

# 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, and/or ecosystem as well as negative impacts on society such as involuntary resettlement or infringement of rights of indigenous peoples.

In order to achieve sustainable development, the project's impacts on the environment and society must be assessed, and costs to avoid, minimize, or compensate for those impacts must be integrated into the project itself.

This internalization of the cost that reduces environmental and social impacts into the development cost is the gist of environmental and social considerations (ESC). JICA's Guidelines for Environmental and Social Considerations (ESC Guidelines) are guides that set 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) apply to the projects that were proposed on and after July 2010<sup>1</sup>. 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/our\\_work/social\\_environmental/guideline/index.html](http://www.jica.go.jp/english/our_work/social_environmental/guideline/index.html)] ]

## ● Application of the ESC Guidelines

JICA's partners, including host countries, borrowers, and project proponents (hereinafter 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 are 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; Environmental Review in which JICA examines and evaluates the ESC during the review of the project proposal; and Monitoring in which JICA follows up on the 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 provided 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

## 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.

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.

In Environmental Review, JICA confirms the possible environmental or social impacts together with countermeasures to be 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 the 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 website prior to the process.

Monitoring for ESC is carried out by the project proponents etc. Regarding the project in categories A, B, and FI, JICA confirms the results of monitoring of significant environmental impact items for a certain period of time. If any necessity of improvement is identified during monitoring, JICA urges the project proponents, etc. to devise appropriate countermeasures and provides necessary support.

### 2. Reinforcement of ESC

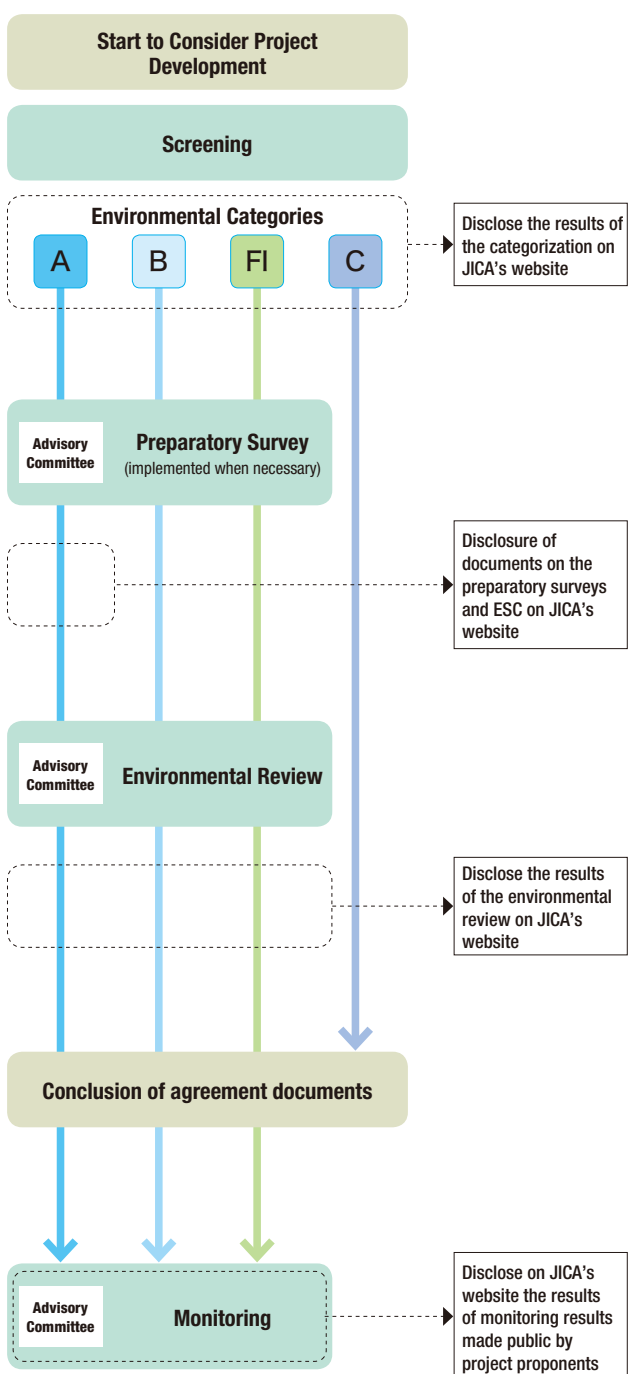
JICA provides various assistance to project proponents etc. to ensure that appropriate ESC are put into practice. For example,

1. 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 on the scheme.

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 project proponents etc. in ESC through Training and Technical Cooperation projects.

Aiming at reinforcing Japan's support system, JICA provides capacity-building programs for consultants etc., as well as collects information on ESC in developing countries. In addition to these efforts, JICA also engages in dialogues and shares information regarding ESC with development partners including the World Bank and Asian Development Bank.

Flowchart for Environmental and Social Consideration Procedures



### 3. Advisory Committee for Environmental and Social Considerations

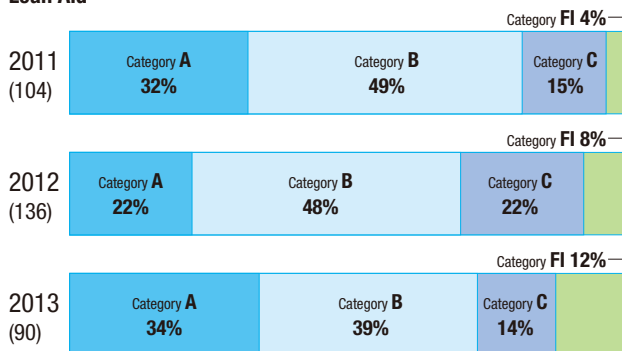
The Advisory Committee for Environmental and Social Considerations has been established by JICA as an independent council that advises JICA on its examination and support of ESC. The committee consists of external experts in the relevant field who were impartially selected following a public advertisement. Provisional members will be appointed according to the needs.

During fiscal 2013, 11 plenary meetings were held as well as 25 meetings of Working Group in which the group of committee members assigned by the plenary meeting investigated the particular project.

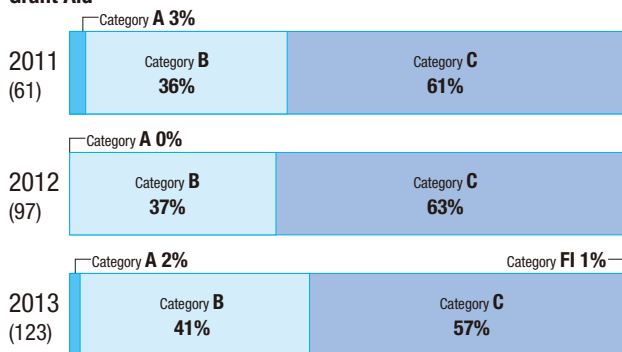
The list of the committee members and the minutes of plenary

Category Composition Trends

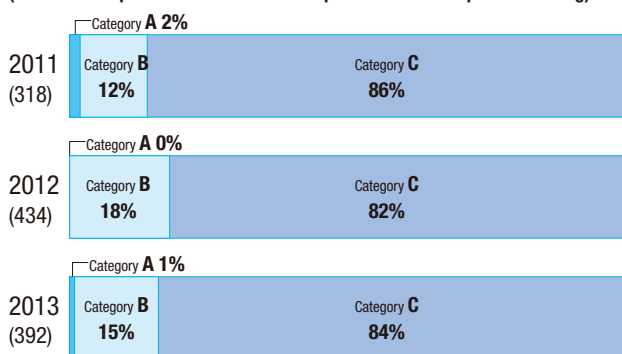
#### Loan Aid



#### Grant Aid



#### Technical Cooperation Projects (Technical Cooperation and Technical Cooperation for Development Planning)



\*The figures are based on the number of requested projects that the Credit Risk Analysis and Environmental Review Department of JICA screened/reviewed, so they might not correspond with the number of projects for which agreement documents were concluded. Due to the round-off calculation, the total number may not be 100%.

meetings (in Japanese) are available on JICA's website. [[→ http://www.jica.go.jp/environment/advice/index.html](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, residents 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. The 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.

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. [[→ http://www.jica.go.jp/english/our\\_work/social\\_environmental/objection/index.html](http://www.jica.go.jp/english/our_work/social_environmental/objection/index.html)]

No objection was received in fiscal 2013.

#### 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 itself also discloses key information about a project's ESC at appropriate times in the planning stage of a project through the disclosure system based on the ESC Guidelines. For example, JICA discloses the EIA reports of all category A projects on its website.

JICA also discloses resettlement action plans of the projects that involved large scale involuntary resettlements. In addition, minutes of the Advisory Committee for Environmental and Social Considerations as well as information on the Objection Procedure are available on the Environmental and Social Considerations page in JICA's website. [[→ http://www.jica.go.jp/english/our\\_work/social\\_environmental/index.html](http://www.jica.go.jp/english/our_work/social_environmental/index.html)]

#### 6. Harmonization with Other Development Partners

The ESC Guidelines state that JICA's 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 those of the international financial organizations, when appropriate.

To this end, JICA actively seeks harmonization of its ESC procedures with procedures of developing 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

