

## ESMS Clearance of Project

### Project Data and ESMS Screening Report

The fields below are copied from the Screening Report

Project Title:		Sustainable Management of Peatland Ecosystems in Mekong Countries	
Project proponent:		IUCN Asia Regional Office	
Executing agency:			
Funding agency:		GEF	
Country:	Cambodia, Lao PDR and Myanmar	Contract value (add currency):	USD 2,907,064 plus co-finance USD 9,450,000
Estimated start date and duration:	48 months	Amount in CHF:	CHF 2,834,155 plus co-finance CHF 9,212,994
Has a safeguard screening or ESIA been done before?	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no	Provide details:	
<b>Risk category:</b>	<input type="checkbox"/> low risk <input checked="" type="checkbox"/> moderate risk <input type="checkbox"/> high risk		
<b>Rationale</b> (complete this section only in case risk category changed; this is expected to be a rather rare event)	<p>The project covers three countries (Cambodia, Lao PDR and Myanmar) and promotes sustainable management of peatland ecosystems in order to conserve biodiversity, reduce GHG emissions and strengthen sustainable livelihoods for local communities. Despite the project's positive environmental and social objectives a few social risks were identified; the main risk is that peatland management activities might involve restricting access or use of certain natural resources with negative implications on the livelihood conditions of people who depend on these resources. Another potential impact relates to the presence of indigenous people in the project sites. The project is therefore classified as a moderate risk project.</p> <p>Because of these risks the project proponent is advised to commission a combined social analysis and impact assessment study and to carry out extensive consultations with local communities in or near the demonstration sites to discuss benefits and potential social impacts of the project. The PPG phase should also serve to clarify whether there is a need for restricting the use of natural resources – this will determine the applicability of the Standard on Involuntary Resettlement and Access Restrictions. If confirmed there is a need to assess the social impact of those restrictions and to develop either an Action Plan to Mitigate Impacts from Access Restriction or a Process Framework; the latter in case of time constraints and/or issues are overly complex.</p> <p>The social study should further determine whether Indigenous Peoples might be affected by the project, through access restrictions or in other ways. Once project activities have been defined in more detail the PPG team should clarify whether any of them involve earthwork and might risk damaging cultural resources and/or might involve restricting access to certain cultural sites. Through gender integrated planning the proponent will ensure that project design will appropriately address gender concerns, avoid negative impacts and that women's role in natural resource management and their rights and access to resources is strengthened.</p>		
<b>Required assessments or tools</b>	<input type="checkbox"/> Full Environmental and Social Impact Assessment (ESIA) <input type="checkbox"/> Partial Environmental and Social Impact Assessment (ESIA) <input checked="" type="checkbox"/> Social Impact Assessment (SIA) <input type="checkbox"/> Environmental and Social Management Plan (ESMP) <input type="checkbox"/> Environmental and Social Management Framework (ESMF) <input type="checkbox"/> Other:		
<b>ESMS Standards and other E&amp;S Impacts</b>	<b>Trigger</b>	<b>Required tools or plans</b>	
Involuntary Resettlement and Access Restrictions	<input type="checkbox"/> yes <input type="checkbox"/> no <input checked="" type="checkbox"/> TBD	<input type="checkbox"/> Resettlement Action Plan <input type="checkbox"/> Resettlement Policy Framework <input type="checkbox"/> Action Plan to Mitigate Impacts from Access Restriction <input type="checkbox"/> Access Restrictions Mitigation Process Framework	
Indigenous Peoples	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> TBD	<input type="checkbox"/> Indigenous People Plan	

Cultural Heritage	<input type="checkbox"/> yes <input type="checkbox"/> no <input checked="" type="checkbox"/> TBD	<input type="checkbox"/> Chance Find Procedures
Biodiversity Conservation and Sustainable Use of Natural Resources	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no <input type="checkbox"/> TBD	<input type="checkbox"/> Pest Management Plan

## ESMS Clearance of Project: Rating and Conclusion


The fields below are completed by the IUCN ESMS reviewer at Clearance stage

	Name	Organization and function	Date
IUCN ESMS Reviewer Clearance Stage:	Linda Klare	IUCN ESMS Coordinator	30 Sep 2017
	Title		Date
Documents submitted at Clearance Stage:	Project Document		28 Sep 2017
	Social Impact Assessment (SIA) Report		28 Jun 2017
Have findings from ESIA triggered changes to Screening results?	<p><b>Involuntary Resettlement and Access Restrictions:</b>  <b>Lao PDR and Cambodia:</b> Depending on the comprehensive peat survey undertaken by the project there is a small probability that access to limited peatland areas or resources may need to be restricted — this will require compliance with the elements of the Process Framework presented in Annex D of the SIA report.  <b>Myanmar:</b> Project activities related to water management in Taung Po Gyi do not trigger the Standard in a strict sense as regulations will be decided by the community. However, it should be ensured that decisions on water restrictions are preceded by an adequate assessment of water needs, disaggregated by social groups, in order to avoid hardship for vulnerable groups as a consequence of new water use regulations.  <b>Indigenous Peoples:</b>  <b>Lao PDR:</b> not triggered for the three villages selected as demonstration sites, but for selected project activities that influence the wider areas around the Beung Kiat Ngong Ramsar site; no need for an Indigenous Peoples Plan (IPP) as impacts from project activities are expected to be largely positive; impact issues from potential restrictions are covered by the above Standard.  <b>Cambodia:</b> not triggered  <b>Myanmar:</b> triggered for one of the sites selected for field interventions (Let Maung Kway); as impacts are expected to be positive and due to the consultative approach adopted no need for an IPP.  <b>Cultural Heritage:</b> not triggered as the project will not involve civil works and it is not expected that project will restrict access to sites of cultural importance or develop economic benefits from cultural resources.  (for more detailed explanation see the checklist in Annex A)</p>		
<input checked="" type="checkbox"/> <b>Cleared</b>	<i>The conclusions are positive and the project proposal meets all requirements with regards to avoiding or reducing environmental and social risks: the proposal is accepted.</i>		
<input type="checkbox"/> <b>Conditionally cleared</b>	<i>The conclusions call for improving one or more ESMS activities and/or for important re-formulation of some mitigation measures. This will lead to the proposal being conditionally cleared; the reviewer will provide guidance on the way forward.</i>		
<input type="checkbox"/> <b>Clearance rejected</b>	<i>Essential ESMS provisions have not been complied with, critical mitigation measures have not been incorporated or don't seem feasible or sufficient for avoiding or minimizing impacts; or significant data gaps still prevail and additional field assessments are required.</i>		
<b>Rationale</b> - Summarize key findings from the checklist (Annex A):	The project has been classified as moderate risk project at ESMS Screening stage and an SIA has been undertaken for the sub-projects in Cambodia and Lao PDR. The findings of the SIA have set some of the concerns at ease as it was verified that traditional land and resource use does not seem to present significant threats for peatland and its resources; hence the measures for improving management practices will not require substantial changes. Also, the final project design already makes detailed provisions for ensuring inclusive participation of stakeholders when planning the field interventions in detail. The project is still considered moderate risk project, but		

	<p>towards the lower end of the spectrum as mild adverse social risks might be caused by potential access restrictions, however, these are expected to be few in number and readily addressed when implementing the guidance established in the process framework.</p> <p>The project site in Myanmar is inhabited by different ethnic groups, one of the groups can be considered as indigenous. However, there is no need for an Indigenous Peoples Plan as the project activities are not expected to cause negative impacts. It is also acknowledged that these groups as well as the local communities in the other sites will be closely involved when defining and planning the particular sustainable livelihood opportunities.</p>
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<b>Recommendations for next steps</b> (where relevant):	Development of project-level grievance mechanism based on the IUCN' generic mechanism and dissemination among relevant stakeholder at the outset of the project.
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**Approval ESMS Clearance** (approving authority should be at least M grade)

Name	Function	Date	Signature
Jean-Yves Pirot	Director GEF and GCF Coordination Unit, IUCN	03-10-2017	

## Annex A: Checklist for Clearance of Project Proposal

This checklist is completed by the ESMS Coordinator in consultation with the IUCN ESMS Expert team. The purpose of the appraisal is to check whether the project and its ESMP have incorporated adequate measures to avoid, minimize or compensate for potential social and environmental impacts and that a suitable mechanism is conceptualized that assures implementation of mitigation measures and monitoring of their effectiveness. Some questions may not be applicable for the appraised project and hence should be marked with n/a.

	Yes, no, n/a	Comment
<b>General appraisal of project proposal and process of stakeholder engagement</b>		
1. Have the ESMS procedures on stakeholder consultation been properly applied and resulted in effective engagement of relevant stakeholders, including affected groups? <sup>1</sup>	Yes	Extensive stakeholder consultation was carried out in all three countries and selected project sites; the stakeholder engagement table in chapter 7 of the Prodoc lists all stakeholders consulted for each project site and country and summarizes discussion points, interests, influence and potential impacts on the stakeholder. For the project sites in Lao/PDR and Cambodia additional and extensive consultations were undertaken as part of the social assessment and impact study (SIA).
2. Have required disclosure of information been made in a culturally appropriate way? <sup>2</sup>	Yes	SIA has been disclosed on the IUCN website and shared with local partners. During the assessment no controversial issues have come up and it has been confirmed that the project is not likely to cause negative social impacts. A more extensive disclosure of the SIA report including translation into native languages was therefore not considered necessary.
3. Have potential data gaps been filled through baseline studies, where relevant?	Yes	Pertinent data gaps regarding the two sub-projects in Lao PDR and Cambodia as identified in the ESMS screening report have been filled through the SIA.
4. Have the recommendations from the ESMS Screening and/or ESIA been incorporated in the project proposal?	Yes	All recommendations have been fully addressed.
5. Has advice from Screening or ESIA on the development of mitigation measures been followed? Are they presented as project activities or in form of an ESMP or other ESMS action plans <sup>3</sup> ? Have required resources been accounted for in the project budget? Are responsibilities and	n/a	

<sup>1</sup> The minimum requirements for consultation are summarized in table 6 in the ESMS Manual available at [www.iucn.org/esms](http://www.iucn.org/esms). The final ESIA report must contain a description of the public consultation process, including a summary of the concerns raised by various stakeholders and how these concerns have been addressed in the ESIA and ESMP.

<sup>2</sup> The minimum requirements for disclosure of information are summarized in table 5 in the ESMS Manual available at [www.iucn.org/esms](http://www.iucn.org/esms).

<sup>3</sup> For instance Indigenous Peoples Plan (IPP) or Action Plan to Mitigate Impacts from Access Restrictions.

implementation schedule specified?		
6. Has the guidance on ESMP monitoring <sup>4</sup> been followed and a plan to monitor the ESMP presented?	n/a	
7. Has a project-level complaint mechanism been developed based on IUCN's generic grievance mechanism?	No	This will be done at the outset of the project implementation phase.
8. Have relevant stakeholders been informed about the grievance mechanism or is it stated how this will be done upon launch of the project? <sup>5</sup>	No	This will be done at the outset of the project implementation phase.
<b>Standard on Involuntary Resettlement and Access Restrictions</b>		
1. Does the project require resettlement or access restrictions causing adverse social impacts?		<p><b>Lao PDR:</b> The SIA concluded that based upon preliminary observations in five villages, the current use patterns in and around Beung Paphat appear to be acceptable for peat protection. The ways the villagers use the <i>beung</i> are traditional, and they seem to have little harmful impact on the peat itself, even the custom of digging <i>loumpa</i> (small ponds for fishing) in the peatland. Hence it doesn't seem likely that the Standard is triggered and that there is a need to restrict villagers' access to the <i>beung</i> or their use of peatland resources. Full certainty, however, will only be achieved after carrying out the peatland survey and function assessment during project implementation. In the unlikely event that restrictions are needed, the Process Framework guidance provided in Annex D of the SIA report need to be complied with.</p> <p><b>Cambodia:</b> Peatland is not concentrated in or around wetland areas as it is in the project site in Lao PDR, but based upon preliminary surveys conducted by a peat expert a large number of peat and potential peat areas have been identified in and around the two pilot sites, Koh Kapik and Boeung Kachhang, as well as in and around the other 11 villages across the Peam Krasop Wildlife Sanctuary (PKWS). A zoning and use regulations for the PKWS exists, however, these regulations don't consider peat; as a consequence it is unclear whether or not peat areas are found within those zone where resource use is allowed (Community and Sustainable Use Zones). Hence, a decision about the need to update the zoning and to apply certain resource restrictions can only be taken once the project has finalized the peat survey and function assessment. Given the small scale use of peatland resources</p>

<sup>4</sup> See ESMS Guidance Note on Developing and Monitoring an ESMP, available at [www.iucn.org/esms](http://www.iucn.org/esms).

<sup>5</sup> See chapter 3.3.2 of the ESMS Manual about the need to inform stakeholders about the grievance system, available at [www.iucn.org/esms](http://www.iucn.org/esms)

		<p>as has been verified in 2 villages consulted during the SIA, it is assumed that the use in the PKWS is, however, overall considered sustainable and that it is rather unlikely that restrictions will need to be put in place. Nevertheless, the Process Framework guidance provided in Annex D of the SIA report need to be complied with in case restrictions are needed.</p> <p><b>Myanmar:</b> In the Taung Po Gyi project site the project will promote sustainable use of water resources in order to prevent further subsiding of the dome. The main focus will be to explore alternative water supply options and to institutionalize water management by establishing a water management committee and respective water supply and management plans. The latter might decide about limits for water extraction, but any regulations will be voluntary and will build on current attempts by the community to manage their mound spring peatland and water supply. The project considers involvement of community members (women and men, youth) instrumental in developing this guidance. However, project management should ensure that any decisions on water restrictions are preceded by an adequate assessment of water needs, disaggregated by social groups, in order to avoid hardship for vulnerable groups when regulating water supply.</p>
2. Have project alternatives been sufficiently considered to avoid the need for resettlement or access restrictions?	n/a	
3. If avoidance of resettlement or access restrictions is not possible, have measures been developed to minimize the impact on people's livelihood and/or a mechanism for compensation, assistance and benefits to enhance or at least restore the livelihoods of affected people relative to pre-project levels ("no net loss")?		<p><b>Lao PDR and Cambodia:</b> The need for access restriction is generally not considered likely. However, in occasional cases where the survey identifies unsustainable practices, elements of a process framework are provided in Annex D of the SIA that should be followed when developing mitigation measures.</p> <p><b>Myanmar:</b> n/a</p>
4. Are proposed mitigation measures technically and operationally feasible, sustainable and culturally adequate? Are they accessible by all affected groups? Are they sufficient?	n/a	
5. <b>FPIC process:</b> Have consultations been held with legitimate representatives of the affected groups? Have they participated in designing an action plan or a process framework and assigned a role in its implementation and monitoring? Have they		<p><b>Lao PDR and Cambodia:</b> the elements of a process framework provided in Annex D of the SIA describe FPIC requirements to be adhered to in case where restrictions are promoted.</p>

provided consent to project activities that trigger resettlement or restrictions? Is this evidenced/documentated?		
<b>Standard on Indigenous Peoples</b>		
1. Is the Standard triggered?	Yes	<p><b>Lao PDR:</b> The three villages selected as demonstration sites are not indigenous; however IUCN's Standard on Indigenous Peoples is triggered if project activities go beyond the pilot sites and influence the wider areas around the Beung Kiat Ngong Ramsar site which include villages inhabited by indigenous Brao communities.</p> <p><b>Cambodia:</b> The SIA has identified Cham families residing in the two pilot villages. It is debateable whether or not to consider Cham communities as indigenous peoples. They are not recognized as "indigenous" by the Cambodian government; and while they are considered a culturally distinct ethnic group, the SIA concluded that the situation of the Cham families living in the two villages does not differ significantly from other poor Khmer families living at the site, and that their distinctive culture is not under threat from the proposed project.</p> <p><b>Myanmar:</b> The social scientist consulted during the PPG phase provided the following advice regarding the different ethnic and linguistic groups living in the project area:</p> <ul style="list-style-type: none"> <li>• The <u>Intha people</u> are an ethnic group living around the Inle Lake where the project is located. They are culturally special but not indigenous. They are Burmese speaking, but may have come from Dawei area in south-eastern Myanmar once. One of the pilot villages selected by the project, Taung Po Gyi (northwestern shore of Inle Lake), has been confirmed as being an Intha village.</li> <li>• The <u>Shan ethnic group</u> are Thai/Lao groups with the same language roots. They are believed to have come to Myanmar around the 11<sup>th</sup> century. In the Burmese government terminology the Shan is one of the major "nationalities" or national races in Myanmar. Hence, following IUCN definition and criteria they are not considered indigenous peoples.</li> <li>• The <u>Taung-yoe ethnic group</u> has been confirmed as residing in the village tract of Let Maung Kway in the northwestern area of Inle Lake. Taung Yoe are considered indigenous to this area as they are told to have lived there for many hundred years; because of this and the fact that they are an ethnic minority group the Standard is triggered.</li> </ul>
2. Are negative impacts on indigenous people expected?		<p><b>Lao PDR:</b> the project will identify and demarcate important peatland areas, create awareness for its protection and promote sustainable livelihood practices – most of the activities concentrating on the three selected pilot villages where no indigenous people are present. Only activity 1 which involves the demarcation of important peatland areas and creating awareness for peat protection influences areas beyond the three pilot villages and might impact villages where indigenous Brao people are</p>

		<p>present. As some level of discrimination of Brao people is being reported, the project should take extra care to protect the rights of these groups when rolling out activities that influence Brao villages.</p> <p><b>Cambodia:</b> question not applicable – no presence of indigenous peoples</p> <p><b>Myanmar:</b> The project will promote improved management practices around Inle Lake with three demonstration sites – each of them with a slightly different focus addressing specific peatland threats. The only project site where indigenous people have been confirmed is the village tract of Let Maung Kway. The planned activities involve around the promotion of agroforestry practices on selected demonstration plots in upland areas and are expected to provide benefits (increased income) to communities. The approaches will be tested before any voluntary adoption by farmers is promoted - to avoid potential loss of short-term income. It should be further ensured that demonstration plots are selected in a transparent and fair process.</p>
3. Have measures been developed to minimise the impacts, secure and, when appropriate, enhance the economic, social, environmental and cultural benefits to these communities and/or provide adequate and fair compensation for impacts?	n/a	
4. <b>FPIC process:</b> Have consultations been held with legitimate representatives of the affected indigenous groups? Have they participated in the design of mitigation measures (ESMP) or indigenous peoples plan (IPP) and assigned a role in its implementation and monitoring? Have they provided consent to project activities that might trigger impacts? Is this evidenced/ documented?	n/a	
5. Are proposed mitigation measures technically and operationally feasible, sustainable and culturally adequate? Are they sufficient and reach all affected groups?	n/a	
<b>Standard on Cultural Heritage</b> - <i>answer only if standard has been triggered (e.g. impacts are expected)</i>		
1. Is the Standard triggered?	No	The Standard is not triggered as the project will not involve construction of physical infrastructure, civil works or earth movement. It is also not expected that the project will restrict physical access to sites of cultural importance or promote the development of economic benefits from cultural heritage resources.



2. Have appropriate stakeholders been consulted in the assessment of impacts on cultural heritage (incl. users of the resources)?	n/a	
3. Have measures been developed to minimise adverse impacts on cultural heritage and on the users of the resources? Have appropriate stakeholders been included in this process and assigned a role in its implementation and monitoring?	n/a	
4. Are proposed mitigation measures technically and operationally feasible, sustainable and culturally adequate?	n/a	
5. If the project involves earth works with a potential risk of accidental discovery of buried resources, does the project proposal contain provisions for "chance find"?	n/a	
6. If the project intends to promote the development or use of resources to which communities have legal (including customary) rights, has a FPIC process been implemented? Have arrangements been made to ensure fair and equitable sharing of the benefits?	n/a	
<b>Standard on Biodiversity Conservation and Sustainable Use of Natural Resources</b>		
1. Is the Standard triggered?	No	Impacts on biodiversity and natural resources are expected to be exclusively positive.
2. Will the project be able to avoid even minor, localized environmental impacts in protected areas and other areas of high biodiversity value?	n/a	
3. If the project requires the introduction of non-native species, will it be able to avoid adverse impacts including the potential of species developing invasive characteristics? Will the project be able to also control other pathways for	n/a	

invasive species?		
4. For projects managing or restoring ecosystems, have precautions been taken to avoid adverse impacts on other components of biodiversity?	n/a	
5. Will the project be able to avoid adverse impacts on water dynamics, river connectivity or the hydrological cycle that might inhibit freshwater and other water-related ecosystems from fulfilling functions in relation to up- and downstream water resources?	n/a	
6. Where the use of living natural resources is being promoted by the project, will it be ensured that the use is sustainable?	n/a	
7. If the project requires the use of biocides (pesticide or herbicides), have alternatives been sufficiently considered to avoid using biocides? If the use cannot be avoided, will the project be able to prevent negative impacts on human health or biodiversity?	n/a	
<b>Other environmental or social risks - answer only if other environmental or social risks had been identified during screening (or scoping)</b>		
1. Is the project in compliance with national legislation and regulations that pertain to environmental and social matters and respective international laws, conventions and standards?	yes	Project design has been developed with national governmental partner agencies who have ensured that that project activities are in full compliance with national legislation and regulations.
2. If impacts have been identified, have measures been developed to minimise the impacts or provide appropriate compensation?	n/a	No other environmental or social risks have been identified by the ESMS Screening and the SIA has not come across any particular social risk in the Lao PDR and Cambodia sub-projects either.
3. Are proposed mitigation measures technically and operationally feasible, sustainable and culturally adequate? Are they accessible by all affected groups and sufficient?	n/a	
<b>Gender</b>		

1. Were men and women involved in project design and ESIA process, in a culturally appropriate way?	yes	The PPG mission has made special efforts to involve women and men equally during project development. In order to ease women's expression of issues and concerns, village consultation has included separate focus group discussions with women. The SIA further explored the gender context and held in-depth discussion with women around their roles in the society, their rights and access to resources, livelihood options as well as roles and attitudes related to natural resource management (see SIA report for more detail).
2. If gender issues were identified during screening and ESIA, does the project proposal include measures to address these issues? Have these measures been developed in consultation with women in affected communities and gender experts with knowledge of local needs?	n/a	
3. Does the project include specific plans and measures to secure and, when appropriate, enhance the economic, social and environmental benefits to women?	yes	The project aims to promote sustainable livelihood practices; however the final decision about the areas to focus on and concrete activities will only be taken during the project in form of a consultative process. This process will involve aside from village chiefs and other community leaders also women representatives. The SIA report summarizes interests and needs brought up by women in the consulted villages and provides a number of suggestions for livelihood practices that will be taken into consideration during these consultations.
4. Does the project include specific measures to strengthen women's rights and access to land and resources, when appropriate and consistent with national policy?	No	The SIA concluded that women played relatively equal roles in the daily lives of the villagers in Lao PDR and have equal rights to own and inherit land. In Cambodia the SIA recommended a proactive work to involve women more strongly in protected areas management institutions such as the Community Protected Area Committee.
5. Does the monitoring plan provide for measuring gender equality progress and/or gender disaggregated indicators? If there is a risk that women may be affected by project activities, are specific provisions included to monitor these impacts and are services of qualified experts secured to guide this monitoring work?	No	The project results framework provides for disaggregated monitoring of important data on project beneficiaries (e.g. number of women trained, number of women adopted sustainable practise).
<b>Vulnerable groups</b>		
1. If risks for vulnerable groups were identified during screening and ESIA, were those	n/a	No risks have been identified; however in case of need for access restrictions the guidance on the Process Framework presented in Annex D of the SIA report

addressed in the final project proposal?		provides for special attention on the needs of vulnerable peoples.
2. Does the project include specific plans and measures to reduce vulnerability, build resilience and promote equity?	no	
3. Does the monitor plan include provisions to monitor these impacts?	n/a	
<b>Climate Change</b>		
1. If it has been identified that climate change might affect the implementation of project activities or their effectiveness and sustainability, has this been addressed by mitigation measures?	n/a	
2. If there is a risk that the project might increase the vulnerability of local communities and the ecosystem to current or future climate variability and changes, have these issues been addressed by mitigation measures?	n/a	
3. Are opportunities sought to enhance the adaptive capacity of communities and ecosystem to climate change?	yes	This is already explicit in the project design as protection of peatland and related water resources is a strategy for enhancing adaptive capacities of communities and the respective ecosystem.