National Fund For Environment

ESMF and RPF, Volume One

FONERWA
ESMF&RPF, Volume One

November 2020

www.fonerwa.org

FONERWA

ESMF and RPF

Volume One

November 2020

HISTORY Version	**Date**	**Capacity/Authors**	**Tasks Summary**
Zero Draft	May 2020	• Dr Meadows Lead Author Part Time/12 days (Chaps 1-5 Vol1) • Dr. Fabien Twagiramungu Lead/ Consultant (Part Chap 3 from IR;)	✓ Working/Outline Draft
1	June 2020	• Dr. Fabien Twagiramungu & Mr Ndamage John	✓ Zero Draft Edits & Additions = Vers 1 Roll Out Pilot Trials Final Drafting with
2	**July-October 2020**	• **Dr. Fabien Twagiramungu & Mr Ndamage John**	✓ **Pilot Trial Results =Final ESMF &RPF**

CONTENTS

EXECUTIVE SUMMARY 1

1 Climate Change Impacts Awareness Raising and the Assignment to Guide Fonerwa and its Funded Projects in Climate Explicit Environment and Socio-Economic Management 4

1.1 Context of FONERWA's Climate Explicit Environment and Social Management and Resettlement Policy Framework 4

1.2 Overview of Environment and Socio-Economic Management that Explicitly Addresses Climate Change 7

1.3 The Rwandan Baseline and Vulnerability Context of FONERWA's Climate Explicit Environment and Social Management and Resettlement Policy Framework 8

1.4 Rwanda's Actions for Climate Change Mitigation and Climate Resilience Building in Environmentally Sustainable Social and Economic Development 10

1.5 Aim, Outputs and Indicators of Joint Technical Assistance for Climate Resilience Building in Sustainable Social and Economic Development in Rwanda 11

2 Climate Explicit ESMF and RPF Scope, Structure and Methodology 13

2.1 Approach, Principles, Scope and Objectives 13

2.1.1. Approach and Guiding Principles 13

2.1.2 Scope and Objectives 14

2.2 Task Groups, Content and Structure of FONERWA's ESMF and RPF 18

2.2.1 Task Groups 18

2.2.2 ESMF and RPF Content Overview and Documents Structure 19

2.3 Literature Review for Informing ESMF and RPF Planning and Design 20

2.4 Inception and ESMF Planning Activities, Consultations, Engagements and Site Visits 22

2.5 Validation Workshop 23

2.6 Phased, Iterative and Participatory Development of the ESMF and RPF 24

2.6.1 Research and Development Inception Planning Amendment due to impacts of COVID-19 24

2.6.2 Capacity Development, Training, Trials and Roll Out 25

2.6.3 ESMF & RPF Disclosure and Consultation 25

3 National and International Policy, Legal and Regulatory Framework 27

3.1 Relevant Rwandan Climate, Environment & Social Policies and Laws 27

3.1.1 Constitution of the Republic of Rwanda of 2003 27

3.1.2 Rwandan Environmental Law N°48/2018 of 13/08/2018 27

3.1.3 Environmental Impact Assessment Regulations 28

3.1.3.1 Project Brief Submission and Registration 29

3.1.3.2 Screening....29
3.1.3.3 Baseline data collection and Analysis of Initial State....29
3.1.3.4 Impact prediction and analysis of alternatives....29
3.1.3.5 EIA Report....29
3.1.3.6 Public hearing....29
3.1.3.7 Decision-making....30
3.1.3.8 Environmental Monitoring....30
3.1.4 Vision 2020 and Vision 2050....30
3.1.5 National Strategy for Transformation (NST1)....31
3.1.6 National Strategy for Climate Change and Low Carbon Development....31
3.1.7 National Environment and Climate Change Policy....32
3.1.8 Nationally Determined Contributions (NDCs)....32
3.1.9 Sectoral Policies and Strategies....32
3.1.10 Integrated Water Resources Master Plan (IWRMP)....33
3.1.11 Strategic Plan for Agriculture Transformation in Rwanda (SPAT)....33
3.1.12 The National Social Protection Strategy....34
3.2 Rwandan, African, Regional/East African and International Regulatory Framework Linkages....34
3.3 International Performance Standards on Environmental and Social Safeguarding and Sustainability....35
3.3.1 The World Bank Groups (WBG) International Finance Corporation (IFC) Environmental and Social Performance Standards....36
3.3.2 The World Bank Group Environmental, Health and Safety (EHS) Guidelines....39
3.3.3 FAO VGGT, 2012....40
3.3.4 ILO Core Labour Standards....40
3.3.5 The UN's Guiding Principles....40
3.3.6 KfW's Environmental and Social Due Diligence (ESDD) and Climate Assessment....42
3.3.7 Safeguarding against Sexual Exploitation and Abuse and Sexual Harassment (SEAH)....43
3.4 Gap analysis on relevant national legislation against international requirements....43

4 Description of FONERWA....48

4.1 FONERWA's Mandate....48
4.2. FONERWA Organisation....49
4.2.1 FONERWA Design....49
4.2.2 FONERWA's Organisational Chart....50
4.2.3 FONERWA's Project Implementation Structure....53
4.2.4 Responsibilities and Processes to Meet Environmental and Social Objectives....53

4.4 Project Types Funded by FONERWA and Subject to ESMF 55
4.5 Projects to be excluded from FONERWA Activities 56
4.6 Summary of Project Activities causing Climate and E&S Impacts 56
4.6.1 At Planning phase 56
4.6.2 At Construction Phase 57
4.6.3 At Operation Phase 57
4.6.4 At Closure 57

5 Capacity and Learning Needs Assessment of Existing E&S Risk Management Process with Capacity Development Recommendations and Learning Plan 58

5.1 Capacity and Needs Assessment, SWOT & Recommendations 58
5.1.1 Method 58
5.2 General E&S Knowledge, Specific Climate Awareness and Climate Specific Measures Expertise 59
5.2.1 FONERWA E&S Capacity for ESMF and RPF 59
5.2.2 Project Implementation Level-CSOs and District Climate Awareness and E&S Capacity 61
5.2.3 Climate Aware E&S Capacity Overview of Ministries and Agencies Key to FONERWA ESMF and RPF Activities 62
5.3 Capacity Building as Part of Participatory Development of FONERWA's ESMF & RPF 64
5.3.1 Background & Summary of Capacity and Needs Assessment Findings 64
5.3.2 Capacity Building Objectives Overview 64
5.4 Learning Plan and Actions for FONERWA and Stakeholders Responsible for implementing the ESMF and RPF 65
5.4.1 Learning Strategy for Participatory Development and Implementation of the ESMF 65
5.4.2 Learning Stages, Beneficiaries, Learning Goals/Tasks & Process (Workplan/Schedules) 66
5.4.3 Resourcing Requirements 70
5.5 Summary, Conclusion and Recommendation of ESMF and RPF 70
5.5.1 Summary of General Findings 70
5.5.2. Summary of Capacity and Needs Findings 71
5.5.3 Summary Recommendations for ESMF, RPF and PCD/SE 71

6 References 74

7 ANNEXES 76

7.1 Annex 1: Persons Met January-February 2020 for ESMF and RPF Inception Planning and Documents Design- Civil Society Organizations (shortlisted for 16 PPDs) 76
7.2 Annex 2: Persons Met for ESMF and RPF Inception Planning and Documents Design 78

7.3 Annex 3: Persons Met for ESMF and RPF Inception Planning and Documents Design February 19th, 2020 Peer Review Workshop Attendees 79

7.4 Annex 4: Environmental and Social Assessment of FONERWA and KEY STAKEHOLDERS/PARTNERS at Inception and Planning Phase of Joint TA Support to FONERWA 82

7.5 Annex 5: Agenda of Joint CSOs Training on ESMF for Project Development (Call for Proposal #10) 84

7.6 Annex 6: Attendance list of Training on proposal development for 16 successful CSOs by JTA 85

7.7 Annex 7: Attendance lists of the FONERWA's ESMF& RPF Validation Workshop held on September 2nd, 2020 87

7.8 Annex 8: Fonerwa's Climate, E&S Working Group 89

LIST OF TABLES

Table 1: Comparison of Rwandan legislation and International requirements 44

Table 2: Overview of Responsibilities for ESMF Implementation 54

Table 3: Project Types funded by FONERWA 55

Table 4: Capacity and Needs Assessment-Swot Analysis for Development and Implementing FONERWA's Climate Explicit ESMF and RPF 59

Table 5: Training directly linked to the implementation ESMF 66

LIST OF FIGURES

Figure 1: Outline Overview of Task Groups for ESMF and RPF Production 18

Figure 2: FONERWA's Position in Ministry of Environment hierarchy 48

Figure 3: Fonerwa Key design features 49

Figure 4: Rwanda's green and climate compatible evolution 50

Figure 5: FONERWA's Organisational structure 52

Figure 6: Training Workplan and Tasks for Learning Strategy during Roll Out of ESMF & RPF including Finalisation of Frameworks 71

ABBREVIATION

AfDB	African Development Bank
AF	Adaptation Fund
BRD	Development Bank of Rwanda
CIF	Climate Investment Funds
CAN	Capacity Needs Assessment
COVID-19	Coronavirus Disease 2019
CPD	Continuous Professional Development
CSOs	Civil Society Organisations
DDP	District Development Plans
DFID	Department for International Development
DNH	Do-no-harm
DPCU	Development Partner Coordination Unit
EBRD	European Bank of Reconstruction and Development
EHSGs	Environmental, Health and Safety Guidelines (International/WBG)
E&S	Environment & Social
EIA	Environmental Impact Assessment
EMSS	Environmental Management and Social Safeguards
ENR	Environment and Natural Resources
ESDD	Environmental and Social Due Diligence
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
EU	European Union
ESXT	Environment and Social Experts Team
FAQ	Frequently Asked Questions
FGD	Focus Group Discussions
FIP	Forest Investment Plan
FMIS	Financial Management Information System
FMT	Fund Management Team
FONERWA	Fond National de l'Environnement de Rwanda ('Rwandan Green Fund')
FTC	Fund Technical Committee
GAP	Gender Action Plan
GCF	Green Climate Fund
GESI	Gender equality and social inclusion
GEX	Gender Expert team
GFP	Gender Focal Point / Person

GGCR	Green Growth and Climate Resilience
GGCRS	Green Growth and Climate Resilience Strategy
GGF	Global Green Fund
GHG	Green House Gas
GIIP	Good International Industry Practice
GM	Grievance Mechanism
GOR	Government of Rwanda
HH	Household
HR	Human Resources
HIV/AIDS	Human Immune Virus/Acquired Immune Deficiency
IFC	International Finance Corporation
IP	Investment Plan
IPPC	Intergovernmental Panel on Climate Change (IPCC
IR	Inception Report
IUCN	International Union for Conservation of Nature
IPM	Integrated Pest Management
IWRM	Integrated water resource management
JTA	Joint Technical Assistance
KE	Key Expert
KIs	Key Informants
KIIs	Key Informant Interviews
KPI	Key Performance Indicators
FFI	Fauna and Flora International
LG	Local Government
LNOB	Leave-no-one-behind
M&E	Monitoring and Evaluation
MINALOC	Ministry of Local Government
MINECOFIN	Ministry of Finance and Economic Planning
MININFRA	Ministry of Infrastructure
MoE	Ministry of Environment
MIGEPROF	Ministry of Gender Equality and Family Promotion
NASA	National Aeronautics and Space Administration
NDC	Nationally Determined Contribution
NGO	Non-Government Organisation
NISR	National Institute of Statistics
NO	Non-Objection

NSA	Non-State Actors
NSDEPS	National Skills Development and Employment Promotion Strategy
NST	National Strategy for Transformation
PAPs	Project-affected People
PCD	Public Consultation and Disclosure
PCM	Project Cycle Management
PD	Project Document (aka Project Description)
PIDS	Project Information Documents
PMP	Project Monitoring Plan
PPD	Project Profile Document
PS	Performance Standards
PSF	Private Sector Federation
PWD	People with disabilities
R&D	Research and Development
RBA	Rights-based approach
RDB	Rwanda Development Board
REG	Rwanda Energy Group
REMA	Rwanda Environment Management Authority
RPF	Resettlement Policy Framework
SDGs	Sustainable Development Goals
SE	Stakeholder Engagement
SIDA	Swedish International Development Agency
SME	Small Medium Enterprises
SOPs	Standard Operating Procedures
SPCR	Pilot Program for Climate Resilience
SREP	Scaling-up Renewable Energy
SSP	Sector Strategic Plan
SWOT	Strength, Weaknesses, Opportunities and Threats
TA	Technical Assistance
TBC	To be Confirmed
TL	Team Leader
TNA	Training Needs Assessment
ToC	Theory of Change
ToR	Terms of References
UKAid	United Kingdom Assistance to International Development
UNCBD	United Nations Convention on Biological Diversity

UNCCD	United Nations Convention to Combat Desertification
UNDP	United Nations Development Fund
UNFCC	United Nations Framework Convention on Climate Change
UNFAO	United Nations Food and Agricultural Organisation
VFM	Value for Money
WB	World Bank
WBG	World Bank Group
WFP	World Food Programme (of the United Nations)
WHO	World Health Organisation (of the United Nations)

EXECUTIVE SUMMARY

There is urgent need for mainstreaming climate change awareness and explicit climate protection and climate resilience building/adaptations in Environment & Social (E&S).

Safeguarding-evidence-based data shows climate change negatively impacts environments, wealth and health significantly and ultimately risks social order. Trend data show greenhouse gas emissions and pollution are rising, driven by population expansion and unsustainable practises including overconsumption, waste and mismanaged economic growth.

Climate Change risks do not increase gradually or uniformly but impact different areas at different times with climate change risks to environment, health, wealth, resource and conflict, measurably intensifying. Habitat loss results in increased animal density in declining, smaller habitats and thus increases biodiversity loss and risks disease transmissions. Increased disease spread and changed animal behaviour, in turn correlates with increased zoonosis diseases transferred from animals to humans. These diseases manifest from cumulative impacts of climate change combined with demographic, environmental, social, technological, and other transformations in use of wildlife and habitats' natural (socio-economic) resources.

Consequently, measures for addressing anthropogenic climate change, as well as for building resilience to mitigate and adapt to impacts of climate change and environmental degradation, long advocated, must now be widely implemented as critical priorities. Measures for sustaining the environment and health, wealth, and order, as well as leverage to fight environment degradation, pandemics, and climate change simultaneously, can no longer be voluntary but must be enforced. Sustaining environment and social order, health and wealth structures requires every country and all sectors to change wealth creation practise, decarbonise businesses and mainstream climate change in every activity.

Climate change impacts of environment degradation, as well as human activity that contribute to habitat and biodiversity loss, need to be radically overhauled with united, agreed policy, that must be implemented, monitored and enforced. Measures must be universal and include supporting green wealth creation by small, medium, large business, as well as CSOs/NGOs and donor activities, often excluded from accountability, to mitigate climate change and associated risk impacts.

Measures to address climate change must also be country specific, regionally responsive, integrated, co-operative and globally aware/sensitive. In Eastern and Central Africa, as elsewhere in the last two decades, there has been an increase in changed climate disasters, cyclones, droughts, fires, floods and infectious diseases outbreaks related to environment degradation linked to climate change.

Rwanda has been identified as particularly at risk from the health effects of climate change, such as extreme weather events and increased risks of vector and water-borne diseases, such as malaria and schistosomiasis, due to heavy rainfall and climate variability.

Heavy floods and severe weather events can damage health infrastructure (hospitals, health centers, etc.), reducing access to essential health care services.

Prolonged droughts would also reduce the availability of clean water for drinking, cooking, and hygiene; affect food security and access to a balanced diet; diminish farm incomes and macroeconomic performance due to crop failure; and disrupt water supply and power production, reducing the availability of water and power to health centers.

Climate change can have particularly serious effects, direct and indirect, on the health outcomes of such vulnerable groups as children, pregnant women, elderly people, and the poor. Since women are

primarily responsible for household water and food security, climate change will enlarge their burdens disproportionately. They tend to have less knowledge about imminent disasters and how to protect themselves through emergency preparedness, since they are often left out of the disaster planning processes.

Rwanda, earlier than many countries, realised the value of its environments and the importance of protecting environments from various risks, including climate change. The Rwandan Government (GoR), recognising the competitive advantage of adopting low-carbon development opportunities, in 2011, under the Green Growth and Climate Resilience Strategy (GGCR), set out to transform the way Rwandan economies operate.

Environmentally sustainable, climate resilient and green economic growth are established development priorities of the GoR. This commitment is demonstrated by integration of environment and climate change in poverty reduction strategies since 2001 and the development of the GGCRS underscored the importance of environmental sustainability and enhancing climate resilience to Rwanda's sustainable economic development vision. The GGCRS created impetus to design a sustainable financing mechanism, the Environment and Climate Change Fund (FONERWA), a cross sectoral financing mechanism for the GGCR Strategy.

Established in July 2012 to access resources to support turning the vision of Rwanda's Green Growth and Climate Resilience Strategy into reality, FONERWA is managed by the Government of Rwanda, under the Ministry of Environment. FONERWA's overarching aim is to support climate protection and climate resilience building initiatives to meet local needs and national priorities. This in turn contributes to global knowledge of, and actions to, mitigate impacts of climate change.

The signing of the Climate Paris Agreement marked a strategic turning point for Rwanda and FONERWA responsible for mobilising climate funds for meeting Rwanda's Paris Agreement NDCs. In 2016 FONERWA's responsibilities broadened to mobilise, manage and coordinate climate and environment finance. Due to increased responsibilities, as well as capacity and assessments, a Joint Technical Assistance (JTA) to FONERWA was mobilised in 2019 funded by DfDI, KfW and SIDA.

As part of the JTA, FONERWA's new requirements are addressed by production of a climate explicit Environment, Social Management Framework (ESMF) and Resettlement Policy Framework (RPF) specifically tailored to FONERWA's explicit climate protection and climate resilience building mandate. The frameworks comprise 4 volumes:

- **Volume 1** ESMF and RPF introduction, rational, method, capacity and processes;
- **Volume 2** ESMF safeguard directives, process, tools and templates;
- **Volume 3** RPF safeguards, process, tools and templates;
- **Volume 4** The inclusive consultation process, tools and templates.

The ESMF and RPF includes procedures for: (a) climate change aware environmental and social risk screening, assessment, and monitoring; and (b) arrangements for the preparation of time-bound action plans for mitigating adverse impacts and enhancing benefits. The ESMF also provides the framework for addressing social and environmental risk management issues of project activities with recommended measures to apply to future activities financed by FONERWA.

As there was a call for project funding proposals in early 2020, opportunity to align the ESMF development and supporting FONERWA staff capacity development was recommended, i.e. the ESMF & RPF was designed to be developed in participatory, iterative way. The Drafts of the ESMF and RPF, must include updates of stakeholder engagement findings as well as outcomes of site visits, FGD & Learning in Working Group Meetings and results of the pilot roll out of 1st Draft.

To ensure participation and compliance with laws, regulations and standards is achieved across all project phases: planning, design and implementation of FONERWA-funded Project, appropriate consultation processes with key stakeholders must be carried out from start of ESMF planning and throughout the project cycle:

- Need of ongoing capacity development of E&S Safeguard Specialists and FONERWA E&S Working Group specifically to mainstream new measures for climate resilience into ESMF processes, defined by IFC 2012 and recently developed in guidelines, e.g. WBG and KfW's;
- Relationship building with climate resilience and ESMF awareness raising by promotion of consistent key messages about adaption and climate resilience building in consultations through several media, including FONERWA's E&S FAQs and Climate Awareness Raising materials production.

1 Climate Change Impacts Awareness Raising and the Assignment to Guide Fonerwa and its Funded Projects in Climate Explicit Environment and Socio-Economic Management

1.1 Context of FONERWA's Climate Explicit Environment and Social Management and Resettlement Policy Framework

There is urgent need for mainstreaming climate change awareness, climate protection and climate resilience building in Environment & Social (E&S) Safeguarding Practises as climate change negatively impacts environments, wealth and health significantly and ultimately risks social order with economic collapse. An overview of evidence-based science behind this assignment's rational, i.e. a framework to guide economic development in ways that protect the environment and reduce risk of climate change, is introduced here.

To ensure uptake of a climate explicit ESM framework, there is need to raise awareness of importance of climate explicit management processes, measures and tools in environment and socio-economic safeguarding in development projects.

Socio-Economists along with Environmental and Health Scientists have long warned that the aggregated impacts of climate change risk degradation of habitats and biodiversity loss, which increases competition for progressively scarce natural resources that in turn results in poverty and health risks including rising rates, incidence and spread of infectious disease, particularly those linked to habitat degradation and biodiversity vulnerability. Such combined, cumulative risks of climate change, directly and indirectly, result in global health pandemics, increased risk of conflict over scarce resources and ultimately break down of local, national and global social order. For example, conflicts over water can contribute to development of major conflicts as illustrated in Case Study Box 1.

Box 1 Natural Resource Loss and Conflict, also Known as Water Wars

*V*ast areas of the planet are drying; a billion people have no access to safe drinking water and, with shrinking resources, experts warn the world's 'on a precipice'. Countries in tropical and northern latitudes are getting wetter whilst those at mid-latitude are running increasingly low on water. (See, NASA's Grace Satellite record tracking water resources changes for last 2 decades.) Additionally, 'water stress hotspots' correspond to the planets main aquifers where groundwater depletion is happening at rapid rates in near all major aquifers in arid and semi-arid parts of the world. The Middle East, North Africa & parts of East Africa and South Asia, all experience water shortages due to decades of bad management and overuse (e.g. poor crop watering practices, cooling power plants, fracking etc) in context of climate change. Some water loss is due to soil drying up because of drought and/or reduced snowpacks, some is lost to evaporation from lakes and reservoirs and water is also lost due to groundwater reductions. Farmers, facing drought, pump out groundwater, at times on a massive scale, resulting in localised conflict as well as contributing to major wars. In the 7 years leading to the current middle east conflict, parts of Turkey, Syria, Iraq and Iran, along the Tigris and Euphrates rivers, lost 144 cubic kilometres of stored freshwater-around the same amount of water as in the Dead Sea. Farming became increasingly untenable resulting in poverty and food shortages which fuelled rebellion against the government, along pre-existing lines of divisions.

According to recent evidence, summarised in the EU's Knowledge for Policy literature, even if all emissions from human activities suddenly stop, climate change would continue and, if unabated, pollution and greenhouse gas emissions further increase global warming, water loss and acidification, desertification, soil/land erosion and changing weather patterns. Aggravated by pollution, the overexploitation of natural resources and environmental degradation, lead to severe, pervasive, and irreversible changes for people, assets, economies, and ecosystems.

Trend data shows greenhouse gas (GHG) emissions and pollution are rising, driven by population

expansions and mismanaged economic growth. In 2018, the International Panel on Climate Change (IPCC) warned there were 12 years to stop global warming exceeding 1.5 ^{0}C, to avert a significant increase in adverse weather events[1].

Habitat loss caused by deforestation, forest fires, and droughts linked to climate change, results in species such as fruit bats moving into more densely populated areas in search of food and water, thereby increasing risk of transmission to humans. Additionally, species confined to smaller habitats results in higher density, which in turn results in increased disease transmission amongst wildlife. With its significantly growing populations, legacy of poverty as well as practices such as slash and burn tillage, Africa is at particular risk.

In climate change discussions in February 2020, the United Nations World Health Organisation and UNICEF released a joint statement warning *"ecological damage unleashed today endangers the future of children's lives*".

Examples of different but interconnected climate change risks and impacts on biodiversity in Africa, which result in economic loss, food shortages and impact health are illustrated in Box 2 below.

Increased climate change, habitat loss and associated change in animal behaviour correlates with increased emergence of zoonosis diseases such as HIV/AIDS, Ebola, Coronavirus (SARS, Mers and Covid-19), Hepatitis C. These diseases manifest from cumulative impacts of climate change combined with demographic, environmental, social, technological, and other transformations in use of natural resources.

For Rwanda, the impacts of climate change are expected to be numerous. All aspects of the agricultural value chain, irrigation, crop production and land management, livestock, rural transport, storage, and processing are sensitive to climate variability.

[1]Climate change is driven by rising GHG emissions, which trap the sun's heat in the atmosphere. 2019 had record breaking temperatures over much the globe and 11 of Europe's 12 warmest years occurred since 2000 with global temperatures already 1.1^{0}C above pre-industrial levels, over 1.5C leads to catastrophic climate impacts (see for example the EU's Earth Observation Programme). The World Meteorological Organisation's DG in April 2020 stated, '*we need to flatten both pandemic and climate change curves as humans' risk extreme weather and biodiversity loss if urgent actions not made'.*

Box 2 Climate Change and Impacts on Habitats and Biodiversity in Africa Resulting in Local/National Socio-Economic Loss and Potential Risk of Global Food Shortages.

The 2019 locust plague outbreak was caused by a combination of climate that changed to ideal conditions for locust breeding in the Arabian Peninsula and years of war in Yemen which rendered farmers unable to conduct adequate pest management. So, locust spread unchecked by usual farmer pest management processes, and increasingly breed in migrations out of Arabia, into African and across Somalia where post-conflict devastations and poverty meant farming systems were also too weak to mitigate locust spread down into East & Central Africa. Despite efforts of the UN Food and Agricultural Organisation (UNFAO) and Kenya's Defence Force in 2020, the cumulative impacts of recent floods in the region sustained pest plagues. This eventually risks local/regional famine which in turn risks culminating in global food price rises and/or food shortages in 2021, risks which are compounded by the ongoing impacts of Covid-19 Coronavirus from 2020.

As well as the health and economic/livelihoods devastations from locust invasions, East African farmers since 2017, have suffered additional agricultural-based livelihood loss from fruit flies. Rising temperatures resulted in massive increases in Kenya's fruit fly population with farmers loosing on average half their crops per year to these pests. Costs estimates to Kenya farmers alone are around 400 Euro/per year (O.Mwaura, International Centre of Insect Physiology and Ecology, Nairobi, Kenya). The economic negative impacts/loss to the rest of the world are increased cost of certain foods (amongst crops lost are avocadoes) and risk of loss of supply of certain foods and eventually, if unchecked, risks are global food shortages. Whilst a country as the USA is a large supplier of some foods, Europe's countries that produce less than needs (with current around 45% shortfall), will inordinately suffer cumulative impacts of crop production loss in Africa due increased pests, less water supply, storms and soil erosion resulting from climate change.

Since August 2018, 2,200 people have died in Congo from the latest Ebola outbreak; in 2002 over 11,000 in Sierra Leone died from Ebola. Environmental and social scientists, global public health specialists and medics have so far succeeded in stopping Ebola/zoonosis outbreaks reaching the USA and Europe although Ebola emerged from Uganda's Ebola River area, in the 1970s. HIV/AIDSs also emerged in Africa from primates and, with other zoonosis, continues to contribute to devastating health and Africa's agriculture/food systems that support global wealth.

Temperature rises may negatively affect the yields of important food crops such as plantains, cassava, potatoes, sweet potatoes, maize and beans[2]. Eighty percent of farm households in Rwanda are engaged in small-scale rain-fed subsistence farming using traditional technologies that are susceptible to landslides, increasingly so as a result of climate change, and lower crop yields and food insecurity. Rising temperatures affect crop and livestock productivity through crop failure and heightened diseases, old pests, and new pests previously unable to survive at the higher altitude. Yields are also affected by excessive rainfall in a short period. Moreover, 90 percent of cropland is on slopes, which are particularly susceptible to soil erosion and degradation because agriculture in Rwanda is rain-fed.

Climate change is likely to stimulate increased migration from rural to urban areas thus accentuating the already heightened sensitivity of urban areas to climate change. Based on a WBG flagship report[3], southern Rwanda has been identified as a future hotspot for internal out-migration by 2030. People are expected to leave the area due to deteriorating water availability and crop yields. This would create pressure on other parts of Rwanda, in terms of employment and basic infrastructure needs, which need to be considered in policy and planning.

Urbanization, in turn, has resulted in competing claims on land use and the heightening of urban heat island effects. It has also led already to unsustainable and unsafe land use practices, such as settlements on steep slopes and in floodplains, deforestation, overcrowded urban areas, and poor waste management. That is why it is critical for Rwanda to immediately begin incorporating sustainability and climate change adaptation measures into land use and tenure policies.

[2] GoR, Ministry of environment, 2017
[3] Groundswell, 2018

Infrastructure systems that support road transport are also vulnerable to climate variability and change. Extreme climatic events push up the costs of design, construction, and the maintenance necessary to preserve the integrity of the road infrastructure for its originally designed lifespan. For paved roads, high temperature threatens surface integrity, accelerating binder aging, rutting of asphalt, and bleeding and flushing of seals. Heavy rainfall affects the subgrade layers and reduces load-carrying capacity of both paved and unpaved roads, and flooding can wash away the entire road system.

Both the livestock sector and the dairy value chain will be affected when water and feed are less available due to droughts, particularly in the East and parts of the South. Rwanda's energy supply is also sensitive to the effects of climate change and climate-related disasters, especially flooding. Flooding from heavy rainfall can affect the power system in three ways: (1) the construction cost of protecting power plants against flooding within a particular period, (2) the insurance cost related to the expected cost of repairing damage; and (3) forced outage rates that simulate the expected disruption of normal operation due to facilities being flooded. Power generation capacity and electricity demand are also affected by changes in temperature.

The implications of climate change for water, energy, and food are thus interwoven. Water is required for generating electricity from a variety of sources. And access to energy is essential for water treatment, production, and distribution, so any disruption of access to energy also has direct implications for water security. Similarly, interruptions to water and energy supply put food security at critical risk.

With increasing understanding of linkages between environment, health and wealth, there is current opportunity to affect real change, including with this assignment's guiding principles of climate protection explicit, Environment and Social Management. These are set out in Chapter 2 after a brief overview of universal mitigation measures that set this ESMF's Climate and Rwanda specific environment and social measures, into global context.

1.2 Overview of Environment and Socio-Economic Management that Explicitly Addresses Climate Change

Measures for addressing anthropogenic (human made) climate change, as well as for building resilience to mitigate/adapt to impacts of climate change and environmental degradation, long advocated, must now be widely implemented as urgent priorities including:

(a) Enforcement of universal actions for reducing GHG emissions, specifically the enforcement of Paris Agreement commitments as mandatory[4];

(b) Consideration of principles of New/Green Economics applied to all sectors and businesses;

(c) Application of techniques for reducing/addressing pollution across all wealth creation sectors, private and public, including small, medium and large development projects;

(d) Green urban development to reduce environment footprints/GHG and protect habitats biodiversity and natural resources from unplanned population spread; and

(e) Increasing resilience to drought, floods, fires, storms, including measures to support adaption to changed climates.

[4]Whilst countries such as Rwanda are placing great effort and significant percentage of available resources, into understanding and applying the Paris Agreement, others better placed/with more resources to implement climate resilience measures, have done little or nothing-the USA for example, in 2019 pulled out of the Paris Agreement and cut several environmental health and protection monitoring programs as well as climate change impact funding.

Measures for sustaining the environment, health, wealth and order, as well as leverage to combat environment degradation, pandemics and climate change simultaneously, have not been sufficient due to lack of resourcing and because guidelines are voluntary and/or poorly applied due to insufficient capacity and/or lack of transparency in process and autonomy of scientists.

Environment and Social Safeguards, governing public sector and private business, have been in place for nearly two decades[5]. Recent requirements place emphasis on improved consultation and transparency about climate change awareness raising and environmental and socio-economic risks during project design and implementation. However, with regard to climate protection, adaptation to climate change and resilience building, demands that polluters must pay, i.e. nations that produce most GHG and activities such as airlines, oil and gas, must decarbonise talk is arguably 'lip service' as many measures advocated are 'voluntary'.

Sustaining environment and social order, health and wealth structures requires every country and all sectors to change wealth creation practise, decarbonise businesses as well a mainstream climate change mitigation in every activity.

Climate change impacts of environment degradation, as well as human activity that contribute to habitat and biodiversity loss, need to be radically overhauled for united, agreed policy that must be implemented, monitored and enforced.

Measures must be universal and include small-, medium- and large-scale business, as well as CSOs/NGOs and donor activities often excluded from accountability to mitigate climate change and associated impacts. In terms of climate change mitigation, some development projects, such as those that support oil and gas production or, on a smaller scale, those that send cows to households, have seemingly been granted license to operate without regard to GHG emissions and/or climate resilience building and sustainability[6].

Environment and Social Safeguards, such as those initiated by the world's Development Banks, did much to start recognition of the importance of mitigating environment and social risk of projects. Yet, in terms of protecting against the risks of climate change, specific interventions are only recently being devised and advocated. Some, e.g., Germany's KfW's Sustainability Guidelines (2019)[7], are ground-breaking in terms of specific measures relating to mitigating impacts of climate change in projects' they fund. Few, however, are universally implemented, monitored and enforced;[8] to ensure global environment, wealth, health and socio-economic systems sustainability, all must consider links between wealth creation and environmental degradation as well as climate protection and climate change adaption/resilience building.

1.3 The Rwandan Baseline and Vulnerability Context of FONERWA's Climate Explicit Environment and Social Management and Resettlement Policy Framework

Measures to address climate change specifically must also be country specific, regionally responsive, integrated, co-operative and globally aware/sensitive. In Rwanda, as elsewhere in the last two decades, there has been an increase in disasters, cyclones, droughts, fires, floods and infectious diseases

[5] Specifically, influential have been the World Bank Groups/IFC, African Development Bank (AfDB) and Asian Development (ADB). These are introduced in Chapter 3 as they guide development of FONERWA's ESMF & RPF.

[6] See, for example, development/NGO/donor projects that promote GHG emitting actions e.g., UK Aid's Send a Cow, and other climate blind projects, operating without heed to damages of methane, a GHG emitted from Cows.

[7] For details of KfW climate specific sustainability guidelines and E&S Safeguards, see Chapter 3 below.

[8] High polluters e.g., USA, China, Europe are also those with most global political power. However, these countries also need Africa for access to many of the natural and mineral resources that sustain US, EU and China's wealth.

outbreaks related to fauna, habitats and other environment degradation linked to climate change. Impacts of climate change specifically relevant to Rwanda include:

(a) More frequent and more intense storms (e.g. January 2020, electric storms killed several, even in the capital, Kigali). In Rwanda, climate change impacts significantly agriculture and natural resources, causes increased land and water temperatures, unpredictable rainfall patterns, changes in regional climate systems and increasing intensity and frequency of extreme weather events including storms;

(b) Prolonged droughts with some areas particularly at risk such as Rwanda's dry Eastern Districts (which suffered significant negative socio-economic impacts with livelihood devastations of the 2016's drought[9]);

(c) Ongoing habitat and biodiversity loss, with severe implications for livelihoods, animal and human health. Conflict is a major cause of habitat loss with thousands of hectares of Rwandan forest lost during the 1994 genocide;[10]

(d) Pest invasions, such as the invasion of locust from Yemen and Somalia, risks spilling from affected boarding countries, like Kenya and Uganda, into Rwanda. If unchecked by pest management, food shortages and even famine risks population displacement, migration, a halt in Rwandan wealth creation and growing socio-economic damage;

(e) Water and land loss from degradation due to climate change combined with unsustainable socio-economic practises, are a particular risk in Rwanda due to the country having the highest population density in Africa.

Finally, changes in disease patterns in Rwanda linked to climate change, must be better understood with the underlying causal relationships appropriately considered with baseline and forecasting applied to predict risks and future impacts, and to develop more complete, better validated, and integrated risk mitigation measures.

Due to impacts of climate change on environment and socio-economic functions, Rwanda, as elsewhere, is also becoming increasingly vulnerable to climate-related health issues. As well as new infectious diseases, such as the Coronaviruses, changes and/or increased risk of endemic water borne disease, malaria and deaths during sustained drought, heatwaves, storms, and floods are just a few health impacts related to climate change affecting Rwanda.[11]

[9] More than 100,000 families most from the Eastern districts of Rwamagana, Nyagatare, Bugesera, Kayonza and Kirehe, as well as Nyanza, Gisagara in the South, suffered famine after crops failed due to drought. Hundreds of Rwandans migrated to neighbouring countries e.g. Uganda & Kenya, in search of food, while others sought jobs in urban areas. The GoR cited climate change as key cause but disaster preparedness and climate adaptation shortfalls as well as agricultural policies and practise, contributed to the food shortages. The GoR increased remit for FONERWA is part of its proactive response to future climate change risk mitigations.

[10] Natural forests in Rwanda declined from 643,000 ha to 221,200 ha in the four decades leading up to 1994 genocide due to human activity from population pressures. In last 20 years GoR has embarked on a reforestation program including re establishment of some of its main forestry parks and, in so doing, supported economic growth in Rwanda by attracting tourists.

[11] Of Rwanda's 30 districts, 9 are prone to epidemics with malaria in 11 districts; with a population around 11 million, communicable diseases are an urgent concern, particularly respiratory infections, diarrheal diseases, Hepatitis C which account for around 30% of deaths.

1.4 Rwanda's Actions for Climate Change Mitigation and Climate Resilience Building in Environmentally Sustainable Social and Economic Development

"The environment is our life-blood; indeed, the real surprise is not that ministries of finance are now talking to ministries of environment – but that it has actually taken this long. Even when we look beyond agriculture, tourism, mineral wealth and fisheries, our economies depend critically on good environmental stewardship". **HE Paul Kagame, President of Rwanda 2009**

Rwanda, earlier than many countries, realised the socio-economic value of its environments and the importance of protecting environments from various risks, including climate change. This recognition and supporting actions, introduced above, are testament to Rwanda's leading example of good practise in environmental management.

The Rwandan Government, recognising the competitive advantage of adopting low-carbon development opportunities, in 2011, under the Green Growth and Climate Resilience Strategy (GGCR), set out to transform the way Rwandan economies operate. The GGCR strategy outlined how adaptation and climate risk mitigation actions can be integrated across all economic sectors, putting Rwanda in a strong position to tackle the entwined challenges of climate change and poverty, and take advantage of opportunities of low-carbon growth in a greener economy.

The strategy was developed with a vision for Rwanda to be a developed, climate-resilient and low-carbon economy by 2050. The 14 programmes of action include diversifying energy sources with low-carbon energy production and promoting green technology and resource-efficient industries throughout all production levels from primary stages (such as agriculture and mining) to manufacturing as well as secondary/tertiary industry in private and public sectors, including transport, energy and infrastructure development. The programmes also aim to promote sustainable land and natural resources use, food security, preservation of habitats and biodiversity, social protection, improved health and disaster risk reduction. Development of the GGCR strategy stimulated intense engagement across Rwandan Ministries on climate compatible development, engaging stakeholders from government, private sector, civil society and academia. This resulted in new environmental regulations, set out in Chapter 3, as well as establishment of Rwanda's national climate change and environment fund (FONERWA), which is introduced below.

Environmentally sustainable, climate resilient and green economic growth are established development priorities of the Government of Rwanda (GoR). This commitment is demonstrated by the integration of environment and climate change in wealth creation and poverty reduction strategies since 2001. The development of the Green Growth and Climate Resilience Strategy (GGCRS), as a cross sectoral strategy, approved by the Cabinet in 2011, underscored the importance of environmental sustainability and climate resilience to Rwanda's sustainable economic development vision. The GGCRS was planned to guide mainstreaming environment and climate change considerations in planning and implementation to support sustainable socio-economic development. This created impetus to design a sustainable financing mechanism, the Environment and Climate Change Fund (FONERWA), which is a cross sectoral financing mechanism for the Green Growth and Climate Resilience Strategy.

Established in July 2012, to access resources for turning Rwanda's Green Growth and Climate Resilience Strategy vision into reality, FONERWA is managed by the Government of Rwanda, under the Ministry of Environment. FONERWA's overarching aim is to support climate protection and climate resilience building initiatives to meet local needs and national economic priorities which in turn contributes to global knowledge of actions to mitigate climate change impacts.

FONERWA's initial activities started in October 2012 and included a demand-led approach to choose projects, based on calls for funding proposals using themes with environment and climate change mitigations. As such, FONERWA is both an instrument to facilitate access to international environment and climate finance, as well as to channel external aid and domestic finance. Its sustainability plan focusses on the Fund Management Team (FMT), a core team of Rwandans, with capacity development support from external consultants.[12]

The signing of the Paris Agreement on Climate Change in December 2015 marked a strategic turning point for both Rwanda (in terms of above-mentioned revisions of many GoR environmental laws) as well as for FONERWA, being responsible for mobilising internal and external funds for meeting Rwanda's Nationally Determined Contribution (NDC)[13]. In 2016 revisions to the FONERWA Law commenced to make the fund a special status institution with broadened responsibilities to independently mobilise, manage and coordinate climate and environment finance and build climate aware capacity.

FONERWA's 2018-2020 business plan set out how FONERWA would deliver its growing mandate with a minimum of 30% of funds targeting private sector investments, 15% to support civil society organisations (working with vulnerable communities to enhance resilience to climate change) and the remaining 55% allocated by (biannual) calls for public proposals which are guided by national priorities. FONERWA'S mandate thus uses environment and climate finance to:

- Meet targets set out in the NDC to implement the Paris Agreement;
- Positively influence Rwanda's green and climate resilient socio-economic development vision for 2050; and
- Provide Good International Industry Practise (GIIP) example for Africa and potentially for the rest of the world.

FONERWA's objectives include supporting sustainable wealth creation and poverty reduction in Rwanda, sustainable management of Rwanda's natural resources[14], and climate resilient, green economic growth.

To achieve objectives, FONERWA distributes, monitors and manages Rwandan environment and climate resilience building finance to a range of projects, guides design and implementation and monitors processes and outputs. FONERWA facilitates access to international environment and climate finance with funding open to projects proposed by National and District level Government, CSOs/NGOs, Private enterprise/businesses, and research institutions.

1.5 Aim, Outputs and Indicators of Joint Technical Assistance for Climate Resilience Building in Sustainable Social and Economic Development in Rwanda

Despite FONERWA's success, due to above mentioned increased responsibilities, as well as recent assessments identifying capacity building needs,[15] a Joint Technical Assistance to FONERWA[16] was

[12] The FMT is 100% Rwandan/national ownership; funding during its development period, of over $US50 Million from international donors included near $US30 Million from UK Government/DfID (& over 90Million USD including leveraging and co-financing). Thus, funded projects have to comply with E&S IPS advocated by international donors. To facilitate private sector participation, the FMT set up an innovation grant in partnership with Development Bank of Rwanda (BRD).

[13] Nationally determined contributions (NDC) are (intended) reductions in greenhouse gas emissions under the United Nations Framework Convention on Climate Change (UNFCCC), which are central to the Paris Agreement.

[14] E.g., to support mitigation of risks of diets with bushmeat from wildlife (as in neighbouring countries such as Congo and Uganda which correspondingly suffer reoccurring outbreaks of Ebola), following Government of Rwanda's laws and Ministry of Environment directives, FONERWA supports projects that: increase access of consumers to affordable and reliable alternative sources of animal protein including small livestock, chicken, rabbits and farmed fish raised at household (HH) level; Involves local communities and includes their rights and authority over wildlife sustainable use measures; strengthens management of protected areas, and builds capacity of and enforces conservation laws.

mobilised in 2019. As part of the JTA, FONERWA's new requirements and E&S capacity needs are addressed by the production of a more climate explicit Environment, Social Management Framework (ESMF) and Resettlement Policy Framework (RPF). The ESMF and RPF are specifically tailored to FONERWA's mandate and funded project's climate awareness needs. Aim of the overall JTA Assignment is to ensure sustainable socio-economic development of Rwanda whilst:

- Avoiding contributing to climate change;
- Mitigating impacts of projects on climate change and the social, economic, physical and biological environment; and
- Increasing resilience against consequences of climate change

The JTA Assignment Output Objectives include:

(a) Improved provision of environmentally sound and climate-friendly infrastructure at district level; and

(b) Building capacity of FONERWA with regard to climate-relevant issues by:

- Resource mobilisation;
- Mentoring Civil Society Organisations (CSOs);
- Gender inclusion; and
- Participatory development, pilot trials and roll out (including training on use & gender sensitive climate change awareness raising) of implementation of a climate explicit ESMF and a climate issue specific Resettlement Policy Framework (RPF).

Under the JTA Assignment's ToRs, the requested consultancy services pertaining to ESMF and RPF, included providing institutional support to FONERWA during the development and roll out/ implementation of the ESM and RP Frameworks. Specifically, this means capacity building/human resource development for FONERWA's ESMP and RPF ongoing use in design, implementation and monitoring of its funded projects. The output indicators specific to the ESMF and RPF assignment of the JTA, therefore include:

- Participatory17 and iterative production of a climate specific ESMF;
- Participatory production of a climate specific RPF;
- Pilot trials of ESMF and RPF as well as the supporting Handbooks (PCD/SE), tools and templates for ESMF and RPF;
- Compliant disclosure and Roll out of the ESMF, RPF and guiding Handbooks, tools and templates.

[15] Including knowledge, skills, templates and tools, for mainstreaming climate protection and resilience building in application of environment and social safeguards applied by FONERWA funded projects.

[16] For this JTA assignment, FONERWA secured funds from the German Government through KfW Development Bank (Financial Cooperation, FC), from the Government of the United Kingdom through the Department for International Development (DFID) and from SIDA, represented by the Swedish Embassy in Rwanda.

[17] Participation is on day to day basis with FONERWA's E&S Specialist but is inclusive of all relevant FONERWA staffs who participate in individua meetings, workshops and provide comment and feedback on ESM and RP frameworks. The iterative process is in 3 stages-Zero Drafting Stage guided mostly by secondary data with limited KIs and input from the ESM Peer Review Team (at workshop); Version 1 ESMF and RPF Drafting Stage with more stakeholder inclusion adding primary data and other knowledge and inputs; and Version 2 ESMF and RPF Drafting Stage with wider stakeholder inclusion including pilot trials feedback/inputs and comments from formal disclosure.

2 Climate Explicit ESMF and RPF Scope, Structure and Methodology

2.1 Approach, Principles, Scope and Objectives

2.1.1. Approach and Guiding Principles

FONERWA's Environment and Social Management Framework (ESMF) and Resettlement Policy Framework (RPF) are developed with respect to FONERWA's wide range of projects types funded, as well as the different needs and capacities of funding applicants that include public and private sector applicants as well as CSOs. The Frameworks are developed also in recognition of:

- The urgent priority of climate explicit approach due to the escalating climate change risk context introduced in Chapter 1, along with the need to raise awareness of this 'Climate Emergency' as well as the evolving regulatory context (see Chapter 3 below);
- FONERWA's increased and evolving mandate, (see Chapter 1), as well FONERWA's management organisation structures to which the ESMF and RPF must be aligned along with E&S processes and tools (see Chapter 4 below); and
- The associated additional capacity required for addressing climate protective and adaptive E&S in FONERWA funded projects. The capacity assessment and capacity needs requirements (detailed in Chapter 5 below).[18]

This approach is to be able to address diverse and multi-various requirements of environment and social safeguarding and, in particular, new ways of implementing climate explicit E&S safeguards to be more inclusive. This is particularly important in terms of implementing climate awareness and resilience building/climate adaptation measures that are so vital to the Rwandan Baseline Context[19].

Guiding the approach to ESMF and RPF development are relevant FONERWA's Thematic Financing Windows namely:

(a) Environmental and Social Impact Assessment (ESIA) Monitoring & Management;

(b) Environment & Climate Resilience Building and Adaptations Mainstreaming;

(c) Conservation & Sustainable Natural Resources Management; and

(d) Research and Development (R&D), Appropriate Technology Transfer & Implementation.

Underlying these themes is FONERWA's commitment to environmental sustainability, that includes promoting stronger measures to support climate change mitigation, adaptation and resilience building in recognition of the increasing pressures on Rwanda's limited natural resources. Consequently, FONERWA's Environment and Social safeguarding principles underscore that:

"The GOR states Rwanda's economy needs to grow and must do so sustainably. Short term wealth creation opportunities must not be implemented in ways that limit medium term growth or risk lack of opportunities in the long term and/or other harm for future generations".

[18] In consultatation at Ministry of Environment it was expressed that FONERWA did not require a separate ESMF unless its focus was a climate explicit approach. This directive was also repreated by several attendants at ESMF Peer Review Meeting, February 2020. Chapter 5 is a summary of E&S Capacity assessment findings from such consultations & capacity development recommendations with outline Learning Plan so the ESMF and RPF can be appropriately used.

[19] To facilitate understanding of this part of the approach the Rwandan Baseline Context (i.e. the current situation on a National Level) is set out in ESMF Volume 2 Chapter 2.

Projects funded must heed this principle and have to date largely done so (including those currently in tender). Those funded projects requiring ESMF with climate awareness guidance specifically include projects that have infrastructure development, address Ecosystem rehabilitation, promote renewable energy & energy efficiency technology, sustainable land management, pollution management, Integrated water resource management (IWRM), Water storage, conservation and irrigation technologies, sustainable forestry management and improved E&S safeguarding in Rwanda's mining. These projects must consider FONERWA's Green Growth/climate resilience building mandate and follow guiding principles and its thematic windows. This is to achieve[20]:

- Green economic transformation whilst improving environmental, social and economic well-being for Rwandans;
- Enhancing functional natural ecosystems and managing biosafety, including mitigating risks of outbreaks and spread of contagion and human and animal disease;
- Strengthening early warning systems specifically for climate change linked crises situations e.g. storms, droughts, pest invasion, disease outbreaks;
- Promotion of climate resilience building including climate change adaptation, mitigation and response;
- Strengthening environment, social and climate change good governance at local and national level; and
- Promoting foreign and domestic green investment.

At project level this means enhancing development opportunities for all, including vulnerable groups, and promoting the sustainable management of natural resources. So, a FONERWA-funded project must:

- Avoid or mitigate adverse impacts to people and the environment;
- Conserve or rehabilitate biodiversity and natural habitats and promote the efficient and equitable use of natural resources and ecosystems;
- Address project impacts on climate change and consider the impacts of climate change on project selection, planning, design, project implementation and decommissioning;
- Promote worker and community health and safety;
- Ensure no prejudice or discrimination toward project-affected individuals or communities and give particular consideration to those disadvantaged or vulnerable, especially where adverse impacts may arise and/or development benefits are to be shared; and
- Maximize stakeholder engagement through enhanced public consultation and disclosure participation and transparency.

2.1.2 Scope and Objectives

Environmental and Social safeguarding, that mainstreams climate protection and resilience building, adaptation initiatives, are critical to supporting FONERWA's principles and vision as well as project E&S measures for achieving sustainable social and economic development. FONERWA's Environmental and

[20] In compliance to, and aligned with, findings from literature review, Rwandan and International regulations specifically Rwanda's National Environment and Climate Change Policy 2019.

Social Management Framework ensures relevant guidance is developed, understood and appropriately implemented in order to promote climate resilience and environmental and social sustainability of FONERWA-funded projects. The aim is to enhance project benefits whilst:

(i) Protecting people, the climate and environment from potential adverse impacts; and

(ii) Supporting environmentally sustainable and socially inclusive growth and poverty reduction which is key to building Climate Resilient, Green Economies.

FONERWA's ESMF provides measures, guidance and tools to convert the above listed aims and principles into practical, project-level applications. Whilst the ESMF cannot guarantee climate change prevention and sustainable development outcomes, its appropriate implementation will ensure the application of standards that provide a necessary foundation for climate protection and climate resilience building for sustainable development. Furthermore, in so doing, this ESMF has potential to provide a good practice example, since FONERWA's climate explicit ESMF supports:

(i) Strategies, process and tools that address needs arising from the fact that climate change is impacting the type and location of development needs and projects;

(ii) FONERWA funded-projects to reduce impact on the climate by alternative approaches with less habitat and other biodiversity/natural resource depletion, and reduces risk of natural resource misuse;[21]

(iii) FONEREWA funded projects to apply processes for climate resilience building and lower carbon emissions and other climate change threats to future development and current lives and livelihoods;

(iv) Empowering all stakeholders to participate in, and benefit from, project processes with social inclusion to promote equality and improve access of all, including women, the poor and disadvantaged, to project benefits, health and social protection, infrastructure, appropriate and affordable energy, employment, and project assets.

Further the ESMF and RPF guides the removing of barriers that excluded groups such as women, children, youth and the disabled from project processes and benefits by ensuring equality of voice and mechanisms for all to be heard. FONERWA's ESMF thus adheres to the Universal Declaration of Human Rights by supporting empowerment with the aim being to go beyond the principle of Do No Harm and instead redress, where feasible, harms already done to the environment and people dependent on strong environmental health.

As the ESMF provides the overall framework for projects to address social and environmental risk management issues of project activities in the context of changing climates it includes tools and procedures for:

- Climate, environmental and social impact screening, assessment, and monitoring; and
- Preparation of time-bound action plans for mitigating adverse impacts and enhancing benefits.

The scope is to ensure Environment, Social and Climate Change Management objectives are applied across all phases of FONERWA-funded Projects - planning, design and implementation by transparent, appropriate consultation processes with project-affected groups and key stakeholders from the outset of ESMF planning. Additionally, compliant information disclosure processes of project information must be carried out, at accessible places, and in a form and language understandable to project-affected

[21] Including animal/bushmeat consumption, trafficking and other practises that contributes to wildlife disturbance, risks pandemics and the like.

groups, CSOs and other key stakeholders. As stakeholder engagement, public consultation, disclosure and issues and Grievance Address is a key overarching tool for E&S risk management, a separate FONERWA Stakeholder Engagement Handbook to guide communications that is compliant to donor required standards is produced to be used in conjunction with the ESMF[22].

This ESMF is primarily to be used by FONERWA staff, beneficiaries of FONERWA funding/project implementors and National and District authorities to plan, to implement, manage and monitor requirements defined in ESMF safeguards, to protect environmental and social resources and build climate resilience, are consistent and achieved. So, specific objectives of FONERWA's ESMF are to:

(a) **Establish clear procedures and methodologies for Climate, E&S planning, review, approval, implementation and M&E of projects to be funded by FONERWA in line with Rwandan Laws and International Regulations**. Ensure the application of International Good Practice in implementation and management of green, climate resilient and sustainable projects in context of Rwanda rules and regulations;[23]

(b) **Ensure environmental (specifically climate) and social risks are identified, evaluated, measured, monitored, controlled and mitigated**. Identify risks as early as possible in the project cycle, including during the site selection process (and setting project boundaries), the project description/ design and planning process. Prioritize risk management throughout the project cycle to mitigate social and environmental damage risks and prevent significant and/or unchangeable impacts;

(c) **Prescribe project-specific requirements for development and implementation of project specific Environmental and Social Impact Assessments (ESIA**) and other documents according to the Ministry of Environments Requirements, Environmental and Social Management Plans (ESMPs) and additional management plans as necessary to avoid or minimize, mitigate and compensate identified E&S risks and climate change impacts. Combine technical and management plans to reduce the possibility and scale of unexpected consequences when impacts are unavoidable. For example, the implementation of pollution control to reduce the contaminant level emitted to workers or the environment;

(d) **Clarify, agree and stipulate roles and responsibilities between FONERWA, National and District Government and Structure, project implementors, beneficiaries and other stakeholders**, and outline the necessary reporting procedures, for planning, managing and monitoring E&S risks. Clarify responsibilities, roles and functions to achieve and maintain consistency and level of performance in implementing and managing the environmental and social risks as part of financing and investment activities, project development, and consulting to support effective and efficient work management processes;

(e) **Ensure sufficient capacity** by engagement/hire of professional and/or capacity building, as well as production of training plans and learning materials to manage environmental and social impacts and risks in a climate emergency context. This includes early development of capacity for understanding of scale of risk (i.e. climate change awareness raising) based on key project aspects including:

    (i) The nature of project activities, whether the project will create significant amount of emissions or effluents, or involve social or environmental hazards;

[22] This was a specific request from comments on the ESMF Inception Report feedback workshop that guided the production of FONERWA's ESMF

[23] With specific attention to World Bank Groups/IFC E&S Operational Safeguards (2012), KfW Sustainability Guidelines (2019) and World Bank ESMF (2018).

(ii) Potential consequences to workers, communities, or environment when risk/hazards are not managed properly. Capacity building must also raise climate change risk awareness in different areas and at different levels as well as educate project implementers and surrounding communities to mitigate accident occurrence, including providing technical and financial resources for effective and safe accident avoidance, as well as maintaining the environment and community's health and safety context at greater risk due to climate related disasters;

(f) **Design and Implement ongoing performance monitoring** and effective accountability to improve the funded project's Climate explicit Environment and Social Safeguarding performance;

(g) **Guide stakeholder engagement,** public consultation and disclosure and issues and grievances management whilst mainstreaming greater understanding of climate change risks and climate resilience building; and

(h) **Support understanding and improvement of FONERWA's, National and Districts Governance, specifically in relation to climate change** and E&S risk management performance with good practise and lessons that may be regionally and globally important and by so doing attract further donor support and funding for climate resilient, sustainable development.

To meet objectives, FONERWA's ESMF and RPF consists of mandatory requirements, climate change aware E&S safeguards and non-mandatory guidance with templates and information tools to support:

- Projects ability to implement FONERWA's E&S requirements for safeguarding and climate resilience building;
- FONERWA staff in conducting monitoring, due diligence and implementation support; and
- Stakeholders in transparency, sharing benefits of good practice and information access.[24]

Finally, FONERWA-funded Projects implementers must apply the relevant requirements of Rwanda and International Environmental, Health and Safety Guidelines (EHSGs) and industry specific examples of Good International Industry Practice (GIIP)[25] with the ESMF and RPF developed, according to: Rwandan law and regulations; Sustainability Guidelines of the KfW Development Bank-Guidelines on Incorporating Human Rights Standards and Principles, Including Gender; World Bank Environmental and Social Safeguards; World Bank Group's General Environmental, Social and Health and Safety Guidelines; and relevant United Nation conventions.

As mentioned above these are introduced in Chapter 3. Considering the climate change emergency context (Chapter 1), as well as capacity assessment, gap analysis and findings from inception phase research, (Chapters' 4 and 5). The structure and methodology of ESMF and RPF development are first outlined in the following sections.

[24] Access to Information is based on Rwandan Law and International Standards, particularly World Bank Group of which has been considered in FONERWA's E&S commitment to transparency, accountability and good governance, which applies through the whole ESMF, including Project disclosure requirements

[25] Accordingly, the ESMF includes issues and grievance redress tools and tools and systems for transparency and accountability as FONERWA funded Projects must include mechanisms for addressing concerns and grievances arising in connection with any Project. Project-affected parties must be given appropriate access, to a Project's Grievance Mechanisms, as well as disclosure of rights under National and District laws.

2.2 Task Groups, Content and Structure of FONERWA's ESMF and RPF

2.2.1 Task Groups

The ESMF comprises 4 task groups illustrated in Figure -1 below. As capacity building is an overarching requirement needed to achieve these tasks, the processes of which are underpinned by on going public consultation, capacity building and Public Consultation and Disclosure (PCD) support are included in the ESMF contents.

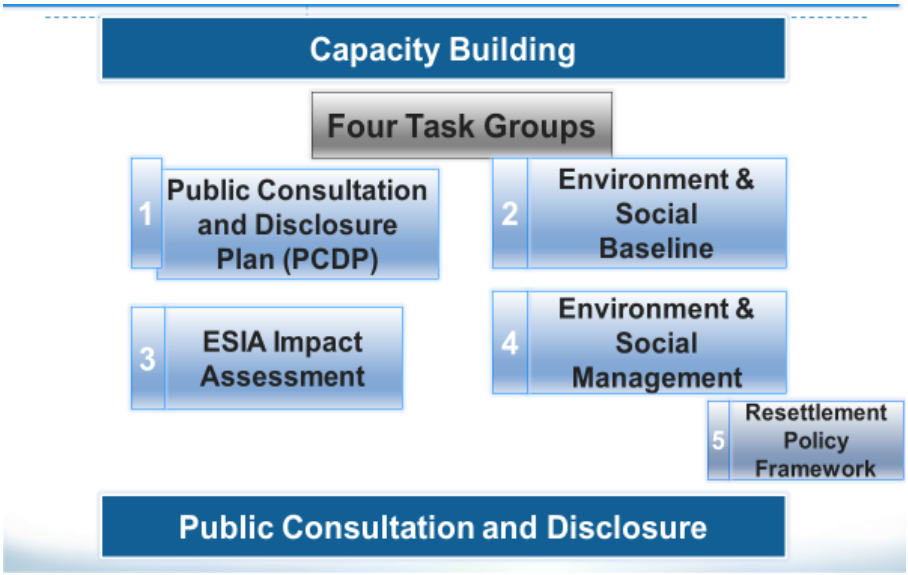


Figure 1 Outline Overview of Task Groups for ESMF and RPF Production

Thus, the ESM and RP frameworks include guidance, templates and tools for:

- ✓ **Environment (including climate and climate trend data) & Social Baseline**: for understanding/survey of environment, social, health and economic conditions in area of project influence;
- ✓ **Environment & Social Impact Assessment (ESIA):** to analyse the impacts and understand positives and risks and recommend mitigation for risk and how to enhance positive impacts and ensure gender & social inclusive positive impacts/benefits sharing;
- ✓ **Environmental & Social Management Plan (ESMP):** to plan a strategic approach to ESM as part of impact mitigation and climate resilient sustainable development. The ESMP is developed in a participatory manner and incorporate stakeholders, individual PAPS and community recommendations from the ESIA to define potential projects and partnerships; and
- ✓ **Stakeholder Engagement/Public Consultation and Disclosure Plan (PCDP)**: includes stakeholder identification & analysis (aka social mapping), consultation record, communities' information needs, processes and materials.

If findings of the assessment processes for any of the above result in requirement for Resettlement, this

will be guided by the RPF[26].

2.2.2 ESMF and RPF Content Overview and Documents Structure

Considering the task groups in Figure-1, the wide, inclusive range of project's FONERWA funds[27], the Capacity and Needs Assessments done for ESMF Planning during Inception Phase, and FONERWA's commitment to climate resilience building for sustainable development, FONERWA'S ESMF and RPF consists of four interconnected and mutually supportive documents:

Volume 1: Introduction, Rational and Overview of ESMF & RPF comprises:

(i) ESMF & RPF background with climate awareness raising and description of importance of mainstreaming climate resilience building in Rwanda and FONERWA's climate explicit E&S safeguarding for its funded projects to specifically address climate risk issues;

(ii) Approach, Methodology, Resourcing & Requirement to adapt E&S methods to highlight climate issues, risks mitigations and adaptations;

(iii) Policy, Legal and Institutional Framework for ESMF& RPF;

(iv) Description of FONERWA and overview of its Funded Projects;

(v) Roles, Responsibilities, Capacity & Needs Assessment and Climate and E&S Capacity Building/Training Plan; and

(vi) Review, participatory development and roll out of ESMF and RPF.

Volume 1 is designed and written for transparency of ESMF and RPF development processes as required to comply with IFC /WBG, KfW guidelines, as well as for climate change awareness raising, E&S overview and as a general information document on procedures and processes for FONERWA, donors and other third parties. However, it should also be read, understood and where relevant, referred to by fund applicants, project designers and implementors.

Volume 2: ESMF Directives & Guide comprises:

(i) Directives of Project Obligations according to IFC E&S safeguarding;

(ii) Climate Impacts and the E&S Baseline Conditions of Rwanda at national level;

(iii) Expected Risks and Impacts and example mitigations;

(iv) Climate Aware E&S Intervention Tools;

(v) Roles and Responsibilities; and

(vi) Stakeholder Engagement for Monitoring and Evaluation.

Volume 2 is produced as a guide mainly for FONERWA staffs and funded project designers, implementors and for M&E. However, in the interest of transparency and the participatory approach advocated, it is designed and written to be user friendly for wider stakeholder understanding including government (at national and district level), communities and community organisations.

[26]with specialist training support for RAP as recommended in Task 5-specialist Learning support-see JTA assignment E&S Inception March 2020 Report Recommendations.

[27] See consultation record-CSO workshop and CSO site visits & support given to CSO's for Project Document development in Annex-1

Volume 3: FONERWA's Resettlement Policy Framework comprises:

(i) Description of project types and activities that may cause physical and/or economic displacement;

(ii) Entitlements Framework of compensation eligibility and types of entitlement;

(iii) Resettlement Action Plan Framework;

(iv) Grievance Mechanism; and

(v) Roles and Responsibilities.

The RPF is designed to be used as a standalone document mainly for FONERWA staffs and funded project designers, implementors, but also, in the interest of transparency and participation, is written for wider stakeholder understanding specifically those at district and project level, communities and community organisations.

Volume 4: Public Consultation and Disclosure and Stakeholder Engagement Handbook comprises:

(i) Overview of FONERWA'S Communications, policy, strategy and SE Commitments within context of Rwanda and International SE requirements;

(ii) Climate Risk Issues Awareness Raising and Approach and Methods;

(iii) Information, materials and communications tools;

(iv) Issues and Response Reporting and GM;

(v) Roles, Responsibilities and Resourcing.

Written as a guide specifically requested during the ESMF Inception Report feedback workshops for FONERWA staffs and project designers, implementors, but also some specific measures must be disclosed as part of rights-based approach to transparency in project disclosure as required by the regulatory context to which the ESMF & RPF actions and processes must comply. These documents are designed to be developed in a participatory manner and tested as part of a series of pilot trials of the ESMF implementation termed 'roll out of the ESMF'. An opportunity is to develop these guides/handbooks during the implementation of projects currently being bid for by CSOs and others. To ensure appropriate use of these 4 volumes, specific capacity building of FONERWA and its beneficiaries, public, private sector and CSOs is required. Whilst the level of FONERWA's ESMF and RPF is designed to address the level of the user in simplest of terms possible for complex subjects, the documents also address advance knowledge needs of private sector and Government and other stakeholders who apply for FONERWA funding.

2.3 Literature Review for Informing ESMF and RPF Planning and Design

Prior to start of activities, the latest climate change literature was reviewed including donor requirements and recent (in last 2 years) international standards and guideline's updates relevant to inclusion of climate change. In Kigali, with support of FONERWA's E&S Safeguard Specialist, further information and documentation relevant to the assignment was collected including:

(i) Rwandan Ministerial Orders on Environment, Social and Resettlement;

(ii) Rwanda General Guidelines and Procedure for Environmental Impact Assessment;

(iii) Rwandan Expropriation Law;

(iv) FONERWA's mandate, Guidelines for Commissioning and Managing E&S, Project Lists; and

(v) FONERWA's draft Communications Strategy, Monitoring and Evaluation Information System, Exemplary Projects ESIAs and FONERWA's Operational Manual and Organogram.

Collection and familiarization with available documentation provides background, regulations & context for ESMF and RPF content, design and processes. The collection and familiarization with Rwandan regulatory framework, laws, policy and strategy documentation; international standards, regulations and conventions. Overview of Rwandan, Regional and International Standards and gap analysis of existing procedures, policies and structures.

These documents were reviewed prior, during and after site visit, meetings and workshop activities in Rwanda. The literature review was then updated with latest scientific research as it emerged from April 2020 and is referenced in appropriate places in the ESMF with literature research findings incorporated in relevant ESMF and RPF sections. The literature on climate change shows specific requirement for mainstreaming gender issues[28] in the design of interventions such as ESMF and RPF since:

(i) Women, as well as men significantly contribute to combating climate change. Shifting the paradigm towards low-emission and climate-resilient development pathways, requires individual and collective decisions by women and men;

(ii) Climate change impacts women and men differently, to the detriment of women, and existing gender inequalities are likely to be exacerbated by climate change;

(iii) Gender inequality, exacerbated by climate change, is linked, as are other development areas, to vulnerability and risks. The greater vulnerability of women to climate change stems from gender norms and discrimination that result in the imbalanced division of labour, lower income, and lesser livelihood opportunities, less access and control over land and other productive assets, fewer legal rights and less mobility and political and professional representation.

Gender considerations in FONERWA JTA assignment are set out in a separate Gender Task Area, so an examination of Gender issues is not repeated here suffice to note gender awareness is key to climate, environment and social protection and findings for gender and climate change literature show it is necessary to:

- Ensure that by adopting a gender-sensitive approach, more effective, sustainable, and equitable climate change results, outcomes and impacts, in an efficient and comprehensive manner in both its internal and external procedures and activities are achieved;
- Equally build women and men's resilience to, and ability to address climate change, and to ensure women and men equally contribute to, and benefit from activities supported by FONERWA's ESMF;
- Address and mitigate against assessed potential project/project risks for women and men associated with adaptation and mitigation activities financed by FONERWA; and,
- Contribute to reducing the gender gap of climate change-exacerbated social, economic and environmental vulnerabilities.

[28] see for example, KF Meadows et al, Gender Disaggregated Impact of Climate Change, Oxford Journal of Climate Change, 2001

2.4 Inception and ESMF Planning Activities, Consultations, Engagements and Site Visits

As well as ongoing literature review, between 27th January and 19th February, in Rwanda the JTA's E&S Team conducted the following:

(i) Consultation activities with FONERWA, Ministry of Environment, affiliated agencies and affected people on example FONERWA funded project;

(ii) FONERWA funded project site visit;

(iii) Support for funding applicant at NGO office visit;

(iv) Series of Workshops for CSO/Fund Applicants Orientation, training and key stakeholder and Third-Party feedback on ESMF planning[29]; workshops with FONERWA & relevant stakeholders and Project Document Orientation and Training Workshops with potential (CSO) users of ESMF & RPF[30] ;

(v) Capacity and needs assessment for E&S management of ESMF internally and at project and district level;

(vi) Analysis of FONERWA and targeted potential ESMF users in visits to a project currently funded by FONERWA as well as CSOs currently applying for FONERWA funding.[31]

During the site visits, consultative meetings were held with project affected persons at project sites to understand views on the project and levels of understanding of climate change and E&S impact management which was also assessed in key informant interviews with project implementing agencies and District officials. Climate Awareness was limited but overall feedback on FONERWA was positive although in some respect's climate change blind. During the peer review workshop to gauge opinions of ESMF and RPF development and content there was high level interest; stakeholders also stressed a specific focus on climate awareness raising and requested to be kept informed and engaged in the ESMF and RPF development. In summary feedback was positive, enthusiastic and constructive with agreement the ESMF and RPF should include:

- A description of climate change specific purpose of FONERWA's ESMF;
- An overview of FONERWA and its funded project types, the main climate, social and environmental considerations, and risks and impacts involved in ESMF implementation;
- Regulatory, and policy context with an understanding of application/implementation of international requirements;
- A description of FONERWA's funded project process for preparing and approving environmental and social impact assessment (if required) & an E&S risk screening if not;
- Identification of potential positive and negative impacts and risks, including health and safety risks of FONERWA funded projects;
- Overview guidance for mitigation measures based on anticipated impacts (and forecasted climate change);

[29] Key outcome was ESMF draft design and workplan with summary contribution to the Joint TA Inception Report.
[30] Included presentation of E&S regulatory framework, ESMF tasks & processes for supporting capacity development of CSOs to understand E&S issues and then specific trainings on E&S in FONERWA funding applications which also served as opportunity for analysis of general capacities of FONERWA staffs and potential ESMF users.
[31] See Preliminary Stakeholder Engagement List targeted for Inception Reporting & ESMF Planning Annex -3

- Arrangements for implementing specific activities including organizational procedures, roles and responsibilities; and
- A description of monitoring arrangements for risks and impacts and review and improvement measures.

Additional key comments from the E&S Peer Review workshop included:

(i) A climate specific ESMF for Rwanda is considered very useful; several consulted showed interest in receiving access to the information as it developed. Many stressed the need for raising climate awareness and the importance of climate change mainstreaming in projects and programmes with information accessible/understandable to every level;

(ii) The process of revising the JTA assignment ToR was approved given the additional tasks requested and, as an outcome of the participatory process, revealed need for more time than that allocated for a 'cut and paste approach'. Following other ESMF's (LODA's) was advocated, however, whilst LODA structure is followed as much as relevant, it was agreed, given the climate explicit nature of FONERWA's ESMF documents such as LODA's could not simply be added to but must be customised in a new approach to ESMF development FONERWA's ESMF and RPF is new in many respects including that for the first time explicitly highlighted climate change protection and climate change resilience building and adaptions in E&S safeguarding;

(iii) It was recognised that there was a general lack of climate issues inclusion in planning E&S risk management. Consequently, more resources are needed, more time, personnel and training on E&S implementation that is climate specific, as well as monitoring and improvement;

(iv) FONERWA specifically requested that, as well as ESMF and RPF documents, tools, checklist and monitoring processes, there must be a document that guides public consultation and disclosure. The agreement was to produce an additional document-the FONERWA PCD/Stakeholder Engagement Handbook that focusses on climate change awareness raising and E&S issues but corresponds and compliments FONERWA's Communications Strategy. This should include a description of mechanisms for consultations with, and participation of stakeholders in planning, implementation, and monitoring (See ESMF Volume 4)[32]; and

(v) It was recommended a trial period as part of roll out was included as part of the participatory, phase approach to development of FONERWA's climate specific ESMF with climate change awareness raising central to the roll out.

2.5 Validation Workshop

After the first consultation meeting (ESMF inception workshop held at FONERWA on February 19th, 2020), the second consultation meeting (Validation Workshop) took place on September 2nd, 2020 via Webex due to COVID-19. This meeting was attended by a total 29 participants from different institutions including public institutions, CSOs, private sector and FONERWA developmental partners.

The objective was to disclose the first Draft of FONERWA's ESMF and RPF and to obtain their comments and feedback on the suitability of the documents and identify the need for amendments to produce the final FONERWA's ESMF &RPF drafts before the trial phase.

Attendance lists of the Validation Workshop are attached as Appendix- 7 to this document.

[32] A PCDP/Stakeholder Engagement Handbook/specific guideline with awareness raising materials usually takes 20-30 days of expert's time to produce depending on the assignment. Given challenges of Covid -19, this additional task requested may have some implications for current workplan.

The feedback collected during the validation workshop of FONERWA's ESMF & RPF was overall positive.

Main comments and feedback points are summarised below:

- The FONERWA's ESMF&RPF is a very comprehensive framework which is very strong and covers a great deal of detailed requirements, guidelines, considerations and tools, for ensuring environmental and social safeguards. The four volumes of the framework contain a significant focus on awareness raising, stakeholder participation and community consultation, as well as grievance mechanisms, which are all very important when looking at environmental and social safeguards.
- It was recommended that FONERWA funded projects will have to adhere to IFC PS and the KfW Sustainability Guidelines. In addition, FONERWA funded project will have to comply to ILO Core Labor Standards, IFC/WB General EHS Guidelines and Industry Sector specific EHS Guidelines, UN Basic Principles and Guidelines on Development Based Evictions and Displacement and the Voluntary Guidelines on the Responsible Governance of Land, Fisheries and Forests.
- It would be good if FONERWA E&S safeguards instruments / plans include safeguarding against sexual exploitation, abuse and harassment (SEAH).
- Add specific Environmental, social and climate change risks to be expected per different sector, eg: Energy, Water, Transport, Mining, Biomass, etc.
- Develop ESMP measures that are specific for any project.
- Add a column of ranking and aggregation of risks and that of required budget for addressing the identified risks.
- Avoid using some specific positions at different government levels in the document which might change in the future and thus would require constant updates of the document.
- Develop a user-friendly manual summarizing key needed tools by stakeholders to reduce time that would be spent consulting all the four volumes.
- Ensure concrete capacity development plan on how FONERWA's ESMF will be disclosed to the users (stakeholders).
- Harmonize and link the document with key national strategic documents like EDPRS, NST1 and Vision 2050.
- Clearly demonstrate the process on how some key tools highlighted in the document will be approved by both FONERWA and RDB.
- Harmonize the compensation benefits in Chapter V of the FONERWA's RPF compared to what was being offered in terms of compensation so far.

2.6 Phased, Iterative and Participatory Development of the ESMF and RPF[33]

2.6.1 Research and Development Inception Planning Amendment due to impacts of COVID-19

Following the Inception Workshops, due to COVID-19, the process phases for drafting the Environmental and Social Management Framework (ESMF) were slightly amended from the Inception Report (IR) to:

[33] Due to impacts of Covid-19 and lack of recommended E&S resourcing, methods and workplans had to be slightly adapted from those set out in the IR and following specific development partners request, 14 April 2020 conference call for reconsideration of workplans.

- Research and planning during the Joint TA Inception Phase (January-March 2020);
- Generic (Zero) Drafts of Volumes 1, 2 and outline of 3 produced in April-May (2020)-setting out principles, guidelines, and procedures to assess E&S risk, process to reduce, mitigate, and/or offset potential negative environmental and social impacts and enhance positive impacts and opportunities of FONERWA funded projects;
- Version 1 Drafts of Volumes 1, 2, 3 and 4 incorporating FONERWA inputs and Rwandan context & stakeholder engagement for finalisation of appropriate tools & framework to address potential adverse social and environmental impacts and ensure FONERWA funded project benefits are enhanced and target appropriate beneficiaries (June-July 2020);

2.6.2 Capacity Development, Training, Trials and Roll Out

The ESMF is then presented for comment and 'roll out' from end of third quarter 2020[34] with the pilot trial results feed into the final (version 2) of the ESMF and RPF. This approach gives:

- ✓ Opportunity to align the ESMF and RPF with the development and implementation of the projects currently (May, 2020) under appraisal for funding. Whilst these are mostly CSO projects, roll out targets will widen from this base to be socially inclusive of all relevant stakeholders;
- ✓ Advantage that since many FONERWA Staffs are recently appointed-including the Environment and Social (E&S) Specialist- institutional knowledge and other aspects of capacity building that benefit from a Learning as Doing methodology, is strengthened; and
- ✓ Opportunity for the ESMF and RPF to be improved and amended, in participation with relevant stakeholders and key informants as situations arise during the sub-project implementation process (i.e. an iterative, participatory approach).

2.6.3 ESMF & RPF Disclosure and Consultation

To ensure participation and compliance with laws, regulations and standards is achieved across all project phases : planning, design and implementation of FONERWA-funded Project, appropriate consultation processes with key stakeholders must be carried out from start of ESMF planning and throughout the project cycle. Additionally, compliant information disclosure processes of project information must continue to be carried out, at accessible places, and in a form and language understandable to project-affected groups, CSOs and other key stakeholders. Transparency in terms of 'free, informed and prior disclosure[35],' is a key requirement of International Standards followed by the donor organisations and for compliance, must be applied to every aspect of ESMF and RPF processes.

Ongoing participation consultations and disclosure activities must include:

(i) **Zero Draft consultation meeting** between FONERWA and JTA ESMF and RPF specialists to present zero draft for initial comments (July-August 2020).

(ii) **ESMF&RPF VER 1 DRAFT consultation/Validation** Workshop to disclose the Vers1 ESMF and RPF to FONERWA, and key stakeholders in Kigali to obtain their comments and feedback on the suitability of the documents and identify the need for amendments to produce the final ESMF and RPF before the pilot survey (held on September 2nd, 2020 via Webex due to COVID-19.

[34] The timing of the development of the ESMF coincided with a call for funding and thus the ESMF was developed in participation of this process and supporting E&S capacity development needs that arose during this process.
[35] See IFC Stakeholder Engagement, Good Practice Handbook, 2007.

(iii) **Consultations** must be conducted during/after the pilot survey and include wider representatives of ministries and agencies, projects developers including public institutions, private sector and CSOs.

(iv) **Disclosure** of Final FONERWA's ESMF&RPF on FONERWA's website.

The current ESMF is guided by these comments put in a realistic workplan, which also considers the E&S Capacity and Needs Assessment. The first capacity gap addressed was to achieve a common understanding of the new regulations, standards for compliance in tasks and task groupings for the ESMF. These were drafted in the Inception Phase and for completeness of record are set out in Chapter 3 below with the Gap analysis of regulatory framework and recommendations on what funded projects must follow are set out in ESMF Volume 2.

3 National and International Policy, Legal and Regulatory Framework

In this section relevant national and international policy and legislation, environmental and social management and resettlement procedures are assessed. The assessment includes an overview of environmental and social issues faced in the preparation and implementation of FONERWA-funded projects.

The Rwandan and International requirements for FONERWA Project Environmental and Social Safeguarding and Public Consultation and Disclosure (PCD), are considered where applicable to the environmental and socio-economic and socio-political context of Rwanda. Policies, laws, regulations and institutional framework relevant, to a particular FONERWA funded project have to be assessed at International, National and District level (& included understanding of community level structures).

3.1 Relevant Rwandan Climate, Environment & Social Policies and Laws

3.1.1 Constitution of the Republic of Rwanda of 2003

The constitution of Rwanda (revised in 2015) is the overarching framework which guides E&S policy. It includes:

- Article 22 on "Right *to a clean environment*": Everyone has the right to live in a clean and healthy environment.
- Article 53 on "Protection *of the environment*": Everyone has a duty to protect, safeguard and promote the environment. It also indicates that the State ensures the protection of the environment. Lastly, it stipulates that a law determines modalities for protecting, conserving and promoting the environment.

3.1.2 Rwandan Environmental Law N°48/2018 of 13/08/2018

The most relevant legislation for this ESMF is the Environmental law. This law regulates the protection of environment in Rwanda. The law sets out the general legal framework for environment protection and management in Rwanda. It also constitutes environment as a one of the priority concerns of the Government of Rwanda. The fundamental principle on national environmental protection policy develops national strategies, plans and programs, aiming at ensuring the conservation and use of sustainable environmental resources.

The law gives right to every natural or legal person in Rwanda to live in a healthy and balanced environment. They also have the obligation to contribute individually or collectively to safeguard country's natural, historical and socio-cultural heritage. The framework of the law on the protection and management of natural resources centres on avoiding and reducing the disastrous consequences on environment. It measures result from an environmental evaluation of policies, programs and projects, aimed at preventing the consequences of such activities. The principle of sustainability of environment and equity among generation emphasizes human beings at the core of sustainable development. The present organic law has the following objectives.

- To protect human and natural environment.
- To establish fundamental principles of management and protection of environment against all forms of degradation so as to develop natural resources and to fight all kinds of pollutions and nuisances.
- To improve the living conditions of the population while preserving ecosystems and available resources.

- To ensure sustainable environment and resources as well as rational and sustainable use of resources, taking into account the equality between the present and future generations.
- To guarantee to all Rwandans an economically viable, ecologically rational and socially acceptable development.
- To establish the precaution principle in order to reduce the negative effects on Environment and ensure the rehabilitation of degraded areas.

Chapter V of this Law on environment in Rwanda regulates Environmental Assessment studies.

- **Article 30** states that the list of projects that must undergo an environmental impact assessment before they obtain authorization for their implementation is established by an Order of the Minister. An Order of the Minister also issues instructions and procedures for conducting environmental impact assessment.
- **Article 31** states that every policy, strategy, plan and programme must undergo a strategic environmental assessment. Procedures for conducting strategic environmental assessment are determined by an Order of the Minister.
- **Article 32** states that every project that may have significant impact on the environment must undergo an environmental audit during and after its implementation. The list of projects that must undergo environmental audit is established by an Order of the Minister. An Order of the Minister also issues instructions and procedures for conducting environmental audit.
- **Article 33** states that the environmental impact assessment, environmental audit and strategic environmental assessment must be approved by the Authority or another State organ authorized in writing to do so by the Authority. If the approval is made by an authorized organ, such an organ does so on behalf of the Authority which is also responsible for its audit.

Further to this law, through the Ministerial Order N^{O} 001/2018 of 25/04/2018, a list of all the projects that must be subjected to mandatory EIA has been put in place under article 3 and 4 of this ministerial order.

3.1.3 Environmental Impact Assessment Regulations

In 2006, REMA developed the EIA regulations, which provide a guideline and requirements for EIA in Rwanda. Projects with identified adverse impacts on environment call for a full EIA process for mitigation measures and thus the Ministerial Order No 001/ 2019 of 15/04/2019 establishing the list of projects that must undergo environmental impact assessment, instructions, requirements and procedures to conduct environmental impact assessment.

The order specifies the works, activities and projects that have to undertake an environmental impact assessment. The list of works, activities and projects that must undergo a full environmental impact assessment before being granted authorisation for their implementation is found in Annex I of the Order. The list of works, activities and projects that must undergo a partial environmental impact assessment before being granted authorisation for their implementation is found in Annex II of the Order.

Projects, works and activities which are not listed in Annex I and II to the Order are not subject to the environmental impact assessment. However, when it is evident that work, activity or project not listed in Annex I and II to this Order has a negative and irreversible impact on the environment and is similar in nature to the work, activity or project listed in Annex I and II of this Order, the Authority or authorized organ may request the developer to conduct an environmental impact assessment.

3.1.3.1 Project Brief Submission and Registration

As a first step in the EIA process, a developer proposing to start a project shall notify Rwanda Development Board (RDB) in writing by submission of a Project Brief. The purpose of a Project Brief, which should be prepared as prescribed in this regulation, is to provide information on the proposed activity so as to enable RDB and Lead Agencies establish whether or not the activity is likely to have significant impact on the environment, and thus determine the level of EIA necessary. The project brief submitted to RDB by a developer will be registered as the formal application for an EIA.

3.1.3.2 Screening

Screening refers to the process of decision-making on whether or not and at which level an EIA is required. This is based on the Ministerial Order N0 001/ 2019 of 15/04/2019 discussed in the previous section. It is through screening a project is classified as either of impact level (IL1, IL2 or IL3). Note that impacts Level (IL1, IL2 or IL3) are respectively equivalent to category C, B or A of IFC-WB Categoristation. The responsibility for scoping shall be that of the developers (or their EIA experts) in consultation with Lead Agencies and all relevant stakeholders. Scoping is intended to establish important issues to be addressed in the environmental impact and eliminate the irrelevant ones. After scoping, RDB approves the terms of reference that would be used for carrying out the environmental impact study.

3.1.3.3 Baseline data collection and Analysis of Initial State

Baseline data describes status of existing environment at a location before intervention of the proposed project. Site - specific primary data on and around a proposed site should be collected by experts conducting the environmental impact study to form a basis for future environmental monitoring.

3.1.3.4 Impact prediction and analysis of alternatives

Impact prediction is a way of forecasting the environmental consequences of a project and its alternatives. This action is principally a responsibility of an EIA expert. For every project, possible alternatives should be identified, and environmental attributes compared. Alternatives should cover both project location and process technologies. Alternatives should then be ranked for selection of the most optimum environmental and socio-economic benefits to the community. Once alternatives have been analysed, a mitigation plan should be drawn up for the selected option and is supplemented with an Environmental Management Plan (EMP) to guide the developer in environmental conservation.

3.1.3.5 EIA Report

An environmental impact study culminates into preparation of a report by the EIA experts. An EIA report should provide clear information to the decision-maker on the different environmental scenarios without the project, with the project and with project alternatives. The developer is also required to produce an environment management plan (EMP). Any modifications made by a developer to the EIA report should be presented in form of an Environmental Impact Report Addendum. All these three documents should then be submitted to REMA by the developer.

3.1.3.6 Public hearing

After completion of the EIA report the Environmental Law requires that the public must be informed and consulted on a proposed development. REMA may, if it deems necessary, conduct a public hearing before EIA reports are appraised by its Technical Committee. Any stakeholders likely to be affected by the proposed project are entitled to have access to unclassified sections of the EIA report and make oral

or written comments to RDB. RDB shall consider public views when deciding whether or not to approve a proposed project.

3.1.3.7 Decision-making

During the decision-making and authorization phase, EIA documents submitted to the Authority shall be reviewed by two decision-making committees: a Technical Committee and an Executive Committee constituted by RDB. If the project is approved, the developer will be issued with an EIA Certificate of Authorization, which permits implementation of the project in accordance with the mitigation measures in the EIA Report and any additional approval conditions.

3.1.3.8 Environmental Monitoring

Monitoring should be done during both construction and operation phases of a project. It is done not just to ensure that approval conditions are complied with but also to observe whether the predictions made in the EIA reports are correct or not. Where impacts exceed levels predicted in the environmental impact study, corrective action should be taken. Monitoring also enables RDB to review validity of predictions and conditions of implementation of the Environmental Management Plan (EMP). During implementation and operation of a project, monitoring is a responsibility of the developer and RDB.

3.1.4 Vision 2020 and Vision 2050

Vision 2020 recognises three principles of Green Economy: social cohesion, economic empowerment and environmental intelligence. The three principles contribute to Rwanda becoming a middle-income and knowledge-based economy by 2020 and progressively to develop a climate-resilient, low-carbon economy by 2050.

Vision 2050: aspires to take Rwanda beyond high income to high living standards. Income targets are to attain upper middle-income country status by 2035 and high-income status by 2050 with an objective of providing high-quality livelihoods and living standards. Environmental and climate change considerations are reflected as follows:

- **High Quality and Standards of Life:** Moving beyond meeting basic needs to ensure a high standard of living by focusing on:
    - Sustained food security and quality nutrition
    - Universal access to water and modern sanitation
    - Affordable, reliable and clean energy
    - Quality education and health care
    - Modern housing and settlements with environment-friendly and climate resilient surroundings
    - Inclusive financial services
    - Adequate social security and safety nets
    - National and regional peace and security
- **Developing Modern Infrastructure and Livelihoods:** Modernization with smart and green cities, towns and rural settlements, well-designed transport facilities and services, efficient public and private services.

- **Transformation for Prosperity (developing high value and competitive off-farm green jobs and sectors):** Improved productivity and competitiveness through diversified tourism, manufacturing driven by competitive local industries, business and financial services, Internet, logistics and aviation, Agro-processing, science and technology innovation, construction and extractive industries.

3.1.5 National Strategy for Transformation (NST1)

Vision 2020 is ending at the close of the decade while EDPRS2 and its associated Sector Strategic Plans and District Development Plans ended in June 2018. Vision 2050 aspires to take Rwanda to high living standards by the middle of the 21st century and high-quality livelihoods. The implementation instrument for the remainder of Vision 2020 and for the first four years of Vision 2050 will be the National Strategy for Transformation (NST1). NST1 will provide the foundation and vehicle towards Vision 2050.

In the medium term, the National Strategy for Transformation, NST1/Seven Years Government Program (2017-2024) sets the priority for a green economy approach in its Economic Transformation pillar that promotes "Sustainable *Management of Natural Resources and Environment to Transition Rwanda towards a Green Economy*". **Environment and climate change were highlighted in NST1 as cross-cutting areas of policy concern which can be positively impacted by a range of development activities** with priority given to agriculture, urbanisation, industries and energy.

Rwanda has made significant progress in environment and climate change mainstreaming, as reported in State of Environment Reports (SEORs, 2009 and 2015). The environment is protected by relevant environmental laws and regulations that are captured under the Environmental Organic Law of 2005, as revised to date, and Climate Change has been addressed and informed by cross sectoral strategies, including the Green Growth and Climate Resilient Strategy (GGCRS) and the Nationally Determined Contributions (NDCs) for climate change mitigation and adaptation. Focus will be on improving cross-sectoral coordination to ensure smooth implementation of environmental policies and regulations. In this regard critical sectors identified for strengthening include: agriculture, urbanization, infrastructure and land use management. Additional emphasis will be put on strengthening monitoring and evaluation. High impact areas selected include implementation of: Environmental and social Impact Assessments, biodiversity and ecosystem management, pollution and waste management.

3.1.6 National Strategy for Climate Change and Low Carbon Development

The National Strategy guides the process of mainstreaming climate resilience and low carbon development into key sectors of the Rwanda economy. The strategy has set a vision for Rwanda to be a developed climate resilient, low carbon economy by 2050. Strategic objectives are:

- To achieve Energy Security and a Low Carbon Energy Supply that supports the development of Green Industry and Services.
- To achieve Sustainable Land Use and Water Resource Management that results in Food Security, appropriate Urban.
- Development and preservation of Biodiversity and Ecosystem Services.
- To achieve Social Protection, Improved Health and Disaster Risk Reduction that reduces vulnerability to climate change.

3.1.7 National Environment and Climate Change Policy

The National Environment and Climate Change Policy provides strategic direction and responses to the emerging issues and critical challenges in environmental management and climate change adaptation and mitigation. The key issues and challenges identified include high population density, water, air and soil pollution, land degradation, fossil-fuel dependency, high-carbon transport systems, irrational exploitation of natural ecosystems, lack of low-carbon materials for housing and green infrastructure development, inadequate waste treatment for both solid and liquid waste, increase of electronic, hazardous chemicals and materials waste.

3.1.8 Nationally Determined Contributions (NDCs)

Rwanda's NDC is built on the Green Growth and Climate Resilience Strategy (GGCRS) and focuses on adaptation and mitigation. The key sectors identified and prioritised under NDCs include agriculture, forestry, tourism, water, land use, disaster management, climate data and projections, energy, transport, industry, and waste. The NDC for Rwanda reflect the national ambition by 2030 to join global efforts toward curbing global temperature rise below 2 °C by 2100, with an aspirational target of 1.5°C.

Under the Paris Agreement, countries are obliged to update or communicate their 2030 emission-reduction plans and publish long-term decarbonisation strategies before the end of the year. In that context, **Rwanda was the first African country to submit in May 2020 a tougher climate target to the UN, promising to cut emissions at least 16% by 2030 compared with a business-as-usual baseline[36].**

With technical and financial support, Rwanda estimated it could reduce its total emissions by 4.6 million tonnes of CO_2 by 2030. Measures include the deployment of hydro and solar energy, improving energy efficiency in industrial processes, introducing vehicle emission standards, rolling out electric vehicles and promoting on-farm biogas use.

The plan includes adaptation measures across seven sectors: water, agriculture, land and forestry, human settlement, health, transport and mining to cope with climate impacts.

Rwanda will need around $11 billion to achieve the full potential of its climate plan, including $5.7bn for carbon-cutting measures and $5.3bn for adaptation with measures conditional on international support accounting for 60% of the estimated cost.

3.1.9 Sectoral Policies and Strategies

Sectoral policies that are related to climate change, the environment and natural resources include but not limited to:

- **Forestry Policy:** recognizes the need to manage forest resources to support the country's development goals for sustainable, low-carbon and climate resilient growth to improve livelihoods of present and future generations.
- **Biodiversity Policy:** considers the rehabilitation of degraded ecosystems in Rwanda as an urgent and major task that requires the commitment of significant resources from both national budgets and other sources.
- **Wildlife Policy**: acknowledges that Rwanda's wildlife protected areas significantly contribute to the production of global public goods and services, such as protection of biodiversity, climate stabilization, carbon sequestration and global waters. It also stresses that any adverse impacts on the ecosystems can dramatically and negatively alter humans' capacity to survive.

[36] GOR, Update of Rwanda's Nationally Determined Contribution, 5 May 2020

- **Energy Policy**: recognizes the need to shift consumption from biomass-based energies to clean energies like electricity and Liquefied Petroleum Gas (LPG) to reduce pressure on forest resources. It also focuses on renewable energy infrastructure as one strategy to fight global warming through reductions in greenhouse gas emissions.
- **Water Supply Policy**: aims to ensure sustainable, equitable, reliable and affordable access to safe drinking water for all Rwandans, as a contribution to improving public health and socio-economic development.
- **Sanitation Policy**: aims to ensure sustainable, equitable and affordable access to safe sanitation and waste management services for all Rwandans as a contribution to poverty reduction, public health, economic development and environmental protection.
- **National Industrial Policy:** stresses that waste produced by industrial processes is harmful to the environment and needs proper management and disposal strategy.
- **Agriculture Policy:** seeks to make agriculture and livestock more productive and at the same time ensure proper utilization of natural resources and sustainability for future generations.
- **Land Policy:** stresses agroforestry should be part of the agricultural landscape on hills, given its contribution to soil protection.
- **Water Resource Management Policy**: considers to manage and develop water resources in an integrated and sustainable manner to secure and provide water of adequate quantity and quality for all social and economic needs of the present and future generations. Furthermore, during the elaboration of sectoral and districts medium-term strategies to be implemented in the period covering 2017-2024, environment and climate change issues have been integrated and considered as cross cutting areas. The focus will be on improving cross sectoral coordination to ensure smooth implementation of environment and climate change policies and regulations. In this regard, critical sectors identified for strengthening include: agriculture, urbanization, infrastructure and land use management, energy, water and sanitation. Specific environment and climate change indicators and targets have been included in the new SSPs, and these will be used in annual mainstreaming guidelines, checklists and assessments. Additional emphasis will be put on: (i) Strengthening monitoring and evaluation, (ii) Environment and Social Impact.
- **Appropriate environmental health legal and institutional measures,** stressing the need for adequate financial, human and material resources for effective environmental health. The implementation of this policy is guided by the Health Strategic Plan with districts responsible for budgetary allocations for environmental health service delivery to communities.

3.1.10 Integrated Water Resources Master Plan (IWRMP)

IWRMP focuses on conserving and protecting Rwanda's water, restoring its water reservoirs, ensuring efficiency and equity in allocation and use of water. As one of the IWRM strategy expected outcomes is the rehabilitation of all critical watersheds and catchments and restoration of ecological functions. Part of the project is to protect the catchment areas of the watershed of Mulindi River and the proposed command area downstream. This might be considered a contribution towards achieving one of the IWRM strategy outcomes.

3.1.11 Strategic Plan for Agriculture Transformation in Rwanda (SPAT)

SPAT III has four (4) projects:

- Project 1: Agriculture and animal resource intensification.
- Project 2: Research, technology transfer and professionalization of farmers.

- Project 3: Value chain development and private sector investment.
- Project 4: Institutional development and agricultural cross-cutting issues.

Under the SPAT III project 1, soil conservation and land husbandry are emphasized by various land protection structures such as (i)scaling up terraces on slopes to cover 91% by 2017, (ii) use of agroforestry by 90% of farmers by 2017. Project 2 highlights the importance of research to facilitate both the production gains and commercialization which are the drivers of this strategic plan, through market-related research, research on seeds, planting material and multi-crop rotations, research on farmers' fields, competitive research funding. Project 3 aims to create environments to attract private investment, encourage entrepreneurship and facilitate market access through contract farming, satellite farming, consolidated land leasing to farm large pieces of land and promotion of cooperatives. The line of action proposed for this environment to take effect includes focus on bulk production, public-private partnerships and risk management in value chains, agricultural exports and cross-border trade channels.

3.1.12 The National Social Protection Strategy

This National Social Protection Strategy sets out in detail the government's vision and commitments within the sector. It describes how the government builds on commitments already made in the EDPRS2 and demonstrate how the country's vision continues to grow. It takes significant steps to broaden the coverage of social protection to those in need of support from government.

3.2 Rwandan, African, Regional/East African and International Regulatory Framework Linkages

a) **The Sustainable Development Goals (SDGs)** adopted in September 2015, consist of 17 goals with associated targets and indicators, across a range of economic, social and environmental aspects (especially goals 2, 3, 6, 7, 9, 11, 12, 13, 14, 15, 17).

b) **The African Union Agenda 2063 and its First 10-Year Implementation Plan (2014-2023)** adopted in September 2015, is dedicated to the building of an integrated, prosperous and peaceful Africa, driven by its own citizens and representing a dynamic force in the international arena (especially aspiration 1 and goals 1, 3 and 7).

c) **The East African Community (EAC) Vision 2050** adopted in February 2016, focuses on environment protection by prioritizing development enablers which are integral to long-term transformation, value addition and acceleration of sustained growth (directly links with pillar 4 and indirectly links with pillars 1, 2, 3 and 5).

d) **The EAC Climate Change Policy (2010)** guides Partner States on the preparation and implementation of collective measures to address climate change in the EAC region while ensuring sustainable social and economic development. The policy prescribes statements to guide adaptation and mitigation actions to address climate change.

e) **The EAC Climate Change Master Plan (2011–2031)** ensures that "The *People, the Economies and the Ecosystems of the EAC Partner States are climate resilient and adapt accordingly to Climate Change*".

f) **Multilateral Environmental Agreements (MEAs):** This Framework is in line with all MEAs ratified by Rwanda including:

   (i) **Environment-related MEAs:** Convention on International Trade in Endangered Species

of Wild Fauna and Flora (CITES), Convention on Wetlands of International Importance (Ramsar Convention), the Convention on Biological Diversity (CBD), Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization (ABS) to the CBD, Convention on the Conservation of Migratory Species of Wild Animals (CMS Convention).

(ii) **Climate change-related MEAs.** These include: The **United Nations Framework Convention on Climate Change (UNFCCC**): An international treaty with the aim to stabilize greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system. The treaty provides for updates, also called "protocols" that set mandatory emission limits. The principal update is the *Kyoto Protocol*. The **Kyoto Protocol**, which is linked to the UNFCCC and sets internationally binding emission reduction targets. The UN Convention to Combat Desertification and Land Degradation (UNCCD). The **Montreal Protocol** on Substances that Deplete the Ozone Layer, which is associated with the Vienna Convention for the Protection of the Ozone Layer (Vienna Convention). The **Kigali Amendment to the Montreal Protocol (adopted in October 2016),** added the phase down of the production and consumption of hydrofluorocarbons (HFCs).

(iii) **Chemical-related multilateral environmental agreements**: Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal; Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade; Stockholm Convention on Persistent Organic Pollutants, Cartagena Protocol on Biosafety.

(iv) The **Paris Agreement on Climate Change:** This agreement sets overarching global goals to limit temperature increase to below 2 degrees Celsius and pursue efforts to limit increase to 1.5C above pre-industrial levels.

3.3 International Performance Standards on Environmental and Social Safeguarding and Sustainability

For this FONERWA's ESMF&RPF, the following international standards apply:

- The World Bank Groups (WBG) International Finance Corporation (IFC) Environmental and Social Performance Standards.
- World Bank Group Environmental, Health and Safety (EHS) Guidelines (General and Sector Specific).
- FAO Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security (VGGT).
- UN Basic Principles and Guidelines on Development-based Evictions and Displacement, ILO Core Labour Standards.
- KfW's Environmental and Social Due Diligence (ESDD) and Climate Assessment.
- Safeguarding against Sexual Exploitation and Abuse and Sexual Harassment (SEAH).

3.3.1 The World Bank Groups (WBG) International Finance Corporation (IFC) Environmental and Social Performance Standards

To date the IFC Performance Standards on Environmental and Social Sustainability (update January 2012) are most widely used in Rwandan andhave been successfully implemented in past FONERWA projects[37].

These IFC safeguard policies for strengthening environmental and social protections, prescribe comprehensive and integrated impact assessments and more transparency in improved consultation processes which in 2012 it was agreed had to be at forefront of risk management early in the project cycle.

The IFC has also published Guidance Notes (GN) to help explain the requirements of the PS and associated Handbooks to support capacity building for implementation. Consequently, for FONERWA's ESMF, as there is a baseline of capacity and understanding of IFC PS and following the recommendations from the validation workshop, it has agreed that FONERWA's funded projects will have to comply with IFC Performance Standards.

The World Bank Group (WBG)/International Finance Corporation (IFC) are grouped under 8 Performance Standards and include:

- IFC Performance Standard 1 (PS) and Guidance Note – Social and Environmental Assessment and Management Systems (IFC, 2006-2012 revision);
- IFC PS 2 and Guidance Note – Labour and Working Conditions;
- IFC PS3: Resource efficiency and pollution prevention;
- IFC PS 4 and Guidance Note – Community Health, Safety and Security;
- IFC PS 5 and Guidance Note – Land Acquisition and Involuntary Resettlement;
- IFC PS6: Biodiversity conservation and sustainable management of living natural resources;
- IFC PS7 Indigenous People;
- IFC PS 8 and Guidance Note – Cultural Heritage.

Whilst it may seem that some standards are not directly applicable for ESMF e.g. in relation to IFC PS 2, it should be demonstrated that compliance from outset is considered in rights of employees (which includes transparent and fair labour hires). The ESMF should ensure scientific, independent survey of FONERWA project's impacts independent of political interference and any affiliations. Independence may be compromised if employees for the ESMF consultation process are not clearly demonstrably independent. A compliance requirement is transparency in the workplace and in hire of labour from outset. Seven of the eight IFC Performance Standards (PS) considered to apply when developing FONERWA's ESMF are introduced in more detail below.[38]

[37] have been followed by FONERWA's key projects e.g. see Gicumbi of which the ESIA is assessed in IR review as high quality/inclusive planning albeit would benefit from considering KfW guidelines as well as IFC.

[38] It's been advised PS 7 is not applicable in Rwanda, since it's regarded as a country of single tribe, single language and by National constitution all Rwandans are born and remain equal in rights and freedom (*Article 16 of Rwandan Constitution, 2015*). Under this PS, however, vulnerable persons should be assessed.

PS1: Assessment and management of environmental and social risks and impacts:

PS1 *Objectives are to address how*

(i) to identify and evaluate environmental and social risks and impacts of the project,

(ii) to adopt a mitigation hierarchy to anticipate and avoid, or where avoidance is not possible, minimize and, where residual impacts remain, compensate/offset for risks and impacts to workers, Affected Communities, and the environment,

(iii) to promote improved environmental and social performance of clients through the effective use of management systems,

(iv) to ensure that grievances from Affected Communities and external communications from other stakeholders are responded to and managed appropriately,

(v) to promote and provide means for adequate engagement with Affected Communities throughout the project cycle on issues that could potentially affect them and to ensure that relevant environmental and social information is disclosed and disseminated.

Among its requirements are to conduct a process of environmental and social assessment. As part of the review of environmental and social risks and impacts of a proposed investment, IFC PS 1 advocates environmental and social categorization to reflect the magnitude of risks and impacts, relevant categories are:

1) *Category A projects*: activities with potential significant adverse environmental or social risks and/or impacts that are diverse, irreversible, or unprecedented.

2) *Category B projects*: activities with potential limited adverse environmental or social risks and/or impacts that are few in number, generally site-specific, largely reversible, and readily addressed through mitigation measures.

3) *Category C projects*: activities with minimal or no adverse environmental or social risks and/or impacts.

PS2: Labour and Working Conditions:

PS 2 objectives are to address measures:

(i) To promote the fair treatment, non-discrimination, and equal opportunity of workers.

(j) To establish, maintain, and improve the worker-management relationship.

(k) To promote compliance with national employment and labour laws.

(l) To protect workers, including vulnerable categories of workers such as children, migrant workers, workers engaged by third parties, and workers in the client's supply chain.

(m) To promote safe and healthy working conditions, and the health of workers.

(n) To avoid the use of forced labour.

It applies to workers directly engaged by the client (direct workers), workers engaged through third parties to perform work related to core business processes of the project for a substantial duration (contracted workers), as well as workers engaged by the client's primary suppliers (supply chain workers). Requirements cover; (i) working conditions and management of worker relationship, (ii) protecting the work force in particular child labour and forced labour, (iii) Occupational Health and

safety ensuring a healthy work environment. These requirements apply to third party contracted workers and supply chain workers.

PS3: Resource Efficiency and Pollution Prevention:

PS3 objectives are to address measures taken to avoid, minimize or reduce project-related pollution, more sustainable use of resources (including energy and water), reduction of greenhouse gas emission. Requirements include:

(i) resource efficiency in its consumption of energy, water, as well as other resources and material inputs, with a focus on areas that are considered core business activities.

(ii) consider alternatives and implement technically and financially feasible and cost-effective options to reduce project-related Green House Gas (GHG) emissions during the design and operation of the project.

(iii) pollution prevention of either hazardous or non-hazardous waste.

PS4: Community Health, Safety and Security:

PS 4 objectives are to inform how a project shall:

- anticipate and avoid adverse impacts on the health and safety of the Project Affected Community during the project life from both routine and non-routine circumstances and
- To ensure that the safeguarding of personnel and property is carried out in accordance with relevant human rights principles and in a manner that avoids or minimizes risks to the Project Affected Communities.

Requirements include:

(i) infrastructure and equipment design and safety during design, construction, operation and decommissioning of the project,

(ii) management of hazardous materials and safety,

(iii) assessment of direct impacts on priority ecosystem services that could result in adverse health and safety risks and impacts,

(iv) community exposure to waterborne, water based, water-related, and vector borne diseases, and communicable diseases resulting from project activities,

(v) will assess risks posed by its security arrangements to those within and outside the project site.

PS5: Land Acquisition and Involuntary Resettlement

PS5 objectives are: to address how the project shall avoid/ minimize adverse social and economic impacts from land acquisition by; avoiding/ minimizing displacement, providing alternative project designs, avoiding forced eviction, providing compensation for loss of assets at replacement cost and ensuring that resettlement activities are implemented with appropriate disclosure of information, consultation, and the informed participation of those affected. It is also required to improve or restore livelihoods and standards of living, improve living conditions among displaced persons by providing adequate housing and security tenure. Its scope applies to two types of displacement; (i) Physical displacement and (ii) Economic displacement from land related transactions such as:

(i) Land rights acquired through expropriation,

(ii) Land right acquired through negotiated settlements which could result in expropriation if negotiations failed,

(iii) Project activities resulting in involuntary resettlement on land use or access to natural resources,

(iv) Project activities requiring eviction of people occupying land without formal,

(v) traditional or recognizable usage rights,

(vi) Restrictions on access to land or use of resources including communal and natural resources.

PS6: Biodiversity Conservation and Sustainable Management of Natural Resources:

PS6 objectives are: to address measures to protect and conserve biodiversity, maintain benefits from ecosystem services, promote sustainable management of living natural resources and integration of conservation needs and development priorities. Threats to biodiversity and ecosystem services, especially focusing on habitat loss, degradation and fragmentation, invasive alien species, overexploitation, hydrological changes, nutrient loading, and pollution should be screened. The project should avoid impacts on biodiversity and ecosystem services on natural habitat, critical habitat, legally protected and internationally recognized areas plus avoid introduction of invasive alien species.

PS 7: Indigenous people

PS 7 recognizes that Indigenous Peoples, as social groups with identities that are distinct from mainstream groups in national societies, are often among the most marginalized and vulnerable segments of the population. Government often plays a central role in the management of Indigenous Peoples' issues, and project should collaborate with the responsible authorities in managing the risks and impacts of their activities. PS 7 is not regarded as relevant in Rwanda defined as a country with a single/common culture, tribe and language, with a National constitution that recognizes all Rwandans are born and remain equal in rights and freedom (*article 16 of Rwandan Constitution, 2015*).

PS 8: Cultural Heritage

PS 8 recognizes the importance of cultural heritage for current and future generations. Consistent with the Convention Concerning the Protection of the World Cultural and Natural Heritage, it aims to ensure that clients protect cultural heritage in the course of their project activities. PS 8 objectives are to ensure protection and preservation of cultural heritage and promote equitable sharing of cultural heritage benefits. Cultural heritage refers to; (i) tangible forms of cultural heritage, such as; tangible moveable or immovable objects, property, sites, structures, or groups of structures, having archaeological (prehistoric), paleontological, historical, cultural, artistic, and religious values; (ii) unique natural features or tangible objects that embody cultural values, such as; sacred groves, rocks, lakes, and waterfalls; and (iii) certain instances of intangible forms of culture that are proposed to be used for commercial purposes, such as; cultural knowledge, innovations, and practices of communities ebodying traditional lifestyles.

3.3.2 The World Bank Group Environmental, Health and Safety (EHS) Guidelines

The EHS Guidelines are technical reference documents with general and industry-specific examples of Good International Industry Practice (GIIP), as defined in IFC's Performance Standard 3: Resource Efficiency and Pollution Prevention. The World Bank uses the EHS Guidelines as a technical source of information during project appraisal activities.

The EHS Guidelines contain the performance levels and measures that are normally acceptable to the

World Bank, and that are generally considered to be achievable in new facilities at reasonable costs by existing technology.

Relevant EHS Guidelines for FONERWA activities comprise:

- **General EHS Guidelines** (Environmental, Occupational Health and Safety, Community Health and Safety, Construction and Decommissioning).
- **Industry sector Guidelines (**Agribusiness/Food Production, Forestry, Infrastructure, Mining and Power.

3.3.3 FAO VGGT, 2012

These Voluntary Guidelines seek to improve governance of tenure of land, fisheries and forests. They seek to do so for the benefit of all, with an emphasis on vulnerable and marginalized people, with the goals of food security and progressive realization of the right to adequate food, poverty eradication, sustainable livelihoods, social stability, housing security, rural development, environmental protection and sustainable social and economic development. All programmes, policies and technical assistance to improve governance of tenure through the implementation of these Guidelines should be consistent with States' existing obligations under international law, including the Universal Declaration of Human Rights and other international human rights instruments.

3.3.4 ILO Core Labour Standards

International labour standards are legal instruments drawn up by the ILO's constituents (governments, employers and workers) setting out basic principles and rights at work. They are either Conventions, which are legally binding international treaties that may be ratified by member States, or Recommendations, which serve as non-binding guidelines. Ratifying countries commit themselves to applying the Convention in national law and practice and to reporting on its application at regular intervals. The ILO's Governing Body has identified eight Conventions as "fundamental":

- Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)
- Right to Organise and Collective Bargaining Convention, 1949 (No 98)
- Forced Labour Convention, 1930 (No. 29)
- Abolition of Forced Labour Convention, 1957 (No. 105)
- Minimum Age Convention, 1973 (No. 138)
- Worst Forms of Child Labour Convention, 1999 (No. 1982)
- Equal Remuneration Convention, 1951 (No. 100)
- Discrimination (Employment and Occupation) Convention, 1958 (No. 111)

3.3.5 The UN's Guiding Principles

The UN's guiding principles to support the evolving ESMF and RPF context and capacity are:

(i) **United Nations Human Rights Council's Guiding Principles on Business and Human Rights:** were first developed in 2008 after the release of IFC PS (2006) in order to prevent and address the risk of averse human rights impacts due to business activity. In summary, there are 3 cornerstones of these UN Guiding Principles namely:

- Government Responsibility to ensure business/projects operate in ways that do not violate peoples Human Rights by forming and implementing relevant laws;
- Company/Corporate Social Responsibility whereby business/projects have to specifically undertake human rights due-diligence including consulting people who may be affected by activities and to 'show'/disclose such due-diligence processes;
- If Human Rights are violated a) project responsibility to support project affected people (PAPs) in filing grievance b) Government responsibility is to provide a Court/legal system accessible for PAPs (including local, national and International staffs) free of intimidation[39].

(ii) Equator Principles: As well as the IFC Guide for Public Consultation a useful guide on international standards for environment and social survey's stakeholder engagement is contained in the Equator Principles (www.equator-principles.com) which set out environmental and social criteria and guidelines for financing and a key benchmark for many lending institutions and from the outset an originally was the most specific guide on consultation requirements for social risk management in particular.

Principle 3 of the Equator Principles require that Project proponents should comply with the IFC's Performance Standards and Environmental Health and Safety Guidelines.[40]

Principle 5 outlines detailed consultation and disclosure of information requirements including:

- The government, borrower or third party for Project needs to consult 'with Project-affected communities in a structured and culturally appropriate way' (EPFI[41], 2006).
- Consultation should be 'free' (free from external manipulation, interference or coercion, and intimidation), 'prior' (timely disclosure of information) and 'informed' (relevant, understandable and accessible information), and should apply to the entire Company process.
- A Consultation and Discourse Plan (PCDP) should be prepared. As aforementioned, this is currently developed as part of the ESMF and sets out FONERWA consultation and disclosure approach for future and ongoing work/FONEERWA funded Projects.
- Consultation is to be tailored to meet the needs of the affected communities in terms of language, their decision-making processes and the specific needs of disadvantaged or vulnerable groups. Secondary stakeholder PCD are useful as part of ESMF planning processes. However, due to changing demands and needs, such secondary stakeholder consultation may be fully achieved at start of ESMF when ESMF development processes are approved and capacity is developed and absorbed for meaningful PCD/SE to international compliance.
- The process and results of consultation with the public are to be documented (See Consultation Record). This may be used as a tool to help support capacity development in FONERWA for ESS international requirements compliance.

Principle 6 requires a Grievance Mechanism (GM) in order to consider concerns from affected communities promptly and transparently, and in a culturally appropriate manner. All parties are

[39] Intimidation can be in obvious form (such as yelling at people or staffs) or subtle, less tangible form (e.g. ignoring concerns posturing/positioning in unauthorised power hierarchies; dictating behaviour, overburdening women in particular with 'donkey work' etc).
[40] See www.ifc.org/ifcext/sustainability.nsf/Contant/PerformanceStandards for details of Standards and Guidelines.
[41] Equator Principles Framework Institutions (EPFI): The Equator Principles Financial Institutions (EPFIs) recognize the importance of PCD transparency with regard to implementation of Equator Principles.

responsible for grievance address or remedy which may be apology, restitution, rehabilitation, compensation, guarantees of non-repetition. To ensure access to remedy, it is FONERWA responsibility to raise awareness of grievance mechanisms. Under IFC PS it is also project/business responsibility to raise awareness of Grievance Mechanism. Importantly, however, is to ensure that stakeholder engagement/consultation is conducted from the outset for compliant project information disclosure and for risk management before issues become grievances.

All the standards are contradictory in this regard in terms of stating that engagement should start early in the project cycle but adding consultation as the last Social standard (even in the newly released - 2018- version of World Bank ESMF guidelines whereby consultation as point 10 risks misconstrued that compliant consultation is an add on, or a task to be ticked off rather than an ongoing risk management mechanism as well as a standard for compliance.

Therefore, its recommended that FONERWA's ESMF places Public Consultation and Disclosure at forefront of activities and measures to environmental and social risk management. The need for this recommendation is also enforced by findings of the capacity and needs assessment.

3.3.6 KfW's Environmental and Social Due Diligence (ESDD) and Climate Assessment

The objective of the ESDD and climate assessments is to anticipate and appraise any foreseeable impacts and risks a FC-measure may have on the environment, social factors (including human rights) and the climate, and to identify, avoid and/ or minimise adverse im- pacts and risks to an acceptable level, or if unavoidable, to offset and compensate for these impacts and risks. In addition, the assessments should identify, monitor and manage any residual risks.

The objective of the climate assessment is also to recognise **climate impacts** that may impair the achievement of objectives in due time so that, if applicable, required adaptation measures can be taken into consideration in the conception of the FC-measure. This applies equally to the early identification of potential to adapt to climate change to leverage this potential. Apart from assessing individual FC-measures, ESDDs and climate assessments are designed to demonstrate to partner countries the need to appraise the FC-measures, demonstrate the possibilities for environmentally, socially responsible and climate-friendly FC measures and raise awareness of ecologically and socially sustainable development approaches.

ESDD and climate assessment are a core element of the assessment procedure of KfW Development Bank. They are, first and foremost, intended as a management tool to steer and shape FC-measures over their entire life cycle (i.e. from preparation to completion). The ESDD and categorization of the FC-measures are performed under involvement of the envi- ronmental and social experts of KFW Development Bank. The essential steps of the ESDD and climate assessment include:

- a preliminary appraisal (screening), to determine the environmental, social and climate relevance and environmental, social and climate risks of a FC-measure; and, if the relevance is affirmed;
- the definition of the scope (scoping) to identify and assess the FC-measure's environmental, social and climate-relevant impacts and risks more accurately, including potential to protect the climate and increase the adaptive capacities of the target group in close cooperation with the executing agency; and
- the design and implementation of an ESDD, in-depth climate adaptation assessment and/or in-depth climate mitigation assessment in order to examine all or indi- vidual aspects of the FC measure, including participatory approaches to involve af- fected local groups and public disclosure in the partner country.

The steps mentioned above do not only apply to the project components financed directly by KfW Development Bank but consider the entire project. This applies also to the rehabilitation and/or expansion of existing facilities. Moreover, the ESDD and climate assessment is to consider relevant project alternatives that are available to reach the FC-measure objective. A possible outcome of an ESDD or in-depth **climate assessment** may be that the original FC-measure design or the location must be modified.

3.3.7 Safeguarding against Sexual Exploitation and Abuse and Sexual Harassment (SEAH)

Safeguarding broadly means avoiding harm to people or the environment. Since early 2018, DfDI/FCDO has been focused on safeguarding against Sexual Exploitation and Abuse and Sexual Harassment (SEAH) in the international aid sector. DfDI/FCDO is one of FONERWA's development partners and FONERWA funded projects will have to comply with this safeguard.

The goal is to ensure all those involved in poverty reduction take all reasonable steps to prevent harm, particularly SEAH, from occurring; listen to those who are affected; respond sensitively but robustly when harm or allegations of harm occur; and learn from every case. The UN definition for SEAH is the following:

- Sexual Exploitation: Any actual or attempted abuse of a position of vulnerability, differential power, or trust for sexual purposes. Includes profiting momentarily, socially, or politically from sexual exploitation of another. Under UN regulations it includes transactional sex, solicitation of transactional sex and exploitative relationship.
- Sexual abuse: the actual or threatened physical intrusion of sexual nature, whether by force or under unequal or coercive conditions. It covers sexual assault (attempted rape, kissing/touching, forcing someone to perform oral sex/touching) as well as rape. Under UN regulations, all sexual activity with someone under the age of 18 is considered to be sexual abuse.
- Sexual Harassment: A continuum of unacceptable and unwelcome behaviours and practices of a sexual nature that may include, but are not limited to, sexual suggestions or demands, requests for sexual favours and sexual, verbal or physical conduct or gestures, that are or might reasonably be perceived as offensive or humiliating.

3.4 Gap analysis on relevant national legislation against international requirements

The table below compares the international requirements to Rwandan legislation. The primary difference between national legislation and international resettlement standards is that Rwandan law concentrates on compensation for lost assets, whereas the IFC PS5 have an additional focus on livelihood enhancement (or as a minimum restoration). Emphasis is not only on compensation for lost assets but also on assisting people to improve (or at least restore) standards of living, incomes, and livelihoods.

The objective of KfW on the climate assessment is also to recognise **climate impacts** that may impair the achievement of project objectives in due time so that, if applicable, required adaptation measures can be taken into consideration in the conception.

FONERWA will follow Rwandan legislation and will also implement such additional measures as are necessary to achieve outcomes that are consistent with the IFC Performance Standards and other international Guidelines.

Table 1: Comparison of Rwandan legislation and International requirements

International Requirements	**Triggered by Fonerwa funded projects**	**Rwanda Applicable Regulatory Framework**	**Identified Gaps**	**Measure to fill identified gaps**
PS1: Assessment and management of environmental and social risks and impacts	Yes	Law N°48/2018 of 13/08/2018 on environment in Rwanda regulating Environmental Assessment studies.	No gap	-
PS2: Labour and Working Conditions	YES	Labour law No. 13/2009 of 27/05/2009 addresses the following: • Prohibits child labour, forced labour and discrimination. • Protection of workers against violation or harassment, freedom of opinion and mentions general guidance on how employment contractual terms are followed and disputes can be resolved	No gap	-
PS3: Resource Efficiency and Pollution Prevention	Yes	(i) Law N°48/2018 of 13/08/2018 on environment in Rwanda (ii) *Energy Efficiency :* The law governing electricity in Rwanda, Law No. 21/2011 covers all activities of electric power production, transmission, distribution and trading within or outside the national territory of the Republic of Rwanda. (iii) *Pollution Prevention and Enforcement :* The Rwanda Environment Management Authority (REMA) and MoE have significant jurisdiction over environmental regulations and pollution control. Within REMA, the Environmental Regulation and Pollution Control Unit handles pollution control, coordinating activities related to formulation and enforcement of pollution standards and regulations. The Rwanda Development Board plays an important related role in facilitating and monitoring the implementation of EIAs under the oversight of REMA	No gap	-
PS4: Community Health, Safety, and Security	Yes	• Rwanda has in place a robust Environmental Impact Assessment process that is well-equipped if implemented to identify and manage community health and safety risks related to project activities in line with the objectives and requirements of PS 4. • With respect to security issues,, there are several local and national institutions responsible for various aspects of security,	No gap	-
PS 5: Land Acquisition and Involuntary Resettlement	Yes	• In Rwanda, resettlement is not the principle focus within regulation, rather the focus is on “just compensation” for	• No RAP required or Livelihood restoration plan (LRP) mentioned.	Apply IFC PS5

International Requirements	Triggered by Fonerwa funded projects	Rwanda Applicable Regulatory Framework	Identified Gaps	Measure to fill identified gaps
		expropriation in the public interest. • The law to the expropriation in public interest, No. 32/2015 provides for a fair compensation to be paid to the person to be expropriated. The Law relating to Expropriation in the Public Interest establishes the list of competent authorities to carry out expropriation, those in charge of supervising projects of expropriation, as well as the relevant approval processes for expropriation in the public interest. • Projects are designed and implemented in a way that seeks to avoid the need for relocation of people for two main reasons: • Avoidance of loss of financial resources (in expropriation) which should be used in project implementation; and • Avoidance of social-economic disturbance for the population.	• No guidance on determining an entitlement matrix • Compensation is only required for land owners with formal land title. • Compensation cost is based on market price but does not include relocation assistance. • No guidance on establishing a Cut-off date. • No social baseline survey is required to monitor against. • No guidance on implementation monitoring & evaluation of the resettlement process. Compensation payment is considered the final part of resettlement.	
PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources	Yes	• Overall, Rwanda has a robust regulatory system for managing and protecting biodiversity that is well-aligned with PS 6 objectives and requirements – with a few potential gaps • Rwanda is a signatory to the Convention on Biological Diversity[42] and the World Heritage Convention[43], and protecting and valuing biodiversity is a core element of Rwanda's National Environmental Strategy. • The regulatory context includes Law 70/2013 Governing Biodiversity in Rwanda, Chapter 3, Article 14 (Ecosystems in Need of Protection), Article 15 (Prohibited Activities in Need of Protection), Article 15 (Activities in Ecosystems on the List), Article 16 (Species in Need of Protection) and Article 17 (Prohibited Activities in Ecosystems on the List)	Biodiversity Action Plans employing *mitigation hierarchies* and open to concepts such as *biodiversity offsets* can serve as valuable tools to enhance the EIA and Environmental Management Plan process and are not specifically addressed in the current regulatory procedures of Rwanda	Apply IFC PS6
PS7: Indigenous peoples	No	Rwanda is a country with a single/common culture, tribe and language, with a National constitution that recognises all Rwandans are born and remain equal in rights and		Standard not relevant

[42] https://www.cbd.int/countries/?country=rw
[43] http://whc.unesco.org/en/statesparties/RW/

International Requirements	Triggered by Fonerwa funded projects	Rwanda Applicable Regulatory Framework	Identified Gaps	Measure to fill identified gaps
		freedom (article 16 of Rwandan Constitution, 2015),		
PS8:Cultural Heritage	Yes	Law No. 28/2016 of 22/7/2016 on preservation of cultural heritage and traditional knowledge address the following: • Defines cultural heritage as both tangible and intangible, how they are classified. • Stipulates how cultural heritage and traditional knowledge can be preserved and protected.	• The law does not mention the need for a "Chance Finds Procedure" of cultural resources that could be found during project construction and operation phase • Risks to cultural heritage are identified through the Environmental Impact Assessment (EIA). Other socio-cultural issues are incorporated into the EIA and other management plans	Apply IFC PS8
ILO Core Labour Conventions	Yes	Rwanda has ratified the Fundamental ILO Conventions	No gap	-
KfW's Environmental and Social Due Diligence (ESDD) and Climate Assessment	Yes	• Law N°48/2018 of 13/08/2018 on environment in Rwanda regulating Environmental Assessment studies. • National Environment and Climate Change Policy, 2019	The Rwanda EIA guidelines do not have a climate risk classification methodology. However, Rwanda's guidelines for Strategic Environmental Assessment (SEA) suggest climate risk analysis during the analytical development of qualitative profile of areas affected by a policy, programme or plan. In addition, Reference made to the Rwanda EIA guidelines, project is classified as either of impact level (IL1, IL2 or IL3): IL1 Low level impact, IL2 Moderate level Impact, IL3: High level Impact.	Apply KfW's Environmental and Social Due Diligence (ESDD) and Climate Assessment
World Bank Group's General EHS Guideline	Yes	• Ministerial order No.01 of 17/05/2012 on OHS conditions indicates duties of employers and self-employed persons. • Gives powers of an occupational safety and health expert and labour inspector. • Gives general provisions of health and hygiene, machinery safety, safety measures like safety signs, fire risk, air and noise pollution.	No gap in regulations, however there is a lack of law enforcement and monitoring specifically observed with regard to Health & Safety.	Apply Ministerial order No 01 of 17/5/2012 with strict enforcement and monitoring measures

International Requirements	Triggered by Fonerwa funded projects	Rwanda Applicable Regulatory Framework	Identified Gaps	Measure to fill identified gaps
		• Elaborates on workplace welfare, health and safety • Precaution measures for vulnerable groups.		
UN Basic Principles and Guidelines on Development-based Evictions and Displacement	Yes	See as above description under IFC PS5	Gap exists as for Involuntary resettlement above	Apply IFC PS5
FAO Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security	Yes	See above description under IFC PS5	Gap exists as for Involuntary resettlement above	Apply IFC PS5
Safeguarding against Sexual Exploitation and Abuse and Sexual Harassment (SEAH)	Yes	Rwandan Law No. 59/2008 of 2008 on Prevention and Punishment of Gender-Based Violence	No gap	-

4 Description of FONERWA

4.1 FONERWA's Mandate

FONERWA is one of the five agencies under the supervision of the Ministry of Environment (MoE) in Rwanda. The Figure 2 below shows the position of FONERWA in the hierarchy of MoE.

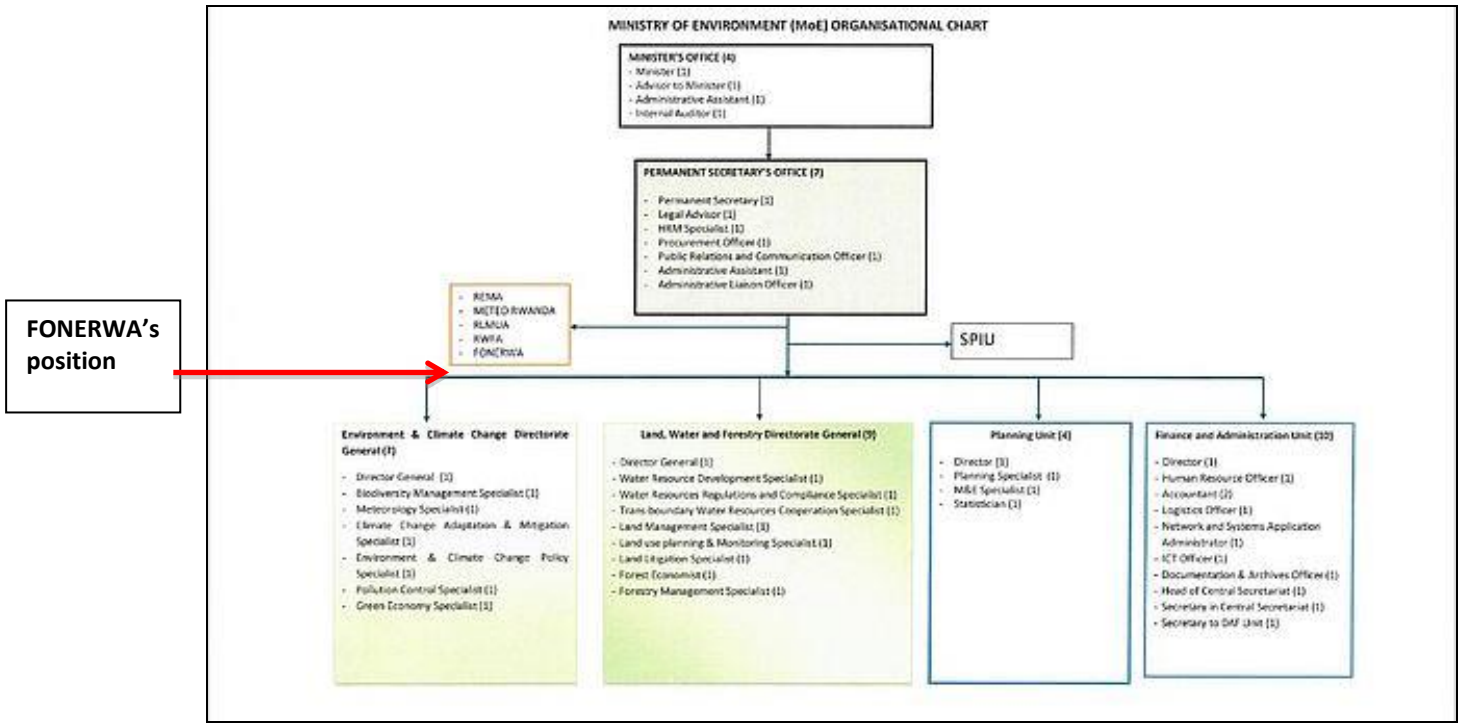


Figure 2 FONERWA's Position in Ministry of Environment hierarchy

FONERWA's mandated objectives are to mobilise and manage resources to support institutions and individuals to protect the environment and natural resources and respond to climate change and its impacts. FONERWA has the following responsibilities[44]:

(i) to mobilise and manage resources used in financing activities aiming at protecting and preserving environment and natural resources;

(ii) to mobilise and manage funds to be used in the fight against climate change and its impact;

(iii) to collect and manage funds from public, private, through a bilateral and multi-lateral partnership to achieve the country's objectives to advance national priorities in the field of environment and climate change;

(iv) to support public organs, associations and individuals for environment protection and conservation, research as well as the fight against the climate change;

(v) to coordinate and ensure that various finance partnership agreements related to prevention as well as fighting against climate change are prepared and effectively managed across various national stakeholders.

[44] Law No 39/2017 of 16/08/2017 establishing the National Fund for Environment and determining its mission, organisation and functioning, Official Gazette no Special of 18/08/2017

(vi) to collaborate with other national regional and international institutions with the same mission.

4.2. FONERWA Organisation

4.2.1 FONERWA Design[45]

The design of FONERWA was carried out from February and completed in July 2012 with a legal instrument approval by the Rwandan Parliament in June 2012. The fund subsequently commenced operations in October 2012. The fund was designed through an extensive multi stakeholder engagement process. The critical design features included a demand-led approach basing the choice of projects for funding on calls for proposals using identified windows and entry points that targeted environment and climate change priorities. The design features included oversight and management, and identified funding sources, financing windows, disbursement instruments that were deliberately phased to reflect the projected evolution of the fund and target beneficiaries as summarized in figure below.

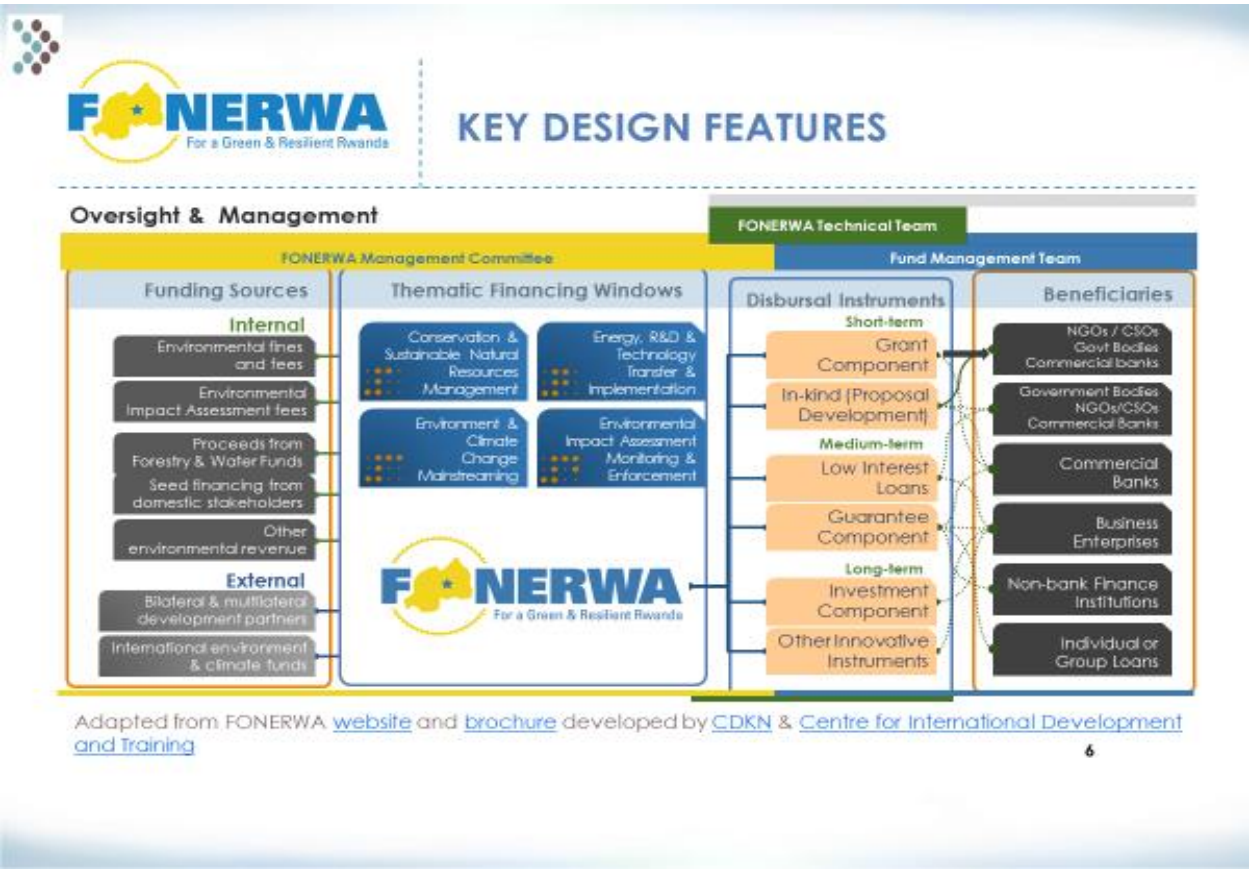


Figure 3 Fonerwa Key design features

In 2016, there was renewed momentum towards revisions to the FONERWA Law to make the fund a special status institution with broadened responsibilities to independently mobilize, manage and coordinate climate and environment finance, as well as make critical human resources decisions to attract and retain talent.

[45] FONERWA strategic plan 2019-2024

The new direction of the fund was to become more strategic by operating a hybrid fund (part demand-led, part supply-led). On a rolling, demand-led basis, a minimum of 30% of total funds will target innovative private sector investments while 15% would target civil society groups working particularly with vulnerable communities to enhance their resilience to climate change. The remaining 55% of total funds would be programmed through targeted (biannual) calls for largely public proposals guided by strategic national priorities.

This mandate, properly executed, presents potential for the fund to serve as a centrepiece for mobilizing environment and climate finance at scale to firstly meet the level of ambition set out in the NDC to implement the Paris Agreement and secondly to positively influence Rwanda's green and climate resilient development vision for 2050 and beyond as diagrammatically illustrated below.

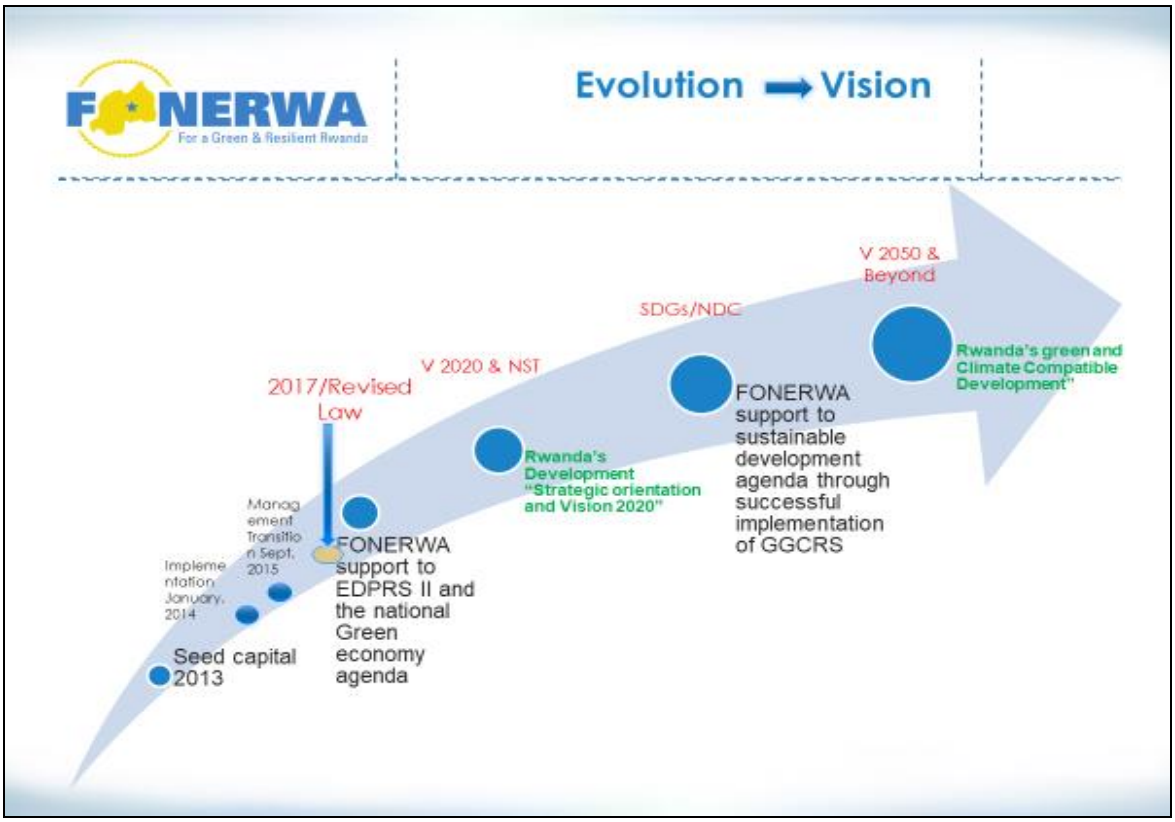


Figure 4 Rwanda's green and climate compatible evolution

4.2.2 FONERWA's Organisational Chart[46]

The organogram in the following figure presents the new organizational oversight organs (Board and CEO), a revised staffing structure including new staff positions and call-down or outsourced functions.

The organizational structure of FONERWA pivots around two departments under the office of CEO and Deputy CEO, namely:

- **Business Development Department** with two divisions:
  - **Programs Management Division** (Division Manager (1), Projects Analysis Specialist (2), Monitoring and Evaluation Specialist (2)) **and**

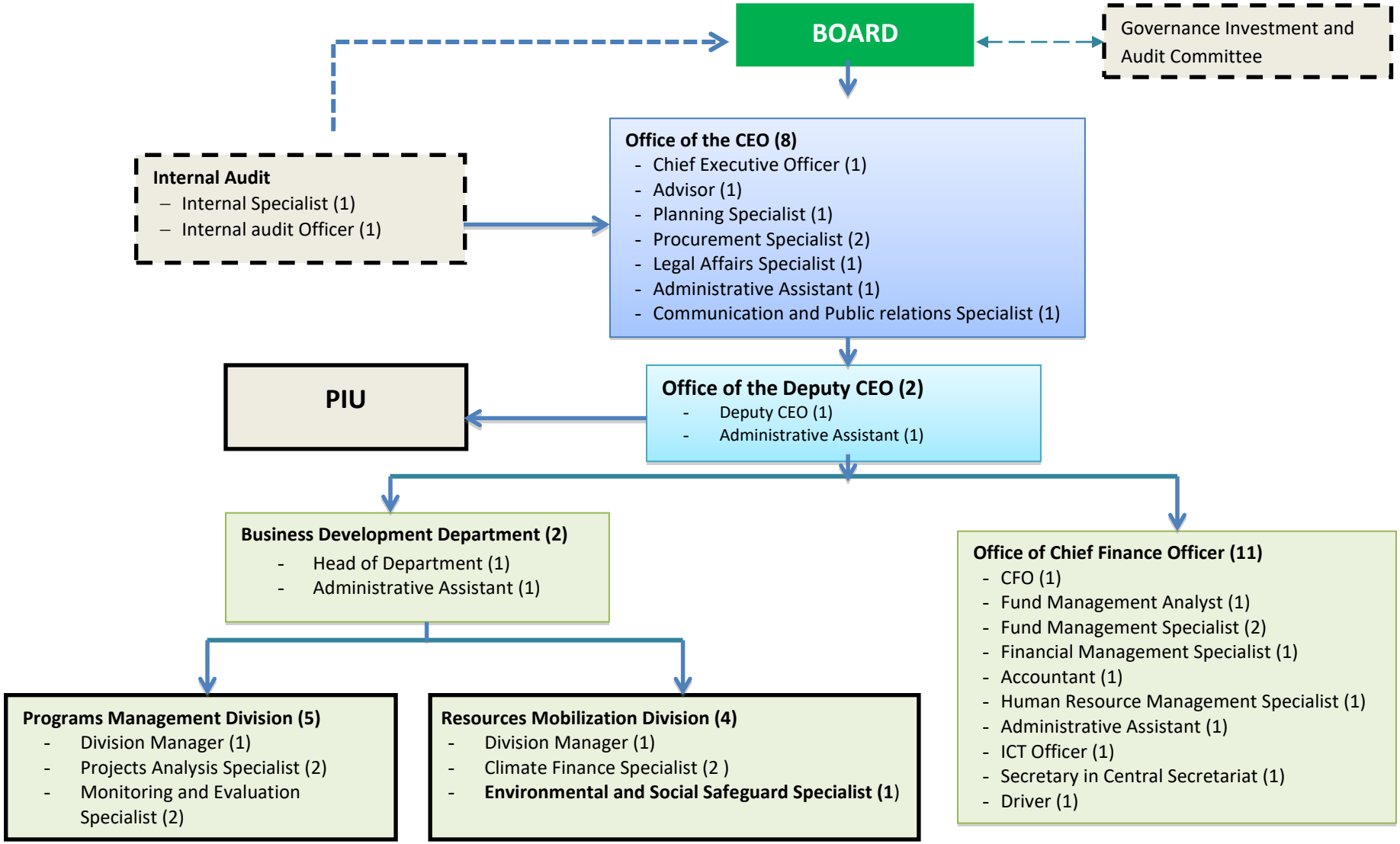
[46] FONERWA strategic plan 2019-2024

  - **Resources Mobilization Division (**Division Manager (1), Climate Finance Specialist (2) and Environmental and Social Safeguard Specialist (1).

- **Office of Chief Finance Officer with** Chief Executive Officer, Advisor (1), Planning Specialist (1), Procurement Specialist (2), Legal Affairs Specialist (1), Administrative Assistant (1), Communication and Public relations Specialist and a driver.

Within the existing organisational structure of FONERWA, there is only one dedicated permanent personnel for E&S risk management and monitoring (Environmental and Social Safeguard Specialist).

Figure 5: FONERWA's Organisational structure



4.2.3 FONERWA's Project Implementation Structure

The process for project approval from FONERWA up to the implementation level starts with assessment of the project conformity to the eligibility criteria but the Project Profile Document (PPD) and/or concept needs further refinement before it can be forwarded to the next stage, then the Fund will review the PPD to see if it qualifies to go for next stage which is Project Document (PD) development.

Once project is given a green light to develop the full Project Document, the applicant extensively develops the project referring to sections and associated questions as well as providing other additional documents like budget, CVs for the key personnel, conducted feasibility studies, environmental and social impact assessment reports as well as letter confirming finances from other sources, if any.

The Project Document is the final application to FONERWA for financial or technical assistance. The PD will provide a comprehensive understanding of your project and how it fits into the broader context of Rwanda's environmental and climate change strategies. After submission of the PD, it is reviewed by the technical team and later by external reviewer before it is taken to the investment committee for their review and observation before the final decision is made by the Board of Directors.

Once the project is recommended for funding, the process for contract signing and funds disbursement starts, and the implementation begins right after contract signing. During the implementation of the project, quarterly monitoring and evaluation is conducted by FONERWA and recommendations are provided for successful implementation until the project ends.

4.2.4 Responsibilities and Processes to Meet Environmental and Social Objectives

FONERWA's Environmental and Social Safeguards (E&SS) Specialist (& other key staffs) are responsible for guiding FONERWA-funded Project applicants in order to comply with Environment and Social requirements in project document planning and implementation.

This is achieved by guiding project development to mainstream E&S management and risk reduction practises, conduct E&S safeguard performance reviews and supervise ongoing capacity building.

In turn Project implementers are required to undertake environmental and social assessments, engaging stakeholders including project affected people and communities through information disclosure and consultations to monitor the implementation of environment and social management measures to avoid, minimize, and, where appropriate, offset any adverse impacts to people and the environment.

FONERWA's E&SS with support from the Communications Specialists and other relevant staffs, is responsible for ensuring that actions to meet the above objectives are disclosed and applied in a timely and appropriate manner to FONERWA-funded project implementers and stakeholders. Additionally, FONERWA coordinate internally to ensure that FONERWA-funded projects comply with: (i) E&S requirements set out in the ESMF; (ii) the applicable national legal framework; and (iii) ensure documentation required by FONERWA for development of the project are produced to standards set out. FONERWA also monitors the implementation of safeguard issues during sub-project implementation, reviews and approves Plan of Actions prepared during implementation of sub-projects including those restricting access to natural resource.

During Project Planning/Application for funding, FONERWA's Secretariat obtains clarification on information provided and the preparation process in general which may request additional steps, information and documentation to meet objectives set out in the ESMF. The final sub-project proposal review considers FONERWA objectives and thematic funding window as well as assessing the project's preparation process and implementation measures according to environment and social safeguarding. If risks or complexity of particular safeguard issues outweigh benefits, the sub-project is not approved as proposed.

During sub-project implementation, environment and social safeguard issues are tracked (monitored) by FONERWA E&SS Specialists supported by FONERWA key staffs such as the M&E specialist. Environmental and Social Performance is evaluated against project objectives. At each performance reporting stage, the Project Implementers (e.g. the CSOs currently applying for FONERWA Funding) checks environmental and social safeguard status and addresses any issues. The implementation of safeguards set out in the ESMF have to be complied with by each applicant/ guarantee has to comply with. Key responsibilities are described in Table 2 below.

Table 2 Overview of Responsibilities for ESMF Implementation[47]

Project Phase	FONERWA	Sub-project Applicant / Grantee
Screening	Inform and advise applicants (& other stakeholders) of ESMF procedures Review Letter of Interest & screen for potential safeguard issues. Advise applicants on nature & content of safeguard documents & measures to be prepared	Assess any potential safeguard issues early in the preparation process, including screening for the presence vulnerable groups including a particular gender need Describe potential safeguard issues in the Letter of Interest
Preparation	Advise applicants on safeguard issues, with capacity building as needed	Undertake safeguard processes, such as consultations with local communities, environmental review, and social assessment If needed, design safeguard measures & prepare safeguard documents, a Process Framework (PF), RAP, with participation of local communities If applicable, disclose draft safeguard documents with the sub-project proposal to affected communities prior to final review of proposal by FONERWA
Review & Approval	Review sub-project proposal for safeguard impacts and social risks Assess adequacy and feasibility of the safeguard assessment and consultation process. If needed, request further interventions. Assess adequacy and feasibility of the safeguard measures and documents. If needed, request changes and re-assess prior to final approval If applicable, publicly disclose safeguard related information on the web after sub-project approval	Submit sub-project proposal with safeguard measures and documents (e.g. social assessment, environmental review, RPF), if required If requested by FONERWA, take additional steps to meet ESMF & safeguard policy provisions. Re-submit proposal with revised safeguard measures and documents, as needed
M&E	Supervise and review environmental and social safeguard documents and issues	Disclose final safeguard documents (e.g. RPF, ESMP), if any, to affected communities or

[47] Source: Table prepared by FONERWA E&S Specialist Oct 2019, reviewed and revised by E&S TA Jan 2020.

Project Phase	FONERWA	Sub-project Applicant / Grantee
	during sub-project implementation. If needed, request changes to safeguard measures and/or implementation of these Review and approve Plan of Actions required to be prepared during implementation of sub-projects restricting access to natural resources (as will be described in the PF for sub-projects with potential impacts from such restrictions)	environment Monitor and document the implementation of safeguard measures. When vulnerable peoples or communities are affected, include them in participatory monitoring & evaluation exercises Prepare Plan of Actions for sub-projects restricting access to natural resources. Monitor and document implementation of these plans
Evaluation	Ensure inclusion and review of environmental and social safeguard issues and outcomes in mid-term and final subproject evaluation and reporting, including any lessons learned	Evaluate the implementation and outcomes of safeguard measures. When vulnerable peoples are affected, include them in participatory evaluations to ensure social inclusion & gender considerations

4.4 Project Types Funded by FONERWA and Subject to ESMF

Project types and activities funded by FONERWA are indicated by the ministerial order No 003/2018 of 24/10/2018 as indicated in the table 3 below.

Table 3 Project Types funded by FONERWA

#	Types of Project/Activity
(i)	**Projects and activities aiming at :** • Ecosystem rehabilitation; • Sustainable land management; • Integrated water resources management; • Sustainable mining and quarrying; • Sustainable forest management; • Promotion and protection of biodiversity; • Pollution management and pollution control; • Promotion of green urbanization; • Water storage, conservation and irrigation; • Disaster management; • Promotion of renewable energy and efficient use of energy.
(ii)	**Research and development activities as well as technology transfer in the field of environment and climate change especially those related to**: • Renewable Energy and Energy Efficiency • Pollution Management • Water Storage, Conservation and Irrigation Technologies • Applied and Adaptive Research (Agro-Forestry, Waste, Urban Planning) • Disaster Risk Reduction • Data Collection, Monitoring and Management Information Systems (MIS)
(iii)	**Environment and climate change mainstreaming especially on**: • Strategic Environment and Climate Assessments (SECAs) • Sector specific (or national) adaptation and/or mitigation • Support to implementation of cross-sectoral integrated planning

The Board of Directors of FONERWA has powers to approve financing of any activity or project not included on the list, if it believes that the activity or project contributes to the environmental protection, climate change mitigation or climate change adaptation.

4.5 Projects to be excluded from FONERWA Activities

The following activities are excluded from FONERWA activities and this ESMF and RPF as per the IFC and KfW Exclusion List:[48]

- Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, PCBs, wildlife or products regulated under CITES.
- Production or trade in weapons and munitions.
- Production or trade in alcoholic beverages (excluding beer and wine).
- Production or trade in tobacco.
- Gambling, casinos and equivalent enterprises
- Production or trade in radioactive materials. This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where IFC considers the radioactive source to be trivial and/or adequately shielded.
- Production or trade in unbonded asbestos fibers. This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%.
- Drift net fishing in the marine environment using nets in excess of 2.5 km. in length.

4.6 Summary of Project Activities causing Climate and E&S Impacts

The main activities causing E&S impacts are classified basing on the project cycle stages:

4.6.1 At Planning phase

- Land take and resulting threats to the peoples' livelihoods;
- Lack of social and environment assessment that threaten environment and people livelihoods;
- Lack of early planning of project design and project's resource use and resulting threats to the peoples' livelihoods;
- Lack of early community engagement and resulting loss of communities' trust;
- Lack of early site assessment and resulting damage to cultural heritage, critical habitats and other sensitive natural resources due to poorly planned siting;
- Lack of assessment of potential impacts from other projects in the area and resulting cumulative impacts and lack of communication with other project developers in the area.

[48] See http://www.ifc.org/exclusionlist and KfW Sustainability Guideline: https://www.kfw-entwicklungsbank.de/PDF/Download-Center/PDF-Dokumente- Richtlinien/Nachhaltigkeitsrichtlinie_EN.pdf

4.6.2 At Construction Phase

- Use of resources (e.g. land, water and trees) and resulting threats to the peoples' livelihoods;
- Earth works and use of heavy equipment and vehicles and resulting air and noise emissions;
- Use of hazardous materials and resulting pollution of soil and water resources;
- Movement of soil and excavations and resulting soil erosion;
- Construction activities involving workforce (including subcontractors) and resulting risks to workers' health and safety;
- Hiring of workforce (including subcontractors) and resulting risk to abuse human rights;
- Construction activities and resulting impacts to critical habitats and other sensitive natural resources;
- Use of heavy machines and vehicles and resulting accidents and risks to community health and safety;
- Pollution of the environment and health risks due to use of pesticides;
- Salinization of lands due to irrigation schemes;
- Disturbance of critical habitats and other sensitive natural resources.

4.6.3 At Operation Phase

- Use of trucks and vehicles and resulting accidents and risks to community health and safety;
- Use of water resources and resulting degradation of water quality and erosion patterns;
- Use of resources (e.g. water and land) and resulting long-term impacts on livelihoods;
- Traffic, operation activities and use of resources and resulting disturbances of the communities (e.g. noise, littering, dust).

4.6.4 At Closure

- Lack of sustainability mechanisms to maintain installed infrastructure which may result into environmental and social risks;
- Improper landscaping of the projects implementation sites which may result into environmental and social risks.

5 Capacity and Learning Needs Assessment of Existing E&S Risk Management Process with Capacity Development Recommendations and Learning Plan

5.1 Capacity and Needs Assessment, SWOT & Recommendations

5.1.1 Method

Information collected from the literature and secondary data review, consultations with FONERWA, workshops and field visits, resulted in the identification of four stakeholder groups targeted for inclusion in development of the ESMF and RPF:

- FONERWA, partner organizations, and donors;
- National Government & District and local government officials;
- Civil society organizations and private sector business; and
- Local communities.

Those consulted were informed of the development of FONERWA's ESMF and RPF and encouraged to express ideas, recommendations and any concerns. At the same time a capacity assessment was made of those consulted and along with other activities, outcomes of this Capacity and Needs Assessment included a general understanding of FONERWA Key Informants (KIs) and a limited selection of FONERWA primary and secondary stakeholders. The process included ongoing capacity assessment during:

- Meeting and interviews with FONERWA key staffs and partner organisations and beneficiaries (guided by checklist of questions: see Inception Survey Tool Annex-4);
- Semi-structured interviews with secondary stakeholders including relevant ministries, organisations (Guided by general discussion areas);
- CSOs Orientation Workshop to support PD development including understanding of E&S;
- CSOs support with follow-up training workshop for PD development as part of the 2020 call for funding to assess current understanding and future needs of ESMF Adopting & Adapting where necessary and visit to CSOs office; and
- Site-visit to FONERWA funded project currently underway in Eastern Rwanda.

Recommendations for early Interventions to Mitigate Risk through Effective Stakeholder Engagement to WBG PCD & Equator Principle Compliance are introduced in FONERWA's PCD and SE Handbook, ESMF Volume 4.

As part of the JTA's E&S Assignment, the capacity and needs assessment was conducted at different levels to identify capacity needs for the roll-out of the ESMF and RPF. Roles and responsibilities were reviewed, key staffs interviewed and observed with processes assessed. Key findings related to:

- Number, type and level of E&S Experts in FONERWA;
- Project Implementation Level Capacity of funding applicants and Districts; and
- Situation in Ministries and other Agencies.

5.2 General E&S Knowledge, Specific Climate Awareness and Climate Specific Measures Expertise

5.2.1 FONERWA E&S Capacity for ESMF and RPF

FONERWA has one designated specialist to coordinate, manage and evaluate E&S in the funded-project's process and outcomes. He has a Master's Degree in Natural Resources Management, and 5 years work experience with NGOs before joining FONERWA at the end of 2019.

He provides support for funding proposals as well as overseeing current projects, including ESIA processes. He has experience in awareness and has participated in drafting of some E&SS documents like EIA, ESIA and ESMP for some projects. As there are no climate nor social specialists hired at FONERWA to specifically address climate resilience building as part of ESMF and RPF, this is part of the mandate of the E&SS Specialist.

There are, nonetheless, Climate, E&S Experts in Ministry of Environment who can be called upon for guidance and/or advisory but are not day to day responsible for implementation of FONERWA E&S activities. Further, there are FONERWA staffs who reportedly have environment training, education and/or experience. These experts are, however, not responsible for E&S activities that will be set out in the ESMF and RPF. It should be clarified if these experts would be allocated extra responsibility and (time) resourcing to support these tasks.

Additionally, social and resettlement expertise is lacking as is specific education and/or training in climate change, impact issues and mitigations. Furthermore, on raising concern of capacity levels, a lack of in-depth understanding of what climate explicit measures are, in terms of ESMF and RPF, was evident. It was stated no specific social nor climate specialist was needed as part of an E&S Team/Unit and was regarded as sufficient that the capacity building needs of E&S could be achieved by additional support from the JTA E&S Experts providing extra tasks to their assignment in form of ad hoc training. No dedicated time/resources were allocated for this training. SWOT analysis of FONERWA E&S Capacity for implementing, monitoring and managing ESMF and RPF is summarised in Table 4.

Table 4 Capacity and Needs Assessment-Swot Analysis for Development and Implementing FONERWA's Climate Explicit ESMF and RPF [49]

Strengths	Weaknesses
• There is financial and technical support from partners, • Partners standards and compliance for Environment & Social Responsibility; • Willingness of FONERWA Management (& staffs in general) to engage in IFC PS; • Established FONERWA Management with high working standards expectations; • Wide ranging Expertise of FONERWA Project Staff (National/local experience, some specialized)	• Staffs knowledge needs to be applied for skills development in the multi-various task that comprise ESM, RAP and SE (IFC PS consultations & KfW climate mainstream in particular); • Communication needs formal structures to comply with WBG Communications PS & should be transparent, free, informed & prior (IFC PS 7 requirement); • Needs to increase the experience of implementing PCDP/ESIA/ESMP across diverse projects & several

[49] Issues are being addressed by FONERWA management e.g. a Communications Strategy was drafted in February 2020; however, analysis showed a) gaps in E&S processes for SE/PCD & b) created additional training needs for E, C&S risk specific consultations. FONERWA requested the E&S International Consultant immediately address gaps with 2-3 training workshops in February. No time was allocated for this additional task but in recognition of SE capacity shortfalls it was requested a Handbook for SE would be produced. Information to meet FONERWA's requirement/ interest in expanding institutional knowledge on ESMF in relation to new standards issued by the World Bank and KfW since the original ToRs of the Joint TA were drafted are for the PCD &SE Handbook/Manual, ESMF Volume 4.

• High expectations of capacity building (CB) of E&S by FONERWA staffs & ESMF, RPF and SE Learning across wide range issues including Environmental Economics Rwanda high standards and responsive (to environment & social protection needs etc.) legal framework; • E&S Technical Knowledge-recent expansion means qualified E&S Specialist with high interest, and expectations provided FONERWA support; • Existing good relationships with FONERWA staffs/officials and communities; • Good relationships with CSOs, Government and Private Sector	project cycles in developing context of increased focus on climate change; • No PCD or feedback mechanism within FONERWA (at time of Inception report one being written by an external consultant); • High expectations for ad hoc/un resourced demand-led training slows progress due to need for on job training to reach compliance; • Under (time) resourcing of International Experts for ESMF and RPF (comparative to other ESMF and RPF production in Rwanda and globally). This risks exhaustion, errors & outcome; • Changes of structures/ToRs/Tasks mean extra time needs and confusions: • Lack of JTA resourcing for E&S a major/FONERWA umbrella issue & should be mainstreamed across task area 1, 2 and 5 as well as 3; expectation is for input into other task areas (& indeed is needed) yet time needed is not yet allocated; • CSO Project Documents participatory processes in project design – request for TA's to help develop CSOs PDs were not resourced by dedicated time; expectation was to support anyway/without assigned time/other resourcing
Opportunities	**Threats**
• To produce new climate aware processes to address environmental & social sustainability using WBG/IFC PS & KfW in Rwanda & good example for Africa; • Supporting understanding of application of recent Rwandan Government legal/admin framework e.g. new standards in Ministry of Environment- Set standards for best practice in Rwanda cross the region and beyond • Local and National sustainability, economic growth. New E&S Working Group Team/capacity=strengthened across FONERWA; • New technologies & techniques for environmental protection/climate change adaptations; • Potential transfer of new climate aware FONERWA ESM & RP skills to government, CSOs, private sector & local people.	• FONERWA Funded Project associated as a problem at community level ESMF& RPF roll out/capacity building etc. not done properly; • Consultation context vulnerability & Local transportation infrastructure=more time needed for social inclusion, gender aware processes & challenges to reach some areas; • Environmental instability e.g. floods, landslides, drought, soil erosion, increased population pressures; • Increased social and environmental/climate activism if threats from climate change increase e.g. 13 died in floods in Kigali with legacy of social and environmental problems; • Lack of experienced/trained in application of ESMF & RPF causes loss of credibility; • Consultation fatigue/lack of transparency issues; False grievances & protest rather than cooperation • Impacts of COVID-19 not recognized & its impacts resourced

5.2.2 Project Implementation Level-CSOs and District Climate Awareness and E&S Capacity

5.2.2.1 CSOs Level

Following the CSOs workshop on project documents orientation organised by FONERWA on 30th January 2020, key environmental and social issues from CSOs have been observed and these include limited experience to appropriately apply:

- Environment, social and climate resilience concepts
- Rwanda Environmental and Social Management Requirements
- Environment and Social safeguard standards and requirements for sustainable development
- Environment & Social risks assessment and management.

The Workshop training[50] on ESMF that took place on 11th March 2020 for the preliminary successful candidates for PD development under the 10th Call for Proposal that is specific for CSOs, demonstrated some needs and issues for applicants to understand how to conduct environmental, social and climate change assessments which are among the requirements for proposal development for FONERWA. Some of key issues that came out in this training include:

- Thoughts that only big projects that require EIA are only eligible for environmental, social and climate change risks assessments/ screening;
- Insufficient knowledge and guidance (checklist) in identifying environmental, social and climate change risks for the project;
- Lack of clear tools for environmental related assessment from these organizations;
- Where the risks have been identified, there was also insufficient knowledge in setting mitigation and adaptation measures;
- Fear for project rejection among applicants in case they demonstrate many environmental, social and climate change risks for their projects; and
- Failure to allocate budget on some identified mitigation measures as most of the applicants though that environmental, social and climate change mitigation measures are minimal and do not require any budget.

5.2.2.2 District level

Each District where the majority of FONERWA-funded projects are located, should have a District Environmental Officer (EO) who:

- Ensures projects implemented in Districts are carried out in accordance with Rwandan Environmental law managed through a permit system;
- Reviews project design, ESIAs, ESMPs and other E&S management instruments; and
- Engages in consultation and disclosure and other stakeholder engagements necessary for FONERWA-funded projects under an ESMF and RPF, E&S performance, monitoring and reporting.

The EO is based in the District Infrastructure One Stop Centre, from where permits and licenses for project activities are obtained. These Centres should also have a Resettlement Officer/land valuer who has oversight of land acquisition and expropriation. Each District also has a Social Development

[50] See Annex-5, Agenda of Joint CSOs training on ESMF for project development (call for proposal #10) and the attendance list (Annex-6)

Unit dealing with the social protection (family promotion, support to disabled and disaster management). However, there is no dedicated position for a Social Officer, dealing with stakeholder engagement and the management of social impacts (as equivalent to the Environmental Officer). Also, there is no dedicated responsible person for monitoring of Health and Safety of projects in the community and the Resettlement Officer is not always present.[51]

In terms of Climate awareness and resilience building in particular, whilst there is some understanding of the problems experienced from climate change, there is need for wider knowledge sharing between FONERWA's Specialists in this regard (when in place) and project/District level and general capacity building of measures set out in FONERWA's climate explicit ESMF and RPF. Other capacity shortfalls reported:[52]

(i) Climate awareness and E&S capacities and competencies of District EOs vary between Districts.

(ii) District EOs are responsible for too many tasks. Thus, the risk is that EOs won't have the capacity to put the required dedication to engagement in E&S issues concerning FONERWA funded projects.

(iii) There are gaps between international (donor required) standards of ESIA specifically land acquisition and Rwandan legislation. This may cause risks of disparity between GoR projects and FONERWA-funded projects particularly regarding issues of compensation.

(iv) Evidence of international standard H&S monitoring of FONERWA funded projects was not clear/found with shortfalls is E&S risk analysis.

(v) There is no clear responsibility, nor specifically trained experts in FONERWA for oversight of activities that need to be implemented in alignment with this ESMF's RPF namely:

- International standard compliant stakeholder engagement (SE during project planning stage and ESMF and RPF (including associated documents e.g. ESIAs) disclosure;
- Grievances systems disclosure and reporting;
- RAPs preparation; and
- Community engagement on project Health and Safety performance that is aware of implications of climate on Community H&S.

5.2.3 Climate Aware E&S Capacity Overview of Ministries and Agencies Key to FONERWA ESMF and RPF Activities

A) Ministry of Environment (MoE):

The Ministry of Environment was established to ensure the conservation, protection and development of the environment. It also ensures the safeguard of green and climate resilience for growth of the economy.

As stipulated in the Prime Minister's Order Nº 131/03 of 23/12/2017 Determining Mission and Functions, Organisational Structure, Job Profiles, Salaries and Fringe Benefits for Employees of the Ministry of Environment (MoE), the Ministry of Environment has the following main responsibilities:

[51] According to LODA 2017 survey, update of which due, March 2020 stakeholder engagements for ESMF development, which did not occur due to COVID 19 restrictions. For next draft of ESMF, VERSION 1 due in June, these data should be verified by either face-to-face consultations or by E&S Specialist and National Consultant in Rwanda, over the phone interviews, where possible.

[52] See LODA, ERM observations 2017 and verify for VERs1 Draft ESMF (by June 2020, some verification interviews/stakeholder engagements can be done by National Consultant in Rwanda by telephone KIIs).

(i) To develop and disseminate the environment and climate change policies, strategies and programs through:

- to develop strategies to promote partnership and enhance capacity of private sector to invest in activities of environment and climate change for sustainable economic development;
- to develop laws and regulations to ensure protection of the environment and conservation of natural ecosystems;
- to develop institutional and human resources capacities in environment and climate change.
- to monitor and evaluate the implementation and mainstreaming of environment and climate change policies, strategies and programs across all sectors, especially productive sector;
- to oversee and evaluate institutions under its supervision by providing guidance on the implementation of specific programs to be realised by the institutions under its supervision and local government;
- to mobilise the necessary resources for the development, protection and conservation of the environment for the climate change adaptation and mitigation.

Reference made to the Ministry organization structure (Figure 5), the MoE has one directorate in charge of Environment & Climate Change with a Director General (1), a Biodiversity Management Specialist (1), Green Economy Specialist (1), Environment & Climate Change Policy Specialist (1), Pollution Control Specialist (1), Environment & Climate Change Adaptation & Mitigation Specialist (1). The ministry has also one consultant in charge of NDCs implementation (NDCs in country facilitator).

B) Rwanda Development Board (RDB):

RDB is responsible for the environmental permitting process. Depending on the project, developers need to submit a Project Brief via an online-tool to RDB to inform about a project and start the process to obtain the environmental certificate. RDB reviews the Project Document and issues ToR for the ESIA in alignment with the Rwandan Ministerial Orders on Environment. Site visits are conducted as needed to confirm the scope. There are six Environmental Experts in RDB responsible for these activities for whole of Rwanda and there are no Climate change and/or green climate investement specialists.

C) Rwanda Environmental Management Authority (REMA):

REMA is the main authority for environmental protection in Rwanda. REMA is in charge of monitoring of permit requirements at national level. Reference made to REMA organisation structure, there are five units:

- Environmental Regulation and Pollution Control Unit
- Climate Change & International Obligations Unit
- Research, Environmental Planning and Development Unit
- Environmental Education and Mainstreaming Unit
- Administration and finance unit

5.3 Capacity Building as Part of Participatory Development of FONERWA's ESMF & RPF

5.3.1 Background & Summary of Capacity and Needs Assessment Findings

As mentioned above, the E&S Capacity and (climate-specific) Needs Assessment was conducted with specific focus on climate-explicit knowledge for implementation of ESMF and RPF. It established that **capacity and knowledge on climate-explicit ESMF requirements was lacking and unevenly dispersed across FONERWA.**

In addition, funding applicant's knowledge of International ESMF and RPF standards and even, in instances, of existing Rwandan legislation and International E&S safeguard considerations, is also limited. Therefore, targeted capacity building and learning assistance is required both within FONERWA and for its fund applicants.

During the Inception Phase under direction of FONERWA's E&S Specialist, this started in January 2020 and continued in Rwanda through March to April. However, given a lack of climate-explicit resources dedicated to ESMF and RPF at that time, this input was limited with further steps needed to ensure compliant processes in future namely:

(i) Recognition of need for adequate experts in place to manage ESMF and RPF;

(ii) Appoint dedicated (climate specialist) ESM Specialist & Social/RAP Specialists;

(iii) Training of these dedicated ESMF & RPF FONERWA staffs by appropriate Experts (with inclusion of other FONERWA staffs in working group/scheduled and dedicated training workshops).

FONERWA should have an Environmental and Social Unit, with specialist climate change, environment and social knowledge. To guide development, use of and monitoring implementation of ESMF and RPF, FONERWA needs three (3) experts with specific responsibility for ESM and RAPs. All must have master's degree level in their specialism i) Masters in Environment and Natural Resources Management; ii) Masters Level in Social and Resettlement; and iii) Masters in Climate Change and Climate Impacts Management. All staffs in FONERWA's E&S Unit must have climate awareness training and at least five (5) years ESMF and/or RPF management relevant experience as well as monitoring and evaluation skills.

FONERWA-funded project implementors (e.g. CSOs) also need appropriately trained and dedicated persons responsible for:

- Climate Awareness Raising and stakeholder engagement during project planning stage for training on ESMF and RPF use and for disclosure compliant with international standards;
- Grievances System management including GM report and MEIS reporting;
- Overview of preparation of ESIA/ESMP and RAPs/ARAPs; and
- Monitoring of Health and Safety performance of projects both for climate aware interventions to protect workers and community.

5.3.2 Capacity Building Objectives Overview

To ensure effective implementation of the ESMF and RPF, adequate capacity building training is required both for FONERWA and project implementors at project level. This is a long-term task and needs continuous and dedicated guidance and resourcing. Training should be done in collaboration

with local institutions and international experts where specific knowledge is required. Training activities must:

- Raise Awareness on climate change risks and the importance of climate specific measures;
- Familiarise FONERWA and all potential stakeholders with international E&S requirements (e.g. KfW Sustainability Guidelines, IFC/World Bank Safeguards);
- Mainstream climate risks and resilience building awareness, as well as general E&S considerations, into lives of the ESMF and RPF users;
- Ensure that ESMF and RPF users understand the structure, procedures and tools of the ESMF and RPF and how to apply them to projects both at FONERWA and at project location levels; and
- Understand roles and responsibilities between the different stakeholders involved with project planning and implementation.

5.4 Learning Plan and Actions for FONERWA and Stakeholders Responsible for implementing the ESMF and RPF [53]

5.4.1 Learning Strategy for Participatory Development and Implementation of the ESMF

The aim and purpose of the Learning Plan and Strategy is to provide E&S capacity that includes knowledge of measures and tasks that ensure the ESMF and RPF can be effectively implemented.[54] On basis of the E&S Capacity and Needs Assessments the following 'Learning Plan' was drafted with participation of FONERWA's key staffs.

The table below shows the proposed Plan, to be elaborated and discussed with different stakeholders, in accordance with ESMF and RPF requirements.

[53] According to Joint TA ToRs there should also be a Learning Plan for 'the resettlement manual' AKA RPF. A RAP Specialist with dedicated time resourcing made available due to Donor cautions of 'ambitious JTA work schedules and donor instructions to produce climate specific FONERWA ESMF and RPF documents -see ESMF & RPF Peer Review Inception Meeting notes February 2020 summary in Chapter 2 above.

[54] Whilst the Joint TA ToRs state the E&S TA's provide recommendation of who will conduct ESMF capacity building (with ESMF capacity building thus implied as separate entity, rather than mainstreamed & participatory) it is recommended that the current TA's support ESMF and RPF capacity-building work as part of participatory, iterative development of the ESMF and RPF draft documents, pilot trials and early roll out.

Table 5 Training directly linked to the implementation ESMF

Target group / Training issues	FONERWA Climate, E&S WG[55]	Local (District Environmental Officers) Authorities	Private Sector	CSOs	Public Sector
Role of ESMF in FONERWA	**A**	**S**	**S**	**S**	**S**
Identification of environmental, social and Climate Impacts		**T**	**T**	**T**	**T**
Development of mitigation measures and Environmental Management Plan including Institutional Responsibility Framework and Budget.		**T**	**T**	**T**	**T**
ESIA procedures, Environmental Requirements, Implementation and enforcement	**T**	**S**	**S**	**S**	**S**
Use and application of ESMF tools (Screening checklists, EM, EA)	**T**	**T**	**T**	**T**	**T**
Review of ESMF tools, implementation and enforcement	**T**	**T**	**S**	**T**	**S**
Reporting, monitoring and follow-up of ESMF	**S**	**T**	**T**	**T**	**T**

Note: A= Awareness creation, S= Sensitization, T= Training,

The training and capacity building exercises will take into consideration during their development, the integration and fulfillment of the requirements of IFC Standards, as well as those of the Organic Law on Environmental Protection (including relevant policies, regulations and guidelines).

The detailed plan of FONERWA's ESMF&RPF Capacity building is indicated in the following section but if needed, it might be revised before the roll out phase.

5.4.2 Learning Stages, Beneficiaries, Learning Goals/Tasks & Process (Workplan/Schedules)

Whilst capacity building, that continually assesses and monitors knowledge transfer, is ongoing across the whole Joint TA assignment for FONERWA and its beneficiaries, the climate aware, E&S Learning Plan for participatory development and implementation of the ESMF and RPF comprises 3 Stages.

Stage 1 – Learning/Capacity Building, conducted during the Inception and ESMF & RPF Planning Phase (January-March 2020), was mostly workshop based with informal on-the-job training of FONERWA'S E&S Safeguards Specialist and other FONERWA Staffs and during site/project visits. Key Learning Goals at this stage were to achieve:

(i) A general understanding of Rwandan and International Environment and Social Safeguards/Performance Standards and gaps in terms of Climate explicit measures;

[55] See the list of FONERWA's Climate, E&S Working Group in Annex-7

(ii) An introduction to recent rapid developments in climate change, its impacts and importance;

(iii) An introduction to ESMF and RPF terms, activities, task groups and climate aware processes; and

(iv) Specific training on mainstreaming climate aware E&S issues into CSOs funding application process including E&S guidance to update FONERWA's application and project description/document templates.

Stage 2 – Learning/Capacity Building was planned to be conducted during the ESMF Participatory Production Phase. However, due to COVID 19, the Zero Drafts (April-July 2020) were produced[56] largely in isolation from direct engagement with stakeholders in accordance with COVID-19 emergency lockdown regulations. Nonetheless, the ESMF, the RPF and the PCD/SE Handbooks, Version 1 Draft were, in August/September 2020, planned to include training during:

(i) Formal feedback/awareness raising of the first Draft ESMF and RPF to FONERWA and the ESMF & RPF Peer Review Team[57] established in February 2020 for ongoing knowledge sharing and iterative, participatory development of the ESMF and RPF;

(ii) ESMF and RPF Working Group meetings-based learnings & workshops on topics requested, starting with Climate Awareness Raising SE as part of the ESMF PCD;

(iii) Ongoing support for Job Description/Applications for Climate and Social Experts for FONERWA's ESMF and RPF team; and

(iv) Ongoing support for CSO funded projects activity start-up-including a training workshop on the first Draft ESMF and RPF.

The participatory aspect of Learning-as-Doing is increased in Learning Stage 2 and includes a greater number of site/project visits encompassing all of the CSOs projects that are awarded funding for knowledge sharing and to address gaps in the first Draft ESMF and RPF. Key Learning Goals for FONERWA at this stage are to achieve greater understanding of:

(i) Implementing PCD/SE for climate aware ESMF and RPF roll out and communications protocol and tools;

(ii) Climate specific E&S sub-project risk screening;

(iii) Climate aware ESMF and RPF processes and surveys (e.g. ESIA); and

(iv) Climate Resilience Building in ESMF and RPF Management planning.

Stage 3 – Learning is conducted during the early Implementation Phase of the ESMF (i.e. the pilot trial roll out expected, subject to COVID 19, October/November 2020- April/May 2021. Outcome should be Version 2 (Final Version) of the ESMF and RPF[58]. 'Learning-as-Doing' is the key training

[56] With contribution, support and on-going comment from FONERWA's E&S Safeguards Specialist.
[57] See the Inception ESMF & RPF Peer Review Workshop Contacts List (Annex-3)
[58] The E&S Expert recommendation was 6-month ESMF Trial/Pilot sub-phase. At the Peer Review workshop, key Expert Consultants in the World Bank for example, recommended trials should be longer than 6 months. However, FONERWA E&S specialist over ruled expert advice and wrote the pilot phase should be less than 6 months and hence has been reduced here from the original Learning plan set out in the E&S Inception Report. Caution is new staffs may not be in place by then and COVID 19 may hamper progress.

method/measure during this Learning Stage. Key Learning Goals are to achieve practical knowledge of how to conduct oversight, implementation and monitoring:

(i) Environment and Social Baseline Survey that is inclusive of climate aware trend data;

(ii) E&S sub-project, climate specific risk screening and/or ESIA (including how to establish the Category/level of risk mitigation that is needed

(iii) How to produce and use E&S Management and Action Plans including use of ESMF and RPF tools and templates developed as part of Learning as Doing; and

(iv) Problem solving including development and use of Issues Redress (before becoming grievances/i.e. key mitigation measures) through effective consultation (i.e. how to use templates and tools in ESMF Volume 4-FONERWA's PCD/SE Handbook).

Targeted Learning Beneficiaries include FONERWA and relevant stakeholders to different degree according to phase of project and learning stage, namely:

Stage 1 Learning limited by time and nature of Inception and ESMF Planning Phase with target beneficiary/key contacts:

(i) FONERWA's Environment and Social Specialist;

(ii) CSO successful funding applicants-limited start up training in E&S orientation for CSOs 2 workshops and ongoing E&S capacity building support for PD development and during the limited number of site/project visits.

Stage 2 Learning continues to target/focus on:

(i) FONERWA's E&S Specialist and CSOs/FONERWA funding applicants; as well as

(ii) the FONERWA E&S Working Group.

Stage 3 Learning becomes more inclusive and collaborative between FONERWA Project Beneficiaries and Implementers with FONERWA's Environment and Social Specialist and E&S Working Group Members targeted as part of on-the-job training beneficiaries during the reduced 4-5-month ESMF Trial/Pilot sub-phase.

Since Learning-as-Doing is the key training method/measure, most training sessions will be field based and thus inclusive of CSOs (and other FONERWA beneficiaries, private sector, government and institutions) to ensure sufficient and effective learning for monitored knowledge transfer for mainstreaming of climate aware E&S across sub-project activities as well as learning to address and solve Issues before an issue risks becoming a grievance.

This Learning-as-Doing approach is also aimed to benefit PAPs as part of risk mitigation and enhancing of positive impacts of projects. Project Affected People (PAPs), in certain situations, must also be part of on-the-job training/capacity building. The training consequently requires flexibility to address needs arising from Rights Based approach disclosure, i.e. the training/learning must be responsive to ad hoc demand led learning needs from a wide variety of beneficiaries beyond those specifically targeted in the Learning Plan[59].

[59] So, must be appropriately resourced with dedicated time for suitably qualified and experienced environment, social/resettlement and climate change experts who have qualifications and experience of Capacity Building in Rwanda.

As mentioned above, it is recommended that the Learning Strategy is implemented as part of roll out of the ESMF to ensure on the job training of FONERWA'S Key Interest staffs for sustained knowledge transfer in the field the Learning Plan for this stage is merged into the Roll Out workplan for ESMF[60]. **Purpose is for Learning to be centred on Problem Solving, Knowledge Transfer & Quality Assurance for** Implementing ESMF with continued mainstreaming of Environmental & Social capacity building as cross cutting FONERWA issues. Comments from all stakeholders must be captured in a Final (Version 2) ESMF and RPF after the 4-6 months roll-out trials/piloting of ESMF for sustainable uptake, institutional knowledge & tested/proven workable Guides/Handbooks. Tasks, Activities and Schedule for Learning as participating in ESMF Roll Out summarised in the Training Workplan below, includes:

1) WG training of International Performance standards and Guidelines;
2) WG training on Compliant Public Consultation and Disclosure;
3) E&S Specialists one to one training of Rwandan and International Standards, gaps and FONERWA's gap filling measure;
4) WG training on ESIA-impact screening, analysis and risk mitigations;
5) WG training on contents of environment and social baselines;
6) WG training on ESMF roll out materials preparations;
7) On job training for E&S Review & E&S Monitoring of Implementation of framework/plans i.e. ESMF/ESMP across at least 6 (private, public sector & CSO) projects (as part of pilot trials of ESMF) & in participatory manner with feedback comment for finalizing ESMF;
8) Capacity building on field visits that focus on key environment & social issues listed (highlighting climate change resilience building -see KfW guide, etc.;
9) On the job 'ESMF implementation' training during Field visits to selected projects, problem solve, issues redress-learn develop & learn to complete Issues & Grievance registers including Issue and grievance tracking and closure;
10) Capacity building, on the job training of Environment & Social Field reporting;
11) Training for development/use of Guides/Handbooks ESMF and RPF tools and templates;
12) On-the-Job 'Assessment of ESMF Pilots' training specifically in terms of all E&S issues with focus on climate protection/Impacts & mitigations including climate resilience building (comprehensive knowledge as set out in KfW guidelines should be achieved);
13) Learning as Doing-M&E including how best to collate field findings into reports & how to make relevant amendments of Disclosed Environmental & Social Management Framework;
14) Learning-as-Doing capacity building-improvements in workshop presentation skills for engaging stakeholders at national & Community Workshops level according to WBG & Equator principles of compliant disclosure for ESMF & RPF implementation and lessons on/Learning how to prepare compliant/appropriate disclosure materials

[60] To problem solve as and when potential diverse range of E&S issues arise before issues transmute into grievances and to ensure CSOs/FONERWA'S beneficiaries receive appropriately tailored capacity building for FONERWA funded Project implementation given the DO NO HARM principle and the early intervention for risk mitigation requirement.

5.4.3 Resourcing Requirements

The ESMF and RPF 'Learning' Component must be conducted by qualified and experienced Consultants who must be aware/cognisant of FONERWA and its ESMF and RPF process and be available for intermittent inputs during:

- the ESMF and RPF 4-6-month trial/pilot roll out period;
- write up of the Final (VERSION 2) ESMF and RPF; and
- final documents formal disclosure in compliance with Rwandan Laws and International PS on Stakeholder Engagement IFC PS7).

Thus, Experts must be available and resourced for training and ESMF and RPF disclosure for intermittent inputs from October/November 2020 to April/May 2021. Time and competence resourcing needs are:

(i) **30 days of dedicated training input in the 4-5 months of roll out (pilot) trials from an International E&S TA qualified specifically in Climate Aware Environment Education in Africa,** with at least 5 years' experience in Rwanda in Poverty Reduction/Social Development (& qualified in Masters Level or above in E&S Development) & with an additional 20 years E&S sustainable development experience with at least 12 ESMF and/or ESIA and RAP cases to use as illustrative examples in training materials;

(ii) **60 days of dedicated training input from a National E&S TA with at least 15 years' experience in E&S capacity building in Rwanda** & at least Masters level in E&S development or related field with knowledge/experience of on-the-job training in Rwanda to support location specific problem solving as part of Learning as Doing and Issues Management. The Expert must have applied knowledge of FONERWA and experience of working with Ministry of Environment and associated agencies, e.g. REMA.

5.5 Summary, Conclusion and Recommendation of ESMF and RPF

5.5.1 Summary of General Findings

Since JTA ToRs were originally drafted, there has been a radical shift in interest and attitude from the previous approach whereby climate change issues globally were not central to E&S management. Consequently, whilst there is interest in mainstreaming climate change, globally few having coherent knowledge of the processes.

This global shift is also reflected in FONERWA with its mandate. However, there is a gap between a climate-explicit directive and actually mainstreaming the issue that the 'climate emergency' urgently needs immediate redress as a central issue.

Whilst FONERWA is at the forefront of leading this change and some lenders are responding to developing expectations and need, with new guidelines that explicitly address climate, as these have been advocated only recently, there is need for specific knowledge of how to include and implement climate measures as set out in new sustainability guidelines.

With recognition of the urgency and crucial importance of mainstreaming ESMF and RPF with specific knowledge of climate change/resilience building, adaptations etc whilst implementation experience is limited. To meet these new needs and demands for E&S management with climate

impact redress, there is need for dedicated resourcing. Whilst activities set out in the original JTA ToRs fundamentally are the same, specific resourcing for additional climate specific tasks are required in light of emerging demand due to the climate emergency and new supporting instruments.

5.5.2. Summary of Capacity and Needs Findings

FONERWA'S financial position is strong; the organization has long been supported by UK Government and FONERWA's successes have attracted other funding streams. Additionally, the JTA assignment is supported by 3development partners. However, there is need to:

(i) Recognise central importance of climate in FONERWA's mandate and appropriately resource the climate explicit ESMF and RPF production and roll out including specific trainings on new climate specific standards and guidelines;

(ii) Raise Climate Issues Awareness; and

(iii) Meet FONERWA staff's specific requests for ESMF and RPF Learning across wide range issues.

On the ground/field/community visits to FONERWA beneficiaries the need is recognized in the form of drought and heavy rains impact mitigations. However, environmental management needs supporting to move from a natural resource (RN) conservation base to more proactive understanding and inclusion of measures that prevent climate degradation.

Tasks for Capacity Building / 'On-the-Job Training, Iterative and Participatiory Process OofESMF & RPF	**TIME-FRAME**			
	Oct-Dec 2020	**Jan-Mar 2021**	**Apr 2021**	**May 2021**
(a) ON-THE-JOB LEARNING in Pilot Phase ESMF & RPF Review & Implementation across (private, public sector & CSO) projects (pilot trials) with feedback comment for Version 1 ESMF & RPF (b) Capacity building & climate change resilience awareness as per KfW guide; develop KPIs etc. (c) Field visits to selected CSOs & projects, issues redress-learn develop & to fill Issues & Grievance registers.				
(d) Capacity building/on job training of E&SM Field reporting; analyzing KPIs etc. (e) On-the-Job Training for use of Guides/Handbooks, templates, tools; Prepare disclosure materials				
(f) Assess ESMF Pilot Phase findings & focus on climate protection/Impacts & mitigations including climate resilience building; Collate findings into ESMF & RPF Version 1 amendments (g) Review by stakeholders in workshops at national & Community level for ESMF & RPF implementation and then key stakeholder final review, i.e. Fonerwa, donors etc.				
(h) Final Disclosure workshops according to IFC & WB E&S disclosure/stakeholder engagements (i) Incorporate final comments into Final Version 2 ESMF, RPF & PCD Handbooks/Guides for full roll out from March				
(j) On-going Capacity Building to support ad hoc demands for individual/ specific needs trainings & tools.				

Figure 6 Training Workplan and Tasks for Learning Strategy during Roll Out of ESMF & RPF including Finalisation of Frameworks

5.5.3 Summary Recommendations for ESMF, RPF and PCD/SE

The ToRs for E&S pre-date recent changes in the rapidly developing demands for forefronting climate sustainability issues across all sectors of projects and programs, globally, in Rwanda, as well as in FONERWA. The responding production of new guidelines and processes means capacity needs to be developed to understand and implement the new sustainability standards.

Recommendations are:

- Follow KfW new sustainability guidelines & WBG best practice standards (2018) with consultations and PCD under IFC PS1, i.e. free, informed, prior consultations. Respond to climate change aware FAQ. Feedback to primary & secondary stakeholders; Recommend specific workshop/working group meetings for understanding KfW guidelines (as well as ref to World Banks new -2018- ESMF guideline).
- Regular updates of participatory findings of the ESMF & RPF to relevant FONERWA staffs, CSO & other fund applicants capacity development to understand climate resilience mainstreaming process; Training and skills transfer by PCD & IFC PS Specialist in WGM, site visits, FGD & Learning in Working Group Meetings.
- Dedicated Training to FONERWA E&S ESMF and RPF Working Group to understand stakeholder engagement best practice for climate resilience building.
- Ensure sustainability of roll out of ESMF and RPF ongoing ESMF and RPF training/capacity building of FONERWA and its beneficiaries, public, private sector and CSOs from October/November 2020 for intermittent inputs for at least 4/6 months of the ESMF and RPF, particularly application of tools and templates in its 3 handbooks/manuals.

6 References

1) 16 successful Project documents, 2019
2) A Good Practice Handbook for Companies Doing Business in Emerging Markets-the International Finance Corporation of the WBG, 2007
3) DFID, Annual Review, 2019
4) Draft of Environmental and social safeguards Guidelines for FONERWA/ Projects Manual, 2019
5) Environmental and Social Safeguards at the Green Climate Fund, December 2015
6) Environmental and Social Safeguards, DFID, 2014
7) Environmental Impact Assessment Training Manual, International Institute for Sustainable Development (IISD), 2016
8) FONERWA Strategic Plan 2019-2024, 2019
9) FONERWA's Draft Communications Strategy, 2018
10) FONERWA's Project Document template, 2016
11) Funding proposal: Strengthening climate resilience of rural communities in Northern Rwanda/ Gicumbi Project, 2018
12) Green Climate Fund Proposal Toolkit 2017: Toolkit to develop a project proposal for the GCF, Acclimatise, June 2017
13) Green Growth and Climate Resilience: National Strategy for Climate Change and Low Carbon Development, Republic of Rwanda, Kigali October 2011
14) IFC Guidance Note 5: Land Acquisition and Involuntary Resettlement, IFC, January 1, 2012
15) IFC Performance Standards on Environmental and Social Sustainability, January 2012
16) Intended Nationally Determined Contribution (INDC) For the Republic of Rwanda, 2015
17) Law establishing the National Fund for Environment and determining its mission, organisation and functioning, 2017
18) Law N°48/2018 of 13/08/2018 on Environment, Official Gazette No 47 of 19/11/2018
19) Ministerial order no 003/2018 of 24/10/2018 establishing the list of activities and projects financed by the National Fund for Environment, 2018
20) National Environment and Climate Change Policy, Ministry of environment, June 2019
21) Sida's Environmental Management System, April 2004
22) Strengthening climate resilience of rural communities in Northern: Rwanda Environmental Social Impact Assessment (ESIA), December 2017
23) Strengthening climate resilience of rural communities in Northern: Resettlement Policy Framework, December 2017
24) Sustainability Guideline: Assessment and management of Environmental, Social, and Climate Aspects: Principles and Procedures, KfW, October 2019

25) The World Bank Environmental and Social Framework, WBG, 2018

26) Updated Nationally Determined Contribution (INDC) For the Republic of Rwanda, May 2020.

National Fund for Environment

ESMF and RPF, Volume One

November 2020

Connect with us

www.fonerwa.org

Twitter: @GreenFundRw