PONT | PRESPA OHRID NATURE TRUST

PONT
Environmental & Social Management System (ESMS)

Manual Summary

1.INTRODUCTION - ESMS Responsibilities

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 and Standards.

PONT's responsibilities for managing E&S risks and negative impacts depend on the degree to which PONT is causing, contributing or associated with these risks and negative impacts. PONT provides long-term support to Environmental Actors (EAs) and Protected Areas (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&S risks and negative impacts are currently estimated to be low-moderate.

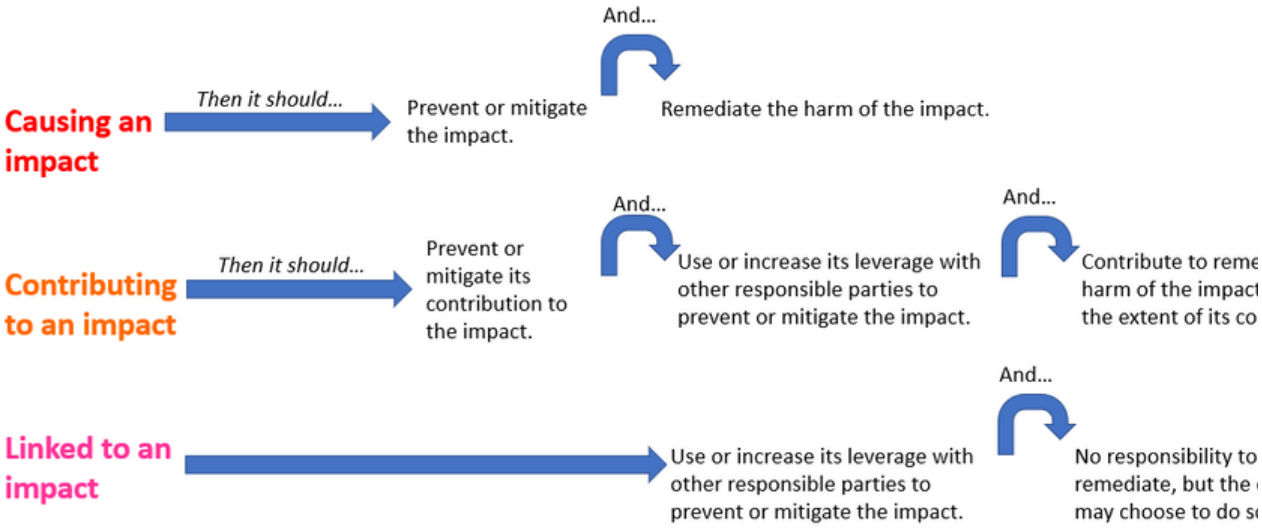


Figure 1: Overview of Cause/ Contribution/ Linkage as a framework for assessing responsibilities. (Debevoise & Plimpton 2017).

Based on the analysis of PONT's activities and the responsibilities in Figure 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.

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.

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

3. ESMS POLICY FRAMEWORK - Legal Gap Analysis

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. 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.

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 in some instances limited 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 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 the 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 have a Feedback Mechanism, for questions, feedback, suggestions, concerns, and complaints that are not resolved at the Protected Area or Ministerial level.

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 . 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 focused on identifying affected stakeholders, particularly vulnerable groups, and ensuring that grantees have undertaken necessary stakeholder consultation in preparing Protected Area management plans. The E&S procedures integrated into the feasibility assessment aim to identify Environmental Actors (EAs) with relevant skills and experience to address some of these gaps and improve practice.

4. PONT E&S PROCEDURES - 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).

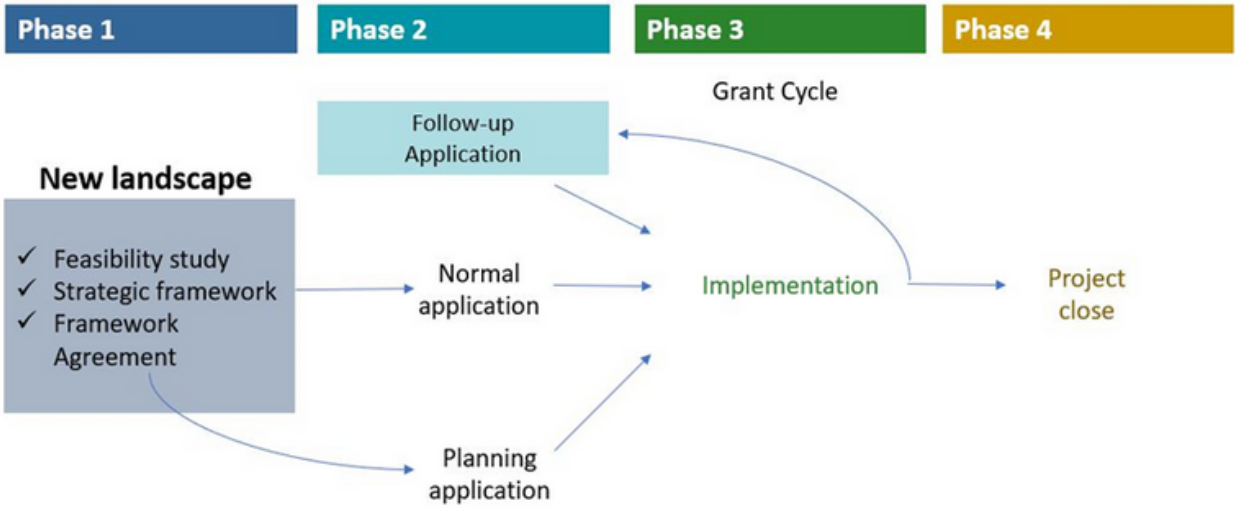
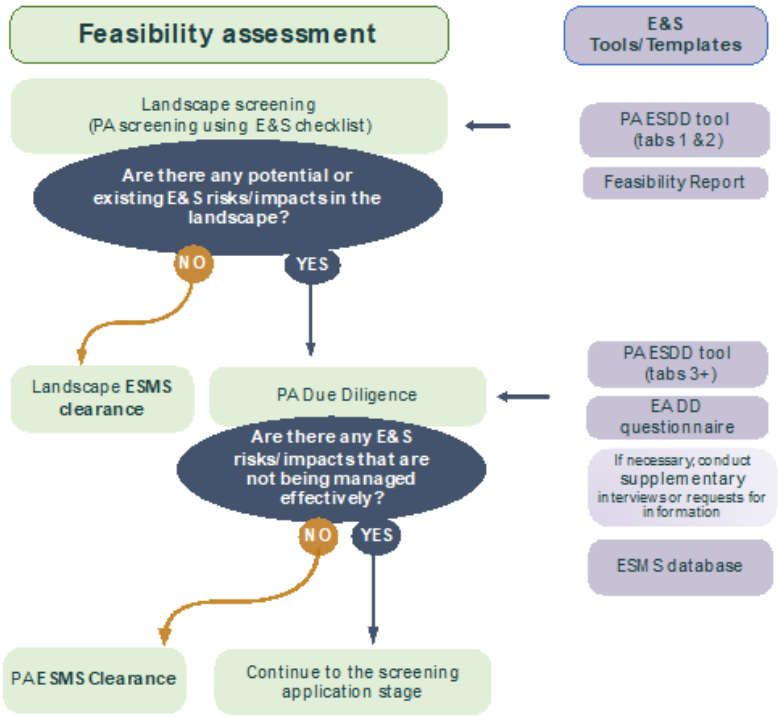


Figure 2: PONT grant cycle

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).



Phase 2: Planning and/or normal grant applications

The second phase covers grant applications for planning and normal grants. In this phase, proposed PONT funded activities are screened against any E&S issues identified at the due diligence (above).

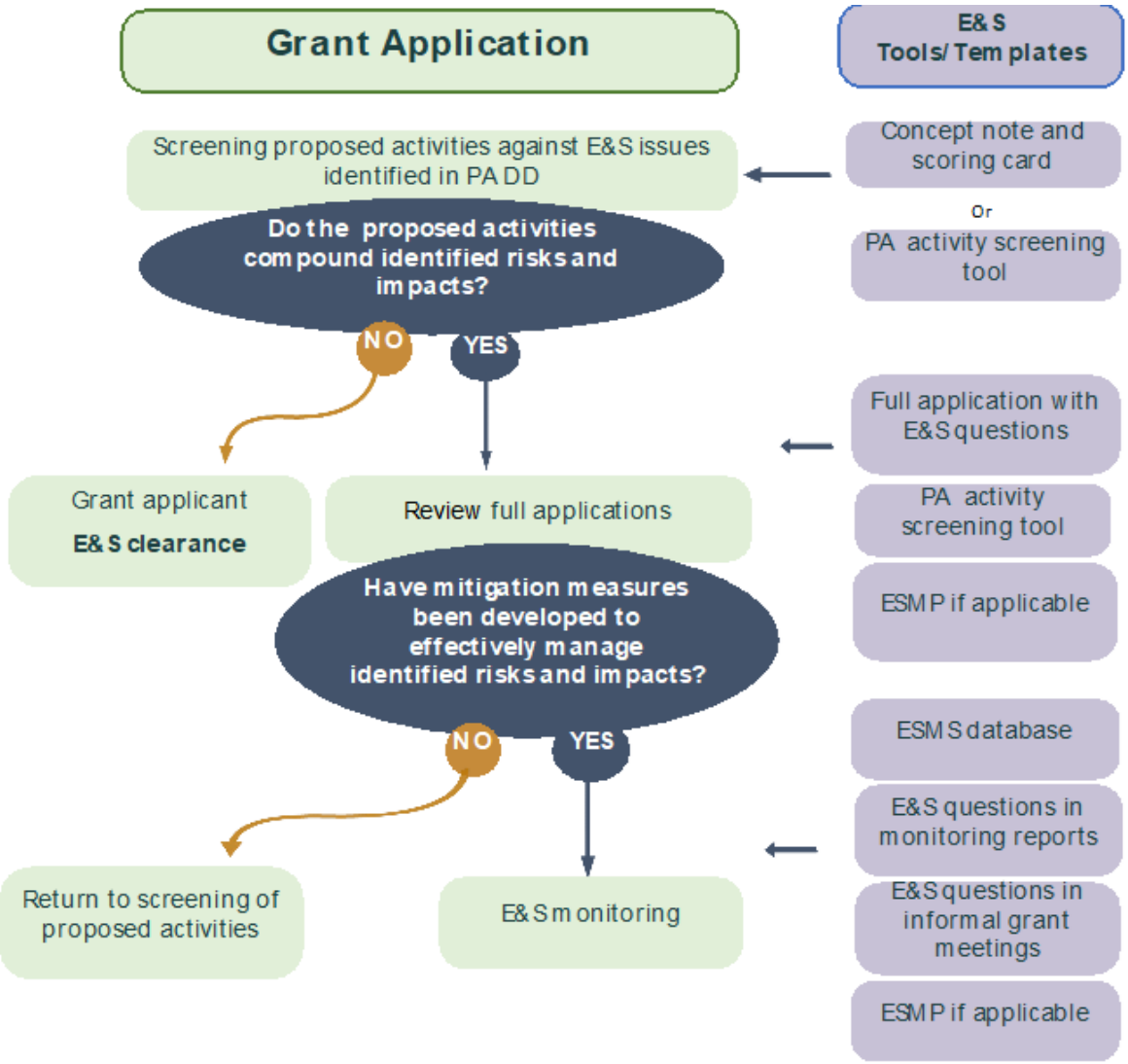


Figure 4: Summary of PONT E&S procedures during Phase 2 & 3 - Grant application & Monitoring

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.

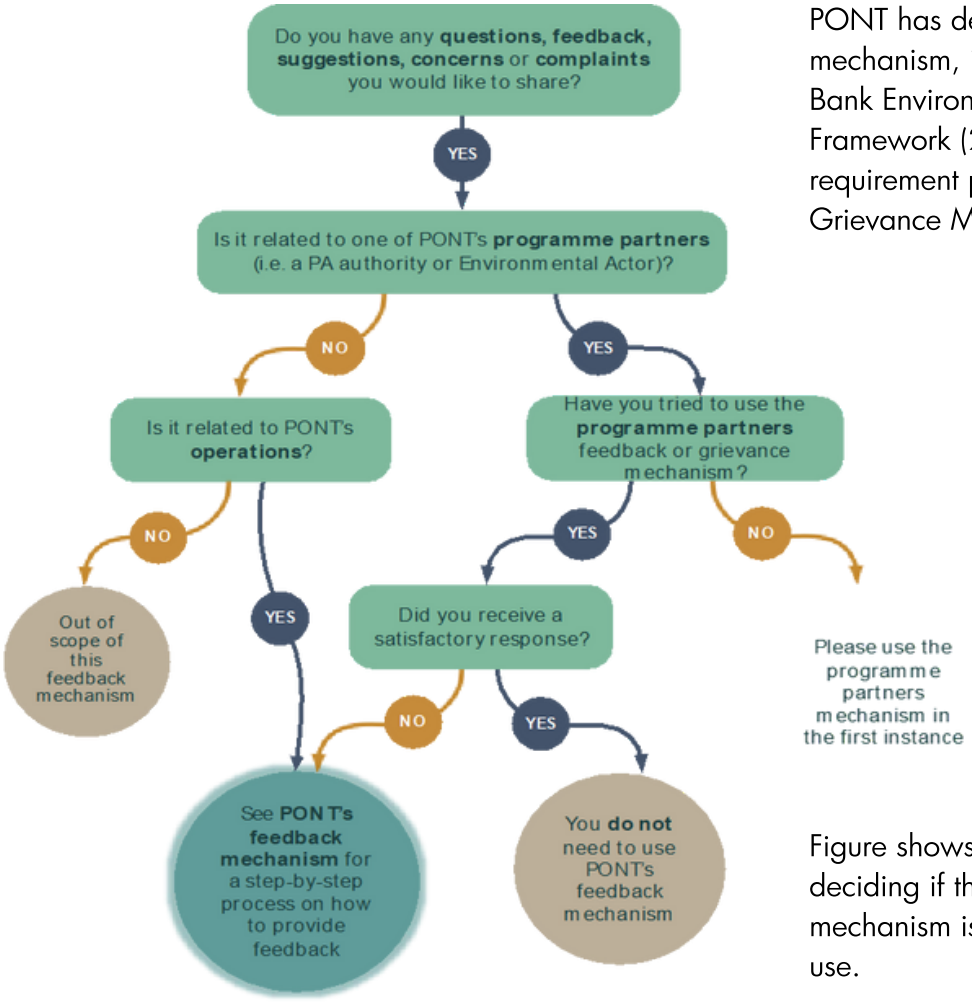
Phase 4. Project close out

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.

5.RISK MANAGEMENT STRATEGY - 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. 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, or to be integrated into 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.
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.

6. PONT's Feedback Mechanism



PONT has developed a feedback mechanism, in line with the World Bank Environmental and Social Framework (2017) Grievance requirement particularly the section on Grievance Mechanisms in ESS 10.

Figure shows the decisions-tree for deciding if the PONT feedback mechanism is the right mechanism to use.

7. 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.

8. 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.
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).
- 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.