

ESMS Screening & Clearance Report

Project Data

The fields below are completed by the project proponent

Project Title:	Leveraging high quality coffee to stimulate climate adaptation in smallholder farming communities		
Project proponent (e.g. IUCN programme):	IUCN GEMP		
Project ID (IUCN):	P03474	Funding agency:	GEF
Name of staff leading project development:	Bora Masumbuko	Executing entity:	Nespresso, Technoserve and Kyagalanyi Coffee Limited (KCL)
Expected start date and/or duration:	36 months	Contract value (in CHF):	1.28 M
Country:	Uganda, DR Congo	Geography/landscape:	South Kivu (DRC), Mount Elgon (Uganda)

Establishing the need for ESMS Screening (ESMS applicability)

The fields below are completed by the project proponent; the purpose is to classify the type of the project in order to decide whether an ESMS screening is needed. Please note that this information also needs to be entered in the PAAS workflow in the **Project Portal**. However, as the portal only accepts one option to be selected, please see the portal entry guidance provided in *italic* in some of the boxes below about which option supersedes others.

Type of project	Definition	Next steps
<input checked="" type="checkbox"/> Area-based project	An area-based project is a project where resources are provided in form of technical assistance, physical investments (infrastructure, technology or equipment) or financing to bring about changes in skills, knowledge, attitudes, behaviours and/or practices of institutions or individuals within a defined geographical area .	Screening needed -> continue with Step 1a
<input type="checkbox"/> Non-area-based project	A non-area-based project does not provide resources for activities on the ground, it does not deploy inputs such as technical assistance, physical investment or financing in a defined geographical area. The following types of projects are considered non-area based projects: <ul style="list-style-type: none"> a. Global/regional/national projects that contribute to policy, strategy development or planning, advances global knowledge - provided the project does not involve any actions on the ground; b. Projects analysing biophysical or spatial data, assessing or monitoring status of ecosystems, biodiversity or species including presentation of data in form of a database, maps or through web-based platforms (e.g. Red List of Species, Red List of Ecosystems, IBAT etc.) - provided the project does not involve any actions on the ground; c. Preparation and dissemination of position papers, scientific paper, reports, documents and communication materials; d. Organization of events, workshops, stakeholder meetings, conferences or trainings; e. Partnership coordination and management of networks; f. Strengthening capacities of partners to participate in international negotiations and conferences; g. Projects related directly to roles where IUCN provides statutory advisory services to intergovernmental processes with their own oversight policies and procedures in relation to the types of issues covered by ESMS; h. Projects that supports the internal development of the IUCN 	Screening not needed -> complete the 2 rows at the bottom of this table and upload the document on the Project Portal

<input type="checkbox"/> Law Enforcement	<p>Projects that include law enforcement activities must undergo ESMS Screening due to the possibility of human rights risks. The requirement is valid irrespective of whether the project is classified as area-based or non-area-based.</p> <p>Project Portal PAAS workflow: <i>Non-area-based projects which include law enforcement should always be classified as “Law Enforcement” and not “non-area-based project” in order to trigger the Screening process in the workflow. For area-based projects with law enforcement activities, however, tick “Area-Based Project” and not “Law Enforcement”.</i></p>	<p>Screening needed -> continue with Step 1a</p>
<input type="checkbox"/> Project with Grant-Making	<p>Projects that include a scheme for awarding grants to external entities. A grant award scheme is an instrument that allocates funding to projects which have been selected based on a call for proposals. Projects funded by the grant scheme may result in negative environmental or social impacts, but because the grant proposals will only be known during project implementation, a separate procedure for screening and other ESMS steps is needed that will be integrated into the grant award procedure. These ESMS procedures will be documented in form of a grant-level ESMS which needs to be reviewed and approved prior to the approval of the project.</p> <p>In some cases putting a grant award scheme in place and administering it is the project's only aim, in other cases the grant award mechanism is only one component alongside other project components. Because these scenarios require different handling, the ESMS Coordinator / Focal Point should be contacted to discuss the appropriate ESMS procedure for the project.</p>	<p>Screening needed -> complete Step 1a but <u>not</u> the ESMS Questionnaire; contact ESMS Coordinator/ Focal Point</p>
<input type="checkbox"/> Service Agreement Projects	<p>Service Agreement Projects are projects set up to deliver a service to meet the objectives of a client in exchange for consideration (payment). The client has defined the scope of work and outcomes. IUCN clients might use service agreements for routine services provided in a competitive environment. Service Agreement Projects are outside the scope of the ESMS.</p>	<p>Screening not needed -> complete the 2 rows at the bottom of this table and upload the document on the Project Portal</p>
<input type="checkbox"/> IUCN not Lead Agency	<p>Projects where IUCN is not the Lead Agency of the project and therefore not the prime recipient receiving funding from an originating donor but only the sub-recipient (also referred to as sub-awards or sub-grants). In this position IUCN has responsibility for programmatic decision making over the sub-award, but does not have the primary authority of the award. Examples are consortium partner arrangements where IUCN is only responsible for selected work packages and does not have the role of a consortium coordinator responsible for quality assurance. Another example are GEF projects where IUCN is not the Implementing Agency but only the Executing Entity and therefore not responsible for safeguard screening. The Project Manager should verify that the Lead Agency has a robust environmental and social management system in place that is at least equivalent to IUCN's ESMS and review the respective screening report. Enter the conclusions in the second last row at the bottom of this table. The IUCN ESMS Coordinator or regional ESMS Focal Point should be consulted if the Project Manager believes that the prime recipient's environmental and social risk management seems inadequate or ESMS risks were overlooked.</p> <p>Project Portal PAAS workflow: <i>Projects where IUCN is not the Lead Agency, need to be indicated as such in the portal, irrespective whether any of the other classifications apply as well.</i></p>	<p>If the safeguard system of the Lead Agency is considered <u>adequate</u>, Screening not needed -> complete the 2 rows at the bottom of this table and upload the document on the Project Portal</p>
<input type="checkbox"/> Previous Safeguard Screening	<p>Projects that (i) were already screened on safeguard risks or (ii) where an Environmental and Social Impact Assessment (ESIA) or any other type of impact assessment (partial ESIA, targeted assessment of environmental and/or social risks etc.) has been done before. If the screening or ESIA is considered <u>adequate</u>, confirm this by entering the following details in the second last row at the bottom of this table: for (i) details about the screening results; for (ii) describe the content of the assessment, whether data is still current enough and whether the relevance and quality of data has been judged adequate.</p> <p>If the screening or ESIA is considered not adequate, a different classification should be chosen (any of the applicable classifications above).</p> <p>The IUCN ESMS Coordinator or regional ESMS Focal Point should be consulted if the Project Manager has any doubts about the adequacy of the previous safeguard actions.</p> <p>Project Portal PAAS workflow: <i>Projects where <u>adequate</u> safeguard tools are in place, should be classified as “Previous Safeguard Screening”, irrespective whether any of the other classifications above apply.</i></p>	<p>If the screening or ESIA is considered <u>adequate</u>, Screening is not needed -> complete the 2 rows at the bottom of this table and upload screening document or ESIA on the Project Portal</p>
<p>For all projects where the ESMS Screening is being waived as a consequence of the classification, please provide additional explanations in the field below (e.g. describing the safeguard actions of the lead agency, previous screening results, quality of ESIA etc.):</p>		
<p>Name and function of staff who completed the above fields:</p>		<p>Date</p>
<p>n/a</p>		<p>n/a</p>

Justification and approval of deferral of ESMS Screening

In exceptional cases the ESMS Screening can be deferred (e.g. RfP with low probability of funding) – to be discussed with the ESMS Coordinator(Focal Point). A key requirement is that the project budget is sufficiently flexible to allow that potential risk management measure can be added at a later stage after completing the Screening. In such case the below fields are completed.

Rational for not completing the ESMS Screening during project preparation phase; please confirm budget flexibility to ensure ability to add risk measures at later stage):		
n/a		
Deferral conditions (e.g. establishment of timing of ESMS Screening):		
n/a		
Name and function of staff approving deferral (ESMS Coordinator or regional ESMS Focal Point):	Date	Signature
n/a		
Name and function of staff leading project development acknowledging deferral conditions:	Date	Signature
n/a		

Step 1a: Decision on the need of a formal ESMS Screening versus Self-Assessment

The fields below are completed by the project proponent - tick one of the three options

1. <input checked="" type="checkbox"/>	Project budget is ≥ CHF 1,000,000 - Formal ESMS Screening is required -> continue with Step 1b and then Step 2	
2. <input type="checkbox"/>	<p>Project budget is < CHF 1,000,000 - Formal ESMS Screening is not required as environmental or social risks are appraised through completion of ESMS Questionnaire (referred to as Self-Assessment¹) -> continue with Step 1b</p> <p>If the Self-Assessment does not identify any environmental or social risks or only low risks that are fully addressed by the project activities, no further steps are required and the project is considered cleared on ESMS. The low risk category is confirmed below by providing a brief rationale why the project is considered a low risk project and naming the staff who conducted the Self-Assessment. This document must then be uploaded on the Project Portal and serves as ESMS Screening & Clearance Report².</p> <p>If risks have been identified during the Self-Assessment, tick option 3 below.</p>	
<input type="checkbox"/>	Rationale why project is considered low risk:	
<input type="checkbox"/>	Name and function of staff who conducted Self-Assessment :	
3. <input type="checkbox"/>	Despite being a small project (< CHF 1,000,000), risk issues were identified during the Self-Assessment - Formal ESMS Screening process is required -> continue with Step 2	

¹ ESMS Self-Assessment means that the Project Proponent completes the ESMS Questionnaire provided in this template as an Annex and makes the final judgement about the environmental and social risks. This includes filling out the cells marked with **Project Proponent** as well as the final row in each section row where it says **conclusion of IUCN ESMS Reviewer**.

² Please save the document with the following file name: "esms screening and clearance_ID_NAME PROJECT_self-assessment_low risk".

Step 1b: Completing the ESMS Questionnaire (enclosed as Annex)

The fields below are completed by the project proponent. Area-based projects require completing the ESMS Questionnaire attached as Annex 1. For non-area-based projects with law enforcement activities only the Security and Human Rights Risk Questionnaire is needed (available at www.iucn.org/esms), but not the ESMS Questionnaire.

	Name and function of individual representing project proponent	Date
ESMS Questionnaire completed by:	Tanja Havemann, Clarmondial; Charlotte Ruetz, Nespresso	18.1.2021

Step 2: Formal ESMS Screening

To be completed by the IUCN ESMS reviewer(s); only needed when the options 1 or 2 above (marked in red) are ticked

	Name	IUCN unit and function	Date
IUCN ESMS Reviewer:	Linda Klare	IUCN ESMS Coordinator	23.2.2021
	Title		Date
Documents submitted at Screening stage:	Prodoc		23.2.2021
	Gender Analysis of Smallholder Coffee Sector in South Kivu, DRC (Technoserve)		October 2020
	BUMBO CLUSTER GENDER BASELINE REPORT- FINAL (Kyagalanyi Coffee limited)		November 2020

The below Screening Report is completed by the IUCN ESMS reviewer(s) after having gone through the ESMS Questionnaire. It summarizes the main findings of the ESMS Screening and represents a consensus between ESMS reviewers.

ESMS Screening Report	Required assessment topics or management measures/plans	Rating of environmental and social risks ³		
		Likelihood (1-5)	Impact (1-5)	Significance (L, M, H)
Environmental and Social Risks (potential negative impacts) <i>(see section B of the questionnaire for details)</i>				
Adverse gender-related impacts (including gender-based violence)		2	3	Moderate
Risks of affecting vulnerable groups		2	3	Low
Risk of undermining human rights		2	2	Low
Community health, safety and security risks		3	3	Moderate
Labour and working conditions		3	3	Moderate
Resource efficiency, pollution, wastes, chemicals and GHG emissions		2	2	Low
Other environmental or social risks <i>(add new rows below for each risk):</i>		n/a		

³ The entries for likelihood and impact are taken from the ratings established at the end of each section in the questionnaire. Guidance for rating the likelihood, impact and significance is provided below (see heading in purple). For more information on these ratings, please see the Guidance Note on Assessment and Management of Environmental and Social Risks available at www.iucn.org/esms.

ESMS Standards	Trigger ⁴	Required management measures/plans	Likelihood (1-5)	Impact (1-5)	Significance (L, M, H)
Involuntary Resettlement & Access Restrictions (see section C1 of the questionnaire for details)	<input type="checkbox"/> yes <input checked="" 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 Access Restriction <input type="checkbox"/> Access Restrictions Mitigation Process Framework <input type="checkbox"/> Other:	n/a	n/a	n/a
Indigenous Peoples (see section C2 of the questionnaire for details)	<input type="checkbox"/> yes <input type="checkbox"/> no <input checked="" type="checkbox"/> TBD	<input type="checkbox"/> Indigenous Peoples Plan <input type="checkbox"/> Indigenous Peoples Planning Framework <input type="checkbox"/> Other: Rapid Social Analysis (both sites)	2	2	Low
Cultural Heritage (see section C3 of the questionnaire for details)	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no <input type="checkbox"/> TBD	<input type="checkbox"/> Chance Find Procedures <input type="checkbox"/> Other:	n/a	n/a	n/a
Biodiversity & Sustainable Use Natural Resources (see section C4 of the questionnaire for details)	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> TBD	<input type="checkbox"/> Pest Management Plan <input type="checkbox"/> Other:	2	2	Low
Quality of stakeholder consultation during project design so far (see section D4 for details)	<input type="checkbox"/> good <input checked="" type="checkbox"/> adequate <input type="checkbox"/> not sufficient	Required action:			
Project Risk Category:	The project risk category rates the overall project; it is based on the significance rating established for each E&S risk area and for the ESMS Standards. The overall rating is usually that of the highest risk.		<input type="checkbox"/> low risk	<input checked="" type="checkbox"/> moderate risk	<input type="checkbox"/> high risk
Required assessments and management measures/plans:	<input type="checkbox"/> Full Environmental and Social Impact Assessment (Full ESIA) <input type="checkbox"/> Partial ESIA <input checked="" type="checkbox"/> Targeted assessment (social assessment, targeted environmental studies etc.) : Rapid Social Analysis of targeted projects sites		<input checked="" type="checkbox"/> Environmental and Social Management Plan (ESMP) <input type="checkbox"/> Environmental and Social Management Framework (ESMF) <input type="checkbox"/> Abbreviated ESMF <input type="checkbox"/> Environmental and Social Management System (ESMS) <input type="checkbox"/> Other:		
Brief summary of the main findings: main risk issues, their significance and justification of the overall project risk categorization; assessments and measures / plans to address risks and to meet provisions of the ESMS Standards and timing of each	<p>The project is expected to have very positive environmental impacts as it will provide for reforestation/tree diversification on farms and in Uganda also off-farm (in riverine buffer zones) and manage environmental impacts through the criteria of the Nespresso AAA quality program. Social impacts for the small-scale coffee farmer households are expected positive as they are expected to increase their climate resilience of farms, improve farm-economy by establishing long-terms supply relationships, diversify income and nutrition through shade tree species, among others.</p> <p>Nevertheless, some potential adverse social and environmental impacts have been identified; many of them are considered low risks as they are either of low likelihood or the expected impacts are considered minor; and/or addressed already by the project or the AAA quality program. Please see the comprehensive analysis in section B and C in the annex. An Environmental and</p>				

⁴ The decision of triggering a standard does not mean that safeguard instruments or plans have to be prepared right away. The ESMS Reviewer will specify the consequences of triggering the standard in the respective ESMS reviewer section of the questionnaire in C1-C4. Often plans might be required immediately (prior to project approval), in other cases only at a certain point in time (e.g. plans might need to be complete and accepted before the relevant activity can begin). In cases where the risk issues are less substantive, a plan might not be needed at all and mitigation measures are incorporated into the ESMP.

Social Management Plan (ESMP) needs to be developed with mitigations measures for the identified risks, specifying responsibilities and timeline as well as indicators or other forms of evidence for monitoring purpose. The most important findings of the ESMS Screening are:

Standard on Biodiversity & Sustainable Use Natural Resources:

The standard is triggered in order to ensure that species selection for reforestation is appropriately guided. Overall the risk are considered minimal as mitigation is already devised through project design or as part of Nespresso's AAA quality program. E.g. risks of expansion of coffee cultivation into areas of high biodiversity value or high conservation value forests are addressed through training as well as regular monitoring of farm areas using GIS tools and tracking of production volumes; risks from the application of pesticides (Uganda only as production in DRC is certified organic) are addressed through the program's focus on IPM and by strict regulations in the AAA quality program.

Standard on Indigenous Peoples:

The COVID 19-related travel restrictions affected the project team's ability to carry out extensive consultations with local communities in order to ascertain the presence (or not) of indigenous peoples in all project sites. Findings from limited consultation in Uganda were that no indigenous communities are present in the sites targeted by the project. In the DRC the project area there is some presence of indigenous Batwa people. However, they don't have historical claims to land in the project site as they had migrated from the highlands for economic reasons. In light of the project's narrow scope on the coffee production system and the voluntary nature of the services offered (e.g. training, agronomic services and market access), it is considered unlikely that project activities poses risks to these groups. Notwithstanding, further consultation is required to ascertain the judgment and to comply with the standard's consultative provisions. This should be done through a rapid social analysis to be scheduled for the project's inception phase, in order to provide an accurate picture of IP presence in each of the villages targeted by the project in both countries. Where indigenous are present, consultations should be held with their representatives and in case risks from project activities are identified, mitigation measures need to be developed with the affected groups. In consideration of the project's scope these could focus around training and agronomic support, including where IP cultivate coffee in a sharecropping relationship; other options are linking them to cooperatives and washing stations where they could supply/sell coffee cherries or enable access to the loan facility. In DRC opportunities linked to the kitchen gardens could be sought, where considered culturally appropriate and as agreed by the indigenous communities.

Risk of gender-based violence:

Though risks of gender-based violence are mostly related to the overall context in the two countries and not very likely be triggered through actual project activities, due to potential magnitude of impact it is overall considered moderate risk and should be addressed by mitigation measures.

Risks of affecting vulnerable groups:

The project beneficiaries are small-scale coffee farmers and through training and the provision of resources the project provides opportunities for them to improve practices and become more climate resilient. These changes are not expected to affect material or non-material conditions of disadvantaged or vulnerable individuals. However, it is conceivable that farmers may be encouraged to shift land use from subsistence to cash crops, which might increase food security risks. The project addresses this risk by promoting on-farm agroforestry systems, intercropping with indigenous species and farm income diversification – including by promoting kitchen gardens for household nutrition needs in the DRC. It will monitor the activities connected to the VSLA loan facility to promote inclusive governance and opportunities for vulnerable groups.

Lack of ownership to land or of use rights to land are economic constraints in both sites and a main reason for vulnerability of specific social groups or households. To overcome this constraint, landless people often enter into a sharecropper relationship with a larger landholder, a concept which is known in the sites in DRC as "concessionaire". Sharecroppers often experience difficult working conditions as they are confronted with high costs for the use of small plots of land and in DRC are also required to provide volunteer work ("Salongo") for the benefit of the concessionaire. The limited scope and size of the project will not allow the project to address and improve complex issues around land tenure. However, it needs to be ensured that by providing new opportunities to landholders it does not aggravate the situation of sharecroppers, e.g., by reducing land available for sharecroppers important for their survival or by deteriorating the conditions of sharecroppers (e.g., pressure to increase the extent of volunteer work). It is recommended that the project seeks opportunities to provide training and agronomic services to sharecroppers and also to link them to cooperatives and washing stations where they could supply coffee cherries.

Overall, the risk of project activities affecting vulnerable groups is considered low risk. Notwithstanding, the above described risks should be monitored and potentially adjusted based on the findings of the rapid social analysis.

Risk of undermining human rights:

The selection of the sites (villages, washing stations etc.) where project resources are allocated, and the targeting of individual farmers that will benefit from access to training and agronomic support etc., might lead to or be interpreted by local stakeholders as unjustified preferential treatment. This is overall considered a low risk as the project applies a transparent and open process: all farmers in the respective geographical area that are willing and interested to improve their coffee growing ability in order to be able to meet the high quality requirements of Nespresso are able to access training and agronomical support. However, it is acknowledged that some farmers – after having attended the trainings for years - may still not be able to meet the quality specification and as such will no longer be able to participate. This is considered outside the influence of the project. It is also important to note that none of the farmers has a contractual obligation to sell to Nespresso .

Community health and security risks:

The security situation in eastern DRC remains unstable with armed groups being present and regular incidents affecting civilians or humanitarian programs. Acts of violence include killing, rape and looting and continue against the civilian population. Uganda in general is considered relatively stable but has experienced some political unrest with the recent presidential election. This has led to violent riots in the pre-election phase as well as an internet shutdown for the days during the election. These security risks are contextual factors and are not the consequence of the project. Generally, it is expected that by providing market access for coffee farmers and income for workers in the value chain and on the farms, the project will contribute to improvements of the economic situation which will hopefully lead to stabilization of security. Notwithstanding, supporting the economic success of individual farmers may make them a target of organized crime / armed groups; the same is possible to community members working in infrastructure places supported by the project such as washing stations. While this risk is difficult to ascertain in terms of probability and magnitude, it is overall considered moderate risk for DRC and towards the lower end for Uganda. Nespresso and the local partners KCL and TNS will need to continue to monitor the situation. For DRC emergency preparedness measures should be put in place right at project start.

Another risk factor relates to the fact that intervening in a complex and politically and socially instable context and the stimulation of economic well-being of some members of the community might carry the risk of fuelling conflicts between or within communities or social groups. In the project sites in DRC around Minova Kiniezire small scale land disputes between

land holders and small farmers have been observed, that could escalate, especially among certain purchasers and farmers-tenants. While it is acknowledged that a conflict sensitivity analysis is being carried out in DRC, because of the significance of the risk, this should be included in the ESMP in order to ensure monitoring the implementation of suggested mitigation measures.

Labor and working conditions:

The AAA program provides clear criteria as pre-requisite for joining the AAA Sustainable Quality program and ensures meeting national labor laws and ILO minimum standards. These criteria, which are regularly audited in the AAA clusters, include protection from all forms of forced labor, and ban on hiring minor workers under the legal age and on worst forms of child labor. Occupational health and safety (OHS) risks with respect to normal operations are considered negligible as these follow standard operating procedures and are also monitored through AAA program assessments (at the level of the coffee farms as well at cooperative level). However, the security situation mentioned above does not only present risks for community members but also for project workers, including to people employed or engaged directly by the project executing entity (KCL and TNS) to work specifically in relation to the project, (ii) people employed or engaged through third parties to perform work related to core functions of the project, (iii) individuals engaged by the project in public or community work programs or as volunteers. Nespresso and the local partners KCL and TNS will need to continue to monitor the situation. For DRC, in addition to the security guidelines that TNS already follows, emergency preparedness measures should be put in place right at project start.

Grievance Mechanism:

Both project sites will require a grievance mechanism in order to provide people or communities fearing or suffering adverse impacts from the project with the assurance that they will be heard and assisted in a timely manner. The grievance mechanism should be based on the existing systems that the project partners Technoserve and KLC have in place but also need to link up with the IUCN institution-level mechanism in order to ensure the escalation to the IUCN Project Complaint and Management system, where appropriate. Local adaptations should be sought in order to ensure that grievances are understood and can be addressed before conflicts might escalate.

Guidance for rating environmental and social risks

The rating of risks is based on the assumptions that the management measures and plans specified in the respective column are implemented and effective in mitigating the risk. It is good practice that the plans are available before ESMS Clearance. Risk rating is based on the two elements: likelihood and the expected impacts (consequence).

Likelihood represents the possibility that a given risk event is expected to occur. The likelihood should be established using the following five ratings:

- *Very unlikely to occur (1)*
- *Not expected to occur (2)*
- *Likely – could occur (3)*
- *Known to occur - almost certain (4)*
- *Common occurrence (5)*

Impact (or consequence) refers to the extent to which a risk event might negatively affect environmental or social receptors – see below criteria distinguishing five levels of impacts:

Table 1: Rating impact of a risk area

<i>Severe (5)</i>	Adverse impacts on people and/or environment of very high magnitude , including very large scale and/or spatial extent (large geographic area, large number of people, transboundary impacts), cumulative, long-term (permanent and irreversible) ; receptors are considered highly sensitive ; examples are severe adverse impacts on areas with high biodiversity value ⁵ ; severe adverse impacts to lands, resources and territories of indigenous peoples; significant levels of displacement or resettlement with long-term consequences on peoples' livelihood; impacts give rise to severe and cumulative social conflicts with long-term consequences.
<i>Major (4)</i>	Adverse impacts on people and/or environment of high magnitude , including large scale and/or spatial extent (large geographic area, large number of people, transboundary impacts), of certain duration but still reversible if sufficient effort is provided for mitigation; receptors are considered sensitive; examples are adverse impacts on areas with high biodiversity value; adverse impacts to lands, resources and territories of indigenous peoples; significant levels of displacement or resettlement with temporary consequences on peoples' livelihood; impacts give rise to social conflicts which are expected to be of limited duration.
<i>Medium (3)</i>	Adverse impacts of medium magnitude , limited in scale (small area and low number of people affected), limited in duration (temporary), impacts are relatively predictable and can be avoided, managed and/or mitigated with known solutions and straight forward measures.
<i>Minor (2)</i>	Adverse impacts of minor magnitude , very small scale (e.g. very small affected area, very low number of people affected) and only short duration, may be easily avoided, managed, mitigated.
<i>Negligible (1)</i>	Negligible or no adverse impacts on communities, individuals, and/or on the environment.

Significance of a risk area is established by combining likelihood and expected impact (consequence) of a risk event as demonstrated in the table 2. The significance rating signals how much attention the risk area will require during project development and implementation and the extent of control actions to be put in place. See the Guidance Note on Assessment and Management of Environmental and Social Risks for further details on the rating (including factors influencing the likelihood and impact).

Table 2: Rating significance of a risk event


		Likelihood of occurrence				
		<i>Very unlikely to occur (1)</i>	<i>Not expected to occur (2)</i>	<i>Likely – could occur (3)</i>	<i>Known to occur - almost certain (4)</i>	<i>Common occurrence (5)</i>
Impact	<i>Severe (5)</i>	Moderate	Moderate	High	High	High
	<i>Major (4)</i>	Low	Moderate	Moderate	Moderate	High
	<i>Medium (3)</i>	Low	Low	Moderate	Moderate	Moderate
	<i>Minor (2)</i>	Low	Low	Low	Moderate	Moderate
	<i>Negligible (1)</i>	Low	Low	Low	Low	Low

⁵ For the definition see IUCN ESMS Standard on Biodiversity Conservation and Sustainable Use of Natural Resources.

Step 3: ESMS Clearance of Project Proposal

The purpose of the ESMS Clearance stage is to confirm the risk classification that has been established by the formal ESMS Screening and to review and approve the risk assessments and safeguard tools developed. It is completed at the **end of project development** prior to approval of the project. The fields below are completed by the IUCN ESMS reviewer.

	Name	IUCN unit and function	Date
IUCN ESMS Reviewer Clearance Stage:	Linda Klare	IUCN ESMS Coordinator	26.2.2021
	Title	Date	
Documents submitted at Clearance Stage:	Prodoc	25.2.2021	
Have findings from the risk assessment or other final steps of project development triggered any changes to the risk classification of the project? If yes, explain and indicate the risk areas where modifications were made.	No		
Have the ESMS actions requested by the ESMS Screening been completed (assessments or management measures/plans)? Has this been done in a satisfactory manner? Has the implementation of the tools been budgeted for?	Yes		
Are there ESMS actions requested by the ESMS Screening that still need to be completed during the project? If yes, specify the actions and respective deadlines?	Rapid social analysis during project inception –ToR attached to the ESMP.		
Has the quality of stakeholder consultation during project design been adequate? Have results of the consultations been documented (disaggregated by gender, where relevant)? Does this demonstrate how the consultations were used to inform project design?	Restrictions on consultations due to COVID 19 need to be made up through consultation processes included in the rapid social analysis during project inception.		
Has a Stakeholder Engagement Plan (SEP) been developed that describes how the identified stakeholder will be further engaged during project implementation?	Yes – this will need to be updated based on the Rapid social analysis to ensure that local stakeholders identified during the analysis are added - where relevant		
Is the SEP inclusive and provides for active participation of a wide range of stakeholders – particularly women, civil society organizations, indigenous peoples, representatives of the local communities and local groups?	adequate		
Are provisions made for monitoring the SEP during project implementation?	No, but given the narrow scope of the project this is not deemed essential.		
Has a project-level grievance redress mechanism (GRM) been established that explains the processes for submitting, resolving and escalating grievances? Is the GRM culturally appropriate, readily accessible for local stakeholders and provide appropriate confidentiality protection?	Yes, both sites already have a GRM in place established by the project partners TechnoServe and KLC, but they need to be assessed against the IUCN Grievance Mechanism Guidance Note on gaps and links to the IUCN institutional level GRM need to be established to enable escalation where appropriate.		

Have stakeholders been informed about the GRM?			
CLEARANCE DECISION			
<input type="checkbox"/> Cleared	The conclusions are positive and the project proposal meets all requirements with regards to avoiding or reducing environmental and social risks: the proposal is accepted.		
<input checked="" type="checkbox"/> Conditionally cleared	The conclusions above call for improving one or more ESMS action (e.g. assessments) and/or for important re-formulation of management measures/plans. This will lead to the proposal being conditionally cleared; the reviewer will provide guidance on the way forward.		
<input type="checkbox"/> Clearance rejected	Essential ESMS provisions have not been complied with, ESMS actions (assessments or management measures/plans) have not been completed, critical management measures have not been incorporated into the project and/or don't seem feasible or sufficient for avoiding or minimizing impacts; or significant data gaps still prevail and additional field assessments are required.		
Rationale – Explain clearance decision (why cleared, conditionally cleared or clearance rejected):	The project is cleared on the condition that a Rapid Social Analysis is undertaken during the project's inception phase in both sites. The report need to be submitted to IUCN latest by the end of month 6. Based on the report the decision about the Indigenous Peoples Standard will be consolidated; this might include establishing requirements for specific mitigation measures. To be approved by IUCN.		
Clearance conditions (when conditionally cleared) - Explain tasks to be completed during the project:	See above		
Approval ESMS Clearance (M level or above)			
Name	IUCN Unit and Function	Date	Signature
Sheila Aggarwal-Khan	Director, Global Environment Facility and Green Climate Fund	26.02.2021	

Annex 1: ESMS Questionnaire – to be completed as a preparation for the Formal ESMS Screening or the ESMS Self-Assessment

A. Project summary

To be completed by project proponent

*Please summarise the project briefly using no more than one page. The summary can be in form of bullet points. Include goal/objectives, expected results/outcomes, outputs (project deliverables) and in particular the project's main **activities**. Please also describe the **project sites** and the **project area of influence**⁶.*

This project will leverage Nespresso's supply chains to implement localized climate adaptation and resilience interventions in smallholder coffee landscapes in the DRC and Uganda, with a particular emphasis on women's empowerment. In the context of this project, climate adaptation refers to the actions that communities, households and local organizations employ against current or anticipated climate changes, and resilience refers to the ability of local communities to recover from the effects of climate change. Ultimately, the goal of the project is to enable farming communities in the coffee farming landscapes of Mt. Elgon (Uganda) and Kahlehe (South Kivu – DRC) to adapt to a changing environment, and to support long-term resilience among these communities.

Overall, the project expects to positively impact the lives of 4,200 farming households in DRC and Uganda. At least 1,680 women in these coffee farming communities will directly benefit, through increased access to technical and financial resources. In the short term, farming households will be trained in improved agricultural practices – notably in practices that are regenerative and climate smart, i.e., enhance and conserve biodiversity and soil fertility. These families will also be provided with the resources to actually implement such practices, most notably leveraging Nespresso's integration of coffees from these areas into their blends (and thus buying coffees at premium prices), but also through access to on-going training and seedlings (coffee and non-coffee, e.g., indigenous tree seedlings). The lessons garnered from this project have the potential to positively impact a wide range of farmers participating in Nespresso's AAA Sustainable Quality program in the respective origins as well as more broadly overall in the overall scope of the AAA Sustainable Quality program, with a focus on other Least Developed Country (LDC) coffee producing origins.

At the local level and in the medium to long-term, the project is expected to create impact through creating alternative livelihood opportunities for farming families. For example, through the training on nurseries for indigenous shade trees, in DRC, families will have new income opportunities. And, through the nutrition program in DRC, households will have access to nutritious foods locally – with long term consequences for resilience. In Uganda, the implementation of new Village Savings and Loans Associations (VSLAs) focused on women's empowerment will support investments in coffee farms and other local micro and small enterprises, notably those led by women, including so that they can make their families more resilient (e.g., through income diversification at the household level). Note that strengthened value chains, i.e., through regular purchases from Nespresso, will enable more farmers to save – and thus participate in VSLA programs. VSLA's will be monitored to help ensure that their governance appropriately includes diverse marginalized groups.

This project has three components: (1) resilient agricultural livelihoods, (2) equitably support smallholder coffee farming households through Nespresso's responsible sourcing approach, and (3) knowledge sharing. The local project partners, Kyagalanyi Coffee Limited (KCL) and TechnoServe (TNS) will carry out a range of activities in Uganda and DRC respectively.

A Results Framework indicating outcomes, outputs and targets under each of the three project components is provided in the Project Document (ProDoc).

⁶ The project area of influence is the area likely to be affected 1) by direct impacts from project activities, 2) by project partner's activities and facilities that are directly owned, operated or managed by the partner and that are a component of the project, 3) by indirect project impacts (unplanned but predictable activities enabled by the project) or 4) cumulative impacts (incremental impacts added to impacts from other developments).

Guidance on completing the questionnaire

- Answer the questions in the 'Project proponent' column by selecting 'Yes, no, potentially (maybe) or not applicable (n/a)'; in the second column provide additional information - describing the risk, whether it will need to be further **assessed**, and/or how the risks will be **avoided or managed** (minimized or mitigated).
- If you don't have the required information, describe how you would gather the data during the project preparation phase or during project implementation. Please note that additional activities identified and specified in this exercise will either need to be integrated into the ToR for the risk assessment or into the project design as project activity. E.g. if you describe that land rights of local communities will be assessed, this either needs to be included in the ToR of a social assessment or specified as project activity.
- If the information requested can be found in the project proposal, please also reference the specific section of the proposal where this stated.

B. Assessment of social or environmental impacts

Please consider not only direct environmental and social impacts but also potential indirect impacts such as induced⁷, cumulative⁸ impacts as well as impacts of associated facilities⁹			
	Project proponent		IUCN ESMS Reviewer
	Yes, no, maybe, n/a	Answer question and describe how the project will assess, avoid or manage the identified risks	Comments, additional considerations
B1: Adverse gender-related impacts (including gender-based violence)¹⁰			
1. Is there a risk that the project may discriminate against women or other groups based on gender with regards to access to resources, services, or benefits provided by the project? <i>Note that equality in the process of designing the project is discussed in section D.</i>	No	Gender is strongly integrated into the project and there is an explicit focus on women's inclusion and empowerment in Component 2 of the project.	
2. Is there a risk that project activities inadvertently create, exacerbate or perpetuate gender-related inequalities or have adverse impacts on the situation of women and girls?	No	A gender analysis has been carried out in the 2 projects in order to identify local inequalities and context. Component 2 has been designed with specific interventions based on these local analyses.	
3. Is there a risk that project activities affect or restrict women's ability to use, develop or protect natural resources , taking into account different roles and positions of women and men in accessing environmental goods and services?	No	Component 2 includes training and supports strengthening women's roles in resource management	
4. Is there a risk that the project might aggravate risks of gender-based violence (including sexual harassment, sexual exploitation or sexual abuse)? Is there a risk that persons employed or engaged by the project executing agency or through third parties to perform work related to core functions of the project might engage gender-based violence? Have any such incidents been reported in the past?	No	The project implementers are sensitized to gender issues and these issues are monitored by the project so that gender-based violence can be avoided. However, gender-based violence is a common threat in the context of both project sites.	While the risk of GBV within the project is considered not very likely, as way of precaution at inception stage the project should put in place measures to raise awareness about such risks and actively prevent incidents of sexual exploitations, abuse or harassment in the context of the

⁷ **Induced impacts** refer to impacts on areas and communities from unplanned but predictable activities or developments induced/enabled by the project (incl. impacts that might occur later or in different locations).

Example: Equipment intended for species monitoring (camera traps) could be used for law enforcement actions.

⁸ **Cumulative impact** means the collective impact of a project's impact added to the impacts of other relevant past, present and reasonably foreseeable future developments. Example: Investments in tourism development by the Government leads to substantial increase in number of tourists that frequent a site and turns a project-funded PA access road into a major cause for disturbance for wildlife.

⁹ **Associated facility or activities** means a facility or activity not funded as part of the project but which is necessary for the financial and/or operational viability of the project, and would not have been constructed or expanded if the project did not exist. Example: a visitor centre built by the project might require an access road as associated facility – the construction of which might trigger environmental impacts.

¹⁰ IUCN defines Gender-Based Violence (GBV) as any harm or potential of harm perpetrated against an individual or group on the basis of gender. GBV has many expressions, including physical, sexual, psychological and economic, which can be underpinned by legal, social and institutional norms and systems. Examples include but are not limited to: physical assault; sexual violence including sexual exploitation / abuse, forced prostitution and rape; domestic violence; trafficking; early/ forced marriage; female genital mutilation; honour killings; property grabbing; and widow disinheritance.

		<p>With the integration of gender modules into the training approach, awareness of these issues are raised in the farming communities and sensitization is enabled.</p> <p>In the DRC, a review of existing redressal systems is ongoing to ensure that grievance and redressals mechanisms are functional and fit-for-purpose.</p> <p>In Uganda, Kyagalanyi (KCL) is already using a detailed “assess and address” system for grievances and complaints, which enables grievances and complaints to be effectively raised by employees, workers, farmers and other stakeholders, and then addressed by KCL. In this context, KCL has implemented a complaints procedure for their operations in the Mount Elgon cluster, which is described in more detail in Annex 1.1 of the Project Document.</p>	<p>project including procedures that describe how to act in case of incidents (e.g. report, investigate, remedy such actions) - to be included in the ESMP</p>
<p>Conclusion of ESMS Reviewer on¹¹</p>		<p>Estimated likelihood of risks (1-5): 2</p>	<p>Estimated impact (1-5): 3</p>
<p>B2: Risk of affecting vulnerable groups¹²</p>			
<p>5. Has the project site been assessed on the presence of vulnerable or disadvantaged groups or individuals (including persons with disabilities)? Are their livelihood conditions and needs are sufficiently understood? Please name the groups; ensure that those referred to in the footnote were considered in the analysis.</p>	<p>Yes</p>	<p>A stakeholder assessment by the local partners has been conducted and complemented with additional checks on the presence of indigenous people in the project site. Additionally, for each sourcing area, gender assessments have been done.</p>	<p>Due to restrictions related to COVID 19 the extent of stakeholder consultation was limited. Therefore, a rapid social analysis should be carried out in each locality supported by the project.</p>
<p>6. Is there a likelihood that project risks and negative impacts fall disproportionately on disadvantaged or vulnerable individuals or groups? Consider impacts on material and on non-material livelihood conditions. Also consider changes in land use and/or tenure arrangements with a risk of disproportionately affecting vulnerable groups, including people coming from outside the project area such as internally displaced people.</p>	<p>No</p>	<p>The project beneficiaries are small scale coffee farmers and through training and the provision of resources the project provides opportunities for them to improve practices and become more climate resilient. These changes are not expected to affect material or non-material conditions of disadvantaged or vulnerable individuals.</p> <p>However, it is conceivable that by promoting the cultivation of coffee, farmers may be encouraged to shift land use from subsistence to cash crops, making them more vulnerable to international coffee markets (e.g., if the farmers don't meet quality requirements/not able to sell their coffee or if the coffee price drops). However, the project addresses this risk by promoting on-farm agroforestry systems, intercropping with indigenous species and farm income diversification – including by promoting kitchen gardens for household nutrition needs in the DRC.</p>	<p>It is understood that lack of ownership to land or of use rights to land are economic constraints in both sites and a main reason for vulnerability of specific social groups or households. To overcome this constraint landless people often enter into a sharecropper relationship with a large landholder, a concept which is known in the sites in DRC as "concessionaire". Share croppers often work in difficult working conditions as they are confronted with high costs for the use of small plots of land and in DRC are also required to provide two days of volunteer work (Salongo) for the benefit of the concessionaire. The limited scope and size of the project will not allow the project to address and improve complex issues around land tenure. However, it needs to be ensured</p>

¹¹ Please see guidance given above for estimating the **likelihood** of the event to occur and its **impact** (consequence) on the receptor. It is understood that there might still be a considerable degree of uncertainty at this stage of project preparation.

¹² Depending on the context **vulnerable groups** could be landless or elderly people, children, ethnic minorities, displaced people, people living in poverty, marginalised or discriminated individuals or groups, among others. Particular emphasis should be given to risks for persons with disabilities which are often overlooked.

			that by providing new opportunities to landholders it does not aggravate the situation of sharecroppers, e.g. by reducing land available for sharecroppers important for their survival or by deteriorating the conditions of sharecroppers (e.g. pressure to increase the extent of volunteer work). It is recommended that the project seeks opportunities to provide training and agronomic services to sharecroppers and also to link them to cooperatives and washing stations where they could supply cherries. Measures to be included in the ESMP
7. Is there a risk that the project might discriminate against vulnerable groups with regards to access to resources, services, or benefits provided by the project? <i>Note that inclusiveness and non-discrimination in the process of designing the project is discussed only in section D.</i>	No	The project partners identified the project area based on the biophysical criteria related to coffee production as well as the need for strengthening climate resilience of coffee farming households. The project focuses on selected small-scale farming households in the landscapes. It is inevitable that this implies that project resources and services are made available for this target group but may not be accessible for more vulnerable groups (e.g., landless people, disabled community members). The activities connected with VSLA's will be monitored to help ensure that their governance appropriately includes diverse marginalized groups. However, there might be social differentiation within the target group of small-scale farming households and the project will do its best to ensure that those who are less well placed will not be discriminated in their ability to access the services and resources. Resolving land scarcity and landlessness is outside the scope of this project.	It is understood that one of the main reasons for vulnerability are lack of land but as explained above the project will not be able to tackle these complex issues. However, the project should ensure that vulnerabilities within the target group of small-scale farming households are well understood to avoid any risks of discrimination against those vulnerable households in terms of access to training or agronomic support services. The intention of the proponent to monitor the activities connected to the VSLA as a measure to promote inclusive governance and opportunities for vulnerable groups is well received. This should be added in the ESMP to ensure monitoring.
Conclusion of ESMS Reviewer on		Estimated likelihood of risks (1-5): 2	Estimated impact (1-5): 3
B3: Risks of undermining human rights			
8. Could the project lead to adverse impacts on the enjoyment of human rights (civil, political, economic, social or cultural) of individuals or groups including through measures that reduce the level or effectiveness of the protection of rights by governments and agencies or that weaken the respect of the rights by other stakeholders (e.g replacement of customary authorities and institutions by protected area officials, affecting the traditional systems of political representation, authority and decision-making and therefore the political rights of communities etc.)?	No	The target groups are small-scale farmers with legal/recognized land rights. Decisions taken by these farmers do not have any impact beyond the land they legitimately own.	
9. Is there a risk that project activities affect individuals or groups in their ability to fulfill economic and social rights , i.e. the rights that	No	The decision to join the program and cultivate coffee might imply giving up other crops, including those used	

<p>guarantee the ability of people to meet their basic needs (e.g. health or education, drinking water, productive resources, sources of income, subsistence); consider restrictions in availability, quality of and/or access to services or resources essential to meet the basic needs, in particular for vulnerable groups or individuals, including persons with disabilities?</p>		<p>for subsistence purpose. These decisions are taken by each farmer on a completely voluntary and without coercion. Question 6 above explains how the projects manages risks of failing to provide for subsistence.</p>	
<p>10. Is there a risk that project activities lead to a deterioration of procedural rights; consider project activities that lead to exclusion of individuals or groups from participating in decisions that may affect them (e.g. on natural resource management, land use etc.) or that affect their ability to access information that is important for their informed participation?</p>	<p>No</p>		
<p>11. Is there a risk that activities lead to unjustified preferential treatment of individuals or groups in terms of access to resources or services provided by the project; also consider elite capture that might lead to discrimination of vulnerable people, or formal or de facto restriction or exclusion of groups from access to such resources or services¹³?</p>	<p>Low</p>	<p>The allocation of resources and services in a project may lead to very limited inadvertent unjustified preferences. This risk is addressed by applying an open and transparent process with regards to the provision of trainings and agronomical support to farmers: all farmers in the respective geographical area that are willing and interested to improve their coffee growing ability to be able to deliver the coffee high quality requirements of Nespresso are able to access training and agronomical support. However, it cannot be excluded that some farmers – after having attended the trainings for years - may still not be able to meet the quality specification and as such will no longer be able to participate. Also note that none of the farmers has a contractual obligation to sell to Nespresso.</p>	<p>Risk to be added in the ESMP in order to monitor through community consultation whether the selection process is in fact perceived as open and transparent</p>
<p>12. Is there a risks that project activities contribute to the discrimination on the grounds of ethnicity, sex, age, language, disability, sexual orientation, gender identity, religion, political or other opinion, national or social or geographic origin, property, birth or other status including as an indigenous person or as a member of a minority?</p>	<p>No</p>	<p>The criteria of participating in the project is explained in question 11. They are of economic nature and transparent. There is no risks of discrimination based on ethnicity, social status etc.</p>	
<p>13. Is there any history of human rights conflict or injustice in the project area/s, including evictions and failure to compensate people for their land and/or assets when the protected area was established¹⁴ and is there a risk that the project might perpetuate or aggravate such situations?</p>	<p>No</p>	<p>Mount Elgon (Uganda): the creation of the Mt Elgon Protected Area caused forced eviction without compensation for losses. However, given the scope and objectives of the project there is no risks of perpetuating impacts. Minova (DRC): Indigenous people migrated to zones around Minova for economic reasons, after the arrival of the Rwandan refugees, some indigenous people sold their land to</p>	<p>While these are important incidents it is acknowledged that they occurred outside the project's areas of influence and there is no risk of project activities aggravating these situations.</p>

¹³ Examples for *de facto* restriction or exclusion are: information is not made available in appropriate languages, individuals with no/low income or without tenure rights (or registered titles) can't access services (e.g. agricultural extension services, persons with disabilities are confronted with physical barriers that block their access; certain groups are stigmatised by society and thus have no access services.

¹⁴ In cases of past resettlement processes in the project area/s, the proponent should seek evidence that demonstrate that international good practice was adhered to and appropriate compensation provided.

		immigrants in the high plateaus and immigrants now occupy the lands there. The departure and return of refugees (that is to say, when some refugees were repatriated, some had sold their granted land, others had left them under the management of families and finally, another category abandoned them. In the highlands, it is reported that when immigrants left these fields in exchange for a sum of money for the provision of the road. From then on, controversies arose around land sales, considered by some as a selling price and by others, as a temporary price, as these were generally modest sums and, moreover, symbolic, some immigrants abandoned properties have reportedly been sold by customary chiefs.	
Conclusion of ESMS Reviewer on		Estimated likelihood of risks (1-5): 2-3	Estimated impact (1-5): 2
B4: Community health, safety and security			
14. Is there a risk of increasing exposure of communities to security and safety risks, in particular for vulnerable groups, through direct and indirect impacts when operating in areas of conflict or post-conflict (civil war, inter-ethnic conflict etc.) or areas affected by organized poaching, drug cultivation or trafficking, organized crime or trafficking in persons or illegal migration?	Mode rate	<p>The security situation in eastern DRC remains unstable with armed groups being present; also intercommunal violence can affect the security situation. The Congolese army is carrying out operations against foreign and domestic armed groups operating in North and South Kivu provinces. Large numbers of civilians remain displaced as a result of the conflict. Acts of violence, including killing, rape and looting continue against the civilian population¹⁵.</p> <p>Uganda in general is considered stable, but has experienced some political unrest with the recent presidential election. This has led to violent riots in the pre-election phase as well as an internet shutdown for the days during the election.¹⁶ The Ugandan opposition leader and presidential challenger continues to dispute the results of the elections on the international stage.¹⁷ Nespresso and the local partner (KCL) will continue to monitor the situation. The local partner (KCL) and Nespresso have a long-standing commitment to Uganda and currently foresees low or no impact on the planned project.</p>	Nespresso and the local partners KCL and Technoserve will need to continue to monitor the situation. For DRC emergency preparedness measures should be put in place. Risk, mitigation and monitoring measure to be added in the ESMP

¹⁵ <https://www.gov.uk/foreign-travel-advice/democratic-republic-of-the-congo/safety-and-security>

¹⁶ <https://www.theafricareport.com/59129/uganda-the-unsurprising-pre-election-violence-by-security-forces/>

¹⁷ <https://www.theguardian.com/world/2021/feb/01/uganda-opposition-leader-bobi-wine-calls-on-court-to-nullify-election-result>

		These security risks are contextual factors and are not the consequence of the project. Generally, it is expected that by providing market access for coffee farmers and income for workers in the value chain and on the farms, the project will contribute to improvements of the economic situation which will hopefully lead to stabilization of security. Notwithstanding, support the economic success of individual farmers may make them a target of organized crime / armed group.	
15. Is there a potential risk that the project could inadvertently exacerbate existing conflicts or generate conflicts within or between communities including through weakening community institutions, disrupting social interactions or the risk of inadvertently escalating personal or communal conflicts and violence?	mode rate	<p>Intervening in a complex and politically and socially instable context and the stimulation of economic well-being of some members of the community might carry the risk of fuelling conflicts between communities or social groups. Hence, this risk cannot be fully excluded and requires monitoring.</p> <p>In DRC context, Nespresso is doing a conflict sensitivity analysis with experts to ensure the mitigation of this risk.</p>	<p>In the project sites in DRC around Minova Kiniezire small scale land disputes between land holders and small farmers have been observed, that could escalate, especially among certain purchasers and farmers-tenants.</p> <p>While it is acknowledged that a conflict sensitivity analysis is been carried out in DRC, because of the significance of the risk, it should also be included in the ESMP in order to monitor that the mitigation measures will get implemented.</p> <p>The Grievance mechanism that is described in the prodoc in chapter 5 and covers both sites, will also be instrumental to receive complaints to be able to address any issues before conflicts might escalate.</p>
16. Will the project support PA management and/or provide support for law enforcement activities ? If yes, please briefly describe relevant project activities and answer questions a-d. Otherwise, skip to question 17	No		
a. Which agencies are responsible for law enforcement in the project area? Do they include any community organizations or private companies?			
b. Do park rangers or other law enforcement personnel carry firearms in the course of their duty?			
c. Has there been any conflict between the management of the protected area/s and local people in the last 5 years? If so, what were the causes of the conflict (e.g. poaching, logging, disputes over access rights, artisanal mining)?			
d. Have there been any formal complaints, investigations or press reports relating to law enforcement activities in the project area? In addition to own knowledge of the site, please also conduct a			

web search and check sites of the OHCHR regional or national office.			
17. Is there a risk of injury or loss of life among people triggered by an increase of human wildlife conflicts that may be elicited directly or indirectly from project activities, with particular attention to vulnerable and/or forest-dependent groups? Also consider loss of assets (e.g. crops, livestock) which might escalate conflicts (e.g. retaliatory killing)?	No		
18. Is there a risk that activities inadvertently affect provisioning and regulating ecosystem services including risks of increasing communities' exposure to natural hazards or disasters (e.g. by exacerbating floods due to cleared vegetation for project construction or by changing flows into water infrastructure etc.) giving particular attention to current or projected impacts from climate change?	No		
19. Is there a likelihood that project activities lead to accidents and exposure of communities to hazardous substances , including accidents involving vehicles and equipment and risks related to infrastructure built by the project, in particular in areas subject to natural hazards (floods, hurricanes, earthquakes, etc.).	No		
20. Could the project cause or exacerbate community exposure to health and safety risks including by triggering water-born or -based diseases (e.g. through creation of stagnant water bodies, livestock affecting quality of portable water), increasing the spread of other vector-borne diseases or communicable infections (e.g. by failure to provide precautionary measures during epidemics or seasonal diseases) or through reduction in local air quality (e.g. through generation of dusts, burning of wastes, or burning fossil fuels and other materials in improperly ventilated areas)?	No		
Conclusion of ESMS Reviewer on		Estimated likelihood of risks (1-5): 3	Estimated impact (1-5): 3
B5: Labor and working conditions affecting project workers – please see definition for project workers in footnote ¹⁸			
21. Is there a risk that the project would potentially involve or lead to working conditions that do not meet national labor laws and regulations and/or are not consistent with International Labor Organization's (ILO) Declaration on the Fundamental Principles and Rights at Work (e.g. discriminatory working conditions, lack of equal opportunity, lack of clear employment terms, failure to prevent harassment or exploitation, failure to ensure freedom of association etc.)?	Limited	In the AAA program there are clear requirements on pre-requisite to be able to join the AAA Sustainable Quality program, among these are in the TASQ core the following: <ul style="list-style-type: none"> • Farmers protect employees from all forms of forced labor, including working under a regimen of imprisonment • Every worker shall be treated with respect and dignity • The hiring of minor workers under the legal age and the worst forms of child labor are prohibited. • Minimum wage & freedom of association and collective bargaining 	This risk appears well managed through the AAA program. For precautionary reasons it is recommended to include in the ESMP the need to gather the results from the audits on an annual basis.

¹⁸ Project workers refer to (i) people employed or engaged **directly by the project executing entity** to work specifically in relation to the project, (ii) people employed or engaged through **third parties** to perform work related to core functions of the project, (iii) individuals engaged by the project in public or **community work programs or as volunteers**.

		There are regular audits conducted on the AAA clusters to ensure the compliance of these requirements.	
22. Will the project work with local volunteer (community patrols etc.) or engage individuals in public or community work programs ? If so, for what kind of activities?	No		
23. Are project workers (including rangers and community patrols) exposed to the risk of violence in the course of their duties through direct and indirect impacts when operating in areas of conflict or post-conflict (civil war, inter-ethnic conflict etc.) or areas affected by organized poaching, drug cultivation or trafficking, organized crime or trafficking in persons or illegal migration?	Limited	Limited conflict at this moment, the more active conflict is in Northern Kivu. In DRC the local partner (TNS) as well in Uganda continuously monitor the situation so that there is no risk to all staff and consultants that work locally. Additionally, in DRC TNS remain informed through the network of other NGOs and donors in the region and have security guidelines that they follow as an international organization.	The risk in DRC is considered high. Emergency preparedness measures are indispensable. to be included in the ESMP
24. Is there a risk that project workers might be exposed to occupational health and safety (OHS) risks including risks related to vehicles, equipment or heavy machinery, chemical or biological hazards, exposure to infectious and vector borne diseases? Including rangers or community patrols being exposed to human wildlife conflict or at higher risk to malaria due to long period of exposure. Also consider specific threats to women.	No	No, all the operations follow standard operating procedures and monitoring through AAA program assessments, which take place at the level of the coffee farms as well at cooperative level (depending how the supply chain is organized).	
25. Are there any circumstances in which the project may be involved or implicated in forced labor (e.g. any work or service which someone has not volunteered for and is forced to do) or harmful child labor ¹⁹ ? Child labor would be considered harmful if it interferes with a child's education or could be detrimental to a child's health or mental, spiritual, moral, or social development. Please consider direct and indirect work relationships established by the project as well as work relationships of project stakeholders, including farmers and other enterprises that receive benefits or services from the project.	No	AAA Sustainable Quality program has clear requirements on pre-requisite to be able to join the AAA Sustainable Quality program, among these interdiction of child labor and forced labor; and there are mechanisms in place to monitor, audit and address child labor. Nespresso has a zero tolerance on child labor, which is part of the commitment partners also sign with Nespresso (Shared commitment) and this is monitored through the annual TASQ assessments. In the case that a farmer fails to keep the compliance with this criterion, we will not buy coffee from this farm until they can demonstrate that the standard is respected, and they once again comply with ILO standards and local law. We will support them in that endeavor as we believe that plain exclusion will not help remedy the problem of child labor. ²⁰ Further in the TA there is awareness raising with the farming communities	

¹⁹ IUCN follows ILO Convention 138 on Minimum Age that sets the general minimum age for admission to employment or work at 15 years (13 for light work) and the minimum age for hazardous work at 18 (16 under certain strict conditions). It provides for the possibility of initially setting the general minimum age at 14 (12 for light work) where the economy and educational facilities are insufficiently developed. For more information on the prevention of harmful Child Labour, please see the Guidance Note on Assessment and Management of Environmental and Social Risks available at www.iucn.org/esms.

²⁰ For further information please check : Preventing and eradicating child labor from Nespresso's supply chain | Nestlé Nespresso (nestle-nespresso.com)

		on child labor, with clear messages that it is unacceptable for the AAA Sustainable Quality Program and Nespresso.	
Conclusion of ESMS Reviewer on		Estimated likelihood of risks (1-5): 3	Estimated impact (1-5): 3
B6: Resource efficiency, pollution, wastes, chemicals and GHG emissions			
26. Is there a risk that project activities might lead to releasing pollutants (chemicals and other hazardous materials) to the environment due to routine or non-routine circumstances (e.g. accidental releases) with the potential for adverse local, regional, and/or transboundary impacts?	No	All the issues (26-30) are appropriately addresses be the AAA Sustainable Quality program ²¹	
27. Is there a probability that project activities cause significant amounts of waste or waste water or generate hazardous waste ? Is there a risk of inappropriate disposal of waste?	No		
28. Might the project involve the use of chemicals or other hazardous materials ? If yes, explain how risks are managed. Is there any probability that among them are substances, chemicals or hazardous materials subject to international bans, restrictions or phase-outs due to high toxicity to living organisms, environmental persistence, potential for bioaccumulation, or potential depletion of the ozone layer? ²² Please note that the use of pesticides are covered in the Biodiversity Standard (Section C4).	No		
29. Will project activities involve or lead to a significant consumption of energy, water or other resources ? If yes, explain how it will be ensured that resources are used efficiently.	No		
30. Will the project lead to significant increases of greenhouse gas emissions or to a substantial reduction of carbon pools (e.g. through loss in vegetation cover or below and above ground carbon stocks)?	No		
Conclusion of ESMS Reviewer on		Estimated likelihood of risks (1-5): 2	Estimated impact (1-5): 2
Overall conclusion of ESMS Reviewer on negative Social and/or Environmental Impacts			
<i>Have negative environmental or social impacts been identified? Are assessments required to better understand the impacts? What specific topics are to be assessed? Have measures for avoiding impacts already been considered? Are they sufficient?</i>		The social and in particular the environmental impacts are expected to be largely positive, mainly due to the existence of the Nespresso AAA Sustainable Quality program. Notwithstanding some social risks have been identified; it is noted that some of these risks are more related to the context than to the actual project activities. However, they might still need to be monitored as explained in the above ESMS Reviewer column. For some risks mitigation measures are required and need to be included in the ESMP - as specified in the same column above.	

²¹ Available at: https://cloud.cross-systems.ch/w/n Nespresso/corporate_assets/Nespresso-AAA-TASQ-2016.pdf

²² For instance, substances listed under the Stockholm Convention on Persistent Organic Pollutants.

C. Potential impacts related to ESMS standards

C1: Standard on Involuntary Resettlement and Access Restrictions²³

	Project proponent		IUCN ESMS Reviewer
	Yes, no, maybe, n/a	Answer question and describe how the project will assess, avoid or manage the identified risks	Comments, additional considerations
1. Will the project involve resettling people or communities involuntarily and/or acquiring their land (e.g. for the creation of a strict nature reserve or reducing the threat of wildlife related incidents for communities living in reserves)? if yes, answer a-b below	No	Shaded cells do not need to be filled out	Shaded cells do not need to be filled out
a. Describe the project activities that require resettlement.			
b. Have alternative project design options for avoiding resettlement been rigorously considered?			
2. Is there a risk that the project will involve forced eviction ²⁴ ?	No		
3. Does the project include activities that might cause economic displacement by restricting peoples' access to land or natural resources where they have recognized rights (legally or customarily defined)? Please consider the following activities: establishing new protected areas (PA) or extending the area of an existing PA, improving enforcement of PA regulations (e.g. training guards, providing monitoring and/or enforcement equipment, providing training/tools for improving management effectiveness), constructing physical barriers that prevent people accessing certain places; changing how specific natural resources are managed to a management system that is more restrictive ²⁵ ; if yes, answer a-h below, if no justify your answer in this row	No		
Answer only if you answered yes to item 3			
a. Indicate the project activities that (might) involve restrictions <u>and</u> the respective land or resources to be restricted including communal property and natural resources (e.g. marine and aquatic resources, timber and non-timber forest products, fresh water, medicinal plants, hunting and gathering grounds and grazing and cropping areas.			
b. Based on a thorough analysis of the legal framework regulating land tenure and access to natural resources, can it be confirmed that			

²³ The term “**involuntary resettlement**” refers to project-related land acquisition and restrictions on land use which have adverse impacts on communities and persons. Project-related land acquisition or restrictions on land use may cause physical displacement (relocation, loss of residential land or loss of shelter), economic displacement (loss of land, assets or access to assets, leading to loss of income sources or other means of livelihood), or both. Resettlement is considered involuntary when affected persons or communities do not have the right to refuse land acquisition or restrictions on land use that result in displacement (World Bank ESS5)

²⁴ It is important to understand that Involuntary resettlement is different from “**forced eviction**”; the latter being defined as the permanent or temporary removal **against the will** of individuals, families, and/or communities from the homes and/or land which they occupy without the provision of, and access to, appropriate forms of legal and other protection (WB ESS5). Forced evictions is an extreme form of involuntary resettlement and “constitutes a gross violation of human rights, in particular the right to adequate housing” (Commission on Human Rights, Resolution 1993/77).

²⁵ Note that the Standard “does not apply to restrictions of access to natural resources under community-based natural resource management projects, i.e., where the community using the resources collectively decides to restrict access to these resources” (e.g. introduction of restrictions to ensure continued access to these resources) “provided that an assessment establishes that the community decision-making process is adequate and reflects voluntary, informed consensus, and that appropriate measures have been agreed and put in place to mitigate adverse impacts, if any, on the vulnerable members of the community” (WB ESS5).

restrictions implemented by the project might affect groups or individuals who have recognized rights to the respective land or natural resources? Or would the restrictions potentially affect individuals who do not have recognized rights but who are highly dependent on the land/resource? If both questions are answered with no, skip to question 4; otherwise continue answering c-h below			
<p>c. Is there a risk that project induced access restrictions will negatively affect people's livelihoods? Consider impacts due to</p> <ul style="list-style-type: none"> • Loss of access to natural resources in a particular area, • Loss of access to social services such as schools, health care etc, • Change of quality/quantity of resources a household can access, • Change in seasonal access to a resource, • Change in types of assets needed to access resources; <p>If yes, please elaborate on the different livelihood elements that are affected, explain who might be affected and describe impacts. Distinguish between social groups (incl. vulnerable groups, indigenous peoples), men and women; also consider impacts of restrictions on people coming from outside of the project area. If yes, answer d-h below; otherwise skip to question 4</p>			
d. Have strategies been considered to avoid restrictions by making changes to project design? If yes, explain.			
e. If it is not possible to avoid restrictions, will the project include measures to minimize or compensate for impacts from loss or restrictions of access? Please describe the measures.			
f. Are eligibility criteria established that define who is entitled to benefit from these measures? Are they transparent and fair (e.g. in proportion to their losses and to their needs if they are poor and vulnerable)?			
g. Are these measures culturally appropriate and gender inclusive? Does the geographical scale of the measures match the scale of the restrictions (e.g. will measures be accessible to all groups affected by the restrictions)?			
h. Has a process been implemented or started to obtain consent from groups that are likely to be negatively affected by restrictions? Please describe the process (who has been consulted and how).			
4. Will/might the project require the acquisition of land for purposes other than the conservation objectives described above? E.g. for building (communal) infrastructure (development of water tanks, irrigation canals, access roads etc.). If yes, describe the legal status/ownership of the land that might be subject to land acquisition. If voluntary donations are considered, explain how it will be ensured that no pressure or coercion is involved.	No		

Conclusion of ESMS Reviewer on the Standard on Involuntary Resettlement and Access Restrictions

<p>What are the main gaps with regards to the provisions of the Standard? What are the main risks and who are the main groups potentially affected? Are assessments required to better understand the impacts and identify mitigation measures? What specific topics are to be assessed? Have measures for avoiding impacts already been considered? Are they sufficient? What safeguard tools are to be prepared (e.g. Process Framework)? When would the tools need to be available (complete and accepted)? When would the tools need to be available (complete and accepted)?</p>	<p>The project does not include any activities that would result in resettlement, economic displacement or that would require land acquisition.</p>		
<p>Standard triggered? (Yes / No / TBD)</p>	<p>No</p>	<p>Estimated likelihood of risks (1-5):n/a</p>	<p>Estimated impact (1-5):n/a</p>

C2: Standard on Indigenous Peoples ²⁶

	Project proponent		IUCN ESMS Reviewer
	Yes, no, maybe, n/a	Answer question and describe how the project will assess, avoid or manage the identified risks	Comments, additional considerations
<p>1. Does the project site²⁷ overlap with lands or territories claimed by indigenous peoples, tribal peoples or other traditional peoples? If yes, answer questions a-i</p>	<p>No</p>	<p>In Uganda the project will focus on the new Bumbo AAA cluster in the Namisindwa district near Mt. Elgon. Forests in the Mt. Elgon area have traditionally been territory of Benet indigenous communities; many of these communities have been forcefully relocated in the 70ies and 80ies in the course of the establishment of the Mt. Elgon Protected Area and some have subsequently settled in the plains. According to the data available from the field visits the specific sites selected for the field interventions in Bumbo do not have any presence of Benet groups, though. The local communities are part of the Bagisu tribe .</p> <p>In the DRC the project focuses on Minova which is located in the Kalehe Territory of South Kivu, on the shores of Lake Kivu. Kalehe has a diversity of ethnic groups, namely the Bahavu, Bahutu, Batembo, Bahunde, Balega, Batutsi, Barongeronge and the Batwa. The latter are considered indigenous people but the area does not represent their traditional territory as they migrated to the area from the highlands to zones around Minova for</p>	<p>It is understood that the travel restrictions imposed as response to COVID 19 affected the ability of the project design team to carry out consultations with local communities and indigenous people in particular. This should be made up for during the project's inception phase by carrying out a rapid social analysis including consultations with indigenous people's representatives (both sites). In case risks issues are identified, against current judgement, this will be addressed in the ESMP with mitigation measures in consultation with affected communities</p>

²⁶The coverage of indigenous peoples includes: (i) peoples who identify themselves as "indigenous" in strict sense; (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; and (iii) traditional peoples not necessarily called indigenous or tribal but who share the same characteristics of social, cultural, and economic conditions that distinguish them from other sections of the national community, whose status is regulated wholly or partially by their own customs or traditions, and whose livelihoods are closely connected to ecosystems and their goods and services

²⁷ The project site is defined as the project's area of influence. This is often larger than the site where actual project activities are located as it considers the area impacted by the activities. For example, a project that intervenes in a PA through strengthening law enforcement will also impact groups that live just outside a PA but have historically hunted inside the PA, even before it was created.

		economic reasons. As such, they don't have historical claims to land in the project site.	
2. Even if indigenous groups are not found at the project sites, is there still a risk that the project could affect the rights and livelihood of indigenous peoples? If yes, answer questions a-i	TBD	The project offers training and agronomic support to small-scale farmers which will then be applied only to their respective land holdings. The training and support are services that can be accessed by coffee farmers, but there is no obligation. As explained in question 1 above, the project site in Uganda does not include any indigenous communities. In DRC, despite the presence of migrated Batwa people, the project activities are confined to the lands of small-scale coffee farmers who join the programme as decided by them. As such, activities are not expected to affect land, resources or cultural heritage of indigenous Batwa communities.	
Answer only if you answered yes to 1 or 2 above.			
a. Name the groups; distinguish, if applicable, the geographical areas of their presence (including the areas of resource use) and how these relate to the project's area of influence.		See answer to question 1	
b. What are the key characteristics that qualify the identified groups as indigenous groups? Do these groups identify themselves as indigenous? And how does the host country's Government refer to these groups?		The Batwa people identify themselves as indigenous. The concept of "indigenous peoples" is accepted and approved by the government and civil society organisations DRC.	
c. Explain whether communities have traditionally lived in the project site or whether there are groups or some households who have moved from their traditional area to the project site to be in or near a protected area for economic reasons. ²⁸		See answer to question 2	
d. Is there a risk that the project affects their livelihood through physical or economic displacement ? While this is covered in section C2, if yes, please specify the indigenous groups affected. For projects promoting protected areas, distinguish between communities whose traditional resource use areas overlap with the PA, even before it was created, from those who have a recent history and presence there.	No	The project does not include any activity related to PA with possible impacts of relocation or access restrictions.	
e. Is there a risk that the project affects indigenous peoples' rights or livelihood by using or commercially developing natural resources on lands and territories claimed by them, by affecting their	No	The project is not located on land claimed by IP as territory. The project activities are also not expected to	

²⁸ It is important to bear in mind that the Standard is seen to generally apply to the community and not to an individual that may have left the community.

traditional livelihood, their self-determination, cultural identity, values and practices, or their development priorities?		negatively affect their traditional livelihood, their cultural identity etc.	
f. Is there a risk of affecting the cultural heritage of indigenous peoples by using or contributing to the commercialisation of indigenous peoples' traditional knowledge (including ecological) or practices?	No		
g. Are any indigenous groups living in voluntary isolation ? If yes, how does the project respect their rights (paying attention to national laws on the matter) and avoid any negative impacts?	No	Not to our knowledge. Note that the project does not intervene in remote locations where this could be the case.	
h. Explain whether and how legitimate representatives of indigenous groups have been consulted to discuss the project and better understand potential impacts upon them? Has a process been started or implemented to achieve their free, prior and informed consent (FPIC) to activities that might affect them?	No	Consultations with representatives have not been held as the project will not affect their territories / land and is not expected to negatively affect indigenous communities in material or non-material way.	It will be important
i. Explain whether opportunities are considered to provide benefits for indigenous peoples? If yes, is it ensured that this is done in a way agreed with them and is culturally appropriate and gender inclusive?		The project offers training and agronomic support to small-scale coffee farmers. These services are open to all farmers that are willing and interested to improve their coffee growing ability in order to be able to meet the high quality requirements of Nespresso.	It is understood that indigenous people might not be able to benefit from the project services due to lack of ownership of or use rights to land. Survival strategies include entering into a sharecropper relationship with a larger landholder, the "concessionaire"; however, working conditions are often not very favourable for sharecroppers (e.g. high costs for lease and requirement to offer free labour to the concessionaire). Based on the results of the social analysis the project should seek opportunities to provide training and agronomic services to indigenous sharecroppers and also to link them to cooperatives and washing stations where they could supply coffee cherries.

Conclusion of ESMS Reviewer on the Standard on Indigenous Peoples

<p>What are the main gaps with regards to the provisions of the Standard? What are the main risks and who are the main groups potentially affected? Are assessments required to better understand the impacts and identify mitigation measures? What specific topics are to be assessed? Have measures for avoiding impacts already been considered? Are they sufficient? What safeguard tools are to be prepared (e.g. Indigenous Peoples Plan)? When would the plans need to be available (complete and accepted)?</p>	<p>It is acknowledged that the travel restrictions imposed as response to COVID 19 affected the ability of the project design team to carry out extensive consultations with local communities to ascertain the presence (or not) of indigenous peoples in all project sites. Based on limited extent of consultation the working assumption is that there are no indigenous communities in the project site in Uganda (Bumbo, Namisindwa district). In the DRC the project site (Minova, Kalehe Territory of South Kivu) there is some presence of indigenous Batwa people. However, the project sites are not their traditional territory as they migrated from the highlands to the area for economic reasons. As such, they don't have historical claims to land in the project site. In light of the project's narrow scope on coffee production system and the voluntary nature of the services offered (e.g. training, agronomic services and market access), it is considered unlikely that project activities poses risks to these groups. Notwithstanding, further consultation is required to ascertain the judgment. This should be done as part of a rapid social analysis to be scheduled for the project's inception phase, for Uganda and DRC. This will provide an accurate picture of the presence of IP in each of the villages; in sites/villages where IP are present, consultations should be held with indigenous people's representatives. In case risks from project activities are identified mitigation measures need to be developed with the affected groups and in consideration of the project's scope. These could focus around training and agronomic support, including where IP cultivate coffee in a sharecropping relationship; other options are linking them to cooperatives and washing stations where they could supply/sell coffee cherries. In DRC opportunities linked to the kitchen gardens could be sought, where considered culturally appropriate and as agreed by the indigenous communities.</p>		
Standard triggered? (Yes / No / TBD)	TBD	Estimated likelihood of risks (1-5): TBD	Estimated impact (1-5): TBD

C3: Standard on Cultural Heritage²⁹

	Project proponent		IUCN ESMS Reviewer
	<i>Yes, no, maybe, n/a</i>	<i>Answer question and describe how the project will assess, avoid or manage the identified risks</i>	<i>Comments, additional considerations</i>
1. Is the project located in or near a site officially designated or proposed as a cultural heritage site (e.g., UNESCO World Cultural or Mixed Heritage Sites, or Cultural Landscapes) or a nationally designated site for cultural heritage protection? if yes, answer a-c below	No		
2. Does the project site include important cultural resources such as burial sites, buildings or monuments of archaeological, historical, artistic, religious, spiritual or symbolic value? if yes, answer a-c below	No		
3. Does the project area site include any natural features or resources that are of cultural, spiritual, or symbolic significance (such as sacred natural sites, ceremonial areas, or sacred species)? if yes, answer a-c below	No	Not to our best knowledge	

²⁹ Cultural heritage is defined as tangible or intangible, movable or immovable cultural resource or site with paleontological, archaeological, historical, cultural, artistic, religious, spiritual or symbolic value for a nation, people or community, or natural feature or resource with cultural, religious, spiritual or symbolic significance for a nation, people or community associated with that feature.

a. Will the project involve development of infrastructure (e.g. roads, building, dams) or construction of buildings (e.g. visitor centre, watch tower)?	No		
b. Will the project involve excavation or movement of earth (e.g. for slope restoration, landslides stabilisation), flooding or physical environmental changes (e.g., as part of ecosystem restoration)?	No		
c. Is there a risk that physical interventions described in items a. and b. might affect known or unknown (buried) cultural resources?	No		
4. Will the project restrict local users' access to cultural resources or natural features/sites with cultural, spiritual or symbolic significance?	No	The project interventions are limited to the coffee fields and the washing stations.	
5. Is there a risk that project activities might affect in-tangible cultural resources such as values, norms or practices of local communities?	No		
6. Will the project promote the use of or the development of economic benefits from cultural heritage resources or natural features/sites with cultural significance to which local communities have recognized rights (legally or customarily defined)?	No		

Conclusion of ESMS Reviewer on the Standard on Cultural Heritage

*What are the main gaps with regards to the provisions of the Standard?
 What are the main risks and what are the main receptors (groups, resources) potentially affected?
 Are assessments required to better understand the impacts and identify mitigation measures? What specific topics are to be assessed?
 Have measures for avoiding impacts already been considered? Are they sufficient? What are the safeguard tools to be prepared (e.g. Chance Find procedures)? When would these need to be available (complete and accepted)?*

Standard triggered? (Yes / No / TBD)	No	Estimated likelihood of risks (1-5):n/a	Estimated impact (1-5): n/a
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C4: Standard on Biodiversity Conservation and Sustainable Use of Natural Resources

	Project proponent		IUCN ESMS Reviewer
	Yes,no, maybe, n/a	Answer question and describe how the project will assess, avoid or manage the identified risks	Comments, additional considerations
1. Is the project located in or near areas <ul style="list-style-type: none"> legally protected or officially proposed for protection including reserves according to IUCN Protected Area Management Categories I - VI, UNESCO Natural World Heritage Sites, UNESCO Biosphere Reserves, Ramsar Convention on Wetlands recognised for their high biodiversity value and protected as such by indigenous peoples or other local users 	No		

<ul style="list-style-type: none"> • which are not covered in existing protection systems but identified by authoritative sources for their high biodiversity value³⁰ 			
<p>2. If there are any project activities proposed within or adjacent to areas high of biodiversity value or critical habitats described above, is there a risk of causing adverse impacts to biodiversity and the integrity of the ecosystems? Consider activities such as infrastructure works (e.g. watch tower, facilities, access roads, small scale water infrastructure) or ecotourism activities and impacts from inadequate waste disposal, disturbance of nesting sites, slope erosion through hiking trails etc. Consider both construction and use phases.</p>	No		The project will provide new or enhanced market opportunities for farmers which might lead to expansion of coffee cultivation areas with negative impacts on PAs, other areas of high biodiversity value or high conservation value forests. This risk, however, is considered low as biodiversity conservation figures as important criteria within the AAA quality program and it is being controlled through regular monitoring of farm areas using GIS tools and tracking of production volumes (sudden increase would trigger investigation). In its agronomic support the program focuses explicitly on increasing productivity to avoid area expansion.
<p>3. Is there a risk of significant adverse impacts on biodiversity outside areas of high biodiversity value, through infrastructure development, plantation development (even small scale) or other activities e.g. through the removal of vegetation cover, creation of soil erosion and/or debris deposition downslope, or other disturbances? Consider both construction and use phases.</p>	No		
<p>4. Is there a risk that the project affects areas of high biodiversity value outside the project area, e.g. by procuring natural resource commodities from other geographies (e.g. timber used for watch towers etc.)? If yes, explain whether appropriate industry-specific sustainability verification practices be used.</p>	No		
<p>5. Will the project introduce or use non-native species (flora and fauna), whether accidental or intentional? Consider activities such as reforestation, erosion control or dune stabilisation or livelihood activities (e.g. aquaculture, farming, horticulture etc.). If yes, explain how the risk of the species developing invasive characteristics is managed?</p>	No	<p>The project emphasises a regenerative agroforestry approach, i.e., that coffees are grown in mixed farming systems that incorporate indigenous species to meet household food, fuel and cash needs. In Uganda, the project also promotes reforestation off-farm, e.g., in riverine buffer zones, by using indigenous species. The selection and protocols will be done by the local partners with the appropriate knowledge of the specific contexts, incl. the governmental regulations.</p> <p>Under output 1.3 of this component, in Uganda there will be reforestation of 150 acres in critical areas of the landscape (e.g., riverine buffer zones) and 66,000 shade trees will be produced to improve the shade tree density in 2,200 AAA farms. Please refer to paragraph 91 in the prodoc.</p>	It is understood that the two executing entities Technoserve and KCL have a clear understanding of this risk and that nurseries and training focus on indigenous tree species, a protocol for species selection should be developed and restoration actions should be monitored

³⁰ Areas important to threatened species according to IUCN Red List of Threatened Species, important to endemic or restricted-range species or to migratory and congregatory species; areas representing key evolutionary processes, providing connectivity with other critical habitats or key ecosystem services; highly threatened and/or unique ecosystems (e.g. to be determined in future by the evolving IUCN Red List of Ecosystems); areas identified as Key Biodiversity Areas (KBA) and subsets such as important Bird and Biodiversity Areas (IBAs), important Plant Areas (IPAs), important Sites for Freshwater Biodiversity or Alliance for Zero Extinction (AZE) sites.

		Under output 1.3 in the DRC , 2,000 coffee farming households will receive training on nurseries for indigenous shade trees, including access to shade tree seedlings (including for on-farm woodlots to complement farm incomes, i.e., provide income diversification) - please see paragraph 91 in the prodoc.	
6. Is there a risk that the project might create other pathways for spreading invasive species (e.g. through creation of corridors, import of commodities, tourism or movement of boats)?	No		
7. Is there a risk that the project negatively affects water dynamics or water flows through extraction, diversion or containment of surface or ground water (e.g., through dams, reservoirs, canals, levees, river basin developments, groundwater extraction) or through other activities and as such affects the hydrological cycle, alters existing stream flow and/or reduces seasonal availability of water resources?	No	The AAA program, including its TASQ assessments also apply to coffee washing, focusing on water consumption and water contamination. These are assessed on a regular basis. In both of the project regions there is limited need for coffee plant irrigation, as well the small plots sizes, make this risk not relevant in this context.	
8. Is there a risk that the project affects water quality of surface or groundwater (e.g., contamination, increase of salinity) through irrigation/ agricultural run-off, water extraction practices, influence of livestock or other activities?	No	The AAA TASQ core criteria include the requirement that farmers ensure that no polluting substances are discharged into the water. ³¹ This is assessed on a regular basis by the agronomists and reported to Nespresso.	
9. Will the project involve or promote the application of pesticides, fungicides or herbicides (biocides)? Also consider the use of integrated pest management.	Yes	The coffee that Nespresso is sourcing from DRC is organic certified. In Uganda, part of the AAA training program focuses on integrated pest and disease management to ensure the correct usage of such products. The ambition of the AAA training program is to integrate and promote more organic and regenerative agricultural practices. please see chapter 4.3 in the prodoc. Namely, in the DRC component, the coffee production is 100% organic, while in Uganda the project intends to integrate reduce the use of external inputs as much as possible.	No risks for DRC as the production is certified organic. For Uganda the project promotes IPM and it is understood that the aim is to successively reduce the use of external inputs. It has been further confirmed that the application of pesticides is strictly regulated in the AAA quality program ³² . This includes the ban of substances that are not legally registered, or products that are banned under the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides and the Stockholm Convention on Persistent Organic Pollutants. It further excludes the use of agrochemicals with technical grade Class Ia / Ib active ingredients according to the classification of the World Health

³¹ https://cloud.cross-systems.ch/w/n Nespresso/corporate_assets/Nespresso-AAA-TASQ-2016.pdf

³² *ibid*

			Organization (WHO). In addition the AAA program has strict requirements for storage, distribution areas and discharge of pesticides. Risks or negative impacts on the environment (and human health) are therefore judged well controlled.
10. Will the project involve handling or utilization of genetically modified organisms /living modified organisms?	No		
11. Does the project promote the use of genetic resources from natural habitats (e.g. harvesting, market development)? If yes, explain how the project will avoid unsustainable harvest rates ? Also explain what are the measures for access and benefit-sharing relating to these?	No		
12. Is there a risk that the project could give rise to an increase of incoming migration and population increase, which could put a strain on the existing natural resource base?	No	This risk is limited as the size of the projects are small and it would be challenging for external groups to access land and relevant agronomical knowledge.	
13. Could the project result in noise and vibration from construction and maintenance equipment, traffic and activities, which may disturb sensitive fauna receptors, including underwater noise impacts on fish and marine mammals?	No		
Conclusion of ESMS Reviewer on the Standard on Biodiversity Conservation and Sustainable Use of Natural Resources			
<p><i>What are the main gaps with regards to the provisions of the Standard?</i></p> <p><i>What are the main risks and what are the main receptors (areas, species etc.) potentially affected?</i></p> <p><i>Are assessments required to better understand the impacts and identify mitigation measures? What specific topics are to be assessed?</i></p> <p><i>Have measures for avoiding impacts already been considered? Are they sufficient? What are the safeguard tools to be prepared (e.g. Pest Management Plan, Protocol for Species Selection)? When would these tools need to be available (complete and accepted)?</i></p>		<p>Impacts are expected to be overall very positive; the following risk issues have been identified: (i) risk of invasive species being introduced as part of the reforestation which is expected to be readily addressed through the development of a species guidance protocol (included in the ESMP); (ii) risks related to the use of biocides/pesticides in Uganda are considered well controlled through the requirements of the AAA Quality Programme; (iii) risk of market opportunities leading to expansion of coffee cultivation areas into areas of high biodiversity value or high conservation value forests – considered adequately addressed by the AAA quality program through regular monitoring and its focuses increasing productivity to avoid area expansion.</p>	
Standard triggered? (Yes / No / TBD)		Yes	Estimated likelihood of risks (1-5): 2
			Estimated impact (1-5): 2

D. Adherence to ESMS Principles

The below table reviews the project and its design process on adherence to the ESMS Principles. The principles are described in the ESMS Manual. Please note that the Guidance Note on Stakeholder Engagement³³ represents a new policy provision and delineates further requirements for consultation and involvement of stakeholder during project design and implementation.

	Project proponent	IUCN ESMS Reviewer
	Yes, no, maybe, n/a	Answer question, provide further detail where relevant
		Comments, additional considerations

³³ Available at www.iucn.org/esms

1. Has a Stakeholder Analysis been done and documented identifying a project's key stakeholder; assessing their interest in the project; ways in which they may influence the project's outcomes and how they might be impacted by project activities (positively and/or negatively)?	Yes	Please see the Prodoc section 6 and Annex 1.1 and 1.2	
2. Does the analysis differentiate by gender , and along other key axes of sociocultural differentiation, including consideration for vulnerable groups and individuals?	Yes		
3. Have consultations been held with relevant groups to discuss the project concept and risks? Were consultations conducted in a meaningful and culturally appropriate way? Provide details about the form of consultations and the groups involved. Explain how this has influenced project design.	Yes	Stakeholder consultations have taken place (see section 6 of the Pro Doc). These have been conducted as best possible given the Covid-19 pandemic. Please see the detailed Stakeholder engagement in the Annex 1.1 and Annex 1.2 of the ProDoc.	
4. Have disadvantaged or vulnerable groups or individuals been consulted or other peoples that might be negatively affected? Please provide details about the groups, the consultations and results of the consultations.	Yes	In both project areas, women have been identified as a vulnerable group. For this reason, localized gender assessments were conducted in the project sites to inform the design of the interventions.	
5. Have women and men been provided equal opportunities in terms of participation and decision-making throughout the identification and design of the project? Have provisions been made to ensure the same for implementation (including staffing), monitoring and evaluation of the project? Please provide details.		Nespresso and its partners engaged with relevant stakeholders in the project identification and design. The project also leverages the existing local presence, experiences and networks of the local partners. The analyses done in the context of this GEF project were affected by the COVID-19 pandemic, however. In both Uganda and the DRC, gender analyses were undertaken to ensure that the needs of women and men are addressed in a sensitive manner and equal opportunities are integrated into the overall project.	
6. Has a gender analysis , socio-economic assessments or the equivalent been applied to inform gender-responsive design, implementation, monitoring and evaluation?	Yes	For both sites gender analyses were carried out with extensive consultation of women stakeholders (see annex 2 and 3). Gender action plans were also developed – these can be found in annex 6.	
7. While gender risks have been covered in section B, briefly describe how the project is likely to improve gender equality and women's empowerment .		This will be done through specifically designed interventions under Component 2 (e.g., VSLA establishment and training in agroforestry and coffee cultivation practices).	
8. While risks of discrimination and in-equality have been covered in section B, briefly explain how the project is likely to provide opportunities for persons with disabilities to participate in and benefit from projects and programs on an equal basis with others;	N/a		
9. While risks of affecting human rights have been covered in section B, briefly explain how the project is likely to further the realization of human rights e.g. by supporting governments to adhere to their human rights obligations or by supporting the 'rights-holders' to claim their rights (where relevant and feasible within the context of the project).	N/A	As the GEF project builds on existing efforts, some staff is already hired. Working with international partners such as INGO and Kyganlanyi who have hiring policies in a non-discriminatory way.	

<p>10. Is the project in compliance with laws and regulations of the host country relevant for E&S matter (e.g. provisions for impact assessment, disclosure and consultation) and with those regulations implementing obligations under international laws? In case licenses or environmental permits are required for project activities, explain how this will be ensured.</p>	<p>Yes</p>	<p>Any green coffee sourcing partner that Nespresso partners with needs to comply with local laws and regulations, this is part of the Nestlé Responsible Sourcing Standard .³⁴</p>	
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Conclusion of ESMS Reviewer

<p><i>Are ESMS requirements on stakeholder engagement, disclosure and grievance fulfilled to satisfactory level? What additional actions need to be carried out and by when? What actions to be implemented during the project should be included in the ESMP or the Stakeholder Engagement Plan?</i></p>	<p>Restrictions on consultations due to COVID 19 need to be made up through consultation processes included in the rapid social analysis during project inception.</p>
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³⁴ <https://www.nestle.com/sites/default/files/asset-library/documents/library/documents/suppliers/nestle-responsible-sourcing-standard-english.pdf>