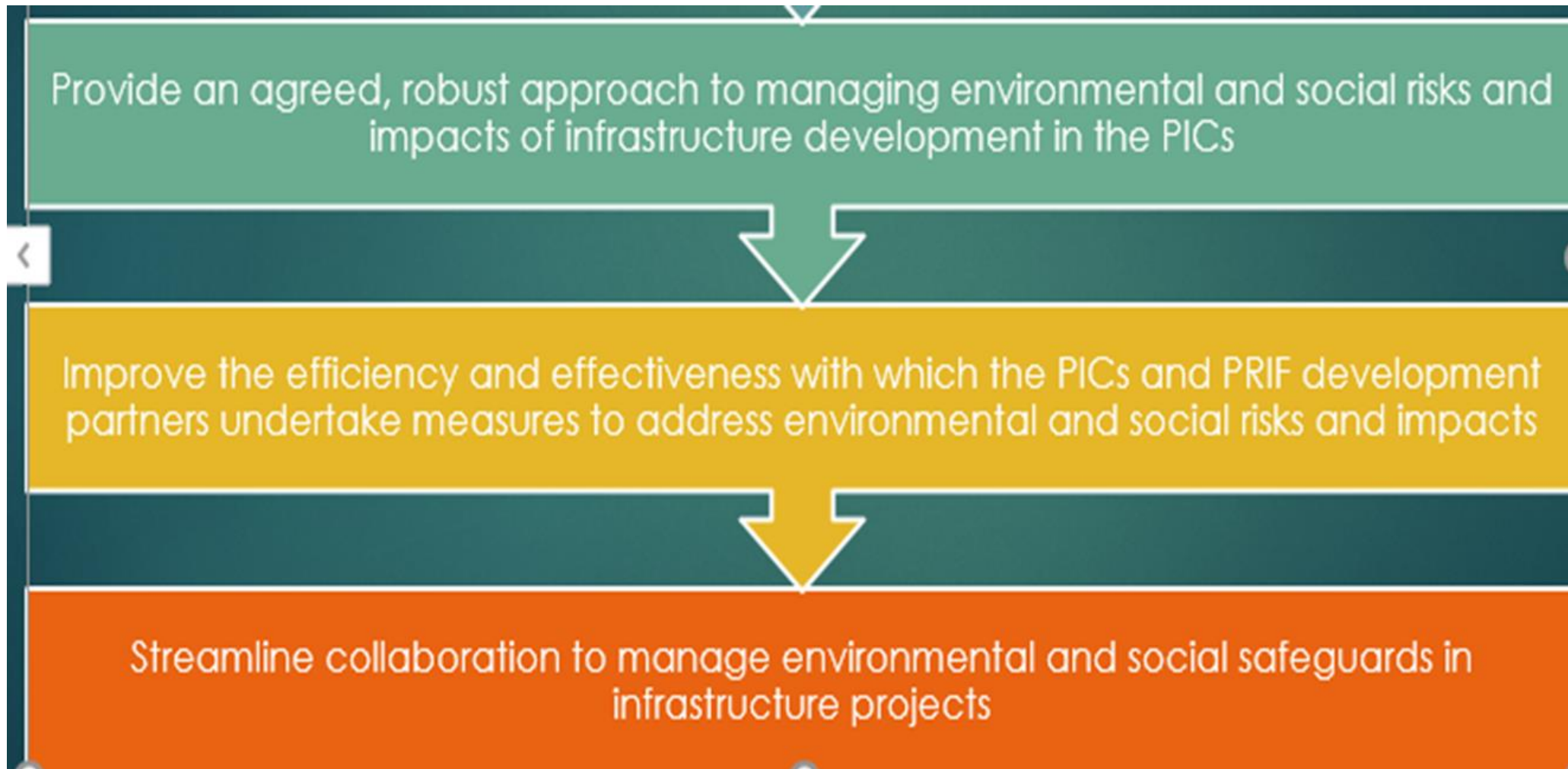


# How to address the challenges?



- VVB prepared “simplified procedures” (templates and instruments) - very worthwhile but VVB-focused
- What was needed was a project delivery management tool, a “front of house” tool rather than something that was project ‘preparation’ driven
- PRIF - coordinating mechanism established in 2008 - to provide technical assistance, research and knowledge products on key infrastructure issues
- Established the Env. and Social Safeguards Working Group (ESSWG) for PRIF partner safeguard experts to share knowledge and best practice, and work collaboratively to build capacity for improved safeguard implementation
- The ESSWG developed the “Shared Approach” 2015 – 2019
- Early drafts benefitted from detailed review by ADB, DFAT, JICA, World Bank and US Dept of State

# Purpose of Shared Approach



# Objectives of the Shared Approach



- **Use methods and procedures** - to develop and implement a common set of methods and procedures to identify and assess potential risks and impacts, devise appropriate mitigation measures, and monitor the effectiveness of their implementation in projects supported by PRIF development partners;
- **Support CSS** - to provide coordinated assistance to strengthen and improve CSS and implementation of CSS in the PICs; and
- **Share knowledge** - to share knowledge and good practice, and work collaboratively to build institutional and technical capacity for improved environmental and social safeguard implementation throughout the PICs. Linked to other platforms and initiatives such as PLP.

# Features of the Shared Approach



Shared Approach recognizes three closely linked factors that influence the effectiveness, and consequences, of development activities in the Pacific:

- The scarcity of, and deep attachment to, land and natural resources
- The importance of traditional leadership and decision-making practices
- The importance of community in designing and implementing development projects

**4 annexes have been developed to recognize these special issues:** Land: A Special Approach in the Pacific; Stakeholder Engagement: Consultation, Disclosure and Grievance Redress; Indigenous Communities in the Pacific Context; and Special Issues for Contractors in the Pacific.

# Benefits of the Shared Approach



- The PICs will benefit from application of the Shared Approach in the following ways:
- More efficient and effective project delivery by applying GIIP to the unique conditions in the PICs
- Use of a “common” lexicon and terminology for tools and instruments as well as common procedures /processes
- An improved counterpart understanding of development partner processes through adoption of common methods and procedures
- Strengthens and assist the PICs to apply their own CSS

# Summary – what it is and what it isn't



Shared Approach is an agreement to use common approaches, terminologies and procedures more firmly based in country systems.

Has been approved for use by PRIF development partners.

It is **not**:

- An alternate safeguard policy
- A substitution of development partners' policies
- A modification of, or amendment to, existing development partners' policies

# Analytical Study Methodology and Processes:



## Analytical Study Objective:

- Study objective is to provide informed recommendations for the update of requirements related to FCAS and SIDS contexts

## Analytical Study Methodology:

- Desk based document review - IED Report, FSA, Pacific Approach, and Shared Approach
- Benchmarking with other MFI policies - Comparative analysis with EBRD, IFC, IDB, World Bank
- Stakeholder consultations and workshops - ADB staff, developing member countries (DMCs), Private Sector clients and organizations, civil society organisations.

# Findings of Benchmarking of Safeguard Requirements in MFIs Applicable to FCAS and SIDS



## Integrated Environmental and Social Impact Assessment (Standard I)

- MFIs have experienced a general shift towards assessment of contextual risk factors, including those related to conflict and fragility,
- Contextual risks are to be reflected in overall project risk categorization among other factors.
- Some MFIs extend such assessments to human rights due diligence, covering impacts on internally displaced persons and refugees and gender-based violence, and develop specialized tools for conflict analysis.

# Findings of Benchmarking of MFI Safeguard Requirements Applicable to FCAS and SIDS contexts



## **Fragility, conflict and security considerations in MFI standards on community health and safety (Standard 4)**

- Community health, safety and security risks and impacts on project-affected communities are required to be assessed, avoided and minimized.
- Compounding effects of climate change and natural hazards are to be included into such assessments as well.
- Many MFIs have explicit requirements related to project's impacts on ecosystem services which may exacerbate vulnerability of affected communities.
- A set of well-aligned requirements in standard 4 concerns the risks related to the use of security personnel to affected communities and workers on project sites.

# Findings of Benchmarking of MFI Safeguard Requirements Applicable to FCAS and SIDS contexts



## Treatment of gender-based violence (GBV), forced and child labour and trafficking in persons

- High level of alignment on policy provisions and/or guidance related to GBV risks in projects.
- There are detailed stipulations on prohibitions related to trafficking in persons and prohibited forms of labour, such as forced and child labour (under standard 2).

## Requirements for consultations and GRM

- ADB and all comparator MFIs have provisions that require meaningful consultation to be undertaken in an atmosphere free of intimidation or coercion, as well as free of manipulation, interference, discrimination, and reprisals (for comparator MFIs).
- Selected MFIs also issued specific guidance materials on the issue of retribution and reprisals in projects

# Key issues for further consideration

## Enhanced Policy and Guidance

1. Adoption of an integrated risk-classification and integrated environmental and social impact assessment.
2. Incorporation of contextual risks in project risk categorization, to account for risks related to fragility, conflict, violence, and insecurity, and further linked to country fragility and risk assessment. Consider a range of mechanisms centered around identifiable safeguards readiness and risk criteria, and the use of different operational modalities.
3. Developing tools and guidance on social risk analysis, the application of the replacement principle, the delivery of consultations and the GRM in FCAS and/or SIDS environment.

# Key issues for further consideration

## Enhanced Policy and Guidance (continued)

4. Develop clear requirements on application of voluntary modes of land acquisition such as voluntary land donation, leases, land pooling and land swapping, and willing buyer-willing seller arrangements to support land acquisition in SIDS.
5. Develop requirements to address fragility, conflict and security considerations to mitigate risks to community health, safety and security, and impacts on ecosystem services. Develop requirements and guidance on project-related impacts to communities related to GBV and SEAH, and use of security personnel.
6. Review applicability of other MFI's guidance handling allegations of reprisals, retaliation, and retribution.

# Key issues for further consideration



## Shared Approach

1. Increase application of the Shared Approach including coordinated investment in, and delivery of, capacity development.
2. Consider formalizing in ADB's new safeguards policy an option and requirements / guidance for the use of the common/shared approaches.

## Procurement

1. Revisit procurement arrangements, especially in the context of SIDS and FCAS SIDS: pre-qualification performance criteria, lowest cost bid approach, community engagement skills, use of local and regional contractors.
2. Need for identification, and inclusion of, social mediation costs as part of contract.
3. Address capacity needs for civil works contractors: e.g., the need for community liaison and social specialists to be recruited to work with communities

# SHORT BREAK



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# Questions for Consideration



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Time remaining for the break

**05:00**



1. What do you expect from the SPS Update to better address safeguards challenges in FCAS and SIDS contexts?
2. What additional issues need to be covered?
3. What changes would you like to see?

# **Session 2:**

## **Moderated Discussion:**

Cindy Bryson, Social Development Specialist (PARD)

Taniela Faletau, Safeguards Specialist (PARD)



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# 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

# 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](https://www.menti.com)

Please Click the link on the chat box.

# Wrap Up and Synthesis

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



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THANK YOU!

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Please send us  
your feedback and  
suggestions



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