

Guidelines for Environmental and Social Considerations

JICA's Guidelines for Environmental and Social Considerations

A project aiming for social and economic development nevertheless may involve a risk of causing negative impacts on the environment including air, water, soil, or ecosystem as well as negative impacts on society such as involuntary resettlement or infringement of the rights of indigenous peoples. In order to achieve sustainable development, the project's impacts on the environment and society must be assessed and means and costs to avoid, minimize or compensate for those impacts must be integrated into the project itself. This internalization of environmental and social cost into the development cost is the gist of Environmental and Social Considerations (ESC). JICA's Guidelines for Environmental and Social Considerations (ESC Guidelines) is a guide that sets forth JICA's responsibilities and required procedures, together with obligations of partner countries and project proponents, in order to put ESC into practice.

The current ESC Guidelines (2010) integrates JICA's former ESC Guidelines (2004) and Japan Bank for International Cooperation Guidelines for Confirmation of Environmental and Social Considerations (2002), and covers Technical Cooperation, Loan Aid and Grant Aid. The ESC Guidelines (2010) applies to projects that were proposed on and after July 2010*.

The ESC Guidelines, in languages including English, Chinese, French, and Spanish, as well as related documents such as Frequently Asked Questions are available on JICA's website. (http://www.jica.go.jp/english/operations/social_environmental/guideline/index.html)

*For projects requested before July 2010, either JICA's former ESC Guidelines (April 2004) or JBIC's 'Guidelines for Confirmation of Environmental and Social Considerations' (April 2002) applies, depending of the scheme.

Application of the ESC Guidelines

JICA's partners, including host countries, borrowers and project proponents (herein referred to as "project proponents etc."), bear the primary responsibility for ESC. JICA's role is to examine the ESC undertaken by the project proponents etc. in their development projects and to provide necessary support to ensure that the appropriate ESC are put into practice and that adverse impacts are avoided or minimized to an acceptable

level. Procedures taken by JICA include the following:

1. Confirmation of ESC

JICA examines and confirms that the ESC is put into practice by the project proponents etc. at various stages of the project including formulation, review, implementation, and post evaluation. JICA's procedure consists of three processes: Screening in which projects are classified into four categories based on the magnitude of their potential impacts; an Environmental Review in which JICA examines and evaluates the ESC during the review of a project proposal; and Monitoring in which JICA follows up on ESC activities for a certain period of time including the post-completion stage.

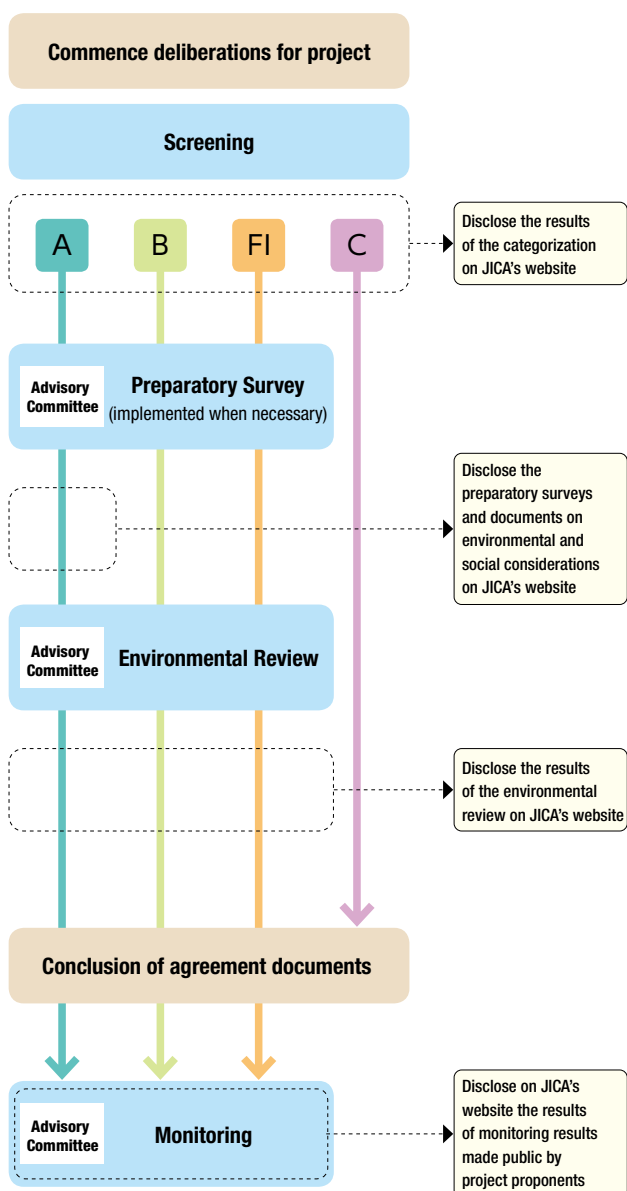
Screening is a process in which JICA classifies the project into one of four Environmental Categories based on the magnitude of its impacts inferred from information supplied by the project proponents etc. The categories are: A (likely to have significant adverse impacts), B (potential impacts are less adverse than A), C (minimal or little impact), and FI (JICA provides fund to a financial intermediary where sub-projects could not be identified prior to JICA's approval). JICA then follows the ESC procedures set by the ESC Guidelines in accordance with the category of the project.

Environmental Reviews is a process in which JICA reviews the ESC of the proposed Loan Aid, Grant Aid, and Technical Cooperation projects. In Environmental Reviews, JICA confirms the possible environmental or social impacts together with countermeasures taken by the project proponents etc., through examination of documents including an environmental impact assessment (EIA) report and Environmental Checklist that indicates the state of ESC, which are provided by the project proponents etc. For category A projects, JICA holds a discussion with the project proponents etc. to confirm the positive and negative impacts of the project based on EIA report and other documents related to ESC. Then JICA evaluates the proposed measures for avoidance, minimization, mitigation, or compensation for the adverse impacts, as well as measures to enhance the positive impacts on the environment and society. JICA secures the transparency of the Environmental Review by disclosing relevant documents including the EIA report on its

Environmental Categories

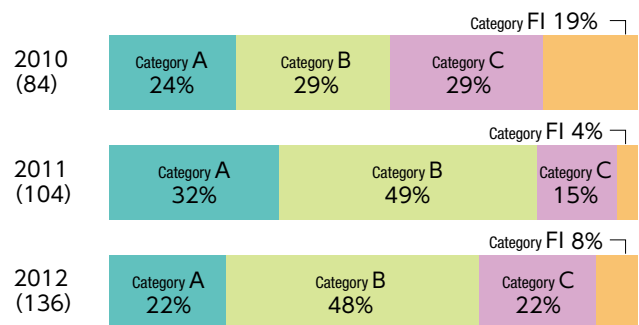
Category	Description
A	Project that is likely to have significant adverse impacts on environment and society. For example, a large-scale project in a sector that requires special attention such as energy development and infrastructure development, or a project in a sensitive area such as a nature reserve or a living sphere of indigenous people.
B	Project whose impacts on the environment and society are less adverse than that of category A.
C	Project that has a minimal or virtually no impact on the environment and society.
FI	Project in which JICA funds the financial intermediary or executing agency that selects its sub-projects after JICA's approval of the funding, and therefore JICA cannot assess the ESC of each sub-project prior to its approval. Such projects are classified as FI if the sub-projects are likely to have a considerable impact on the environment and society.

Flowchart for Environmental and Social Consideration Procedures

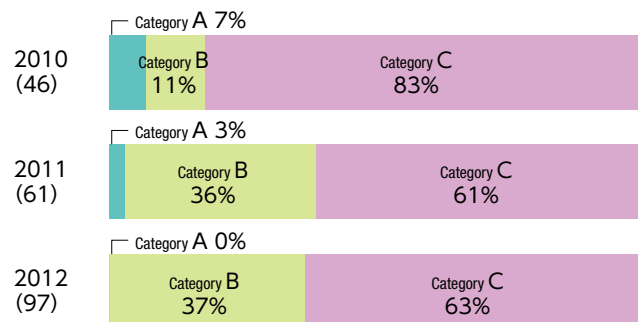


Category Composition Trends

■ Loan Aid

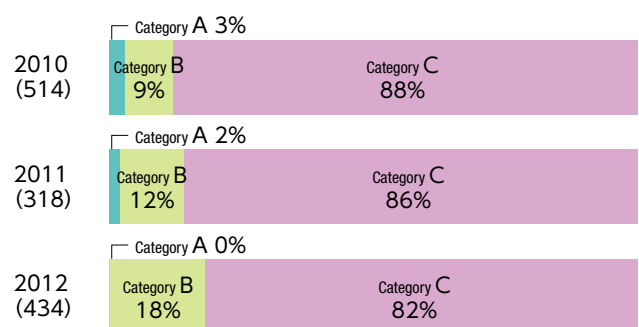


■ Grant Aid



■ Technical Cooperation Projects

(Technical Cooperation and Technical Cooperation for Development Planning)



*Figures in parentheses denote the number of agreement documents concluded.

website prior to the process.

Monitoring for ESC is carried out by the project proponents etc. JICA confirms the result of monitoring for a certain period of time that covers the implementation stage and post-completion stage, and discloses the results on JICA's website. If any issue is identified or anticipated, JICA urges the project proponents, etc. to devise appropriate countermeasures and provides necessary support.

2. Reinforcement of ESC

JICA provides various assistance to partner countries to ensure that appropriate ESC is put into practice. For example, in the planning stage of a project JICA may provide assistance for the survey and other procedures related to ESC within its Preparatory Survey or Detail Design. JICA also enhances the capacity of the partners in ESC through a Training and Dialogue Program including the Workshop on Administration of Environmental and Social Considerations Process for Implementation of a JICA ODA Loan Project and Technical Cooperation Projects such as Capacity Enhancement of Environmental and Social Consideration for Resettlement implemented with Cambodia's Ministry of Economy and Finance and Inter-ministerial Resettlement Committee.

JICA reinforces Japan's capacity on ESC in international development by conducting training courses for government officials and consultants, such as New ESC for Public Officers and Consultants. To strengthen its organizational capacity on ESC, JICA is compiling and updating a series of country profiles focused on environmental and social issues, which are designed to optimize the ESC procedures of JICA and its partner countries. In addition, JICA actively engages in dialogues and shares information regarding ESC with development partners including the World Bank and Asian Development Bank.

3. Advisory Committee for Environmental and Social Considerations

The Advisory Committee for Environmental and Social Considerations has been established by JICA as an independent council that advises JICA on its examination and support of ESC. The committee consists of external experts in the relevant field who were impartially selected following a public advertisement. Twenty three committee members were appointed after the reelection in July 2013, and their term extends until June 2014. Provisional members will be appointed

according to the needs.

During fiscal 2012, 12 plenary meetings were held as well as 27 meetings of a Working Group, which is a group of committee members assigned by the plenary meeting to investigate a particular project.

In March 2013, JICA arranged a site visit for the committee members so that they can provide advices based on firsthand information on the local situation. It is a part of JICA's effort to further improve the quality of its project.

The list of the committee members and the minutes of plenary meetings (in Japanese) are available on JICA's website. (<http://www.jica.go.jp/environment/advice/index.html>)

4. Objection Procedures

In addition to the measures mentioned above, JICA has established the Objection Procedure as a fail-safe mechanism to ensure its compliance with the ESC Guidelines. By following this procedure, a resident or its agent of the partner country who is affected or is likely to be affected by the project due to JICA's non-compliance with the ESC Guidelines can file an objection with JICA. Contents of the objection will be reviewed by the Examiners who are independent of the Operational Department of JICA. Examiners inspect the facts relating to compliance or non-compliance with the ESC Guidelines and report the findings to JICA's president. If a problem or a dispute is identified as a result of JICA's non-compliance with the ESC Guidelines, Examiners will encourage a dialogue between the Requester (person who raised the objection) and the project proponents, etc. As of March 2013, the Examiners appointed by JICA are as follows:

- Mr. Junji Annen
Professor, Chuo Law School, Attorney-at-law
- Dr. Sachihiko Harashina
Professor of Faculty of Policy Informatics, Chiba University of Commerce, Professor Emeritus of Tokyo Institute of Technology

Documents providing an outline of Objection Procedures and the annual reports of the Examiners are available on the Objection Procedures page of JICA's website at: http://www.jica.go.jp/english/operations/social_environmental/objection/index.html

No objection was received in fiscal 2012.

5. Information Disclosure

In order to maintain its accountability and transparency, JICA actively discloses information on ESC. Project proponents, etc. are primarily responsible for the disclosure of information regarding the project's ESC, but JICA also supports this process by disclosing key information with appropriate timing and the proper format as described in ESC Guidelines. For example, under the new ESC Guidelines (2010), JICA has disclosed the EIA reports of all category A projects on its website. JICA also disclosed Resettlement Action Plans of the projects that involved large scale involuntary resettlements. This information, as well as information about the Objection Procedure, is available on the Environmental and Social Considerations page in JICA's website. (http://www.jica.go.jp/english/operations/social_environmental/index.html)

6. Harmonization with Other Development Partners

ESC Guidelines state that JICA' projects must not deviate significantly from the World Bank's Safeguard Policies, and that JICA should refer to the internationally recognized standards and good practices, including that of the international financial organizations, when appropriate. To this end, JICA actively seeks harmonization of its ESC procedures with procedures of development partners, including the World Bank and Asian Development Bank by maintaining close coordination and engaging in a joint mission on ESC in projects that are co-financed by other development partners. JICA also participates in international conferences and other events concerning ESC to keep up to date with global trends and to share its experiences, thus contributing to the improvement of the overall ESC.

Objection Procedures Flowchart

