

Building Livelihoods resilience to Climate Change in the Upper Basins of Guatemala's Highlands

Environmental and Social Management Framework (ESMF)

Revised version May 28, 2018

1. Executive Summary

The Environmental and Social Management Framework (ESMF) provides the overall structure and contextual basis for the development of measures and actions aimed at taking into consideration environmental and social risks and proposing the necessary mitigation actions in an associated Environmental and Social Management Plan (ESMP). The Framework follows from an initial screening carried out in accordance with IUCN principles on the matter and standards related to: Involuntary Resettlement and Access Restrictions; Indigenous Peoples; Cultural Heritage; and Biodiversity Conservation and Sustainable Use Natural Resources.

The purpose of the ESMF is to institute a consistent and effective procedure to ensure that all “new” activities identified during project implementation will be screened on potential environmental and social impacts, that their significance is assessed and that appropriate measures will be put in place to ensure that impacts are avoided or mitigated.¹

The overall rationale of the project is to directly tend to climate variability and climate change impacts on the hydrological cycle through restoration actions, capacity building to strengthen the governance and technical capacities around these actions, and tailored use of climatic information to be applied to local actions. However it is patently clear that the mitigation of said impacts bring about direct benefits in terms of water availability (in quantity and quality) and soil quality (through reduced erosion), thus leading to improved conditions for local people to improve their livelihoods. This goes hand-in-hand with capacity building to support the implementation of climate smart practices as well as the consideration and full incorporation of traditional knowledge and dissemination of adaptive practices already in use.

This project adopts an action-oriented and phased approach that considers the following steps:

- Social and organizational assessment
- Detailed gender assessment
- Identification of restoration measures through application of ROAM² methodology at local level

¹ By new activities, it is understood those project activities emerging during project implementation, as well as new activities and investments proposed by potential grantees under the small and medium grant mechanism.

² <https://www.iucn.org/theme/forests/our-work/forest-landscape-restoration/restoration-opportunities-assessment-methodology-roam>

- Design and implementation of capacity building complementary and supportive of field actions and local needs
- Participatory design of ecosystem based adaptation measures and identification of beneficiaries for incentives
- Implementation of measures with parallel technical support and incorporation of climatic information
- Strengthening of local governance framework and structures that support implementation and provide the basis for long-term sustainability

The potential risks from project implementation are identified, while the proposed mitigation measures and provisions are preliminarily outlined in the ESMP, and supported by the IUCN ESMS standards, principles and guidance.

For the project preparation a series of stakeholder consultations were carried out in the main population centers of the proposed priority areas in order to obtain inputs for project formulation, assess stakeholder needs and capacities in relation to challenges emerging from a changing climate. Additionally, the gender approach was emphasized in order to gauge the current conditions in the area so that it can be made an integral part of the proposal through promotion of women's participation in the implementation of field implementation activities, capacity building, and participation in local governance processes. Identified gender-specific actions will provide the basis for ensuring that a pro-active and inclusive approach is mainstreamed in project actions. The workshops targeted different stakeholders, including members of community-based organizations – with a high participation of indigenous peoples, in line with the demographics of targeted departments, local and national technical personnel from agencies that will be related to provision of institutional support and building of capacities, and local authorities that will be key in supporting local governance structures and field implementation. Overall, participants demonstrated a high awareness of climatic issues, stemming from their own experiences at local level. Moreover, a wealth of experiences and traditional knowledge was brought to light, thus providing a solid basis for continuing promotion of adaptation activities and enabling upscale and replication of ecosystem-based adaptation. The full report of the stakeholder consultation processes is found as Annex 13 of the proposal.

2. Project description and rationale for ESMF

2.1 Summary of project interventions

Based on Guatemala's vulnerability to climate change and future scenarios, the project's overarching objective is to reduce the impacts of climate change on the hydrological cycle in target watersheds through improved land use practices. This will lead to improved water recharge and productivity and contribute to the population's and ecosystem's increased resilience to climate change. With a lifespan of seven years, project activities will be implemented in three phases: first year for inception activities, years 2 to 7 for full implementation and years 6-7 implementing an exit strategy to include the development of knowledge products and sustainability arrangements, operation and maintenance plans, and measurement of project impacts at the outcome level.

Total project area is 146,500ha of which approximately 22,500ha will be restored. This area includes agroforestry with annual crops, silvopastoral systems, and agroforestry with permanent crops or forest plantations. The selected areas are considered as water recharge areas. The number of direct beneficiaries is at least 150,000 people.

In terms of funding, GCF financial support is envisaged to achieve all outputs, with co-financing for this project provided by the Korean Cooperation Agency for Development (KOICA), and the Government of Guatemala (GoG) through its Forest Incentives Program PROBOSQUE. Under each output a short description of proposed activities for achievement is provided.

Project will achieve its objective addressing three result areas:

1. Integrated climate-sensitive watershed management adapted to the local context of the Highlands, as a central element led by Guatemala's Government (Forest Incentives Programs) and complemented by GCF funds to improve institutions capacities. The main activities in this component are: Improved local capacities for climate action and watershed management (GCF) and Government forestry and agroforestry incentives supporting water recharge and productivity (GoG);

2. Community-led implementation of climate actions in priority areas through funding from the grant mechanism will provide community based organizations (CBOs) with direct access to funding for sustainable land use practices which reduce climate impact on the hydrological cycle in the target watersheds; this component will combine GCF and KOICA funds. This component has two main activities; Awarding and implementation of medium grants for second level CBOs (GCF) and Awarding and implementation of small grants for grassroots organizations (KOICA)

3. Improved multi-level and multi-stakeholder access to climate information that enhances agricultural and water management practices and programs, focuses on improving collection, interpretation and dissemination of reliable climate information for application to adapted agricultural, agroforestry, forestry practices by local producers as well as water resource management and restoration at landscape level. The main activities under this component are Strengthened meteorological and hydrological information systems through investment in equipment for data collection, modelling, forecasting, and archiving (GCF) and Design and implement a participatory early warning system for agricultural practices and water management. (GCF). These outcomes are delivered through six activities:

A.1.1 Improved local capacities for climate action and watershed management

A.1.2 Government forestry and agroforestry incentives supporting water recharge and productivity

A.2.1 Medium-size grants for second level CBOs \$12M GCF

A.2.2 Small-size grants for grassroots organizations (\$4.5M KOICA)

A.3.1 Strengthen meteorological and hydrological information systems through investments in equipment for data collection, modelling, forecasting and archiving

A.3.2 Design and implement a participatory early warning system for agricultural practices and water management

A.3.3 Capacity building for relevant actors at community, municipal and national levels for O&M, data interpretation, modelling and forecasting

The Project will be implemented with the following logic:

With a lifespan of seven years, project activities will be implemented in three phases under the following logic: year 1 will have a main focus on inception activities and leveling the field in terms of startup capacities for the existing and proposed steering structures and stakeholders, which will guarantee full implementation potential. During year 2 through year 7, main implementation of field activities and continued capacity building will take place. From year 6, the exit strategy will be

implemented together with MARN and members of the National and Local Steering Committees, to include the development of knowledge products and sustainability arrangements, operation and maintenance plans, and measurement of project impacts at the outcome level.

Table 1 Programme Phases

Phase	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Inception (Cap.bldg./design)							
Implementation (Field/Cap.bldg)							
Exit strategy							

2.2 Program Institutional and implementation arrangements

The present project is supported by GCF funds and co-financed by KOICA. For reporting, administrative, and operative purposes IUCN will sign separate agreements with each party and report accordingly. Implementing functions will rely on IUCN HQ (GEF GCF Coordination Unit), and supported by IUCN Financial and Administrative Hub (FAH) for Latin America, which has a direct reporting line with HQ management. These functions include overall management and oversight of operational, administrative, and financial issues of the project, according to IUCN rules and procedures approved by the GCF and outlined in the AMA.

The GCF National Designated Authority, the Ministry of Environment and Natural Resources, as per its mandate as the national authority of environmental issues in Guatemala, will have a leading role as executing agency, ensuring that the Project is being implemented according to the proposed objectives and alignment is ensured with overarching national policies. Country ownership of the NDA will be guaranteed as chair of the Project National Steering Committee, and of the Executive Board on the Grant Facility.

Co executing entities will lead execution of different outputs based on expertise and know-how, as follows:

Output 1: IUCN Guatemala Office will lead the execution of Output 1, based on its experience with watershed management projects and multi-stakeholder convening role.

Output 2: FCG will execute activities under the Grant Facility mechanism as a Guatemalan organization with wide experience on granting mechanisms management in Guatemala. FCG role includes monitoring and evaluation of day to day activities related to output 2.

Output 3: URL through its IARNA institute will lead the execution of activities 3.2 and 3.3 related to climate information for capacity building and early warning systems. Activity 3.1, which is focused on strengthening INSIVUMEH network and physical capacities, will fall under the execution of IUCN Guatemala Office in close coordination with INSIVUMEH.

The project will establish a Project Management Unit (PMU) headed by a National Project Coordinator it will ensure the overall coordination for the Project, guaranteeing its strategic approach and coherence among the different outputs and partners. The PMU will also be responsible for, overall coordination, budget monitoring and control and annual planning. Project Execution Units (PEU) will be established to guide day to day activities and budget expenditure under each output and lead by co-executing partners. PEUs will respond to PMU technically, operationally and financially.

In accordance with IUCN regulations, a due diligence has been conducted to co executing partners guaranteeing financial, procedural, and administrative capacities are in place to manage GCF funds.

The project governance relies on the establishment of three advisory committees to support project execution, which will involve government, academic and civil society at national and local levels, to ensure that the project’s orientation and execution are aligned with country needs and priorities. Each committee is described below.

National Steering Committee (NSC): Chaired by the NDA, MARN (through its Climate Change Department), one representative of the National Forest Institute, the Meteorological Authority and key Government organizations. The NS will meet at least twice a year to strategically analyze project advances and priorities, and approve annual plans and project reports presented by the PMU. The committee’s recommendations will make it possible to guide results-based management, foster ownership and prepare national authorities to address climate change priorities, ensuring the justice, integrity and transparency of processes.

Local Steering Committees: These will be set up in three project zones: i) Samalá basin (Quetzaltenango) ; ii) Xajá Basin (Chimaltenango) and iii) Motagua Basin (Quiché), and comprised of representatives of main local stakeholders (communities and local entities, municipalities, subnational MARN delegates, projects, private sector, government institutions, etc.) and the project executing units present in the territories. These committees will support supervision and monitoring to ensure a bottom-up feedback to the National Steering Committee and that local implementation is aligned with the work plans of the micro basin councils.

Scientific and Technical Committee (STC): Comprised of high-level scientists in different fields, including natural and social sciences of the IUCN Commission on Environmental, Economic, and Social Policy (CEESP), experts from the Universidad Rafael Landivar, as well as experts from the Environmental Information Unit within the MARN. KOICA experts on meteorological issues will be invited to join. Other experts will be brought in when necessary. The aim of this advisory committee is to provide scientific and technical support for project strategies and activities and help track advances. This may contemplate field visits and analysis of project results. The committee will provide technical advising on documents prepared within the frame of the project, and technical recommendations when so requested by the STC. The chair will rotate according to the agenda and theme under consideration.

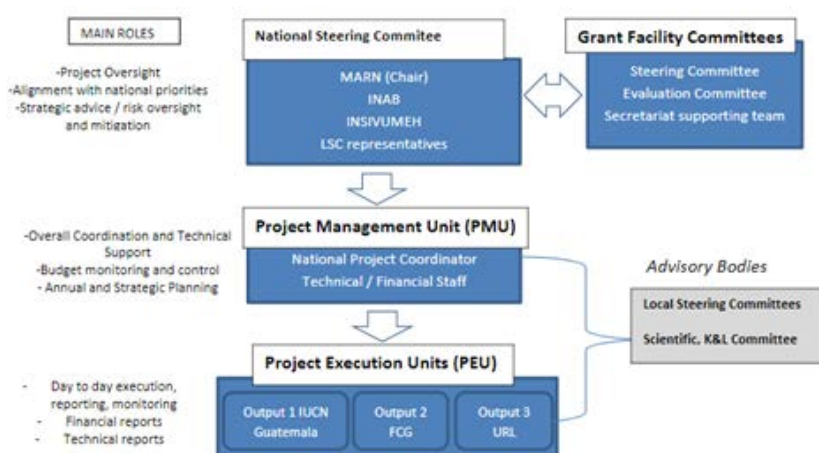


Figure 1. Project Governance and Operational Structure

Contractual Arrangements:

Following Clause 10.01 of the IUCN AMA with the GCF, IUCN may take functions of and Executing Entity for funded activities by the GCF. For the purposes of this project, an internal agreement will be drafted between IUCN GCF/GEF Unit and IUCN ORMACC detailing roles and responsibilities as implementation and executing agencies, respectively.

IUCN will enter into contractual agreements with co-executing entities through implementation agreements. A due diligence process is applied to co-executing entities in compliance with IUCN procurement rules. As per clause 10.02, co-executing entities will be required to comply with IUCN policies recognized as part of GCF accreditation.

IUCN utilizes the NAVISION (Microsoft) accounting and financial system, which allows classifying expenses by donor and projects. NAVISION has a multi-level, on line electronic approval control system for expenditures; thus allowing cross checking in real time from any location, and ensuring transparency, accountability and internal control.

IUCN Oversight Unit performs internal audits to regional offices periodically; audit reports are presented to Director General and IUCN Council. Recommendations for improvement are followed up by the Oversight Officer. External financial audits in IUCN are carried out on a yearly basis by an independent firm and results are reported to IUCN Council.

For the activities of the project executed by IUCN Guatemala Office, IUCN HQ will provide monitoring and oversight conducted by the FAH:

- Monitoring on a monthly basis accounts and bank statements from country offices through NAVISION, cross checking bank information. FAH ensures that expenditures, contracts, and procurement procedures comply with IUCN procurement policies as well as specific donor requirements.
- Revision and approvals of quarterly financial reports submitted by IUCN Guatemala Office.
- The FAH will conduct field visits to ensure that project implementation is consistent with the technical and financial reports.

For those activities executed by co-executing entities, IUCN will sign implementing agreements following its Procurement Policy for goods and services, which includes:

- A due diligence process to be performed to partners receiving funds. This was a step fulfilled during the preparation of this project. A risk assessment is conducted based on the organizations legal, operational capacities, financial stability, governance and management, internal controls, policies and procedures and accounting and reporting systems.
- As part of monitoring and oversight, IUCN FAH will conduct periodic follow-up visits to executing partners and evaluations to ensure compliance with IUCN policies and provide recommendations for improvement and guidance in case these are needed.
- IUCN FAH provides regular support to co executing partners related to budget execution, request for funding, and quarterly financial reports approval.

Grant Facility:

The Grant Facility to be implemented as part of the Project will have three decision-making bodies to exercise control and follow-up on decisions:

1. Steering Committee (SC): comprised of one representative from IUCN, MARN and INAB, SEGEPLAN and MAGA. The SC provides strategic orientation for the Fund; makes the final investment decisions;

provides general guidance to the operations of the grant-making mechanism; ensures transparency and accountability; provides oversight, sets regulations and guarantees alignment with national policies and strategies.

2. Evaluation Committee (EC): composed of one representative from MARN, INAB and MAGA, IUCN will act as an observer in this Committee. Additionally a representative from a national NGO represented in the National Climate Change Council will be invited to join the EC. NGOs that accept being part of the EC are automatically non eligible as beneficiaries of the Grant mechanism. Academia will also be part of the EC: i) one representative from IARNA as the project partner; and ii) a representative from the USAC represented in the National Roundtable for Forest Landscape Restoration will be part of the EC. For the Small Grant Mechanism, a technical expert from KOICA will be invited to join the EC.³ The EC provides strategic evaluation of proposals to be financed, oversees the preparation of assessments, strategies and frameworks; identifies funding priorities; guides the formulation and application of selection criteria; assesses concept notes and proposals and makes recommendations for funding.

3. Secretariat supporting team (SST): consists of a Facility coordinator and technical/financial team (Fund officer, monitoring and evaluation officer, administrative staff and financial officer), The Secretariat will be responsible for the day-to day implementation of the fund; coordinates calls for concept notes and proposals; disseminates information through appropriate communication channels; advises the project partners on project management structures; ensures the projects are carried out in line with the approved log-frame; monitors and reviews project expenditure reports; and provides technical guidance and capacity-building for grassroots organizations to ensure ownership and sustainability. This work will be undertaken by the FCG.

2.3 Geographic locations for direct field action

The project is located in the area known as the Western Highlands of Guatemala ("Altiplano Occidental"). The overall area of influence of the project includes the Departments of: Baja Verapaz, Chimaltenango, Guatemala, Huehuetenango, Quetzaltenango, Quiché, Sacatepéquez, San Marcos, Sololá, Totonicapán, with a total area of 767,164 Ha.

The prioritized areas for main project actions include the departments of Chimaltenango, Quetzaltenango, Sololá and Totonicapán, with a total area of 146,500 Ha. Within this prioritized area, 22,500ha will be restored through field actions that are both determined by analysis carried out using an IUCN methodology (ROAM) and that are consistent/analogue with practices established in government regulations pertaining to restoration actions and incentives, which are described in the following section.

2.4 Socio-economic and environmental conditions of the Highlands of Guatemala

The socioeconomic conditions in the Highlands denote a high incidence of poverty and low human development indices, as detailed in table 2.

Table 2: Socio-economic and development characterization of Departments with prioritized areas.

³ Koica has expressed an interest to participate in the evaluation committee, specifically in the small grants mechanisms. It is still to be determined whether participation will be in person or by virtual means.

Priority Department	Human Development Index	% Poverty	% Extreme Poverty	% Indigenous Population
Chimaltenango	0.487	66.1%	23.4%	78.4%
Quetzaltenango	0.529	56.0%	16.7%	51.7%
Totonicapán	0.432	77.5%	41.1%	97.0%
Sololá	0.455	80.9%	39.9%	96.5%

Source: own formulation from INDH-UNDP Guatemala (2014) and ENCOVI (2011)

The indigenous population in the Highlands is comprised predominantly of Mam, K'iché and K'akchiqel indigenous groups, each with its own particular language. They have overall levels of extreme poverty of 30%, 38% and 29% respectively. Additionally, it should be noted that public investment on indigenous populations amounts to Q.3.1 per person per day, while the figure for ladinos/persons of mixed race is Q.6.9 (ICEFI, 2017). The inequality in investment points clearly to the need for supporting targeted finance of indigenous populations, particularly in areas where poverty is highest, as there is a clear correlation between belonging to an indigenous group and experiencing extreme poverty, especially in rural areas. In order to better characterize the conditions of these indigenous communities that will participate in project activities, a diagnostic study will be carried out as detailed in the ESMP, under the IUCN Standard on Indigenous Peoples. The scope of the diagnostic study to characterize the indigenous groups in the Highlands is as follows:

Diagnostic study title	Objective	Products
Livelihood characterization of the Guatemalan Highlands with a focus on indigenous peoples and gender	Socioeconomic and productive characterization of Mam, K'iché and K'akchiqel indigenous groups in the prioritized areas of the Guatemalan Highlands	<ul style="list-style-type: none"> • Socioeconomic conditions per indigenous group • Spatial distribution in prioritized areas • Characterization of farming and productive systems per indigenous groups

Environmental conditions of the Highlands present a situation where climatic impacts are already evident, and that according to climate change scenarios are leading to an increase in conditions similar to the adjacent Dry Corridor. The viability of field interventions to mitigate the impacts on natural resources, ecosystems and people's livelihoods depend on the integration of economic opportunities and the local conditions for markets, finance, legal framework, governance and institutional conditions. In this context, a number of potential best practices consistent with an ecosystem-based adaptation (EbA) approach as put in practice by IUCN and with modalities established within government restoration mechanisms, adequate to the Guatemalan Highlands, and already piloted in the area have been identified for consideration during project implementation.

Table 3: Practices that facilitate ecosystem-based adaptation in the Guatemalan Highlands.

Type of practice	Description
Agroforestry systems in	The proposal of this practice is to improve the existing productive systems that already include shrubs in the agricultural plots. These improvements are aimed at improving the soil conservation structures, incorporating trees in the contours of the plots, both timber and fruit, that allow them to improve

<p>agricultural lands and livestock areas</p>	<p>their current productivity and reduce the negative impacts of agricultural production on lands that do not have that vocation.</p> <p>For the proper management of agroforestry systems, the priority must be given to the upper parts of the water sources, followed by areas with the major connectivity and, at last, in the other agricultural areas, to improve productive systems. Furthermore, they should consider traditional knowledge as well as prioritize the use and rescue of native species.</p> <p>These areas will be managed through a management plan that will be entered into PROBOSQUE and/or PINPEP financial mechanisms, to benefit themselves from the payment of forest incentives provided by government of Guatemala through INAB, under the following criteria:</p> <ul style="list-style-type: none"> a) Trees in association with annual crops. b) Trees in association with perennial crops. c) Trees on line: live fences, windbreaks, or trees planted on the boundaries of the land.
<p>Silvopastoral systems</p>	<p>According to the Land Use Capacity Manual, the silvopastoral systems are established in areas with slope, depth, stony and/or internal drainage limitations. They allow the development of natural or cultivated pastures and/or associated with arboreal species, as well as the option of grazing livestock using properly the load capacity. (INAB,2000)</p> <p>The agrosilvopastoral systems generate direct benefits for the breeding of cattle, and at the same time, these animals provide organic fertilizer for the fertilization of the land, which reduces the use of agrochemicals. In addition, they generate as additional product, wood for use as building material or firewood, which supports the generation of income and the fulfillment of basic needs at the family level.</p>
<p>Forest conservation actions</p>	<p>Within the project, it is considered as axis due to any effort to manage the forest landscape and to achieve its restoration and, therefore, the functionality of forest ecosystems, are based on the protection and conservation of existing natural forests (including indigenous communal forests), under the conditions in which they are at present, which will continue to fulfill its functions of water regulation. Special attention will be given to those located in areas with high water recharge.</p>
<p>Restoration and conservation of watersheds and riparian forests</p>	<p>The recovery of the forest landscape is based on the increase in forest cover, mainly in the areas adjacent to natural forests, where water recharge areas are located, which allows increasing the forest masses and improving the connectivity between them. Achievement in expanding forest cover will depend on changing the production patterns of the poor farmers in the basins, which are the majority of local people.</p> <p>The processes of restoration of the forest cover will be carried out through processes of reforestation, natural regeneration, these being understood as processes to repopulate the land with trees, for which activities of planting</p>

	or natural regeneration management, including traditional practices that already consider this type of actions.
Practices geared towards water harvesting in drought-sensitive areas	The main agronomic practices will be identified with a participative approach. These agronomic practices are aimed at improving the infiltration and retention of rainwater in the growing areas, and the storage of rainwater will be promoted, to reinforce the production of seasonal food and crops for small reservoirs.
Soil conservation and best practices for land use	With these practices, which can incorporate local knowledge, in addition to preventing soil erosion, indigenous families and peasants from the high plateau of Guatemala, will improve productivity, and thereby better utilize nutrients and water. Furthermore, these practices avoid landslides when heavy rains occur. They include the elaboration of curves at level, terraces and construction of dead or alive barriers.
Restoration of degraded lands through natural regeneration	It is the reproduction of the forest through natural processes in disturbed sites, through a set of silvicultural actions or techniques applied in order to favor the reproduction of the forest.

Because some of the listed activities might involve social or environmental impacts or new activities to be proposed, an ESMF has been established with the present document to guide the screening, classification and risk management process of such activities once decided.

3. Relevant policies and regulatory frameworks

Legal framework related to indigenous communities:

The International Working Group on Indigenous Affairs (IWGIA) provides the following summary of the regulations relating to indigenous communities currently in force for Guatemala:⁴

The current Constitution (from 1985) recognizes the right of individuals and communities to their cultural identity according to their values, language and customs (article 58). It recognizes that Guatemala is made up of various ethnic groups, including indigenous groups of Maya descent, which the State must recognize, respect and promote (Article 66). Likewise, the State must respect and protect the different forms of communal or collective land ownership (Article 67) and, when necessary for its development, provide state lands to indigenous communities (Article 68). The constitution also ensures that teaching in schools with a majority indigenous population will preferably be taught bilingually (art. 76). In 1999, following the guidelines of the Peace Accords, a popular consultation was made to reform the constitution, which proposed, among other things, the definition of Guatemala as a multi-ethnic, multi-cultural and multilingual country. The reform was not approved, although abstention exceeded 81% of registered voters, thus questioning the legitimacy of the consultation.

⁴ <http://www.iwgia.org/regiones/latin-america/guatemala/66-esp-paises/guatemala6/574-marco-legal-y-politicas-publicas>

The different Agreements that formed the process for the signing of the Peace Accords in 1997, especially the Agreement on the Identity and Rights of Indigenous Peoples (1995), and ILO Convention 169 signed in 1996 are, so far, the legal framework on indigenous peoples of greater importance in the country. The Peace Accords, while involving a participatory process of discussion on the situation of indigenous peoples and also on the policies needed to improve it, have so far been the main reference in indigenous legislation and institutionalization (Decree 52-2005, Law Framework of the Peace Accords) although this has not meant a substantial change in the often marginal reality of them. Ten years after the definitive signing of the Peace Accords, several ministerial, governmental and legislative agreements have been approved with regard to indigenous peoples, and there is a certain level of institutionality that enjoys, however, very little autonomy from the current governments.

Therefore, it should be noted that despite the impossibility (until now) of reforming the Constitution, there are several reforms of secondary legislation that include some of the demands of indigenous peoples, opening the way to certain gradual changes. Among them is the reform of the Penal Code by Decree 57-2002 which defines discrimination as a crime or the new Municipal Code (2002), which legally recognizes communities and indigenous municipalities (article 20, article 55). On the other hand, specific agreements have continued to be created in matters related to indigenous peoples, which have resulted in an increase in Mayan institutions. For example, Agreement 65-90 created by the Academy of Mayan Languages of Guatemala, Governmental Agreement 390-2002 establishing the creation of the Ombudsman's Office for Indigenous Women and the Presidential Commission against Discrimination and Racism, the Ministerial Agreement 525-2002 on the free access of spiritual guides to sacred sites, Governmental Agreement 526-2003 where the Technical Vice-Ministry of Intercultural Bilingual Education or Ministerial Agreement No. 104-2003 on the use of the dress is created.

Legal framework related to gender⁵:

As a result of international instruments, Guatemala has developed various policy instruments that respond to the international commitments that have been acquired as a State within the framework of international conventions and regulations. From its Political Constitution, Guatemala recognizes that men and women have equal opportunities and responsibilities. Likewise, within the Peace Accords, it is recognized that the participation of women is essential for the economic and social development of Guatemala, and that it is the obligation of the State to promote the elimination of all forms of discrimination against them and to promote their participation and representation At all levels of decision making. Specifically, it mentions the commitment to provide women with access to land, housing, credit and participation in development projects, indicating that the gender approach will be mainstreamed into the policies, programs and activities of the development. Likewise, it is pointed out that the commitments derived from the ratification of CEDAW (Peace Secretariat 1996) should be given effect.

The National Policy for the Promotion and Integral Development of Women (PNPDIM) and Plan for Equity of Opportunities 2008-2023, is the general framework for the country in the field of gender and aims to promote the integral development of women in all Spheres of economic, social, political and cultural life. This Policy has been recognized as one of the main achievements of Guatemala in the framework of the Beijing Declaration and Platform for Action, as recognized in the evaluation report of the Declaration presented by ECLAC in 2010, as it addresses and links Only with the Declaration but with the MDGs and CEDAW (ECLAC 2010, SEGEPLAN 2014). On the other hand, the "Articulated

⁵ Compiled by Nájera-Acevedo, A. in "Documento de análisis de la perspectiva de género en el proceso de restauración, e incorporación a través de un proceso metodológico en el documento de oportunidades de restauración", consultancy for IUCN, July 2017.

Agenda of the Mayan, Garífunas and Xincas Women of Guatemala" seeks to promote gender equality and respect for cultural identity to improve the quality of life of women belonging to these groups in particular, through the impact on public policies, the articulation of work plans, and local and national agendas.

Fortunately, many instruments of national legislation incorporate aspects related to gender equity. For example, the Decentralization Act, the Urban and Rural Development Council Act, and the Municipal Code (known as the "trilogy of laws"), identify that gender equity is a basic principle that must be promoted by the State and Emphasize the importance of promoting the full integration and participation of women in the process of economic, social and political development and in decision-making from the community level to the national level. In addition, the National Development Plan K'atun: our Guatemala 2032, has among its priorities the reduction of social inequalities, focusing especially on the excluded and vulnerable populations, such as children, youth, women and indigenous peoples, in particular if they live in rural areas (Axis "Welfare for the People") (SEGEPLAN 2014).

In this context, the commitments made by the State of Guatemala to the various conventions, treaties, declarations, etc., have resulted in efforts undertaken by public, private, NGO and civil society institutions in general to respond to these commitments Through various actions in favor of women. Among them, the environmental institutions of Guatemala have made remarkable efforts and have developed their own instruments that guide them with guidelines to fulfill, from their particular task, the commitments that the State of Guatemala has acquired through the ratification of conventions, treaties And other national and international agreements in relation to the gender perspective.

In the case of the Ministry of Environment and Natural Resources, the Gender Environmental Policy (MARN 2016) seeks to institutionalize the gender approach in its substantive functions, to incorporate differentiated actions in the conservation and sustainable use of ecosystems and to comply with the actions That correspond to the PNPDIM, in order to promote the equity and inclusion of women and men in the protection, conservation and improvement of environmental goods and services in Guatemala.

For its part, INAB has developed an Institutional Strategy for Gender Equity with ethnic and cultural relevance (INAB 2015), which seeks to contribute to the integral development of women and men through equal opportunity participation in programs and services provided The institution, and strengthen the capacities of its staff to incorporate a gender perspective into INAB's plans and programs. In addition, the Ministry of Agriculture, Livestock and Food (MAGA) has an Institutional Policy for Gender Equality and Strategic Implementation Framework 2014-2023, which seeks to create opportunities for women at all levels of the chain of Agricultural, livestock, forestry and hydro-biological production, within a framework of equality between men and women (MAGA 2015). For its part, CONAP is in the process of building its Gender Equity Strategy with Cultural Relevance, to contribute to the full and effective participation of women in the conservation and sustainable use of protected areas and biodiversity and to mainstream The gender perspective in CONAP programs and services. The National Policy and Strategy for Biodiversity, guiding instruments for CONAP, also establish within its guiding principles the fair and equitable sharing of the benefits derived from biodiversity (CONAP 2013).

Legal framework related to restoration⁶:

The National Forest Landscape Restoration Strategy, and in general the restoration efforts carried out at the national level, are aligned and respond to the country's forest policy framework. In the first instance, the Forest Law (Decree 101-96) declares national reforestation and conservation of forests, and in particular the restoration of mangrove forests, while the Forest Policy considers the recovery of Areas of forest vocation through forest restoration mechanisms and contribution to the restoration of the productive base on forest lands through the promotion of agroforestry and silvopastoral systems (MAGA, PAFG, INAB, CONAP 1999). With this policy framework, mechanisms such as the Forest Incentives Program (PINFOR) were developed to support the recovery of degraded areas through reforestation, among others. Of this account, more than 130 thousand hectares were reforested in 19 years (1998-2016), investing more than US \$ 260 million, which is a precedent for the restoration efforts in Guatemala (SIFGUA 2017). The Forest Incentives Program for Small Holders of Forestry or Agroforestry ("PINPEP") has encouraged more than 10,900 hectares between 2007 and 2015 in its Reforestation and Agroforestry Systems programs, benefiting more than 48,000 people, of whom approximately 45% are women (SIFGUA 2017).

Likewise, the PROBOSQUE Act (Law for the Promotion of the Establishment, Recovery, Restoration, Management, Production and Protection of Forests in Guatemala, Decree 2-2015) is a national instrument that seeks to increase forest cover through establishment, restoration, management and protection of forests to ensure the production of ecosystem goods and services, giving continuity to the forestry incentives that were given through PINFOR (PROBOSQUE Law 2015). One of its specific objectives includes the restoration of degraded forest lands, and in this line, within the five modalities that will be stimulated through with initiative, the category of Forest Restoration is specifically contemplated.

The Forest Landscape Restoration Strategy is also aligned with the goals set out in the National Biodiversity Strategy, whose five modalities focus directly on the restoration of biological diversity and ecosystem services, and seeks to represent a significant opportunity to reduce the environmental vulnerability and the possible impacts of climate change. Likewise, in the 2012-2022 national targets that have been aligned with the Aichi Targets (CBD Strategic Plan), it is sought that "by 2022 15% of biodiversity and its ecosystem services have been restored, improving their adaptive capacities to climate change and contributing to the reduction of socio-environmental vulnerability" (National Goal 5. Biodiversity Strategy, CONAP 2012).

In a broader context, it is worth mentioning that one of the five axes of the K'atun National Development Plan: our Guatemala 2032, deals with "Natural resources today and for the future", and within its national development priorities, goals, results and guidelines, addresses the importance of the conservation, restoration and management of forests to ensure their sustainability in the long term. In particular, Goal 2 within this axis seeks that by 2032, "at least 29% of the territory of the country is covered by natural forests and forest cover increased by 3% through ecological restoration on lands with forest conservation potential". Within this axis, the importance of landscape restoration in degraded areas, especially in water recharge sites, coastal marine ecosystems, Ramsar areas, lacustrine and fluvial ecosystems and degraded forests in general, is emphasized and in turn promotes the implementation of incentives for the sustainable management of the forests and for ecological restoration (SEGEPLAN 2014).

⁶ Compiled by Nájera-Acevedo, A. in "Documento de análisis de la perspectiva de género en el proceso de restauración, e incorporación a través de un proceso metodológico en el documento de oportunidades de restauración", consultancy for IUCN, July 2017.

4. Potential environmental and social impacts and mitigation measures

4.1 Identified risks and mitigation measures

The main actions contemplated in the project Outputs and Activities will be tailored to the specific needs of each of the communities and opportunities identified. The table below summarizes the main activity areas, their preliminary risks and impacts, and potential mitigation measures. While this analysis is done *a priori* to provide an overall guidance and framework on the design of mitigation measures, these will be analysed and detailed within the design of each specific activity during project implementation.

It is important to note that as the population of the project area is around 83% indigenous people, all activity areas pertaining to field activities or interaction with communities deal in essence with indigenous peoples and will necessarily incorporate a culturally-sensitive approach and consideration of their characteristics. However, in activity areas where potential risks to indigenous peoples are more evident, these are made explicit and corresponding mitigation measures are detailed.

Table 4: Potential activities, impacts and mitigation measures

Main activity areas	Preliminary identification of potential critical risks	Significance of impacts and potential mitigation measures
<p>1. Capacity building</p>	<p>1.1 Inadequate information, participation and representation of indigenous groups</p> <p>1.2 Inequitable participation of women and activities that do not address gender-specific issues</p>	<p>1.1.1 Early engagement of second-level organizations with experience with area grassroots organizations and indigenous groups</p> <p>1.1.2 Review and update of groups identified in planning phase and feasibility study</p> <p>1.2.1 Early promotion of activities and awareness raising in local organizations on relevance of equitable participation</p> <p>1.2.2 Characterization of gender roles in productive and restoration activities in the Highlands</p> <p>1.2.3 Consideration of gender aspects within trainings or development of activities specifically targeting women</p> <p>1.3.1 For each specific activity, review of existing capacities and applicable traditional knowledge previous to design</p>

	<p>1.3 Lack of consideration of existing capacities and traditional knowledge in the design of capacity building activities</p> <p>1.4 Production of materials not adjusted to local cultural practices or languages</p>	<p>and adjustment of methodologies and dynamics to local customs</p> <p>1.4.1 Availability of materials translated to the applicable local languages and identification of the relevant dissemination means for the Highlands</p> <p>1.4.2 Incorporation of local examples and piloted experiences to help develop ownership</p>
<p>2. Local governance support and management planning</p>	<p>2.1 Local authorities not engaged in capacity building and restoration activities</p> <p>2.2 Lack of representative local participation and engagement in planning and management structures (f.ex. Basin or microbasin committees)</p>	<p>2.1.1 Active engagement of municipal forestry and gender offices as providers of extension support</p> <p>2.1.2 Make evident the contribution to local and national policies in activity design and carry out awareness-raising with local institutions</p> <p>2.2.1 Use of participatory methodologies and proven experiences from IUCN in Guatemala in IWRM and establishment of local management structures</p> <p>2.2.2 Awareness-raising for stakeholders on climate risks on water availability and livelihoods</p> <p>2.2.3 Identification and engagement of municipal water offices and local development committees (COCODEs) that administer water supply systems</p>
<p>3. Restoration activities</p>	<p>3.1 Lack of ownership of restoration opportunities and participation and ownerships of incentive and grant programs</p>	<p>3.1.1 Social and organizational assessment to be carried out at project start for identification of potential risks related to indigenous peoples</p> <p>3.1.2 Awareness raising on restoration concepts and opportunities , and their benefits for local livelihoods and resilience</p> <p>3.1.3 Early engagement of community leaders for buy-in and development of ownership</p> <p>3.1.4 Recognition and incorporation of traditional knowledge into design of activities</p>

	<p>3.2 Inequitable distribution of benefits from incentives and grants</p> <p>3.3 Environmental and social impacts of restoration measures applied through grants (overall)</p> <p>3.4 Environmental and social impacts of restoration measures applied through grants and other infrastructure developments</p>	<p>3.2.1 Identification of restoration activities to include consideration of socioeconomic conditions</p> <p>3.2.2 Grant mechanisms incorporates selection criteria to prioritize most vulnerable populations</p> <p>3.2.3 Affirmative gender actions within the grant facility; identification of female headed households and women’s local organizations to be targeted as beneficiaries</p> <p>3.3.1 Restoration modalities to be financed in the grant facility adhere to officially recognized categories in government agency’s finance mechanism (INAB-PROBOSQUE)</p> <p>3.3.2 Proposed activities are to be developed in full consultation with local land users, authorities and other potential stakeholders.</p> <p>3.3.3 ESMS Questionnaire and screening report for Small Grants (see Form 2) to be applied for all proposed grants</p> <p>3.3.4 Considering the ESMS Questionnaire standards, develop a protocol to address: access restrictions; potential impacts on cultural heritage; effect on biodiversity and natural resources; access to benefits for women and most vulnerable populations</p> <p>3.4.1 Ensure all restoration measures to be applied follow official INAB procedures for development of management plans for restoration⁷</p> <p>3.4.2 Small reservoirs as part of water harvesting measures to incorporate consideration of land characteristics to ensure retention, prevent soil erosion in construction and runoff during operation</p> <p>3.4.3 Generate a manual to systematize best practices for the proposed restoration modalities</p> <p>3.4.4 Based on INAB listing of species for forest restoration and IUCN guidance on regional species for restoration⁸ develop a specific</p>
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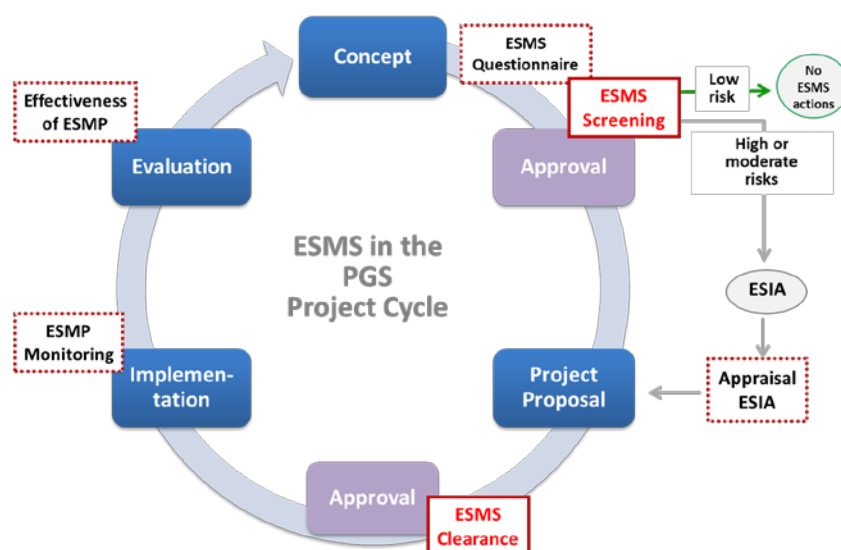
⁷ <http://186.151.231.170/inab/index.php/centrodedescarga>

⁸ <http://www.especiesrestauracion-uicn.org/>

		<p>listing for the proposed forest and riparian forest restoration in the Highlands</p> <p>3.4.5 Ensure consideration of traditional knowledge relating to production systems in the area, derived from livelihoods characterization and consultation during formulation of actions</p> <p>3.4.3 Construction of EWS components and meteorological systems is to be developed on lands already in use by corresponding authority (INSIVUMEH) or academic institutions and organizations. However, new constructions are to be screened in accordance with applicable EIA national legislation.</p>
<p>4. Climate information</p>	<p>4.1 Improved available climate information does not reach the relevant stakeholders</p> <p>4.2 Climate information not taken up or deemed relevant by local stakeholders</p>	<p>4.1.1 Climate Forums in the prioritized watersheds organized to bring regional forecasting undertaken by the Regional Climate Forum to local level</p> <p>4.1.2 Establishment of Agro-climatic Observatory in the project area</p> <p>4.1.3 Extension staff capacities strengthened to provide technical support for delivery or direct use of information</p> <p>4.1.4 Coordination of information systems, initiatives and relevant institutions for delivery of tailored information to local level</p> <p>4.2.1 Awareness-raising for stakeholders on climate risks on water availability and livelihoods</p> <p>4.2.2 Strengthening of existing community-based efforts for dissemination of climate information having an impact on agroforestry systems</p> <p>4.2.3 Stakeholder engagement in early warning system for agricultural practices and water (participatory)</p> <p>4.2.4 Incorporation of indigenous and gender considerations and local knowledge in early warning system design</p> <p>4.2.5 Development and implementation of customized products adapted to local cultural and linguistic contexts in the prioritized watersheds</p>

4.2 Procedure for risk screening and assessment

The risk screening and assessment of proposed activities to be financed under the grant facility will be guided by the procedure outlined in the IUCN ESMS Manual describing the project cycle development.



Concept development, guided by preliminary diagnostic studies on target community-based organizations, priority area socioeconomic conditions, evaluation of restoration opportunities, watershed diagnostics and climate information, will be carried out in a participatory manner. Additionally, an ESMS Questionnaire & Screening Report for small grants (Form 2, p. 24) will be applied for grants in order to determine environmental and social risks in accordance with IUCN standards.

5. Principles and Standards guiding ESMF implementation

The following principles and standards are guiding the ESMF implementation. As such they will be instrumental when identifying, designing and/or concretizing new project activities, assessing them on environmental and social risks and identifying appropriate mitigation measures.

5.1 Adherence to GCF Principles

As an accredited entity to the Green Climate Fund, IUCN will comply with all applicable GCF regulations, as established in the Accreditation Master Agreement (AMA) and in line with Clause 13, Compliance with Standards, Policies and Procedures. As part of the accreditation process, GCF concluded that IUCN ESMS system complies with GCF's Environmental and Social Safeguards (ESS) to manage projects under E&S risk categories B and C. Form 5 (p.41) presents a comparative table of GCF performance standards, IUCN regulations and the corresponding applicable national legislation.

5.2 Adherence to the IUCN ESMS Principles

In addition to the CRCC principles also IUCN's ESMS principles need to be adhered to. The eight principles which are described in detail in the ESMS Manual⁹ are:

⁹ Available at www.iucn.org/esms

- Taking a Rights-Based Approach;
- Protecting the Needs of Vulnerable Groups;
- Gender Equality and Women Empowerment;
- Stakeholder Engagement;
- Free, Prior and Informed Consent;
- Accountability;
- Precautionary Principle and
- Precedence of the Most Stringent Standards

5.3 Adherence to IUCN ESMS Standards

The IUCN ESMS Standards are publically available on IUCN’s website as single standing documents¹⁰. These Standards must be adhered to by all projects supported by IUCN.

Based on the Environmental and Social Management System (ESMS) assessment carried out for the Project proposal, the Screening Report concludes that the project is categorized as “moderate risk”. The categorization arises from within the ESMS Standards due to the presence of indigenous peoples, addressed below.

5.3.1 IUCN ESMS Standard on Involuntary Resettlement and Access Restrictions

Key definitions

‘Involuntary’: People or communities concerned do not initiate or voluntarily propose their resettlement or access restrictions, but that these are proposed by project implementers or third parties

Involuntary resettlement: Also referred to as physical displacement (relocation or loss of shelter)

Access restrictions: Also referred to as economic displacement (loss of assets or access to assets that leads to loss of income sources or other means of livelihood).

The Building Livelihoods resilience to Climate Change in the Upper Basins of Guatemala’s Highlands Project will not support or enable the forced or involuntary removal of peoples or communities from their legitimately owned, possessed, occupied or otherwise used lands and resources. Additionally, the nature of its activities will not lead create a need for agreed resettlements of any kind. Thus, the Involuntary Resettlement and Access Restrictions are not applicable for the Project. For the case of installation of new meteorological stations, these are to be located in properties already belonging to the corresponding authority, INSIVUMEH, and do not entail any impact on any surrounding properties or settlers.

5.3.2 IUCN ESMS Standard on Indigenous Peoples

From the ESMS internal screening carried out by IUCN, a moderate risk was identified due to the fact that the will provide small and medium grants to beneficiaries mainly within indigenous communities. While the design of field actions is to be done in a participatory manner, the Standard for Indigenous People was triggered as a precautionary measure. In that sense, IUCN’s rights based approach will serve as a framework to guide all actions to be carried out as part of Project implementation. During the proposal preparation phase, consultations were carried out to identify their perspectives on social,

¹⁰ See www.iucn.org/esms

economic, and institutional challenges facing their communities and livelihoods, with consideration given to climate change and climate variability. At the start of project implementation a more detailed social and organizational assessment is to be carried out with stakeholders in order to pin-point the areas and groups requiring implementation of specific Free Prior Informed Consent (FPIC) processes, to be carried out using experiences and guidelines developed by IUCN-ORMACC¹¹. On a technical level the planned activities to strengthen local capacities and sustainable practices for improved water infiltration and vulnerable groups are to be designed with full consideration of the characteristics of present Mam, K'iché and K'akchiquel indigenous groups and delivered with the necessary cultural considerations. This will include the translation and use of the corresponding Mayan languages in trainings and production and delivery of documentation and communications materials. The Social impacts both from capacity building and field restoration activities are expected to be positive as they are intended to empower, develop ownership and support strengthening of local livelihoods. Additionally, the incorporation of indigenous people's traditional knowledge and practices will be a standard, obligatory consideration in the design of tools and activities. The project design will capitalize on restoration practices and community practices defined by IUCN in the framework of previous projects (BMU, Knowfor, RCCP, Xaya Pixcaya). Also, the rights approach will be promoted and effective participation of indigenous peoples and local communities in the design, implementation and evaluation of the Project will be ensured. For the purpose of development of an Indigenous Peoples Plan, see attached guidance note (Form 3) that will be applied based on the information from the diagnostic study that will characterize the indigenous communities in the prioritized project area.

With regards to use of free prior and informed consent (FPIC) for relevant project activities, the IUCN ESMS Standard on Indigenous Peoples indicates that Indigenous peoples must be consulted in a culturally appropriate way and be active and effective participants in decision-making processes relevant to them in the context of IUCN projects. In adherence to the ESMS Principle on Free, Prior and Informed Consent, free, prior and informed consent is obtained for any intervention that:

- a. takes place on their lands, waters, or territories;
- b. may have negative economic, social, cultural or environmental impacts on their rights, resources or livelihoods;
- c. involves the use of their traditional knowledge; or
- d. promotes the development and generation of social or economic benefits from cultural heritage sites or resources to which they have legal (including customary) rights.

Moreover, the project will integrate IUCN's FPIC Principle with the applicable framework in the Guatemalan legislation, given by the recently approved Operative Guidelines for Consultation to Indigenous Peoples¹².

¹¹ <https://portals.iucn.org/congress/sites/congress/files/sessionupdates/9769-consultation-and-free-prior-and/files/lineamientos-regionales-clpi-2016.pdf>

¹² https://www.soy502.com/sites/default/files/guia_basica_consulta_pueblos_indigenas.pdf

5.3.3 IUCN ESMS Standard on Cultural Heritage

The Standard applies to Programme activities that could adversely affect peoples' cultural heritage defined as tangible, movable or immovable cultural resources or natural features of historical, cultural, spiritual or symbolic value.

In terms of cultural heritage in this area of predominant indigenous population, there are no foreseen impacts. As the technical prioritization of where the restoration opportunities will be identified by the application of IUCN's ROAM methodology, a complementary analysis will be carried out to determine the socioeconomic conditions of potential beneficiaries in the prioritized areas. This analysis will include identification of sites with ceremonial value that must be excluded to avoid potential impacts or disruptions. See link to IUCN ESMS Standard on Cultural Heritage¹³.

5.3.4 IUCN ESMS Standard on Biodiversity Conservation and Sustainable Use of Natural Resources

With respect to the Biodiversity Conservation and Sustainable Use Natural Resources standard there is no foreseen negative impact. The practices that facilitate ecosystem-based adaptation to be implemented both through institutional mechanisms (PROBOSQUE incentives) and a grant facility are expected to have positive environmental impacts as they are aligned with nature-based solutions, and include the conservation and restoration of natural areas that actually leads to preservation and improvement of biodiversity. With respect to productive activities, agroforestry and silvopastoral systems are intrinsically designed to employ best environmental practices and promote the reduction of use of agrochemicals and more efficient use of inputs (resources). Additionally, these practices tend to the hydrological threats that arise from climate change effects and result in improved quality and quantity of water, which contributes to maintenance and health of present habitats. These approaches have also been piloted both at national and local level and are designed and proven to lead to a more efficient and effective use of natural resources. Finally, no potential measures included in the project would involve the introduction of non-native or invasive species. Restoration actions will only involve the adequate use of species already adapted to the area and placing emphasis on those with cultural significance or part of traditional use by local communities.

5.4 Other social and environmental risks issues

It is not expected that additional social and environmental risks may arise as part of Project Implementation; however, the monitoring and evaluation specialist within the Project Management Unit (PMU) is charged with monitoring any emerging risks in coordination with the National Programme Coordinator so that the relevant mitigation actions can be developed.

6. ESMF Implementation and responsibilities

Implementation of E&S mechanism for activities under Output 1 and 3 entails an embedded process of: i) screening for potential risks; ii) assessment of risk issues and identification of mitigation measures and iii) implementation and monitoring. Identified risks and respective mitigation measures

¹³ https://www.iucn.org/sites/dev/files/iucn_esms_standard_cultural_heritage.pdf

will be added to the ESMP in order to ensure their implementation, and risk monitoring is part of annual project monitoring (based on the ESMP) (Figure 1)

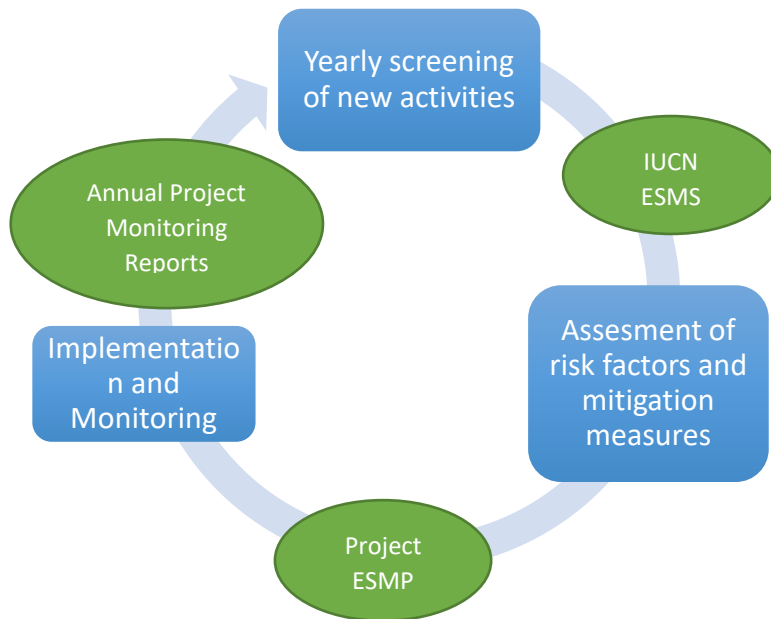


Figure 1. ESMF implementation for activities under Output 1 and 3 of the Project.

For activities undertaken under Output 2 (Grant Mechanism), the ESMS Screening is part of the grant appraisal cycle. The following steps will be followed:

- a. A screening questionnaire is completed by the proponent and submitted as support documentation;
- b. A review process by a specialist within the Secretariat Supporting Team (SST) will take place in order to identify issues to be clarified or requirements to be fulfilled;
- c. A feedback time period will be given so that the proponent clarifies safeguard issues or makes adjustments of the grant projects. This support will be provided by the SST;
- d. Clearance mechanism will be part of the overall grant appraisal and approval procedure and done by the Evaluation Committee. Final decision for approval depends on the Steering Committee.
- e. Risk monitoring at the level of each grant will be part of the grantee's reporting duties, while reporting on the overall assessment of risks identified under each call, falls under the responsibility of the SST.

The overall responsibility of ensuring that the risk identification and management procedures are implemented according to the provisions outlined in the ESMF resides with IUCN and its Programme Management Unit (PMU) and National Programme Coordinator, as established in the Project's Operational Structure (section C7). This Unit and the Coordinator are responsible for assigning and delegating the necessary actions to the different Project Execution units (PEU) in charge of the 3 project outputs. Additionally, both the PMU and the PEU should be supported and informed on relevant issues by the Advisory Bodies that include local steering committees, scientific committee and knowledge & learning committee.

7. Grievance Procedures

The purpose of a grievance system is to provide a transparent, timely and effective procedure for response and for corrective actions in cases where the Project has failed to respect IUCN ESMS standards and principles. As such it assures people who fear or suffer from adverse impacts access to justice and redress.

The Project will employ a grievance mechanism as established in the Environmental and Social Management System, through a Form for Complaint (See Form 1 below). The Form for Complaint is to be disseminated to all partners and must reach the relevant stakeholders, particularly beneficiary organizations of the grant facility to be developed under Output 2. The Form will be translated to Spanish and the pertinent indigenous languages Mam, K'iché and K'akchiquel . Periodical monitoring meetings will be held with communities under the leadership of an independent ombudsperson trusted by the community (as part of the Subnational Steering Committees), to make sure that doubts and complains can be also transmitted orally, this is especially pertinent in communities with low literate levels. A proactive approach to grievances will also be employed, following the indications from the Guidance Note on IUCN ESMS Grievance Mechanism (See Form 4 below).

Suggested Form for Complaint

To: IUCN Head of Oversight, IUCN Headquarters, Rue Mauverney 28, 1196 Gland, Switzerland

- by post;
- by email to projectcomplaints@iucn.org;
- by fax to +41 22 999 00 02 (indicating IUCN Head of Oversight as addressee); or
- by telephone to + 41 22 999 02 59.

1. We [*insert name(s) and /or name of the institution*] live and/or represent others who live in the project area [*insert name of project or name of area, country*].
2. The following project “**Building livelihood resilience to climate change in the upper basins of Guatemala’s highlands**” implemented by IUCN, IARNA and FCG is a cause for concern as a result of the following failures or omissions:

3. Description of the harm that is, or may be resulting from failures or omissions by IUCN and/or the executing agency:

4. List (if known) the relevant IUCN ESMS principles, standards or procedures you believe have not been followed:

5. List the actions taken to solve the issue(s), including previous contacts with IUCN and/or executing agency staff, describe explanations given and (if any) actions proposed, and why these are not considered satisfactory:

6. We request IUCN to investigate these matters according to the IUCN Project Complaints Management System.

7. Signatures: _____ Date: _____

8. Contact address(es), telephone number(s), fax number(s) and email address(es):

-
-
9. List of supporting documents and attachments, as appropriate.

Important note: if complaint is filled by a representative, please provide proof of representation.

Form 2: ESMS Questionnaire and screening report for Small Grants

ESMS Questionnaire & Screening Report - for small grants

This ESMS Questionnaire template has been designed for being used by grant award schemes and its purpose is to enable the ESMS screening of the individual grant applications that have been shortlisted for being funded.

Project Data

The fields below are completed by the project proponent

Project Title:			
Project proponent:			
Executing agency:			
Country:		Contract value (add currency):	
Start date and duration:		Amount in CHF:	
ESMS Screening Report			
Risk category:	<input type="checkbox"/> low risk <input type="checkbox"/> moderate risk <input type="checkbox"/> high risk		
Rationale: Summarize findings from the questionnaire and explain the rationale of risk categorization <i>See the following sections of the questionnaire for details:</i> section A for findings about the stakeholder engagement process, Section B on the 4 Standards, Section C on other E&S impacts			
Required assessments	<input type="checkbox"/> Full Environmental and Social Impact Assessment (ESIA) <input type="checkbox"/> Partial Environmental and Social Impact Assessment (ESIA) <input type="checkbox"/> Social Impact Assessment (SIA) - <input type="checkbox"/> Other:		
Required actions for gender mainstreaming			
ESMS Standards	Trigger	Required tools or plans	
Involuntary Resettlement and Access Restrictions <i>(see section B1 for details)</i>	<input type="checkbox"/> yes <input type="checkbox"/> no <input 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 <i>(see section B2 for details)</i>	<input type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> TBD	<input type="checkbox"/> Indigenous People Plan	
Cultural Heritage <i>(see section B3 for details)</i>	<input type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> TBD	<input type="checkbox"/> Chance Find Procedures	
Biodiversity Conservation and Sustainable Use Natural Resources <i>(see section B4 for details)</i>	<input type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> TBD	<input type="checkbox"/> Pest Management Plan	

SCREENING-QUESTIONNAIRE

A. Process of stakeholder engagement during project conceptualization		
	Yes, no, n/a, TBD	IUCN ESMS Reviewer
1. Does the proposal describe the project stakeholder and identify their interests and needs in relation to the project? Does the stakeholder analysis disaggregate between women and men, where relevant and feasible?		
2. Describe the level of involvement of stakeholder during the design process? Has information about the project been shared with relevant groups? Have groups been actively consulted to discuss the objectives and activities but also risks? Has this been done in a culturally appropriate way to allow meaningful engagement of women?		
B. Potential impacts related to ESMS standards		
B1: Standard on Involuntary Resettlement and Access Restrictions		
1. Does the project include activities that involve restricting access to land or natural resources? (e.g., establishing new restrictions, strengthening enforcement capacities through training, infrastructure, equipment or other means, promoting village patrolling etc.); if yes, answer a-e below		
Answer only if you answered yes		
a. Describe project activities that involve restrictions. Explain the project's level of influence: will it define restrictions, put in place restrictions, strengthen enforcement capacities or promote restrictions indirectly (e.g., through awareness building measures or policy advice)?		
b. Do these restrictions apply mainly to activities that are clearly illegal, unsustainable or destructive (e.g. poaching of protected wildlife species, dynamite fishing, etc).		
c. What are the implications of access restrictions on people's livelihoods? Explain who might be affected and describe the impacts - distinguish social groups (incl. vulnerable groups, indigenous peoples) and men and women. Is the impact limited in scope (e.g. small number of people, low dependence on resources) or is the impact expected to be more significant?		
d. Does the project include measures to minimise adverse impacts or to compensate for loss of access? If yes, specify measures. Are they feasible, culturally appropriate, gender inclusive and sufficient (reach all affected groups)?		
e. Has any process been started or implemented to obtain free, prior and informed consent (FPIC) from groups affected by restrictions?		
Standard triggered? Yes / No / TBD - Explain why Specify assessments, tools or plans required		
B2: Standard on Indigenous Peoples		
1. Is the project located in an area inhabited by indigenous peoples, tribal peoples or other traditional peoples or to which these groups have a collective attachment? If yes, answer questions a-j		

2. If indigenous peoples do not occupy land within the project's geographical area, could the project still affect their rights and livelihood? If yes, answer questions a-j		
Answer only if you answered yes to 1 or 2 above		
a. Name the groups; distinguish, if applicable, the geographical areas of their presence and influence (including the areas of resource use) and how these relate to the project site.		
b. What are the key characteristics that qualify the identified groups as indigenous groups?		
c. How does the host country's Government refer to these groups (e.g., indigenous peoples, minorities, tribes etc.)?		
d. How do these groups identify themselves?		
e. Is there a risk that the project affects indigenous peoples' livelihood through access restrictions? While this is covered under the Standard on Involuntary Resettlement and Access Restrictions, if yes, please specify the indigenous groups affected.		
f. Is there a risk that the project affects indigenous peoples' material or non-material livelihoods in ways other than access restrictions (e.g., in terms of self-determination, cultural identity, values and practices)?		
g. Is there a risk that the project affects specific vulnerable groups within indigenous communities (for example, women, girls, elders)?		
h. Does the project involve the use or commercial development of natural resources on lands or territories claimed by indigenous peoples?		
i. Does the project intend to promote the use of indigenous peoples' traditional knowledge?		
j. Has any process been started or implemented to achieve the free, prior and informed consent (FPIC) of indigenous peoples to activities directly affecting their lands/territories/resources?		
k. Are some of the indigenous groups living in voluntary isolation? If yes, how have they been consulted? How are their rights respected?		
l. Explain whether opportunities are considered to provide benefits for indigenous peoples? If yes, is it ensured that this is done in a culturally appropriate and gender inclusive way?		
Standard triggered? Yes / No / TBD - Explain why		
Specify assessments, tools or plans required		
B3: Standard on Cultural Heritage		
1. Does the project include infrastructure development (roads or buildings such as visitor centre or watch tower) that might affect known or unknown (e.g., buried) cultural resources?		
2. Does the project plan to restrict local users' access to known cultural resources or natural features with cultural, spiritual or symbolic significance?		
3. Will the project promote the use or development of economic benefits from cultural resources or natural features with cultural significance?		
Standard triggered? Yes / No / TBD - Explain why		
Specify assessments, tools or plans required		

B4: Standard on Biodiversity Conservation and Sustainable Use of Natural Resources		
1. For projects that aim to introduce species, involve plantation development or production of living natural resources, is there a risk of introducing non-native species and these species develop invasive behaviour?		
2. Is there a risk that the project affects water quality of waterways (e.g., through diffuse water pollution from agricultural run-off or other activities)?		
3. In case the project promotes the use of living natural resources (e.g., by proposing production systems or harvest plans), is there a risk that this might lead to unsustainable use of resources?		
4. Does the project intend to use pesticides, fungicides or herbicides (biocides)? If yes, provide details		
Standard triggered? Yes / No / TBD - Explain why Specify assessments, tools or plans required		
C. Other social or environmental impacts		
C1: Other social impacts		
1. Is there a risk that the project affects human rights (e.g., right to self-determination, to education, to health, or cultural rights) of local communities? Or that it might affect vulnerable groups ¹⁴ or contribute to their discrimination or marginalisation? Differentiate between women and men, where applicable.		
2. Is there a risk that the project creates or aggravates inequalities between women and men or adversely impacts the situation or livelihood conditions of women or girls?		
3. Explain whether the project use opportunities to secure and, when appropriate, enhance the economic, social and environmental benefits to women?		
4. Is there a risk that the project would stir or exacerbate conflicts among communities, groups or individuals? Also consider dynamics of recent or expected migration including displaced people.		
5. Is there a risk that the project affects community health and safety (incl. risks of spreading diseases, causing human-wildlife conflicts)?		
6. Is the project likely to induce immigration or significant increases in population density which might trigger environmental or social problems (with special consideration to women)?		
7. Is there a risk that the project might conflict with existing legal social frameworks including traditional frameworks and norms?		
C2: Other environmental impacts		
1. Will the project lead to increased waste production, in particular hazardous waste?		
2. Is the project likely to cause pollution or degradation of soil, soil erosion or siltation?		

¹⁴ Depending on the context vulnerable groups could be landless, elderly, disabled or displaced people, children, ethnic minorities, people living in poverty, marginalised or discriminated individuals or groups.

3. Is there a risk that the project will cause adverse environmental impacts in a wider area of influence (landscape/ watershed, regional or global levels)?		
4. Is there a risk that the project might conflict with existing environmental regulations?		
Conclusion of ESMS Reviewer Specify action or tools required		

Form 3: Guidance Note on Indigenous Peoples Plan

Indigenous Peoples Plan (IPP)

1. When is an Indigenous Peoples Plan needed?

IUCN's Standard on Indigenous Peoples determines that a Social Impact Assessment (SIA) is required when the ESMS screening has identified that indigenous peoples are present in the project site and/or might be negatively affected by the project.

For this standard, the term 'indigenous peoples' follows the definition or 'statement of coverage' contained in the International Labour Organisation Convention on *Indigenous and Tribal Peoples in Independent Countries*.¹ Therefore, it includes:

- i. peoples who identify themselves as 'indigenous';
- ii. tribal peoples whose social, cultural, and economic conditions distinguish them from other sections of the national community, and whose status is regulated wholly or partially by their own customs or traditions or by special laws or regulations;
- iii. traditional peoples not necessarily called indigenous or tribal but who
 - a. share the same characteristics of social, cultural, and economic conditions that distinguish them from other sections of the national community,
 - b. whose status is regulated wholly or partially by their own customs or traditions, and
 - c. Whose livelihoods are closely connected to ecosystems and their goods and services

This decision about applicability of the Indigenous Peoples Standard is sometimes challenging as there is no one universally accepted definition of indigenous peoples and the definition or acceptance of the concept of indigenous peoples varies between countries and regions. IUCN's definition follows the statement of coverage of ILO 169, but explicitly uses a broad definition for indigenous peoples in order to cater for the most varying socio-cultural and political conditions across the world. The criteria presented above can be further elaborated by the following:

- community is not only ethnically distinct from the ruling sector of the society but finds itself in a subordinate position to the ruling sector;
- tries to maintain its distinct group identity, languages, beliefs, customs, laws and institutions and
- has strong attachment to their land/territory/resources it has historically used, managed and occupied, with which it has a special connection and upon which its physical and cultural survival as a collective group typically depends.

The SIA examines the applicability of the Standard more in-depth and assesses the specific risks the project might present - in consultation with genuine representatives of the indigenous peoples – and identifies measures to mitigate the impacts. The mitigation measures can be either incorporated into the project's Environmental and Social Management Plan (ESMP) or will be articulated in a separate Indigenous Peoples Plan (IPP). The latter is usually recommended in case

- the provisions and measures are substantial,
- the project context is characterized by complexity of social structure with indigenous peoples and other communities sharing overlapping territory and evidence/risks of discrimination or
- there is a history of discrimination or conflicts between different social or ethnic groups.

2. What is the purpose of the IPP and how is it developed?

The **purpose** of the IPP is to document the identified and specified actions that have been agreed with the affected indigenous communities as measures for avoiding, minimizing or compensating for

negative impacts. The measures are described in form of a management plan with specified responsibilities and timeline; this is to assure that implementation can be monitored throughout project implementation.

The IPP should be developed through a consultative process together with legitimate representatives of all indigenous communities present in the project area. If the ESMS Screening has identified that indigenous peoples could be affected negatively even without being present in the project site, these groups should also be consulted.

The development of the IPP is integral part of the Social Impact Assessment (SIA). The consultation usually starts by verifying the pre-identified impacts and assessing their extent and significance. Aside from identifying measures for avoiding or mitigating the impacts the consultation process could also be used to identify opportunities for providing culturally appropriate and gender inclusive benefits to indigenous peoples.

If it has been determined that a IPP is required but time and resources do not allow its preparation during the project design phase, a process framework needs to be prepared agreed with legitimate representatives of the indigenous groups that summarizes the findings of the SIA and identified impacts, describes the process how the IPP will be developed during project implementation, timeline, participatory involvement strategy and FPIC requirements.

3. What should the IPP entail?

The IPP should include the following components:

a. Description of the project and objectives (brief)

b. Participatory planning process

- Description of the participatory process that has been used for engaging indigenous groups in project design (including names and function of the selected representatives); it is good practice to describe why and how such representatives have been chosen to demonstrate their legitimacy.
- Indicate how consultation and participation of women and/or vulnerable groups have been assured.
- Results of any FPIC process carried out with the indigenous peoples' communities.

c. Analysis of impacts on indigenous communities

- Overview of all impacts and losses that may be experienced by the indigenous communities and assessment of significance;
- Often impacts vary between different groups and require different mitigation measures. Hence, where applicable, differentiate between affected groups including vulnerable segments of the communities and women /men.
- Specify the location of the group affected by the impact (this might involve an area beyond the project site taking into account the project's area of influence).

d. Identification of mitigation measures

- Identification of measures to avoid or minimize identified impacts;

- If residual¹⁵ impacts cannot be avoided determine compensation measures that are culturally appropriate;
- If appropriate, devise special measures for specific social (sub-)groups, in particular for women, in order to assure that the project does not create, perpetuate or aggravate inequalities between men/ women and between groups within the communities;
- Implementation schedule of mitigation measures: be aware that impacts should not occur before mitigation measures are decided and implementation arrangements are made so that mitigation measures are promptly in place and their effectiveness ensured for alleviating the impact for the affected communities.
- Provisions for livelihood protection and enhancement, if applicable.

e. Requirements and implementation arrangements

- Procedures and mechanisms for providing measures;
- Criteria for eligibility/ entitlement to the mitigation measures / receiving benefits; criteria should be transparent and fair in order to avoid any potential perception of discrimination within the community or beyond; specify criteria in case differentiations apply (e.g. gender, vulnerable groups);
- Confirmation of feasibility of mitigation measures, this could include indicating necessary requirements such as
 - institutional arrangements;
 - provisions for technical assistance and transfer of technology;
- Provisions for training, capacity-building and institutional strengthening of the indigenous communities or the agency executing the project;
- Required resources for implementing mitigation measures;
- Mechanism for resolving disputes relating to resource use restrictions and grievances from individuals, groups or communities that may be dissatisfied with the eligibility criteria, the measures selected, or actual implementation;
- Roles and responsibilities and arrangements for coordination of process;
- Schedule of the implementation of measures and how to monitor completion of measures;
- Arrangements for sustainability and implementation beyond project time frame.

¹⁵ Residual impacts are impacts that may remain after all reasonable attempts have been undertaken to avoid negative impacts.

The IUCN ESMS Grievance Mechanism

1. Introduction

The IUCN ESMS grievance mechanism addresses stakeholders' complaints related to issues where IUCN projects have failed to respect ESMS principles, standards, and procedures. The mechanism applies to all projects covered under the scope of the ESMS (see chapter 3.1), irrespective of their size or source of funding.¹⁶

The aim of the grievance mechanism is to provide people or communities fearing or suffering adverse impacts from a project with the assurance that they will be heard and assisted in a timely manner. Each grievance case is reviewed to understand whether a potential breach of ESMS principles, standards or procedures has occurred. A process identifies the root causes of the subject of the grievance and ensures that issues of non-compliance with the ESMS are corrected; some cases may also require remedial actions to redress potential harm resulting from a failure to respect the ESMS provisions or preventive measures to avoid repetition of non-compliance.

The grievance mechanism reflects and operates under the good practice principles shown in Figure 1.

Accessible

- Mechanism is fully accessible to all parties that might be affected by the project (according to established eligibility criteria)

Practical

- Mechanism is cost-effective and practical in its implementation and doesn't create a burden for project implementation

Effective

- The provisions and steps for responding to complaints and seeking solution are effective and timely

Transparent

- Decisions are taken in a transparent way, and complainants are kept abreast of progress with cases brought forward

Independent

- Oversight body and designated investigator is independent from project management

Maintenance of records

- Diligent documentation of negotiations and agreements and good maintenance of records on all cases and issues brought forward for review

Figure 1: Good practice principles of the ESMS grievance mechanism

¹⁶ While the screening applies only to projects with budgets above CHF 500,000, the grievance mechanism applies to all IUCN projects.

2. Eligibility

Any community, organisation, project stakeholder or affected group (consisting of two or more individuals) who believes that it may be negatively affected by the executing entity's failure to respect IUCN ESMS principles, standards, or procedures may submit a complaint. Representatives (a person or a local organisation) can submit a complaint on behalf of a community, project stakeholder or affected group. Anonymous complaints will not be considered, however, complainants' identities will be kept confidential upon their written request.

The following requests are not eligible:

- complaints with respect to actions or omissions that are the responsibility of parties other than IUCN and the relevant executing entity under its authority in the context of the project;
- complaints filed:
 - after the date of official closure of the project; or
 - 18 months after the date of the official closure of the project in cases where the complaint addresses an impact resulting from project activities that was not, and reasonably could not have been, known prior to the date of official closure;
- complaints that relate to the laws, policies, and regulations of the country, unless this directly relates to the entity's obligation to comply with IUCN's ESMS principles, standards and procedures;
- complaints that relate to IUCN's non-project-related housekeeping matters, such as finance, human resources and administration;
- complaints submitted by the same claimant on matters they submitted to the grievance mechanism earlier, unless new evidence is provided;
- complaints that relate to fraud or corruption or to the procurement of goods and services, because they fall under different mechanisms. Reports of fraud or corruption in a project should be directed to the confidential Anti-Fraud Hotline.¹⁷ Complaints about the procurement of goods and services, including consulting services, should be directed to the IUCN office responsible for the particular procurement.¹⁸

3. Three-stage process for resolving a grievance

To be practical and cost-effective, resolution of complaints should be sought at the lowest possible level. The IUCN grievance mechanism is a three-stage process as shown in Figure 2.

¹⁷ Anti- Fraud Hotline +41 22 999 0350 (voice mail); Anti-Fraud email account antifraudpolicy@iucn.org; fax +41 22 999 0029, mail letter to the Head Oversight Unit, IUCN World Headquarters, Rue Mauverney 28, 1196 Gland, Switzerland.

¹⁸ If the response of the office is not deemed to be satisfactory, the complainant may escalate to IUCN Headquarters at procurement@iucn.org.



Figure 2: Three-stage process of the IUCN grievance mechanism

The best approach to resolving grievances involves project management and the affected party reviewing the conflict and deciding together on a way forward that advances their mutual interests (stage 1). This reflects the fact that local and country authorities often have better information on and understanding of the causes of disputes arising from project implementation. ‘Deciding together’ approaches are usually the most accessible, natural, unthreatening and cost-effective ways for communities and project management to resolve differences.

If interaction with the executing entity has not been successful, stage 2 is to raise the concern with local IUCN staff by contacting the nearest IUCN office.

Only if these two stages have not been successful is it appropriate to bring the complaint forward to the IUCN Project Complaints Management System— stage 3. Complainants submitted should explain that good-faith efforts have been made to first address the problem directly with the executing entity and then with the nearest IUCN office. If the concern is highly sensitive or the complainant needs confidentiality or fears retaliation, the first two stages can be skipped and the complaint can be submitted directly to the Project Complaints Management System.

A complaint can be submitted to the Project Complaints Management System in several ways:

- by post to IUCN Head of Oversight, Rue Mauverney 28, CH-1196 Gland, Switzerland;
- by email to projectcomplaints@iucn.org;
- by fax to +41 22 999 00 02 (indicating IUCN Head of Oversight as addressee); or
- by telephone to + 41 22 999 02 59.

A written complaint sent by post, fax or email should include the following information (in any language):

- complainant’s name, address, telephone number, fax number and email address and valid proof of representation if the complaint is filled by the representative of a legal person/entity;
- description of the project or programme concerned;
- the harm that is, or may result from IUCN’s and/or the project executing entity’s failures to respect IUCN’s ESMS principles, standards, or procedures;
- the principle, standard, or procedure (if known) allegedly breached;
- actions taken to solve the issue, including previous contacts with the executing entity and the nearest IUCN office (stages 1 and 2 of Figure 2) and reasonably detailed explanations why these stages have not provided a satisfactory solution; and
- list of supporting documents and attachments, as appropriate.

A template for the complaint is available on the IUCN website.¹⁹

4. Review process of the Project Complaints Management System

All complaints received through the Project Complaints Management System (PCMS) are registered and trigger a formal review and response process following the action steps in Table 1 and described below.

Upon receipt of a complaint, the IUCN Head of Oversight will, within five business days, indicate to the complainant whether the request is eligible. To reach this decision, the Head of Oversight will involve the Director PPG, the ESMS Coordinator, and, as appropriate, member(s) of the ESMS Expert Team in assessing the complaint.

If the complaint is eligible, the Director PPG will appoint an internal investigator, independent of the project, to manage the case. The investigator will notify the executing entity and the nearest IUCN office²⁰ and request, within 20 business days, a detailed response including a confirmation that the complaint is valid under the eligibility provision and an action plan and timetable for addressing the complaint. The local IUCN office facilitates the process.

Table 1: Summary of the Project Complaints Management System review process

	Action	Responsibility	Timeframe
1	Notify complainant whether complaint is eligible based on eligibility criteria in section a. above.	Head of Oversight, advisors	Within 5 working days of receipt of complaint
2	Appoint investigator for managing the case (internal to IUCN but independent from the executing entity) ²¹	Director PPG	
3	Notify the executing entity and IUCN office about the review process and request response	Investigator	
4	Respond to IUCN regarding the complaint: <ul style="list-style-type: none"> - confirm eligible complaint - submit action plan and timetable 	Executing entity	Within 20 working days
5	Review and approve action plan	Investigator	
6	Develop corrective actions for issues of non-compliance including <ul style="list-style-type: none"> - timetable 	Executing entity	As per agreed timetable

¹⁹ Available at www.iucn.org/esms.

²⁰ If the executing entity is the local IUCN office (and not an external entity) the regional IUCN office assumes the role of the facilitator.

²¹ For high-risk issues, the Head of Oversight may appoint an external investigator.

	<ul style="list-style-type: none"> - corrective actions and, if relevant, remedial or preventive measures, - evidence of consent complainant - provisions for progress reports 		
7	Review and approve corrective actions	Investigator	
8	Produce grievance summary report	Executing entity	
9	Implement corrective actions and report on the progress (monitoring)	Executing entity	As per agreed timetable

After the investigator has reviewed and agreed to the action plan and timetable, the executing entity implements the action plan and works with the complainant²² and relevant stakeholders to develop corrective actions for the issue. The executing entity will provide a detailed description of the agreed corrective actions, a timetable for implementation, evidence of consent of complainant and provisions for progress reports. In addition to correcting the non-compliance, measures might include remedial actions to redress direct and material harm caused by the non-compliance or measures to prevent the repetition of the non-compliance issue.

Once the investigator has approved the corrective actions they become part of the project's implementation plan and are subject to project monitoring.

The executing entity, in collaboration with the local IUCN office, produces a grievance summary report, including a description of the complaint, the process followed, the consultations carried out and the corrective actions. The report is sent to the investigator, the Director PPG, the ESMS Coordinator, the complainant and other relevant stakeholders.

This process is applied in cases where corrective actions can be identified relatively easily.

Formal compliance review. In cases where the situation is complex or contentious or the relationship between the executing agency and the complainant is conflictual, the Director PPG will request the investigator to carry out a formal compliance review to allow for an in-depth investigation of the issues of non-compliance and their root causes and develop a plan for corrective actions. This review involves fact finding through interviews with the complainant, the executing agency, project-affected people and relevant stakeholders, comprehensive information gathering to allow factual determination of issues and, if needed, in-country inspections.

5. Management of non-compliance

If the executing entity fails to implement corrective actions under the Project Complaints Management System or continues to be in non-compliance, the following steps will be taken:

²² If confidentiality has been requested, IUCN's Head of Oversight will not disclose the name of the complainant. At the end of the process, recommendations will be communicated confidentially to the complainant by the Head of Oversight.

- Report summarising the reviews and consultations at the GEF Coordination Unit and PPG levels (compliance officer) ;
- Warning to the executing entity that major corrective actions will be necessary including:
 - detailed analysis of the root causes for non-implementation of recommendations, including fact-finding missions (with technical support from IUCN or external consultants) and meetings with stakeholders;
 - production of a new action plan with a timeframe strengthened monitoring procedures and specific reporting;
 - action plan review and monitoring of implementation;
 - conditions put on the approval of financial transactions;
 - moratorium on the disbursement of funds;
 - disclosure of information on the dedicated page of the IUCN public website.

6. Proactive approach to grievances

The best approach is to proactively prevent grievances from building up. Stakeholder engagement during the design phase is critical as well as regular stakeholder contact and consultation during the implementation. Maintaining a constructive relationship with stakeholders helps the executing entity/project managers identify and anticipate potential issues early. If a grievance arises the executing entity should involve the affected parties in ‘deciding together’ how to resolve the issue.

If the issue cannot be solved between the two parties, an intermediate step before proceeding to stages 2 or 3 (Figure 2) might be to ask a local, respected individual to assume the role of an ombudsperson. Involving a person who is respected and trusted by the affected parties can be an effective and unthreatening way for communities and project management to resolve differences. It is often good practice, as a preventive measure, to identify, together with involved stakeholders, an ombudsperson at the start of the project. This and any other measures aimed at tailoring the grievance mechanism to the socio-cultural specificities of the project context might be described in the project’s ESMP.

7. Maintaining records and monitoring actions

Under the Director Policy and Programme, IUCN will ensure that:

- complaints are filed in a database with detailed records of the agreed corrective actions (with due regard for confidentiality of information);
- reports from the executing agency(ies) on progress made to implement recommendations are processed and all necessary monitoring tasks are coordinated, in cooperation with the Head of Oversight Unit; and
- reports demonstrating compliance with IUCN’s ESMS procedures are posted on the website for consideration by partners and the general public, with due regard to confidentiality.

8. Informing stakeholders about the grievance system

For the grievance mechanism to be effective and accessible, the executing entity must inform all relevant project stakeholders of the existence of IUCN's grievance mechanism and about the relevant provisions of the ESMS. This should ideally be done during the project design phase but no later than within the first quarter of project implementation. Stakeholders need to know the issues eligible for the grievance mechanism, the three-stage process, contact information and the mechanism for complaint submission. The information should be delivered in a culturally appropriate form assuring that all relevant groups are reached, including women, indigenous peoples and vulnerable groups. It can be communicated verbally (in consultation meetings or through media) or in writing. It is good practice to delineate the communication methods used in the project's ESMP.

For GEF-funded projects, the executing entity in the field on behalf of IUCN will ensure that signage is erected on each project site, displaying clear and legible information allowing anyone to contact IUCN in case of concerns or complaints.²³ The executing entity will also ensure that students and personnel in at least one school near the project site are given leaflets with information on the project's nature and objectives, as well as clear guidance on how to contact IUCN in case of concerns or complaints over any negative impacts of the project.

²³ See the Guidance Note on Signage at Project Sites, available at www.iucn.org/esms

Form 5: Comparative table of GCF, IUCN and Guatemala national standards related to ESS

GCF E&S Safeguards	IUCN ESMS Standards	Guatemala Standards
<p>PS1: Assessment and management of environmental and social risks and impacts</p> <p>(a) Identify funding proposal's environmental and social risks and impacts;</p> <p>(b) Adopt mitigation hierarchy: anticipate, avoid; minimize; compensate or offset;</p> <p>(c) Improve performance through an environmental and social management system;</p> <p>(d) Engagement with affected communities or other stakeholders throughout funding proposal cycle. This includes communications and grievance mechanisms.</p>	<p>- Regulated in the ESMS Manual which adopts an integrated methodological approach to identifying and managing environmental and social impacts and opportunities. The ESMS' methodological approach is comparable with the World Bank's operational policy OP/BP 4.01 Environmental Assessment and IFC PS1.</p> <p>- Selection of measures based on mitigation hierarchy using four stages: (i) screening of impacts; (ii) scoping and assessment of impacts; (iii) development of environmental management plans, and (iv) monitoring and review.</p> <p>- Stakeholder engagement and Grievance mechanism are both established as ESMF principles; in addition, detailed guidance is provided in the ESMS on stakeholder engagement throughout the project cycle and respective ESMS entry points. Detailed procedures for capturing affected peoples' concern through an effective grievance mechanism are laid out in the ESMS entitled as <i>Project Complaints Management Mechanism</i> defining eligibility, response procedures, protection against retaliation among others.</p>	<p>-Constitution of the Republic of Guatemala (article 97)</p> <p>– Law of the Executive Organization, Decree number 114-97 of the Congress of the Republic of Guatemala, states that it is the function of the Ministry of Environment and Natural Resources, formulate and implement policies related to its field, meet and make to comply the regime concerning the conservation, protection, sustainability and improvement of the environment and natural resources in the country and the human right to a healthy and ecologically balanced environment.</p> <p>-Law on Protection and Improvement of the Environment (Decree No. 68-86 of the Congress of the Republic of Guatemala)</p> <p>-Government Decree 137-2016 (Ministry of Environment and Natural Resources) regulations for evaluation, control and environmental monitoring (article 19 Environmental categorization: A, B and C).</p> <p>-Limited listing of projects, construction, industry or activities (Ministerial Agreement 199-2016)</p> <p>-Law of Protected Areas (Decree 4-89)</p>
<p>PS2: Labour and working conditions</p>	<p>Not a typical impact of IUCN projects, hence no separate standard; identification of risk issues covered by the methodological approach adopted for to identifying and managing environmental and social impacts outlined in the ESMS Manual</p>	<p>-Guatemalan Labor Code (Decree 14-41) sets the labor law, benefits and social security for workers in dependency relation.</p> <p>-Legislative Decree 295 October 28, 1946, Guatemalan Institute of Social Security Law.</p> <p>-Civil Code (Decree Law No. 106) establishes the provision of professional or technical services without</p>

		dependency relation. -Conventions of the International Labor Organization (ILO) ratified by Guatemala (link no. 1).
PS3: Resource efficiency and pollution prevention	Not a typical impact of IUCN projects, hence no separate standard; avoidance of pollution is covered by the methodological approach adopted for identifying and managing environmental and social impacts outlined in the ESMS Manual	-Law on Protection and Improvement of the Environment (Decree No. 68-86 of the Congress of the Republic of Guatemala)
PS4: Community health, safety and security	Covered by the methodological approach adopted for identifying and managing environmental and social impacts outlined in the ESMS Manual	-Code of Health (Decree No. 90-97 Congress of the Republic of Guatemala)
<p>PS5: Land acquisition and involuntary resettlement</p> <p>(a) Avoid/minimize adverse social and economic impacts from land acquisition or restrictions on land use:</p> <ul style="list-style-type: none"> (i) Avoid/minimize displacement; (ii) Provide alternative project designs; (iii) Avoid forced eviction. <p>(b) Improve or restore livelihoods and standards of living;</p> <p>(c) Improve living conditions among displaced persons by providing:</p> <ul style="list-style-type: none"> (i) Adequate housing; 	<p>ESMS Standard Involuntary Resettlement and Access Restriction:</p> <p>Objectives:</p> <ul style="list-style-type: none"> - avoid and minimize, to the maximum extent possible, involuntary resettlements, access restrictions and negative economic and livelihood impacts on residents and resource users; - whenever involuntary resettlement, economic displacement or access restriction is unavoidable, reduce and mitigate its negative impacts or identify and support alternatives; - involve affected communities in planning processes aimed at avoiding and limiting the use of involuntary resettlement and access restriction, and at identifying and designing mitigation plans and measures that are socially and economically beneficial to affected communities and that are culturally appropriate. <p>Principles:</p> <ul style="list-style-type: none"> - No forced removal of peoples or communities 	<p>-Law of Protected Areas (Decree 4-89)</p> <p>-Regulation of the Law of Protected Areas (Government Agreement No. 759-90)</p> <p>-Policy of Human Settlements in protected areas from Petén CONAP, September 2002.</p>

<p>(ii) Security of tenure.</p>	<ul style="list-style-type: none"> - Rights-based approach recognising the rights of people to secure their livelihoods, enjoy healthy and productive environments, and live with dignity. - Integrated approach considering economic, social, cultural and environmental changes; - Special attention to poor and vulnerable people taking into account gender-differentiated vulnerabilities; - Considering diversity of natural resource use and tenure regimes (including customary and non-legal rights); - Assure at minimum same level and quality of livelihoods and security as prior to intervention - Full adherence to FPIC 	
<p>PS6: Biodiversity conservation and sustainable management of living natural resources</p> <p>(a) Protection and conservation of biodiversity;</p> <p>(b) Maintenance of benefits from ecosystem services;</p> <p>(c) Promotion of sustainable management of living natural resources;</p> <p>(d) Integration of conservation needs and development priorities.</p>	<p><u>ESMS Standard on Natural Habitats</u></p> <p>Overall objectives:</p> <p>(a) Protect and conserve marine, freshwater and terrestrial biodiversity (species, communities or ecosystems)</p> <p>(b) Maintain the benefits from ecosystems and restore ecosystems and their functions whenever possible and appropriate,</p> <p>(c) Promote sustainable management and use of biodiversity (ecosystems, species and genes) through policies and management practices that integrate social, environmental and economic considerations.</p> <p>Specific objectives:</p> <ul style="list-style-type: none"> - Avoid project-related impacts that could impair natural habitat and associated biodiversity by proposing alternative project approaches and/or giving 	<ul style="list-style-type: none"> -Law of Protected Areas (Decree 4-89) -Regulation of the Law of Protected Areas (Government Agreement No. 759-90) -Forestry Law (Decree No. 101-96) -Convention on Biological Diversity ratified by Guatemala (Decree 5-95) -National Policy of Biodiversity (Government Agreement 220-2011) -National Strategy of Biological Diversity and its Action Plan 2012-2022 -Promotion Act for the establishment, recovery, restoration, management, production and protection of forests in Guatemala (PROBOSQUE) Decree No. 2-2015

	<p>preference to siting physical infrastructure on lands where natural habitats have already been converted to other land uses;</p> <ul style="list-style-type: none"> - If impacts cannot be fully avoided, minimise or compensate for negative impacts; - Seek opportunities to maximize positive effects of the project and conserve and restore natural habitat, biodiversity and ecosystem functions whenever possible and appropriate; - Ensure that forest restoration projects maintain or enhance biodiversity and ecosystem functionality and that all plantation projects are environmentally appropriate, socially beneficial and economically viable. 	
	<p><u>ESMS Guidelines to avoid Impacts on dams and other water infrastructure</u> Objectives:</p> <ul style="list-style-type: none"> - To avoid impacts on safety of dams and other water infrastructure by providing a process to systematically identify and analyse any potential impact and respective mitigation - as such it enables IUCN to implement environmental water resource management projects (e.g. restoration of wetland or watershed management) that might involve or have impacts on existing dams and water infrastructure 	
	<p><u>ESMS Guidelines for Pest management planning</u> Objective:</p> <ul style="list-style-type: none"> - Avoidance of pesticide and herbicide intensive techniques; assurance of best practice application if 	

	<p>pesticides cannot be avoided (e.g. projects managing invasive species);</p> <ul style="list-style-type: none"> - To ensure that environmental and health risks associated with pesticide use are minimized and managed 	
<p>PS7: Indigenous peoples</p> <p>(a) Ensure full respect for indigenous peoples</p> <ul style="list-style-type: none"> (i) Human rights, dignity, aspirations; (ii) Livelihoods; (iii) Culture, knowledge, practices; <p>(b) Avoid/minimize adverse impacts;</p> <p>(c) Sustainable and culturally appropriate development benefits and opportunities;</p> <p>(d) FPIC in certain circumstances.</p>	<p><u>ESMS Standard on Indigenous Peoples</u></p> <p>Overall objectives:</p> <ul style="list-style-type: none"> - Recognise social, economic and cultural rights of indigenous peoples; - Respect indigenous peoples' knowledge and innovations, and their social, cultural, religious and spiritual values and practices; - Ensure full and effective participation of indigenous peoples in all relevant activities supported by IUCN; - Support indigenous peoples' right to make own decisions affecting their lands, territories and resources; - Strengthen the capacity of indigenous peoples to ensure the protection of their knowledge; - Support indigenous peoples' livelihood security, improvement of their conditions of living; - Support processes for improving the national and international legal and policy frameworks relevant to the rights of indigenous. 	<ul style="list-style-type: none"> -Convention 169 of the International Labor Organization, on indigenous and tribal peoples, ratified by Guatemala on June 5, 1996. -Law of Social Development (Decree 42-2001) -Specific rules for the recognition and declaration of communal lands of the Cadastral Information Registry -Institutional Strategy for the attention of indigenous peoples in the Forest Sector of Guatemala, INAB, 2013 -National strategy for the management and conservation of natural resources on communal lands -Operational Guide for the Implementation of the Consultation on Indigenous Peoples, 2017

	<p>Specific objectives:</p> <ul style="list-style-type: none"> - Take into account the specific conditions, rights, needs and expectations of indigenous peoples; - Avoid, minimise and mitigate negative economic, cultural, social and environmental impacts on indigenous peoples, while optimising benefits and supporting local development; - Are culturally and socially appropriate and respect cultural identity. <p>Principles:</p> <ul style="list-style-type: none"> - FPIC for any intervention affecting their rights and access to their lands, territories, waters and resources; - Indigenous gender and intergenerational equity principles are properly integrated, with due consideration given to their context and culture-specific application; - Equitable sharing of benefits from conservation activities among all stakeholders, based on rights and entitlements and within principles of social and gender equity; 	
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<p>PS8: Cultural heritage</p> <p>(a) Protection and preservation of cultural heritage;</p> <p>(b) Promotion of equitable sharing of cultural heritage benefits.</p>	<p><u>ESMS Standard on Physical Cultural Resources (PCR)</u></p> <p>Objectives:</p> <ul style="list-style-type: none"> - To prevent negative impacts on PCR recognising that cultural heritage and expressions are critical elements of sustainable development. - Whenever possible and applicable, enhance positive impacts on these resources - If impacts cannot be avoided they should be minimised or compensated for following the guidance of the Standard. <p>Principles:</p> <ul style="list-style-type: none"> - Rights-based approach to development includes right to cultural identity, sovereignty and expressions; - Application of mitigation hierarchy seeking to first avoid impacts by choosing alternative approaches or sites; only if this is not feasible identify measures to minimize, mitigate or compensate potential impacts; - Equitable benefit sharing in cases where use of PCR generate economic and social benefits;. - Adherence to FPIC when projects affect PCR to which communities have legal (including customary) rights 	<ul style="list-style-type: none"> -Law for the protection of the Nation’s Cultural Heritage (Decree No. 26-97) -Convention for the protection of the World Heritage, Cultural and Natural –Central American Convention for the protection of the Cultural Heritage
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