

ADB Environmental and Social Policies and Procedures

Informal Working Group
FCPF Task Force Meeting
Washington, DC
May 26, 2011

ADB Policies and Procedures relevant to FCPF Draft Common Agreement (V.5)

- ADB Safeguard Policy Statement, July 2009 (SPS)
- ADB Operations Manual, Operation Procedures (OM Section FI/OP), March 2010
- The Bank's Policy on Forestry, ADB, 1995
- The Public Communications Policy of the Asian Development Bank, 1995 (under revision)
- Special Project Facilitator/Compliance Review Panel

Safeguard Policy Statement (SPS)

- Approved by ADB's Board of Directors in July 2009;
- Product of three-year global, multi-stakeholder review process;
- Aims to avoid, minimize, or mitigate harmful environmental impacts, social costs, and to help borrowers/clients strengthen their safeguard systems;
- Consolidated policy framework on the environment, involuntary resettlement, and Indigenous Peoples;
- Provides a platform for participation by affected people and other stakeholders in project design and implementation;
- Applies to all ADB-financed and/or ADB-administered 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;
- ADB works with borrowers/clients to put into practice the requirements of SPS.

Structure of SPS relative to “Material Elements” of World Bank Operational Policies and Procedures relevant to FCPF

- Environmental Safeguards: includes Environmental Assessment, Natural Habitats, Physical Cultural Resources
- Involuntary Resettlement Safeguards
- Indigenous Peoples Safeguard
- Forest issues are addressed through the Environmental Safeguard (EIA and Natural Habitats) and the Bank’s sector Policy on Forestry (1995)

Initial (unofficial) ADB Responses to Draft Equivalence Analysis of ADB Safeguards and FCPF “Material Elements”

- General Comment: Assessment demonstrates “Substantial Equivalence” between ADB safeguards and FCPF “MEs”
- Finding of “No Gap” between ADB safeguards and “MEs” for 101 of the 116 “MEs”;
- There is a finding of a “Partial Gap” for 8 MEs;
- There is a finding of a “Full Gap” for 5 MEs (related primarily to forest certification)
- Findings are inconclusive for 2 MEs

Issues for Additional Interpretation and Discussion

- Environmental Assessment:
 - Use of “independent” experts in EA preparation
 - Integration of EA with economic, financial and other analyses
- Natural Habitats:
 - “Preference” for siting projects on previously cleared lands
- Forests
 - Impacts of plantations on adjacent critical forest areas
- Involuntary Resettlement:
 - Impacts of contemporaneous activities that are not project components
- Indigenous Peoples:
 - Development of cultural resources: definitions of “consent,” (ADB), “agreement” (ME,) and “broad community support” (both ADB and MEs)

For further information

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