

Comparison of ADB's Safeguard Policy Statement Principles and Requirements

Policy Principles – Environmental Safeguards

Safeguard Requirements for Borrowers/Clients - Environment

Screening

“1. Use a screening process for each proposed project, as early as possible, to determine the appropriate extent and type of environmental assessment, so that appropriate studies are undertaken proportional to significance of potential impacts/risks.”

General Requirements – page 17

“41. Screening and Scoping: ADB will carry out screening at the earliest stage of project preparation when sufficient information is available for this purpose. Screening is undertaken to (i) determine the significance of potential impacts or risks that a project might present; (ii) identify the level of assessment and institutional resources required for the safeguard measures; and (iii) determine disclosure requirements.”

42. Environmental Categorization – “ADB uses a classification system to reflect the significance of potential environmental impacts of a project.” Categories A, B, C

Policy Principle:

- No requirement to determine the institutional resources required for the safeguard measures
- No requirement to determine disclosure requirements
- + No classification system: A, B, C based on the severity of the risk. This might be positive (+) because as the policy principles stand, it seems that some form of an EA is required for all projects, regardless of the magnitude of the risk.

Environmental Assessment

“2. Conduct environmental assessment for each proposed project to consider potential impacts and risks on physical, biological, socio-economic (including health and safety), and physical cultural resources in the context of the project’s area of influence. Assess potential trans-boundary and global impacts, including climate change. Use strategic environmental assessment if appropriate.”

Attachment A(C)(1) Environmental Assessment –

“5. The assessment process is based on current information, including an accurate project description, and appropriate environmental and social baseline data. The environment assessment will consider all relevant impacts and risks of the project on natural environment (physical and biological) and socio-economic aspects (e.g., human health and safety, involuntary resettlement) and physical cultural resources) in an integrated way and in the context of the project’s area of influence. The project’s potential environmental impacts and risks will be reviewed against applicable laws and regulations of the jurisdictions in which the project operates that pertain to environmental matters, including those laws implementing host country obligations under international law. The assessment will also consider potential transboundary effects, such as pollution of airsheds, or use or pollution of waterways, as well as global impacts, such as those on climate.”

“6. Impacts and risks will be analyzed in the context of the project’s area of influence. This area of influence encompasses (i) the primary project site(s) and related facilities that the borrower/client (including its contractors) develops or controls, such as power transmission corridors, pipelines, canals, tunnels, relocation and access roads, borrow and disposal areas, construction camps; (ii) associated facilities that are not funded as part of the project (funding may be

provided separately by the borrower/client or by third parties including government), and whose viability and existence depend exclusively on the project and whose goods or services are essential for the successful operation of the project; (iii) areas potentially impacted by cumulative impacts from further planned development of the project, any existing project or condition, and other project-related developments that are realistically defined at the time the assessment is undertaken; and (iv) areas potentially affected by impacts from unplanned but predictable developments caused by the project that may occur later or at a different location. The area of influence does not include potential impacts that would occur without the project or independently of the project. The borrower/client will address impacts and risks commensurate to its control and influence over the third party actions.”

“7. Depending on the type of project and the nature and magnitude of its impacts and risks, the assessment may comprise a full-scale environmental impact assessment (EIA), an initial environmental examination (IEE) or equivalent process, or a desk review. When the project involves existing activities, environmental audits will need to be performed to determine any areas of concern.”

“8. A typical Environmental Assessment report includes the following major elements: (i) Executive Summary, (ii) description of the project, (iii) description of the environment, (iv) anticipated environmental impacts and mitigation measures, (v) analysis of alternatives, (vi) environmental management plan(s), or equivalent planning document(s), (vii) consultation and information disclosure, and (viii) conclusion and recommendations. Annex 1 provides further details. Assessments with narrower scope may be conducted for projects with limited impacts that are few in number, generally site-specific, largely reversible, and readily addressed through mitigation measures.”

“9. A typical environmental audit report includes the following major elements: (i) Executive Summary; (ii) facilities description, including both past and current activities; (iii) summary of national, local and any other applicable environmental laws, regulations, and standards; (iv) audit and site investigation procedure; (v) findings and areas of concern; and (vi) Corrective Action Plan (CAP), providing the appropriate corrective actions for each area of concern, including costs and schedule.”

Policy Principle Deficiencies:

- No direction to use current information or appropriate baseline data
- No requirement to assess socio-economic aspect of involuntary resettlement
- No mention of considering the risks in an integrated way
- No requirement to review the risks as compared to the applicable domestic laws and regulations, including the borrower country’s international obligations
- No requirement to assess the trans-boundary effects of pollution of airsheds or waterways
- No definition of “area of influence” as in Requirement 6. This leaves the definition open to interpretation. It is important that the EA include risks to the entire area of influence as defined by Requirement 6, including the primary project site, associate facilities not funding by project but contingent on it, areas impacted by cumulative effects of the project, areas affected by unplanned, but foreseeable future developments.
- No specific requirements of what sections are to be included in the EA as in Requirement 8

Alternatives

“3. Examine financially and technically feasible alternatives to the project, project design and components, including the no project alternative, their potential environmental impacts, and document the rationale for selecting the particular alternative(s) proposed.”

No specific requirement relating to the alternatives analysis.

Policy Principle:

+ Adds the requirement to conduct alternatives analysis, to include the “no project” alternative

Environmental Management Plan

“4. Avoid, and where avoidance is not feasible, minimize, mitigate and/or compensate for adverse project impacts through environmental planning and management, and prepare an environmental management plan (EMP) or equivalent instrument that includes the proposed mitigation measures, environmental monitoring and reporting requirements, emergency response procedures, related institutional or organizational arrangements, capacity development and training measures, implementation schedule, cost estimates and performance indicators.”

Attachment A(C)(2) Environmental Planning –

“10. The borrower/client will prepare an environmental management plan (EMP) or equivalent planning document(s) that addresses the potential impacts and risks identified by the environmental assessment. The EMP will include the proposed mitigation measures, environmental monitoring and reporting requirements, emergency response procedures, related institutional or organizational arrangements, capacity development and training measures, implementation schedule, cost estimates and performance indicators. Where impacts and risks cannot be avoided or prevented, mitigation measures and actions will be identified so that the project is designed, constructed and operated in compliance with applicable laws and regulations, and meets the requirements specified in this document. The level of detail and complexity of the environmental planning documents and the priority of the identified measures and actions will be commensurate with the project’s impacts and risks.”

“11. The EMP or equivalent planning document(s) will define expected outcomes as measurable events to the extent possible, and include performance indicators, targets, or acceptance criteria that can be tracked over defined time periods. It shall be responsive to changes in project circumstances, unforeseen events, and the results of monitoring.”

Policy Principle Deficiencies:

- + Has all the same elements of the EMP as outlined in Requirement 10
- No direction that the level of detail of the EMP will be commensurate with project’s impacts and risks
- No requirement that the EMP shall include performance indicators as set forth in Requirement 11

Prior Informed Consent, Disclosure & Grievance Mechanism

“5. Carry out free, prior and informed consultation with affected people and facilitate their informed participation. Involve key stakeholders,

Attachment A(C)(3) Information Disclosure and Consultation –

“12. The borrower/client will carry out free, prior and informed consultation with affected people by the proposed project and facilitate their informed participation. The borrower/client will also consult with local nongovernment

<p>including project-affected persons and local NGOs early in the project preparation and ensure that their views and concerns are made known and understood by decision makers and taken into account. Continue consultations throughout project implementation as necessary to address environmental assessment-related issues that affect them. Establish a grievance mechanism to receive and facilitate resolution of the affected communities' concerns and grievances about the project's environmental performance.”</p> <p>“6. Disclose draft environmental assessments before appraisal, in a form, manner and language(s) accessible to affected communities and other key stakeholders.”</p>	<p>organizations (NGOs). The consultation should be carried out as early as possible in the project design and its environment impact mitigation measures. The consultation process and its results are described in the environmental assessment reports. The borrower/client will provide relevant information on the project's environmental issues before appraisal, in a form, manner and language(s) accessible to affected people and key stakeholders.”</p> <p>“13. The borrower/client will carry out effective consultation through prior disclosure of relevant and adequate information to the affected people, including draft EA documents and plans; and will focus on the environmental risks and adverse impacts, and the proposed mitigation measures and actions to address these. It will be carried out on an ongoing basis as impacts and risks arise. The consultation process will be undertaken in a manner that is culturally appropriate. The borrower/client will tailor its consultation process to the language(s) accessible to the affected people, their decision-making process, and the needs of the disadvantaged or vulnerable groups.”</p> <p>“14. The borrower/client will submit to ADB the following documents and disclose them to key stakeholders:</p> <ul style="list-style-type: none"> (i) draft EA reports, before appraisal (ii) revised or final EA reports (iii) new or updated EA reports, and corrective action plan prepared during implementation, if any: (iv) environmental monitoring reports.” <p>Attachment A(C)(4) Grievance Redress Mechanism –</p> <p>“15. If ongoing risks to or adverse impacts on affected people are anticipated, the borrower/client will establish a grievance mechanism to receive and facilitate resolution of the affected peoples' concerns and grievances about the project's environmental performance. The grievance mechanism should be scaled to the risks and adverse impacts of the project. It should address concerns promptly, using an understandable and transparent process that is culturally appropriate and readily accessible to all segments of the affected people, and at no cost and without retribution. The mechanism should not impede access to the country's judicial or administrative remedies. The affected people will be appropriately informed about the mechanism.”</p>
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Policy Principle Deficiencies:

- No requirement to consult “as early as possible”; only says to involve project affected persons early in project preparation
- No requirement to document consultation process and results in the EA reports
- No clear requirement to hold entire consultation process in manner and language accessible to affected people and to tailor process to these people; only says that EA will be disclosed in form, manner and language accessible to affected people.
- Only requires disclosure of *draft* EA before appraisal - no specific requirement to disclose draft, final, newly updated EA *and* environmental monitoring reports as specifically stated in Requirement 14
- No specifics about what the grievance system should entail; lacks all details of Requirement 15, most notably that such mechanism should be easily understandable and transparent and accessible to all affected people at no cost

Monitoring

“7. Implement the mitigation measures and monitor their effectiveness. Document monitoring results, including development and implementation of corrective actions, and disclose periodic progress reports.”

Attachment A(C)(5) Monitoring and Reporting –

“16. The borrower/client will monitor the progress of implementation of the EMP or equivalent planning document(s), and the extent of compliance with its environmental commitments. The extent of monitoring will be commensurate with the project’s risks and impacts. In addition to recording information to track performance, the borrower/client will undertake inspections verify compliance and progress toward the expected outcomes. For projects likely to have significant adverse environmental impacts, the borrower/client will retain qualified and experienced external experts to verify its monitoring information. The borrower/client will document monitoring results, identify the necessary corrective actions and reflect them in the updated EMP or equivalent planning document(s). The borrower/client will implement these corrective actions, and follow up on these actions to ensure their effectiveness.”

“17. The borrower/client will prepare periodic progress reports that describe progress with implementation of the EMP or equivalent planning document(s), and, if any, compliance issues and corrective actions. For projects likely to have significant adverse environmental impacts, the borrower/client will submit, at the minimum, semiannual progress reports during construction. For projects likely to have significant adverse environmental impact during operation, reporting will continue at the minimum on an annual basis. Such periodic progress reports will be posted in a location accessible to the public. The costs of monitoring requirements will be reflected in the project budgets.”

Policy Principle Deficiencies:

- No requirement to make monitoring efforts commensurate with project risks and impacts
- No obligation on the borrower to undertake inspections to verify compliance with EMP
- No requirement to retain external (not involved in day to day project implementation) experts when project likely to have adverse environmental impacts
- No requirement for the borrower to identify necessary corrective actions and include them in an updated EMP; no requirement to update EMP at all
- No specification as to what the progress report should entail; Requirement 17 states that it should describe implementation of EMP and any compliance issues
- Only says “periodic progress reports”; No requirement to submit semiannual reports during construction when project likely to have significant environmental impacts; No requirement to have *continuous* annual reports when project likely to have significant environmental impacts during operation
- No details about where progress reports are to be posted; Requirement 17 states they should be posted in a location accessible to the public
- No details about who bears the costs of monitoring; Requirement 17 states that costs are included in project budgets

Habitats

“8. Do not implement project activities that involve or are likely to result directly or indirectly in the significant conversion or degradation of critical habitats. If a project is

Attachment A(C)(6) Biodiversity Conservation and Sustainable Natural Resource Management –

“18. The borrower/client will assess the significance of project impacts on biodiversity and natural resources as an integral part of the environmental assessment process specified in paragraphs 4 to 9. The assessment will focus on

located within a legally protected area, implement additional programs to promote and enhance the conservation aims of the protected area. If the project has the potential to adversely impact non-critical habitats, proceed if only there are no technically and financially feasible alternatives, overall benefits from the project substantially outweigh the environmental costs, and any conversion or degradation is appropriately mitigated. Manage renewable natural resources in a sustainable manner.”

the major threats to biodiversity, which include habitat destruction and invasive alien species, and on use of natural resources in an unsustainable manner. When the project involves activities in a critical habitat [footnote gives full definition of critical habitat] or a legally protected area, the borrower/client will retain qualified and experienced external experts to assist in conducting the assessment.”

“19. In areas of natural habitat, the project will not significantly convert or degrade⁴ such habitat, unless the following conditions are met:

- (i) There are no technically and financially feasible alternatives
- (ii) A comprehensive analysis demonstrates that overall benefits from the project substantially outweigh the project costs including environmental costs, and
- (iii) Any conversion or degradation is appropriately mitigated. Mitigation measures will include a combination of actions, such as post-project restoration of habitats, offset of losses through the creation of ecologically comparable area(s) that is managed for biodiversity, and/or compensation to direct users of biodiversity.”

“20. No project activity that involves or is likely to result directly or indirectly in the significant conversion or degradation of critical habitat will be implemented.”

“21. In circumstances where some project activities are located within a legally protected area, the borrower/client, in addition to the requirement specified in paragraph 20 above, will meet the following requirements:”

- (i) Act in a manner consistent with defined protected area management plans
- (ii) Consult protected area sponsors and managers, local communities, and other key stakeholders on the proposed project
- (iii) Implement additional programs, as appropriate, to promote and enhance the conservation aims of the protected area”

“22. The borrower/client will not intentionally introduce any new alien species (i.e. not currently established in the country or region of the project) or alien species with a high risk of invasive behavior unless carried out in accordance with the existing regulatory framework for such introduction, if such framework is present, or is subject to a risk assessment (as part of the environmental assessment) to determine the potential for invasive behavior. The borrower/client will exercise due diligence to prevent accidental or unintended introductions of such alien species.”

“23. Renewable natural resources will be managed in a sustainable manner. Sustainable resource management is the management of the use, development and protection of resources in a way, or at a rate, which enables people and communities, including Indigenous Peoples, to provide for their present social, economic and cultural well-being while also sustaining the potential of those resources to meet the reasonably foreseeable needs of future generations and

	safeguarding the life-supporting capacity of air, water and soil ecosystems. Where possible, the borrower/client will demonstrate the sustainable management of the resources through an appropriate system of independent certification.”
<p>Policy Principle Deficiencies:</p> <ul style="list-style-type: none"> - No prohibition against introducing invasive alien species - No definition or other guidance as to what constitutes a critical habitat - No requirement to use external experts when the project involves activities within a critical habitat or legally protected area - No mention of what mitigation measures are appropriate when project affects non-critical, natural habitats; Requirement 10 lists examples - For project activities in legally protected area, no requirement to act in a manner consistent with defined protected area management plans and no requirement to consult protected area sponsors and managers, local communities and other stakeholders - Only vague blanket requirement to manage renewable resources in sustainable manner; No explanation or definition of what is expected of a sustainable management system; Requirement 23 includes detailed explanation - No requirement to achieve independent certification demonstrating that management is sustainable 	
<h2>Prevention Pollution</h2>	
<p>“9. Apply pollution prevention and control technologies and practices consistent with international good practice, as reflected in internationally recognized standards such as the World Bank Group’s Environmental, Health and Safety (EHS) Guidelines. Ensure opportunities, where financially and technically feasible, to adopt cleaner production processes, and good practices of energy efficiency or renewable energy. Avoid or, when avoidance is not feasible, minimize or control the intensity or load of pollutants emissions and discharges, including direct and indirect greenhouse gases emissions, waste generation, and release of hazardous material from their production, transportation, handling and storage. Avoid the use of hazardous materials subject to international bans or phase-outs. Procure and use pesticides in a sustainable manner. “</p>	<p>Attachment A(C)(7) Pollution Prevention and Abatement –</p> <p>“24. During the design, construction, and operation of the project the borrower/client will apply pollution prevention and control technologies and practices consistent with international good practice, as reflected in internationally recognized standards such as the World Bank Group’s Environment, Health and Safety Guidelines. These standards contain the performance levels and measures that are normally acceptable and applicable to projects. When host country regulations differ from the levels and measures presented in these standards, the borrower/client will achieve whichever is more stringent. If less stringent levels or measures are appropriate in view of specific project circumstances, the borrower/client will provide full and detailed justification for any proposed alternatives.”</p> <p>“25. The borrower/client will avoid, or where it is not possible to avoid, minimize or control the generation of hazardous and non-hazardous wastes as far as practicable, and release of hazardous materials resulting from project activities. Where waste cannot be recovered or reused, it will be treated, destroyed, and disposed of in an environmentally sound manner. When waste disposal is conducted by third parties, contractors that are reputable and legitimate enterprises licensed by the relevant regulatory agencies will be used.”</p> <p>“26. The borrower/client will minimize or control the intensity or load of pollutants emission and discharge. When the project has the potential to constitute a significant source of emissions in an already degraded area, strategies that contribute to the improvement of ambient conditions, such as evaluation of project location alternatives and emissions offsets, will be introduced.”</p>

“27. The environmental assessment should ascertain that pest management activities related to the project are based on integrated approaches and aim to reduce reliance on synthetic chemical pesticides in agricultural and public health projects. Health and environmental risks associated with pest management should be minimized with support, as needed, to institutional capacity development to help regulate and monitor the distribution and use of pesticides and enhance the application of integrated pest management. No formulated products that are in WHO Classes IA and IB, or formulations of products in Class II will be procured unless there are no alternatives or restrictions denying use or access to lay personnel and others without training or proper equipment. The recommendations and minimum standards described in the UN Food and Agriculture Organization (FAO) International Code of Conduct on the Distribution and Use of Pesticides (Rome, 2003) should be followed and only procurement of those pesticides that are manufactured, labeled, handled, stored, applied and disposed of according to acceptable standards is permitted.”

“28. When the project is expected to produce significant quantities of greenhouse gases (GHGs), the borrower/client will quantify direct emissions from the facilities within the physical project boundary and indirect emissions associated with the off-site production of power used by the project. The borrower/client will conduct quantification and monitoring of GHG emissions annually in accordance with internationally recognized methodologies. In addition, the borrower/client will evaluate technically and financially feasible options to reduce or offset project-related GHG emissions during the design and operation of the project. These options may include carbon financing, energy efficiency improvement, the use of renewable energy sources, alterations of project design, emissions offsets, and the adoption of other mitigation measures such as the reduction of fugitive emissions and gas flaring.”

“29. The borrower/client will be prepared to respond to accidental and emergency situations. This preparation will include response planning document(s), which addresses the training, resources, responsibilities, communications, procedures and other aspects required to effectively respond to emergencies associated with project hazards.”

Policy Principle:

- No requirement to use whichever is more stringent: domestic borrower’s regulations or WB Guidelines
- No requirement to provide detailed justification for using less stringent levels or standards
- Hazardous wastes: compare to Requirement 25
 - Only states to avoid/minimize release of hazardous material, but no requirement to avoid/minimize *generation* of hazardous waste
 - No requirement to treat, destroy, dispose of hazardous wastes in environmentally sound manner when avoidance not feasible
 - No requirement to ensure reputable contractors are used when hazardous waste disposal
- No requirement to implement strategies to improve ambient conditions when project will potentially contribute to significant source of emissions in already degraded area
- Pest Management: compare to Requirement 27
 - Only direction in respect to pest management is to procure and use pesticides in sustainable manner
 - No requirement to try to reduce reliance on synthetic chemical pesticides

- No requirement to minimize health and environmental risks from pest management
- No ban on procuring WHO class IA or IB products
- No direction to comply with standards in the UN FAO code
- Greenhouse gas emissions: compare to Requirement 28
 - Only states to avoid/minimize direct and indirect greenhouse gas emissions, no other specifics
 - No requirement for borrower to quantify direct and indirect emissions at all
 - No requirement to quantify and monitor annually in accordance with internationally recognized methods
 - No requirement to evaluate specific options to reduce or offset greenhouse gas emissions; no list of such options
- No requirement to create emergency response procedure and attendant components

Physical Cultural Resources

“10. Preserve physical cultural resources (PCR) and avoid their destruction or damage by using field based surveys with qualified specialists during environmental assessment. Provide for the use of “chance find” procedures that include a pre-approved management and conservation approach for materials that may be discovered during project implementation.”

Attachment A(C)(8) Physical Cultural Resources -

“30. The borrower/client is responsible for siting and designing a project to avoid significant damage to physical cultural resources (PCR).⁵ Physical cultural resources likely to be affected by the project will be identified and the project’s potential impacts on these resources assessed by using field based surveys with qualified and experienced specialists as an integral part of the environmental assessment process specified in paragraphs 4 to 9.”

“31. When the project is likely to have adverse impacts on PCR, the borrower/client will identify appropriate measures for avoiding or mitigating these impacts as part of the environmental planning process specified in paragraphs 10 and 11. These measures may range from full site protection to selective mitigation, including salvage and documentation, in cases where a portion or all of the PCR may be lost.”

“32. When the proposed location of a project is in areas where PCR are expected to be found as determined during the environmental assessment process, chance finds procedures will be included in the EMP or equivalent environmental planning document(s). Chance finds shall not be disturbed until an assessment by a competent specialist is made and actions consistent with these requirements are identified.”

“33. The project will not remove any PCR unless there are no technically or financially feasible alternatives to removal, and any removal is conducted by the best available techniques.”

Policy Principle:

- No definition of physical cultural resources; Requirement 30, footnote 5 includes this definition
- Does not specify how field based surveys and specialists will preserve and avoid damage to PCR, lacks requirement to identify PCRs likely to be affected by the project and assessing the potential impacts to these PCRs
- No provision for including in the EMP the appropriate measures to avoid or mitigate impacts on PCRs; no examples of such measures
- Provides for use of chance find procedures, but does not require that these procedures be included in the EMP
- No requirement to leave chance finds undisturbed until competent specialist completes assessment
- Does not make removal of PCR contingent on the unavailability of any technically or financially feasible

alternatives

- Does not require that removal be conducted by best available techniques