



# **Environmental & Social Management System (ESMS) Manual**

## PONT Environmental and Social Management System (ESMS)

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## Acronyms and Abbreviations

AFD	Agence Française de Développement
BMZ	Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (German Federal Ministry for Economic Cooperation and Development)
CBD	Convention on Biological Diversity
CTF	Conservation Trust Fund
EAs	Environmental Actors
EAs	Environmental Actor Applications
EIA	Environmental Impact Assessment
ESDD	Environmental and Social Due Diligence
ESIA	Environmental and Social Impact Assessment
E&S	Environmental and Social
ESMP	Environmental and Social Management Plan
ESMS	Environmental and Social Management System
ESF	Environmental and Social Framework
ESS	Environmental and Social Standards
EU	European Union
FAO	Food and Agriculture Organisation of The United Nations
GBV	Gender Based Violence
IFC	International Finance Corporation
ILO	International Labour Organisation
IUCN	International Union for Conservation of Nature
KfW	Kreditanstalt für Wiederaufbau (German Development Bank)
KfW SG	KfW's Sustainability Guidelines
MAVA	MAVA Fondation pour la Nature
MB	Management Board

## PONT Environmental and Social Management System (ESMS)

M&E	Monitoring and Evaluation
NGO	Non-Governmental Organisation
NP	National Park
NTFPs	Non-Timber Forest Products
PAs	Protected Areas
PAAs	Protected Area Applications
PDCA	Plan-Do-Check-Act
PONT	Prespa Ohrid Nature Trust
PONT RPO	PONT Regional Programme Office
SB	Supervisory Board
SF	Strategic Framework
SIA	Social Impact Assessment
UN	United Nations
VGGT FAO	Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security
WB	World Bank
WB ESF	World Bank Environmental and Social Framework
WB ESS	World Bank Environmental and Social Standard
WPOA	Wider Prespa-Ohrid Area
WWF	World Wildlife Fund

# 1. INTRODUCTION

## 1.1 Objectives and purpose

This document describes the Environmental and Social Management System (ESMS) for the Prespa Ohrid Nature Trust (“PONT”) Conservation Trust Fund (CTF). It serves as a description of the ESMS, and a guide to the implementation of the ESMS.

The PONT ESMS aims to ensure that the activities of PONT and PONT’s grantees identify, assess, and manage any Environmental and Social (E&S) risks and negative impacts that may arise from activities to which PONT contributes to or is associated with. The PONT ESMS also ensures that PONT identifies opportunities to enhance E&S benefits of supported activities, and that all activities are undertaken in compliance with national laws and regulations in Albania, North Macedonia and Greece, and in accordance with the international Standards to which this ESMS is aligned. Most notably, these international Standards include the KfW Sustainability Guidelines (2022), and by extension, the World Bank Environmental and Social Framework (2017) and Standards (see also **Section 3, Annex C** and **Annex D**).

The PONT ESMS has been designed around PONT’s existing operations and management system, outlined in PONT’s Grant Manual (V3, 2021), Operations Manual (2021), and Strategic Framework (2021). This manual describes the management system itself, and provides an overview of policies, compliance obligations and roles and responsibilities for assessing, managing and monitoring E&S performance throughout the programme lifecycle. The manual also signposts the supporting documentation, tools, templates, plans and procedures that allow for PONT to implement this management system.

The ESMS is designed on the Conservation Trust Fund (CTF) level, although the implementation of the ESMS includes the effective management of any E&S risks and negative impacts of all programmes receiving funding from PONT. This includes two main grant programmes:

- (1) co-financing the implementation of Protected Area (PA) management plans;
- (2) co-financing the work of Environmental Actors (EAs).

## PONT Environmental and Social Management System (ESMS)

The ESMS accounts for the nature and size of the programmes supported by PONT. In particular in that regard it recognizes that PONT's charter governs its actions and that PONT's purpose under its charter is "to benefit both nature and people...by promoting nature conservation" and that any actions taken by PONT that do not support that purpose would be impermissible violations of its charter. The ESMS also considers the staff and resources available for ESMS implementation, and focuses on streamlined and efficient tools and systems, but is ultimately designed to be commensurate with the type and scale of the E&S risks and impacts in programmes supported by PONT.

The specific objectives of this ESMS manual are to:

- Define the scope of the ESMS, including the geographical scope, partners, and PONT and grantees responsibilities to manage risks and negative impacts (**Section 1 – Introduction**);
- Clarify what will not be supported by PONT, through the exclusion list (**Section 2 – Exclusion list**);
- Describe PONT's compliance commitments, including national legislation and international E&S standards, and PONT's commitment to upholding these (**Section 3 – Policy framework**);
- Illustrate the systematic steps for identifying and assessing the potential E&S risks and impacts associated with co-financing PAs and the work of EAs in the geographical regions where PONT works (**Section 4 – E&S procedures**);
- Outline the strategy for managing risks and negative impacts, including the mechanisms to be used to implement mitigation measures, following the mitigation hierarchy (**Section 5 – Risk management strategy**);
- Signpost the guidance, procedures and tools available for the identification, assessment and management of risks and negative impacts;
- Ensure that there are sufficient resources to implement the ESMS (**Section 6 – Operational requirements**), and that there is monitoring of the effectiveness of implementation (**Section 7 – M&E**).

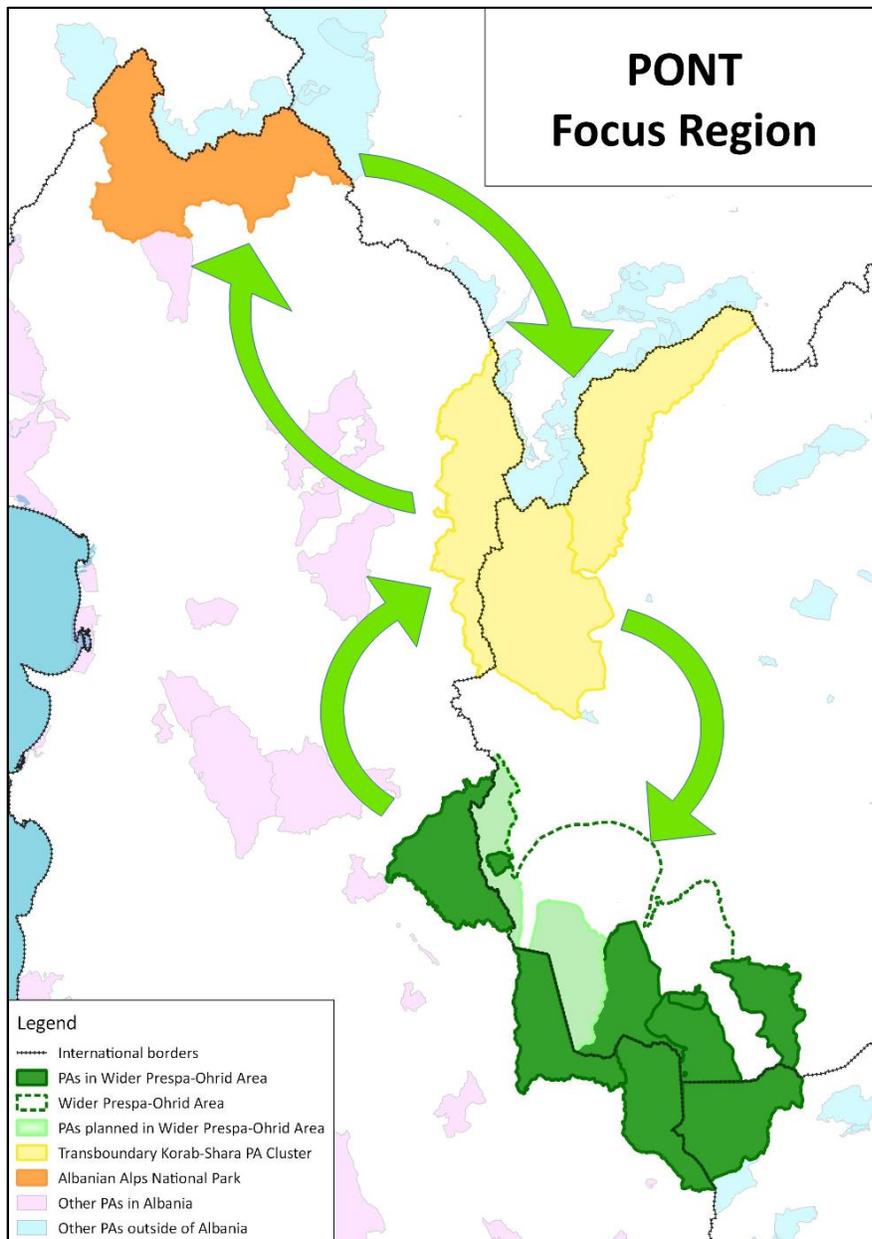
The ESMS is based upon the 'Plan-Do-Check-Act' (PDCA) approach for continual improvement, including ongoing reviewing, correcting, and improving of the system. PONT will annually review

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the effectiveness of the ESMS based on a rapid internal audit, and update the ESMS manual and/or associated tools and templates as needed to reflect latest experiences and leanings from on-going programmes.

### **1.2 Scope of the ESMS**

The provisions of this ESMS manual apply to all activities that are part of PONT's PA and EA grant programmes as well as PONT's internal staffing and procedures such as strategic decision making, grant administration and monitoring and evaluation (M&E). The ESMS includes all activities supported by PONT in the geographical region in which PONT operates (**Figure 1**).



**Figure 2** : PONTs focus region including from north to south, the Albanian Alps region (orange), the Korab-Shara region (yellow) and the Prespa – Ohrid region (green).

The ESMS includes all types of environmental and social risks and impacts, including direct impacts, indirect impacts, and cumulative impacts, which PONT might cause or to which PONT might contribute to or be associated with. These risks and impacts include those outlined in the World Bank Environmental and Social Standards (ESS1-10), and the other standards to which this ESMS aligns (**Annex D**). The obligation is on PONT to identify, assess and manage risks and negative impacts. Types of risks and impacts include, but are not limited to, those

## PONT Environmental and Social Management System (ESMS)

associated with human rights violations, labour and working conditions, cultural heritage, resource use efficiency, community health and safety, restrictions on land use, gender and vulnerable groups land acquisition, involuntary resettlement and stakeholder engagement and grievance management. Risks and impacts related to pollution, biodiversity conservation and sustainable use of natural resources and are also covered by the ESMS, although it is recognized that PONT's programmes are specifically designed to support biodiversity conservations and sustainable nature resource use and combat pollution in its focus region<sup>1</sup>

### 1.3 ESMS Responsibilities

PONT's responsibilities for managing E&S risks and negative impacts depends on the degree to which PONT is causing, contributing or associated with these risks and negative impacts, described in **Section 1.3.1** below. Responsibilities for the implementation of the ESMS itself, are then described, in **Section 1.3.2**, and in more detail in relation to PONT's E&S procedures in **Section 4**.

#### 1.3.1 Responsibility for E&S Impacts

PONT co-finances conservation actions via Protected Areas (PAs) and Environmental Actors (EAs). Co-financing raises questions of who is responsible for any risks or negative impacts caused by the support provided. PONT has conducted a separate analysis of this question<sup>2</sup>, and has used the United Nations Guiding Principles on Business and Human Rights (UNGPs, 2011), which introduce the concepts of **cause**, **contribute** and **directly linked** with, as a way of clarifying a business's responsibilities to respect human rights<sup>3</sup>. **Table 1** summarises this concept by illustrating the business responsibilities when causing, contributing or being directly linked to risks and negative impacts.

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<sup>1</sup> PONT's programmes would also currently not support land acquisition or involuntary resettlement.

<sup>2</sup> PONT Internal Memorandum on E&S responsibilities, 2022

<sup>3</sup> As per Article 13 of the UNGPs:

*13. The responsibility to respect human rights requires that business enterprises:*

*(a) Avoid causing or contributing to adverse human rights impacts through their own activities, and address such impacts when they occur;*

*(b) Seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or services by their business relationships, even if they have not contributed to those impacts.*

## PONT Environmental and Social Management System (ESMS)

**Table 2:** Overview of Cause/ Contribution/ Linkage as a framework for assessing responsibilities (Debevoise & Plimpton 2017).

If a project is...	Causing an impact	Contributing to an impact	Linked to an impact
Then it should...	Prevent or mitigate the impact.	Prevent or mitigate its contribution to the impact.	
And...		Use or increase its leverage with other responsible parties to prevent or mitigate the impact.	Use or increase its leverage with other responsible parties to prevent or mitigate the impact.
And...	Remediate the harm of the impact.	Contribute to remediating the harm of the impact relative to the extent of its contribution.	No responsibility to remediate, but it may choose to do so.
Example	A project is the sole financial supporter for the establishment and implementation of a Community Forest.	A project is just one of many partners who financially and technically support the establishment of a Community Forest.	A project works with an established Community Forest where there are on-going issues of economic displacement. The project however is solely supporting biodiversity monitoring.

PONT provides long-term support to EAs and PAs, funding operational costs and conservation activities. Contributions are relatively small in relation to overall PA and EA budgets, and in the landscapes throughout the PONT Focus Region, the “E” or environmental risks and negative impacts are currently estimated to be **low** and the “S” or social risks and negative impacts are currently estimated to be **low-moderate**. Based on the analysis of PONT’s activities and the responsibilities in **Table 1**, there were no examples of PONT ‘causing’ impacts, apart from in relation to PONT’s own staff, where PONT is responsible for following all national legislation on employment and labour rights.

For financing of Protected Areas:

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- As PONT contributes to financing of specific PA activities, and to operational costs of PAs, PONT is responsible for conducting Due Diligence on each PA it supports, and to use its leverage with government partners to ensure identified risks and negative impacts are managed within that PA.
- PONT is responsible for contributing towards managing identified risks and impacts, through the design and development of mitigation measures. PONT's contribution should be towards those activities which naturally fall within the mandate of PONT, such as supporting Environmental Actors to conduct assessments, work with local communities and other stakeholders, and facilitating exchanges between these groups.

For financing of Environmental Actors:

- PONT is responsible for conducting Due Diligence on each EA it supports;
- PONT is responsible for ensuring that any risks and negative impacts of PONT-supported EA activities are fully mitigated.

Specifically:

1. PONT will conduct a Due Diligence on every PA and EA prior to provision of support (**Section 4**)
2. PONT will identify mechanism through which it can use or increase its leverage with responsible parties to mitigate identified negative impacts (**Section 4**)
3. PONT will conduct an E&S screening of proposed activities at the Grant Application stage (**Section 4**)
4. PONT will identify which mechanism will be used to implement any required mitigation measures (see **Section 5**), and contributes to the mitigation measures

Sections 4 (E&S procedures) and Section 5 (risk management strategy) are based on this understanding of PONT's responsibilities to manage environmental and social risks and negative impacts.

### 1.3.2 Responsibility for ESMS implementation

This section outlines the responsibilities of each party involved in the implementation of this ESMS and in achieving the E&S performance goals as set by PONT. The provisions of this ESMS manual apply to all activities that are part of PONT's PA and EA grant programmes as well as PONT's internal procedures such as strategic decision-making, grant administration and Monitoring and Evaluation (M&E). Where PONT is jointly financing a project with another donor or donors whose own environmental and social safeguard requirements differ from those of PONT, the grantee will be required to comply with whichever requirements are more stringent. Similarly, if a grantee has its own institutional policies related to management of environmental and social risks and negative impacts, the grantee would be required to comply with whichever requirements are more stringent.

Thus, implementation responsibilities can be seen to apply at two levels:

- (1) PONT's grantee's (EAs/ PAs) activities; and
- (2) PONT's internal procedures and activities.

#### *PONTs grantee's (EA/PA) activities*

Applicants/grantees are responsible for preparation and implementation of required safeguard measures. This includes:

- Preparing safeguard measures, in consultation with project affected peoples, and disclosing this information to project affected peoples upon initiation of the grant;
- Reporting on safeguard issues using both the formal and informal reporting procedures laid out by PONT (the interim monitoring report, final monitoring report and regular meetings).

Monitoring and reporting of safeguard issues will require additional resources from the applicants, which should be commensurate with the size of the grant.

- *PONT's internal procedures and activities*

PONT Management board (MB) will be responsible for:

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- Ensuring the E&S process is followed throughout PONT's grant cycle and grantees adequately address E&S issues identified.
- Supporting applicants in the development of their E&S measures and their subsequent monitoring and evaluation.
  - This includes approval of the ToR for a feasibility study and assurance that E&S issues are adequately addressed in grant approval requests to the SB for grants over 50,000 EURO.
- Consulting or including experts of social safeguards issues as appropriate.
- When the safeguard measures have been prepared in the environmental and social management plan (ESMP), PONT will disclose this information on their website.
- Inclusion in its annual report to KfW of a dedicated section on ESDD implementation.

The PONT supervisory board (SB) has the overall responsibility for:

- Leadership in promoting appropriate attention to ESMS in PONT's culture and processes
- Assurance of clarity on the lines of responsibility at the MB and staff level.
- Due consideration of E&S issues raised in MB grant approval requests for grants over EURO 50,000
- Review of annual MB reporting on ESMS issues and appropriate management of E&S issues identified in the reporting.

Finally, the role of KfW will be to review and comment on the annual donor report which will have a section dedicated to ESMS implementation.

## 2. EXCLUSION LIST

PONT has developed a list of activities that will not be funded under any circumstances. While it is noted that many of the activities on the list would not be eligible for PONT funding under its charter, the list is designed to be exhaustive and draws from:

- (1) PONT's 2021 Grants Manual;
- (2) The KfW 2022 Exclusion List;
- (3) The International Finance Corporation (IFC) 2007 Exclusion List.

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This list is to be checked by PONT when preparing the Strategic Framework and reviewing Applications.

The exclusion list is formatted as a checklist in **Annex B**, so Applicants can also review the list and check their compliance with it. As per the exclusion list, PONT will not fund programmes or measures involved with the intentional degradation of the natural environment. In addition, PONT will not financially support the production, trade or sale of any illegal product or unlawful activity under the laws of the host countries (Albania, North Macedonia and Greece) and laws of its funders or under international regulations, conventions and/or agreements. PONT will not support any sector or any service subject to an embargo by the United Nations (UN), European Union (EU) and/or its funders in a particular country and with no absolute or relative restriction regarding the amount.

### **3. ESMS POLICY FRAMEWORK**

PONT's E&S Policy Statement below sets out how PONT will integrate environmental, social and human right considerations into the Fund's operations and grantees' activities to ensure effective delivery of PONT's mission, and adherence with national legislation and international standards summarised below. The policy statement and commitment highlight the key E&S principles that PONT board members, employees and grantees need to adhere to. Furthermore, PONT's commitment to continuous improvement with respect to the management of E&S risk and negative impacts is included in the policy statement below. PONT will implement this policy through the ESMS Manual and integration of E&S procedures into existing grant giving procedures.

While updates to the ESMS Manual and associated procedures will be made on an annual basis if needed, a full review of the ESMS Manual and E&S Policy will be required only if there is a substantial change in the requirements of one of the main donors, or, if there is a major programmatic change, such as:

- Addition of a new country
- Inclusion of project activities that are not currently supported and have substantial or high risks that are unlikely to be managed through the existing ESMS

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- Major changes in national legislation, PONT's own Policies, or international E&S Standards, that requires major changes that go beyond a simple annual update.
- A major serious incident that indicates that the current E&S Policy and ESMS are ineffective.

### 3.1 PONT's Environmental, Social and Sustainability Policy Statement

PONT is committed to maintaining an Environmental and Social Management System (ESMS) which complies with provisions of national legislation in North Macedonia, Albania, and Greece, PONT's own policies, and with international best practices and standards, as listed in **Section 3.3** below. PONT is committed to doing no social or environmental harm, actively seeking net environmental and social gains, respecting human rights, and to continual improvement in all PONT's operations and practices.

PONT commits to the following:

- Ensuring that all grants are prepared and operate in accordance with national legislation in the host country;
- Screening all grants against the PONT exclusion list (**Section 2**);
- Screening all grants for potential social risks and negative impacts;
- In grants that potentially involve significant risks or negative impacts, such as economic displacement due to access restrictions, substantial impacts on local communities, community health and safety, labour and working conditions, or biodiversity or cultural heritage, the relevant requirements of the World Bank Environmental and Social Standards will apply;
- Conducting robust assessment of risks and impacts commensurate with the significance of the risk or impact;
- Integrating environmental and social considerations from this ESMS Manual into operations, including the PONT Grants and Operations Procedures;
- Mainstreaming environmental and social sustainability in all supported projects;
- Identifying opportunities for enhancing benefits as well as mitigating negative impacts;

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- Including measures to avoid, minimise or compensate for potential E&S risks and negative impacts that arise from supported activities;
- Aligning with international good practice Standards, and being compliant with the following Standards: The World Bank Environmental and Social Standards; BMZ's Guidelines on Incorporating Human Rights Standards and Principles, Including Gender; KfW Sustainability Guideline; World Bank Group's General Environmental and Health and Safety Guidelines and Industry Specific Guidelines and International Labour Organisation (ILO) Core Labor Standards, and good practice Guidelines listed in **Annex D**;
- Establishing a Grievance Mechanism for managing grievances that cannot be managed<sup>4</sup> at the level of the individual projects supported;
- Developing procedures, guidance and tools/templates for any required safeguard instruments to manage identified risks and negative impacts, for use by grantees;
- Ensuring that grantees engage directly with affected, potentially affected or interested stakeholders in a transparent, culturally appropriate manner;
- Regular monitoring and evaluation of E&S policy and commitments;
- Maintaining all documentation to facilitate internal and external review against the ESMS;
- Allocating responsibilities and appropriate resources for the effective implementation of the PONT ESMS;
- Communicating environmental and social expectations to all board members, staff, contractors, clients and other external stakeholders;
- Building the capacity of the board members, and staff to identify and manage environmental and social issues and negative impacts.

### 3.2 National Legislation

PONT, grantees and all associated activities will comply with the legislation, policies and commitments of the host countries, namely Albania, North Macedonia and Greece. An overview

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<sup>4</sup> In case all instruments and mechanisms provided by the national legislation have been exhausted.

of the applicable national legislation for Albania, North Macedonia and Greece can be found in **Annex C (C1, C2, and C3)**. The countries in which PONT operates have solid environmental and social laws and regulations, with a high degree of transposition of the EU acquis particularly concerning the environment and nature conservation.

### **3.3 International E&S Standards**

International good practice standards laid out in this section underpin PONT's commitment to mainstream E&S sustainability into its own activities as well as those of its grantees, by ensuring that adverse risks and impacts are avoided, minimised, mitigated and managed, as well as enhancing positive opportunities and benefits.

The following international E&S Standards and Guidelines are applicable to all programmes financed by PONT:

- International law including conventions and treaties adopted by the host countries (Albania, North Macedonia and Greece).
- The World Bank Environmental and Social Framework (ESF), including the Environmental and Social Standards (ESS) 1-10 and their associated Guidance Notes (World Bank 2017):
  - ESS1: Assessment and management of environmental and social risks and impacts;
  - ESS2: Labor and working conditions;
  - ESS3: Resource efficiency and pollution prevention and management;
  - ESS4: Community health and safety;
  - ESS5: Land acquisition, restrictions on land use and involuntary resettlement;
  - ESS6: Biodiversity conservation and sustainable management of living natural resources;

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- ESS7: Indigenous Peoples/ Sub-Saharan African Historically Underserved Traditional Local Communities;
  - ESS8: Cultural heritage;
  - ESS9: Financial intermediaries; and
  - ESS10: Stakeholder engagement and information disclosure.
- Sustainability Guideline of the KfW Development Bank (KfW 2022).
  - BMZ's Guidelines on Incorporating Human Rights Standards and Principles, Including Gender, in Programme Proposals for Bilateral German Technical and Financial Cooperation (BMZ 2013).
  - World Bank Group's General Environmental and Health and Safety Guidelines and Industry Specific Guidelines, as applicable (World Bank 2007).
  - International Labour Organisation (ILO) Core Labour Standards (ILO 2002).
  - Good Practice Note: Addressing Gender Based Violence in Investment Project Financing involving Major Civil Works (World Bank 2018).
  - Good Practice Note: Assessing and Managing the Risks and Impacts of the Use of Security Personnel (World Bank 2018).
  - Use of Security Forces: Assessing and Managing Risks and Impacts (IFC 2017).
  - Basic Principles on the Use of Force and Firearms by Law Enforcement Officials (UN 1990).
  - United Nations Code of Conduct for Law Enforcement Officials (UN 1976).
  - Voluntary Principles on Security and Human Rights (VPs 2000).
  - Addressing Security and Human Rights Challenges in Complex Environments: Toolkit, Third Edition (DCAF/ICRC 2016).

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- Food and Agriculture Organization (FAO) Voluntary Guidelines on the Responsible Governance of Tenure (VGGT) (FAO 2012).

The United Nations Basic Principles and Guidelines on Development-based Evictions and Displacement, namely §§ 42, 49, 52, 54 and 60, is referred to in the KfW Sustainability Guidelines (2021), but as PONT does not finance programmes with the potential for physical displacement (see Exclusion List, Chapter 2), these guidelines are not included here.

An overview of the applicable International Environmental and Social Standards and Guidelines can be found in **Annex D**. The application of these Standards in practice, and the required Safeguard Instruments and measures are all defined through the PONT E&S procedures in **Section 4** below.

### 3.4 Legal Gap Analysis

PONT assessed national legislation against the requirements of international standards, in order to identify if and where there are gaps, and therefore where the focus on the ESMS should be to ensure suitable safeguards are developed. A summary of this analysis is provided in **Annex E**.

The key gaps identified in Albania, North Macedonia and Greece were related to the identification of vulnerable peoples when conducting an environmental and social impact assessment, and the requirement to assess potential adverse gender impacts and mitigate risks accordingly. While there is clear national legislation on Environmental Impact Assessments (EIAs) particularly for infrastructure projects, the legislation does not refer strongly to Social Impact Assessments (SIAs) in the context of environmental projects such as Protected Area establishment.

Furthermore, in relation to customary rights, particularly customary user-rights of natural resources, in all countries, while there is recognition of private property in Protected Areas establishment, there is no provision for recognition of customary user rights, with the potential then for Protected Areas to prevent local communities from extracting and using natural resources which they customarily used.

In addition to these, gaps were identified within Greek legislation regarding stakeholder consultation procedures, with no specific law relating to stakeholder identification and analysis

or the development of a grievance mechanism, and none of the countries had legislation specifically addressing intangible cultural heritage.

In addition to the Legal Gap Analysis, PONT has also conducted an in-depth review of the legislation and functioning of grievance mechanisms in each country. To a large degree, there is sufficient legislation on grievance management, and existing grievance procedures exist on the level of the government authorities responsible for PA management. Some minor gaps, for example related to sensitisation of local communities about the grievance procedures, what constitutes an eligible grievance, were identified. For each new geographical area, and each PA where PONT works, if these issues are identified, then activities to raise awareness or improve grievance procedures will be identified and implemented. PONT will also have a Grievance Mechanism, for those grievances that are not resolved at the Protected Area or Ministerial level, as described in **Section 5.3** below.

Likewise, for law enforcement, PONT conducted an in-depth assessment, applying the IUCN human rights and security questionnaire, on a national level, for both North Macedonia and Albania<sup>5</sup>. The risk of human rights violations due to support to law enforcement, was estimated to be low. While checks and questions relating to law enforcement will still be included in the PA ESDD, to account for variation between Protected Areas, there is no need for an additional safeguard plan.

With this understanding, the PONT E&S procedures developed for the PONT ESMS have placed a focus on identification of affected stakeholders, particularly vulnerable groups, and ensuring that grantees have undertaken necessary stakeholder consultation in the preparation of Protected Area management plans. The PONT E&S procedures also foresee the identification of Environmental Actors (EAs) with skills and experience to fill some of these gaps and improve practice, during the feasibility assessments, described in **Section 4** below.

## 4. PONT E&S Procedures

This section of the ESMS Manual is designed for use by:

- a) PONT personnel responsible for the PONT E&S procedures;

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<sup>5</sup> This in-depth assessment will be expanded to Greece should PONT expand operations to Greece beyond the current project.

- b) eligible grantees to prepare their applications.

This chapter contains the following:

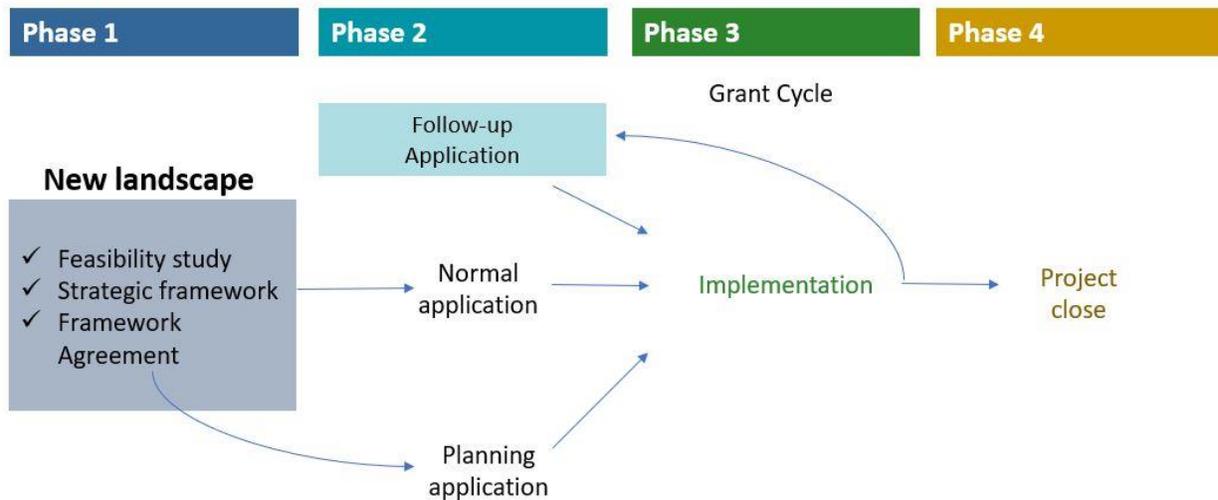
- Summary of the PONT Procedures, including E&S Procedures
- Overview of responsibilities and resources.

Note that the 'normal procedures' and 'E&S procedures' have been split out from each other here in the ESMS manual. This is for illustrative purposes, to indicate how E&S procedures are being layered into the existing PONT operational procedures, and to identify the additional resources required for implementation. These procedures will then be combined when integrated into the PONT Grants Manual and Operations Manual.

## **4.1 Overview of PONT procedures**

There are four phases in the PONT grant cycle, illustrated in **Figure 2**, below. E&S procedures have been integrated into all four phases, for both Protected Areas (PAs) and Environmental Actors (EAs). The figure depicts the three application pathways offered by PONT: a planning grant, a normal grant and a follow-up grant. The purpose of a planning grant is to support a PA to develop its first full application for a normal grant application. A normal application is as the name suggests, a full grant application for a PA for the first annual operational plan and for a full application for an EA based on a Call for Proposal. A Follow-up application can be for either PA or EA after successful closure of a normal application and upon invitation by PONT.

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**Figure 3:** PONT grant cycle

The four phases of the PONT grant cycle are summarised here:

- **Phase 1: Feasibility study and framework agreements:** This first phase consists of a feasibility study, which includes assessment of feasibility at the landscape level, and selection of Protected Areas and Environmental Actors with which to work. On completion of the study a strategic framework is drawn up, in line with the existing framework agreements with the relevant ministries. The feasibility study is conducted every time there is a geographical expansion of PONT's activities. In this phase there is an E&S screening of the new landscape (geographical expansion), and an Environmental and Social Due Diligence of the potential PAs and EAs.
- **Phase 2: Planning and/or normal grant applications:** The second phase covers grant applications for planning and normal grants. In this phase PA and EA management plans and strategic plans are screened for E&S risk and negative impacts for the specific activities that will be supported by PONT.
- **Phase 3: Implementation:** The implementation phase includes the implementation of activities by the grantee, and the monitoring of grantees' activities by PONT. This occurs through two key mechanisms, an interim monitoring report and, less formally through PONT – Grantee regular meetings.

- **Phase 4. Project close out:** Once the project grant cycle has ended, a final monitoring report is submitted by the grantees in which E&S measures are evaluated. If grantees have successfully undergone a grant cycle they may be eligible for a follow-up grant, as per **Figure 2** above.

E&S activities have been integrated into these four phases, as described in **Section 4.2**.

## 4.2 E&S integration in PONT procedures

PONT procedures are depicted in **Figure 2** above and summarised in **Table 2** below.

### 4.2.1 Phase 1: Feasibility assessment

As the first step in the feasibility assessment PONT screens the landscape for E&S risks and negative impacts, aiming to identify any red flag issues and provide a broad overview of existing landscape level E&S issues. As PONT-supported PAs and EAs, and importantly activities, have not been defined at this stage, the screening includes contextual risks in and around the PAs in the landscape, drawing from existing issues known to stakeholders. Therefore, while the screening covers the whole landscape proposed for the geographical expansion, it draws from individual EAs and PAs within this landscape.

The landscape screening results are presented alongside PONT's eligibility criteria and feasibility study conclusions in the feasibility study report. The findings feed into PONT's strategic framework and framework agreements. The results of the E&S screening also inform key issues to be explored in the PA and EA due diligence in Step 2 below.

In Step 2 of the feasibility assessment, PAs and EAs that are considered ready for PONT funding are screened against their Management Plans (PAs) and Strategic Plans (EAs). The PA and EA due diligence assesses the current level of compliance potential grantees have with PONT's E&S safeguard policies<sup>6</sup>, their capacity to implement safeguards and identifies any key gaps that need to be addressed. The PA ESDD is broad, in that it looks at all the Protected Area activities and the PA land management plan (including zone and regulations), to consider potential E&S risks and negative impacts, including impacts related to access restrictions, stakeholder engagement, and vulnerable groups, for example, regardless of the specific project

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<sup>6</sup> Which includes national legislation and international E&S standards as outlined in sections 3.1 – 3.3 above.

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activities that will be supported by PONT. Gaps will be addressed via PONT's strategic framework, EA activities, or via agreements with the PAs themselves. In summary, during the feasibility assessment there is:

- Step 1 – Landscape E&S screening (using the E&S screening checklist) during the first phase of the feasibility study;
- Step 2 – PA and EA E&S due diligence (using a PA ESDD tool and EA DD questionnaire) during the second phase of the feasibility study.

If necessary supplementary interviews or requests for information are needed from PA management authorities or EAs, these will be sought. The output of this stage flags key E&S issues identified, and PA-level ESDDs identifying risks and negative impacts in preparation for grant applications. Furthermore, PONT will have a list of key skills and experiences of EAs for Calls for Proposals to address E&S issues.

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**Figure 3:** Summary of PONT E&S procedures

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**Table 2:** Summary of PONT E&S procedures

Grant Phase	Process Steps (normal and E&S)	Responsibility	Tools	Decisions(s)
Phase 1- Feasibility assessment	<ul style="list-style-type: none"> <li>• Landscape level feasibility study</li> <li>• Strategic framework</li> <li>• Inform about changes in the annexes attached to the Framework agreements with governments through the PONT website and newsletters</li> <li>• Landscape E&amp;S screening</li> <li>• PA/EA level E&amp;S due diligence [incl. if needed additional interviews with PA management authorities and EAs].</li> </ul>	<ul style="list-style-type: none"> <li>• PONT (implemented by consultants)</li> </ul>	<ul style="list-style-type: none"> <li>• ToR for feasibility study</li> <li>• Feasibility study report template</li> <li>• Concept Note</li> <li>• Landscape E&amp;S checklist</li> <li>• PA ESDD tool</li> <li>• EA DD questionnaire</li> <li>• Strategic Framework (PONT Template 8)</li> </ul>	<ul style="list-style-type: none"> <li>• Include as part of PONTs focus region</li> <li>• Exclude from PONTs focus region</li> <li>• Work to include</li> </ul>
Phase 2 - Grant application (concept note and full application)	<ul style="list-style-type: none"> <li>• Planning grant/Normal grant concept note</li> <li>• E&amp;S screening of concept note for shortlisted PA applicants (E&amp;S activity screening tool) and feedback to applicant</li> <li>• Full planning grant/normal grant application. ESMP submitted with support from PONT</li> </ul>	<ul style="list-style-type: none"> <li>• Applicant (application)</li> <li>• PONT (review)</li> </ul>	<ul style="list-style-type: none"> <li>• PA E&amp;S activity screening tool (PONT Template 3)</li> <li>• PA and EA Grant application templates</li> <li>• ESMP template, Annex to Grant application templates</li> <li>• Normal and planning grant scoring cards</li> </ul>	<ul style="list-style-type: none"> <li>• Approve</li> <li>• Develop ESMP</li> <li>• Decline</li> </ul>
Phase 3 - Project Implementation	<ul style="list-style-type: none"> <li>• Interim monitoring report</li> <li>• PONT – Grantee regular meetings (informal)</li> <li>• [E&amp;S monitoring integrated into project report and grantee meetings listed above].</li> </ul>	<ul style="list-style-type: none"> <li>• Grantee (report)</li> <li>• PONT (review)</li> </ul>	<ul style="list-style-type: none"> <li>• ESMP</li> <li>• Interim monitoring report template</li> <li>• Regular meeting minutes</li> <li>• ESMS Database</li> <li>• Board report ESMS template</li> </ul>	<ul style="list-style-type: none"> <li>• Met safeguard requirements</li> <li>• Not met safeguard requirements</li> <li>• Further work needed to meet safeguard requirements</li> </ul>

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Phase 4 - Project close out	<ul style="list-style-type: none"><li>• Final monitoring report</li><li>• [E&amp;S monitoring integrated into final monitoring report].</li></ul>	<ul style="list-style-type: none"><li>• Grantee (report)</li><li>• PONT (review)</li></ul>	<ul style="list-style-type: none"><li>• ESMP</li><li>• Interim/final monitoring report (PONT Template 7)</li></ul>	<ul style="list-style-type: none"><li>• Evaluate</li><li>• Recommend for follow up grant</li></ul>
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#### **4.2.2 Phase 2: Planning and/or normal grant applications**

Phase 2 covers the application process that potential planning and normal PA and EAs grantees go through. This phase sets out which mitigation measures are required for each application. PA applications shortlisted at the concept note stage for both the planning and normal grants are screened against their proposed activities which takes into account:

- The findings of the E&S activity screening (the screening is conducted only for PAs, using the E&S activity screening tool which is integrated into PONT Template 3, and described in **Annex F**).
- The findings of the PA ESDD conducted in Step 2 of Phase 1.

PONT provide feedback on the mitigation measures required based on the screening results. Applicants then fill out a full application (normal or planning) and if necessary, develop a simple Environmental and Social Management Plan<sup>7</sup> that indicates how risks and negative impacts and associated activities and with the broader PA will be managed. Although EAs are not screened at Applicant stage, the EAs application form includes safeguard questions, and PONT reviewers will recommend if an ESMP is required.

- Step 1 – Applicant fills out concept note;
- Step 2 – PONT score concept note and for those shortlisted, feedback on E&S issues to applicant;
- Step 3 – Applicant develops full application and ESMP (if required) with PONT support; PA Application activities are fully screened.
- Step 4 – PONT include results in the ESMS database, including monitoring indicators.

#### **4.2.3 Phase 3: Implementation**

The interim monitoring report (PONT Template 7) provides the formal process through which ESMP is monitored through the addition of E&S questions and, informally, regular meetings

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<sup>7</sup> To keep this stage as simple as possible, particularly for 'small grant' applications, all required safeguard measures are combined into the ESMP, rather than having separate safeguard tools or instruments.

provide an opportunity to troubleshoot E&S issues as they arise, which can be documented in the minutes.

- Step 1 – Grantee fills out the interim monitoring report, which includes E&S questions.
- Step 2 – On-going discussions on E&S issues.

#### **4.2.4 Phase 4: Project close out**

As in the phase above, E&S considerations are integrated into current PONT procedures. E&S monitoring questions are part of the final monitoring report (PONT Template 7) to allow simultaneous assessment of E&S issues at the close of a grant cycle.

- Step 1 – Final monitoring report includes an evaluation of E&S implementation
- Step 2 – Recommendations made for follow up grants consider result of E&S evaluation.

## **5. Risk management strategy**

Based on the identified potential E&S risks and negative impacts (**Section 1.2**, Scope of the ESMS), and PONT's responsibilities (**Section 1.3**), PONT has formulated a risk management strategy summarised in **Table 3** below. **Table 3** illustrates both how and when different risks and negative impacts are identified and assessed, based on PONT's E&S procedures (**Section 4** above). The table also illustrates how PONT will manage these risks and negative impacts, based on ensuring that measures are commensurate with the risks and negative impacts, and considering whether PONT is causing, contributing, or linked to these risks or negative impacts.

### **5.1 Identification and assessment of E&S risks and impacts**

As described in the PONT E&S procedures (**Section 4**) PONT has conducted a legal gap analysis for countries where it operates and will conduct a feasibility study for each new landscape when expanding geographically. During this feasibility study, all potential risks and negative impacts, including contextual risks, are considered to be within the scope of the landscape screening. Once the landscape screening is complete, the PA and EA due diligence tools are used to conduct both checks (some standard questions, asked regardless of whether issues were identified on a landscape level), and further assessment (for risks and negative impacts identified as importance on a landscape level, and potentially relevant on a PA or EA

level). This risk and impact identification, while focusing on areas where gaps have been identified in the LGA, essentially covers all possible E&S risks and negative impacts, to ensure comprehensive identification of issues.

Finally, based on the PA and EA due diligence, the activity-based screening of grant applications can potentially include all E&S risks and negative impacts, on a case-by-case basis (based on the feasibility study due diligence results), and always includes checks of the key gaps identified in the legal gap analysis (customary rights, gender, vulnerability, as per Section 3.4).

## **5.2 Management of E&S risks and impacts**

PONT has identified a number of different mechanisms through which identified risks and negative impacts can be managed. Rather than list out all the risk mitigation measures that could be implemented with the support of PONT, such as consultation events, community outreach and education, supporting on clarification of Protected Area boundaries and fuelwood permitting schemes, **Table 3** illustrates the key mechanisms through which PONT can design and implement mitigation measures. These include, but are not limited to:

- PONT ESMS = this ESMS Manual and PONT's E&S procedures (integrated into the Grants Manual and Operations Manual).
- SF = Strategic Framework. Measures already included in the SF to manage common E&S risks and negative impacts.
- EAA = Environmental Actors Call for Proposals and Applications. Integrating additional measures into the Application via a project-specific Environmental and Social Management Plan (ESMP).
- PAA = Protected Area Applications. Integrating additional measures into the Application via a project-specific Environmental and Social Management Plan (ESMP).
- NC = National Consultants who conduct activities with direct support from PONT. For example, NCs could conduct consultations and sensitization events, assessments of particular E&S issues, or facilitate multi-stakeholder workshops.

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- SP = Strategic Partnerships and Collaborations with other donors and organisations operating in the landscape. For example, working with existing programmes in the region who could have relevant expertise and resources to address particular E&S issues.

The risk management mechanisms are illustrated in the final column of **Table 3**. In most cases, there are multiple potential mechanisms.

**Table 3** includes some examples of the components of the PONT Strategic Framework (2021) that can address particular E&S risks and negative impacts. The PONT strategic framework articulates the activities that PONT intends to support, so that Environmental Actors and Protected Areas are aware in the preparation of their grant applications. In some cases, PONT Calls for Proposals will be focused on a specific objective, or even a specific action, and these Calls for Proposals can be adjusted based on not only biodiversity priorities but identified E&S risks and negative impacts in each landscape and Protected Area. Therefore, the results of a PA ESDD can be used to inform a Call for Proposals for EAs, to work on identified issues.

Note that while the Strategic Framework objectives and actions remain relatively generic as presented, these are translated into practice via the PONT grants themselves. Activities supported can be tailored to specific issues identified during the Due Diligence work. However, this means that the mitigation measures for one grant, are not always included in the same grant (eg. through the ESMP), with the risk of having identified but unmanaged impacts. Therefore, PONT has established an ESMS database (**Annex F**) which allows for the tracking of results of the E&S screening, due diligence, and risk management measures, allowing PONT to match EA calls for proposals to specific issues and PAs, in cases where the PAs are not implementing the risk management measure themselves. This has the advantage of matching relevant skills and experience to identified issues and being more in-keeping with the way that PONT is contributing to a range of conservation issues in these landscapes.

Note that, in addition to the specific measures in **Table 3**, PONT will be conducting activities with a wider audience and impact, which intend to share information on identified risks and negative impacts, and exchange on best practice in these landscapes. These additional activities include the identification and documentation of best practice, and sharing this among Environmental Actors and Protected Areas, within and across key landscapes through multiple channels. Furthermore, when working in new landscapes, PONT aims to first conduct no risk no regret activities with Environmental Actors, as an entry point to working and learning in these landscapes.

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**Table 3:** Summary of PONT’s risk management strategy

E&S risk/impact and PONT contribution <sup>8</sup>	Identification and assessment of risks/impacts				PONT responsibility and key gaps/ issues	Risk management measures	Where are measures to be included? (mechanism)
	Legal Gap Analysis	Feasibility Study – screening and PA ESDD	Feasibility Study - screening and EA ESDD	Project (activity) level			
<p><b>E&amp;S identification, assessment and management (ESS1)</b></p> <p><i>Cause – own ESDD process</i></p> <p><i>Contribute to PAs where risks/impacts might not been identified or assessed</i></p>	✓	✓ (checks)	X	CBC	<ul style="list-style-type: none"> <li>No major legal gaps identified</li> <li>Some gaps in level of social impact assessment. particularly relating to gender, vulnerable groups and customary rights.</li> <li>Consultation on risks and impacts could be improved in practice.</li> </ul>	<ul style="list-style-type: none"> <li>Establish PONT own E&amp;S procedures (PONT ESMS Manual)</li> <li>SF 1.2.9: Build capacity among civil society organization for effective participation in Environmental and Social Impact Assessment procedures.</li> </ul>	<ul style="list-style-type: none"> <li>PONT ESMS</li> <li>SF</li> <li>NC</li> </ul>
<p><b>Labour and working conditions (ESS2)</b></p>	✓	✓ (checks)	X	CBC	<ul style="list-style-type: none"> <li>No legal gaps identified</li> </ul>	<ul style="list-style-type: none"> <li>PONT own Labour Policies/ Procedures for staff &amp; contractors, including H&amp;S procedures</li> </ul>	<ul style="list-style-type: none"> <li>PONT ESMS</li> <li>PONT policies</li> </ul>

<sup>8</sup> Note that where ‘contribute’ is marked, then ‘linked to’ is assumed.

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<p><i>Cause – own staff and contractors</i></p> <p><i>Contribute – EA and PA staff and contractors; community volunteers</i></p>							
<p><b>Resource efficiency and pollution management</b></p> <p><i>Contribute</i></p>	✓	✓ (checks)	X	CBC	<ul style="list-style-type: none"> <li>No legal gaps identified</li> </ul>	Na	<ul style="list-style-type: none"> <li>Na</li> </ul>
<p><b>Community health and safety – general (ESS4)</b></p> <p><i>Contribute</i></p>	✓	✓ (checks)	X	CBC	<ul style="list-style-type: none"> <li>No legal gaps identified</li> </ul>	Na	<ul style="list-style-type: none"> <li>Na</li> </ul>
<p><b>Community health and safety – law enforcement (ESS4)</b></p> <p><i>Contribute</i></p>	✓ + IDR (in – depth review)	✓ (checks)	X	CBC	<ul style="list-style-type: none"> <li>No legal gaps identified</li> </ul>	Na	<ul style="list-style-type: none"> <li>Na</li> </ul>
<p><b>Land and natural resource access (inc. customary rights) (ESS5)</b></p>	✓	✓ (checks)	✓ (checks)	✓ (checks)	<ul style="list-style-type: none"> <li>Lack of recognition of customary natural resource use rights</li> </ul>	<ul style="list-style-type: none"> <li>SF 2.24: Support the involvement of local communities and stakeholders in active management and habitat restoration in</li> </ul>	<ul style="list-style-type: none"> <li>SF</li> <li>EAA</li> <li>PAA</li> </ul>

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<i>Contribute</i>						protected areas and ecological corridors	
<b>Biodiversity and sustainable use of natural resources (ESS6)</b>	✓	✓ (checks)	X	CBC	<ul style="list-style-type: none"> <li>No legal gaps identified</li> </ul>	Na	<ul style="list-style-type: none"> <li>Na</li> </ul>
<b>Indigenous Peoples (ESS7)</b>	Na						
<b>Cultural heritage (ESS8)</b>	✓	✓ (checks)	X	CBC	<ul style="list-style-type: none"> <li>No legal gaps identified</li> </ul>	Na	<ul style="list-style-type: none"> <li>Na</li> </ul>
<b>Stakeholder engagement and information disclosure (ES10)</b>	✓	✓ (checks)	X	CBC	<ul style="list-style-type: none"> <li>No legal gaps identified</li> <li>Consultation on risks and impacts could be improved in practice.</li> </ul>	SF 2.2.4 Support the involvement of local communities and stakeholders in active management and habitat restoration in protected areas and ecological corridors	<ul style="list-style-type: none"> <li>SF</li> <li>EAA</li> <li>PAA</li> <li>NC</li> </ul>
<b>Grievance Management</b>	✓ + IDR (in – depth review)	✓ (checks)	X	CBC	<ul style="list-style-type: none"> <li>No legal gaps identified</li> <li>Grievance procedures and management could be improved in practice</li> </ul>	SF 1.16 Promote the establishment of processes and mechanisms to get feedback and identify, hear, and resolve complaints and disputes related to the governance or management of the protected areas.	<ul style="list-style-type: none"> <li>SF</li> <li>PAA</li> <li>NC</li> <li>PONT ESMS (and GM)</li> </ul>

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						<ul style="list-style-type: none"> <li>PONT's own Grievance Mechanism</li> </ul>	
<b>Gender</b>	✓	✓ (checks)	✓ (checks)	✓ (checks)	<ul style="list-style-type: none"> <li>Limited Gender Analysis or Gender Action Plans</li> </ul>	1.1.4 – support and facilitate active participation of women, youth and vulnerable people, and local communities.  EAA Gender Action Plans	<ul style="list-style-type: none"> <li>SF</li> <li>EAA</li> <li>PAA</li> <li>SP</li> </ul>
<b>Vulnerable groups</b>	✓	✓ (checks)	✓ (checks)	✓ (checks)	<ul style="list-style-type: none"> <li>Limited identification or consultation of VGs</li> </ul>	1.1.4 – support and facilitate active participation of women, youth and vulnerable people, and local communities.	<ul style="list-style-type: none"> <li>SF</li> <li>EAA</li> <li>PAA</li> </ul>
<b>Human Rights</b>	X <sup>9</sup>	✓ (checks)	✓ (checks)	CBC	<ul style="list-style-type: none"> <li>Legal gaps not assessed to date</li> <li>No human rights issues known in practice</li> </ul>	Na	<ul style="list-style-type: none"> <li>Na</li> </ul>

Table notes:

✓ - this area of study is included in PONT E&S tools and templates for identification and assessment of risks and impacts

✓ (checks) – some light-touch questions and checks are included in PONT E&S tools and templates, because more thorough assessment has been completed on another level

X – no inclusion of identification of risks and impacts of this area of study as it has not been identified as a potential risk area

IDR – in-depth review has also been conducted

CBC – case by case inclusion of this risk or impact, based upon previous screening or due diligence results, in a flowing-forward manner

<sup>9</sup> During the scoping of the PONT Environmental and Social Management System, human rights risks related to environmental protection were judged to be negligible in the countries where PONT operates. PONT reviews the European Union Human Rights and Democracy Annual Reports to track any human rights – environmental issues and will respond accordingly.

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“Where are measures included” (mechanism)

PONT ESMS = PONT ESMS (this manual)

SF = Strategic Framework

EAA = Environmental Actors call for proposals and Applications

PAA = Protected Area Grant Applications

NC = National Consultants conduct activities with direct support from PONT

SP = Strategic Partnerships and Collaborations with other donors and organisations in the landscape working on key E&S issues.

### 5.3 PONT's Grievance Mechanism

PONT is in the process of establishing a grievance mechanism, with the purpose of providing affected communities and project affected persons with a mechanism of lodging grievances directly with PONT, in the case that the in-country grievance procedures have not adequately addressed their concerns. Eligible grievances will be those complaints, comments or concerns about activities supported by PONT, within those geographical areas where PONT operates, where there are active grants being supported (or within 18 months of the end of a grant). The PONT grievance mechanism will be included on the PONT website, and will be communicated in PONT stakeholder engagement events, meetings and workshops, to ensure that stakeholders are aware of its existence and function.

## 6. Operational requirements

This ESMS will be implemented by PONT, and PONT will work with grantees and other stakeholders to ensure that E&S procedures and risk management plans are developed and implemented. The day-to-day ESMS implementation will be conducted by PONT staff. As PONT aims to operate efficiently by maximizing the amount of grants going towards biodiversity conservation and sustainable management of natural resources, the additional costs related to ESMS implementation will aim to be proportionate with the size and value of the grants.

As this ESMS is new, **Table 4** presents initial estimates of the PONT E&S capacity requirements within each grant phase, alongside budgetary estimates for the additional tasks to be completed. These budget estimates also include consultancy costs (eg. in Phase 1). As ESMS implementation begins in earnest, PONT will identify any additional activities to support implementation, such as staff and stakeholder workshops and/or familiarisation sessions and communications regarding the modified policies and procedures and the implementation of the ESMS. **Table 4** also indicates the key responsibilities for E&S procedures.

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**Table 4:** Operational requirements

Grant Phase	Capacity requirements	Budgetary requirements
Phase 1- Feasibility assessment	<ul style="list-style-type: none"> <li>• PONT safeguards personnel</li> <li>• Consultant with safeguards experience</li> <li>• Fieldwork budget</li> <li>• Information to be developed to communicate PONTs ESMS (PONT safeguards personnel and PONT's fundraising/communication officer)</li> <li>• Under supervision of the Senior Grants Coordinator the respective PONT Grants Coordinators to look at the PA Management Plan as part of the ESDD on a PA level (for which they are responsible).</li> <li>• Overview of the Feasibility assessment by the PONT Executive Director and Senior Grants Coordination to coordinate synergies of the support on E&amp;S by other donors active in the PONT Focus Area</li> </ul>	50,000 EUR
Phase 2 - Grant application (pillar 2 SF and concept note and full application)	<ul style="list-style-type: none"> <li>• PONT safeguards personnel to assist each Grants Coordinator to review applications and provide feedback and support in the development of safeguard measures</li> </ul>	18,000 EUR
Phase 3 - Project Implementation	<ul style="list-style-type: none"> <li>• PONT safeguards personnel to review interim monitoring report, write the board report, maintain the ESMS database, trouble shoot safeguarding issues as they arise through informal meetings</li> </ul>	5,000 EUR
Phase 4 - Project close out	<ul style="list-style-type: none"> <li>• PONT safeguards personnel to review final monitoring report, write the board report, maintain the ESMS database</li> <li>• Support by the PONT Fundraising/communication officer to update the website with ESMS information and lessons learned</li> <li>• PONT Executive Director to add an additional E&amp;S chapter in the annual/donor report</li> </ul>	10,000 EUR

## 7 Monitoring and evaluation

PONTs E&S monitoring system for grantees has been integrated into PONTs existing M&E procedures through:

- Interim and final monitoring reports (PONT template 7): these reports require grantees to report on E&S risk management progress, obstacles and lessons learned.
- PONT-grantee meetings throughout the programme cycle to monitor grantee progress.
- Occasional PONT field visits.

Further to this, PONTs management team report to the PONT Supervisory Board bi-annually on PONT's activities and strategy, and this board report includes sections on E&S risk management (see **Annex F**). The E&S board report covers important E&S information on:

- Key E&S issues in PONTs focus regions
- Status of PONTs risk management measures
- PONT's ESMS development activities
- Any serious incidents or grievances
- Lessons learnt & recommendations.

Lastly, PONT has developed an ESMS monitoring database that captures all of PONT's and grantees' E&S risk management activities (**Annex F**). This includes:

- Each identified E&S risk (from the PA and EA due diligence, and Application screening)
- Planned mitigation measure(s).
- Risk management mechanism through which mitigation measures will be implemented (eg. Strategic Framework, PA grant application, etc).
- Implementation responsibility (e.g. grantee, PONT, other).

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- Monitoring indicators
- Methods for monitoring
- Monitoring responsibility
- Monitoring results

The ESMS database includes the design of appropriate monitoring indicators, which are SMART (specific, measurable, attainable, action-orientated, relevant, and time-bound), and the recording of monitoring results. This allows for tracking of progress, for indicators that are collected frequently, and for the final project evaluation at end of the project.

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## **ANNEXES**

**Annex A: Glossary of Terms**

**Annex B: PONT Exclusion Checklist**

**Annex C: Summary of Relevant National Legislation**

**Annex C.1: Albania**

**Annex C.2: North Macedonia**

**Annex C.3: Greece**

**Annex D: Summary of Relevant International E&S Standards**

**Annex E: Summary of Legal Gap Analyses**

**Annex F: ESMS Tools and Templates**