

TNC-GCF Environmental and Social Management System (ESMS)

A Handbook for GCF-Funded Projects

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ESMS INTRODUCTION

ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM (ESMS)

This **TNC-GCF Environmental and Social Management System (ESMS) – A Handbook for GCF-Funded Projects** provides guidance and a systematic procedure to ensure that adverse social or environmental impacts are avoided or, when unavoidable, minimized and mitigated sufficiently, and/or compensated for, in projects and programs funded by the Green Climate Fund (GCF) and led by The Nature Conservancy (TNC). It guides the Project Teams, the TNC-GCF Safeguards Coordinator, the members of the TNC-GCF Unit, the TNC-GCF Steering Committee and all the other experts involved in assessing GCF-funded project proposals and overseeing their development and implementation.

TNC-GCF ESMS is made up of the following interrelated parts:

Element 1: ESMS Organizational Capacity	Describes the roles, responsibilities, and capacity needs of staff and defines decision-making process
Element 2: ESMS Review Procedures in the TNC Project Cycle	Explains procedures for identifying, assessing, and managing environmental and social risks throughout the TNC project cycle
Element 3: Stakeholder Engagement	Describes the elements and steps for stakeholder engagement in project design and implementation
Element 4: Identification and Management of Risks and Impacts	Provides guidance to Project Teams on ways to avoid, minimize or mitigate adverse social or environmental impacts related to Performance Standards #1-#8 while planning and implementing projects funded by the GCF. <ul style="list-style-type: none"> • Performance Standard #1: Assessment and Management of Environmental and Social Risks and Impacts • Performance Standard #2: Labor and Working Conditions • Performance Standard #3: Resource Efficiency and Pollution Prevention • Performance Standard #4: Community Health, Safety, and Security • Performance Standard #5: Land Acquisition and Involuntary Resettlement • Performance Standard #6: Biodiversity Conservation and Sustainable Management of Living Natural Resources • Performance Standard #7: Indigenous Peoples and Local Communities • Performance Standard #8: Cultural Heritage
Element 5: Grievance Mechanism	Describes the grievance mechanism and resolution processes, as well as practical steps to build constructive and respectful relationships when working with Affected Communities
Element 6: External Communications	Describes how information is made available to the public and where

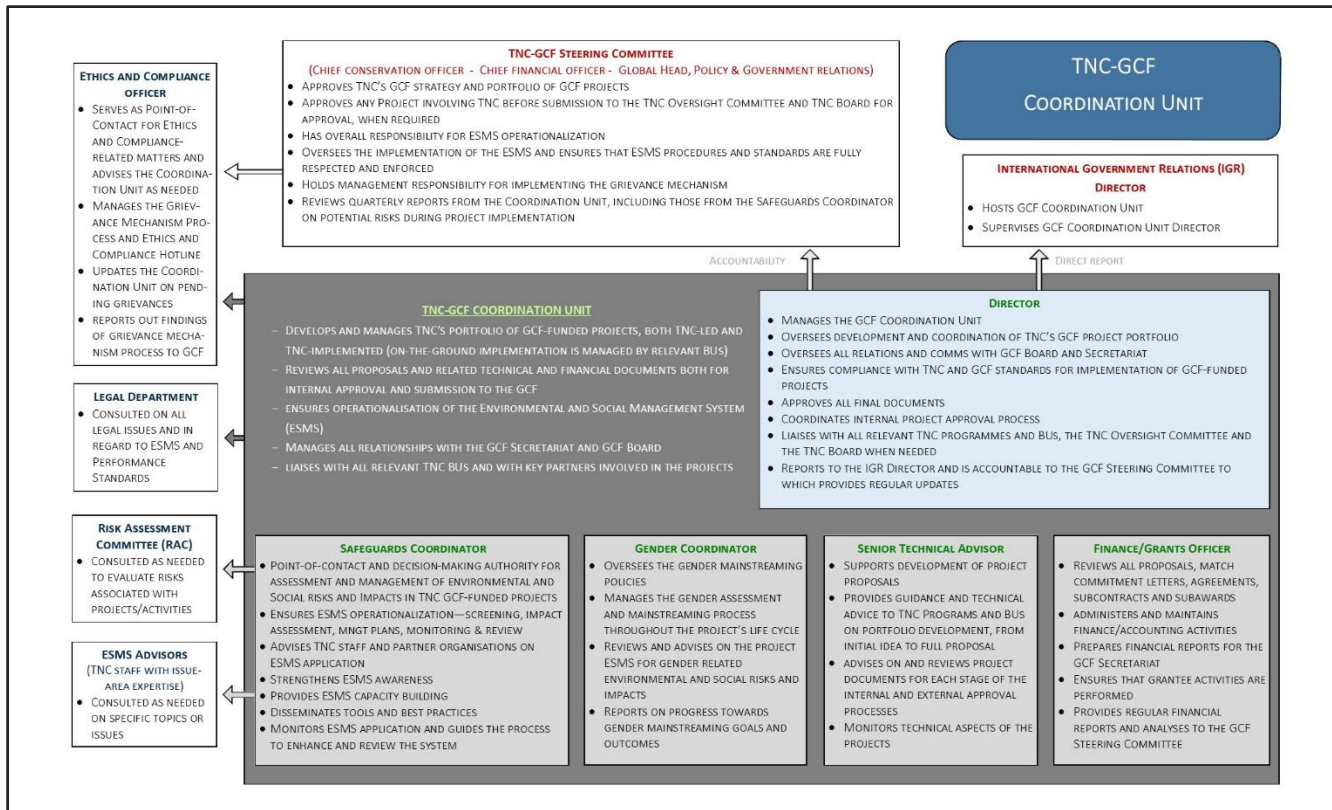
Application of the criteria and provisions contained in this Handbook and in the **TNC-GCF Assessment and Management of Environmental and Social Risks and Impacts** policy is mandatory for all GCF-funded projects. This includes projects where TNC is serving as an Accredited Entity and TNC is the primary Executing Entity, and in cases where TNC is serving as an Intermediary Accredited Entity to a third party Executing Entit[ies], among other situations articulated in the section ‘Scope of the ESMS.’ The guidance and procedures in this handbook apply throughout the project approval process and the project’s entire life cycle.

This ESMS handbook and the TNC-GCF Assessment and Management of Environmental and Social Risks and Impacts document were both updated in 2023. While the described policies, standards, guidance, and procedures

are built upon TNC's organizational policies and operations instruments already in use, those documents will evolve over time. As a result, the documents will be amended and policies and procedures reviewed and updated at least every five years, consistent with GCF requirements.

Element 1: ESMS Organizational Capacity

TNC's ESMS organizational capacity is shown below:



TNC-GCF UNIT

TNC has established a TNC-GCF Unit to develop and manage TNC's portfolio of GCF-funded projects. The TNC-GCF Unit is hosted by the External Affairs department and reports to its Director of Global Policy while being accountable to the TNC leadership through the TNC-GCF Steering Committee. The Unit's responsibilities include:

- Developing and managing TNC's portfolio of GCF-funded projects, where TNC is the entity legally responsible for the project
- Reviewing all proposals and related technical/financial documents both for internal approval and submission to the GCF
- Managing all relationships with the GCF Secretariat and Board
- Ensuring operationalization of the ESMS
- Liaising with all relevant TNC Business Units (BUs) and with key partners involved in the projects
- Managing the TNC-GCF Website and the publication of relevant documents, reports, Request for Proposals and grant awards

TNC-GCF Unit Director

As the Head of the Unit, the Director manages the team and the entire TNC's GCF project portfolio. In addition, they:

- Lead TNC's overall engagement with the GCF
- Lead the GCF-related engagement with the TNC leadership
- Ensure compliance with both TNC and GCF standards for implementation of GCF-funded projects and approve all final documents
- Coordinate the internal project approval processes and liaise with all relevant TNC programs and BUs, the TNC-GCF Steering Committee, the TNC Oversight Committee and the TNC Board

TNC-GCF Safeguards Coordinator

Is the point-of-contact and decision-making authority in TNC for assessment and management of environmental and social risks and impacts in GCF-funded projects. In addition, they:

- Ensure the ESMS operationalization—screening, impact assessment, management plans, monitoring & review
- Advise TNC staff and partner organizations on ESMS application
- Strengthen ESMS awareness, provide capacity building and disseminate tools, best practices and lessons learned
- Monitor application of the ESMS and guide the process to enhance and review the system

TNC-GCF Gender Coordinator

Is responsible for overseeing and implementing TNC's gender mainstreaming policies and process. In addition, they:

- Manage the gender assessment and mainstreaming process throughout the project's life cycle
- Review and advise on the project ESMS for gender related environmental and social risks and impacts
- Report on progress towards gender mainstreaming goals and outcomes

TNC-GCF Senior Technical Advisor

Is tasked with providing guidance, support and technical advice to TNC teams and BUs on GCF portfolio development, from initial idea to implementation. In addition, they:

- Advise on reviews of project documents for each stage of the internal and external approval processes
- Approve project documents for each stage of the internal and external approval processes
- Monitor technical aspects of the projects

TNC-GCF Finance/Grants Officer

Is responsible for administering and maintaining finance/accounting activities and overseeing all matters related to grants, sub-awards and sub-contracts. In addition, they:

- Review all financial proposals, agreements and match commitment letters
- Administer and maintain finance/accounting activities
- Prepare financial reports for the GCF Secretariat
- Ensure that grantee activities are performed
- Provide regular financial reports and analyses to the TNC-GCF Steering Committee

TNC-GCF STEERING COMMITTEE

The TNC-GCF Steering Committee is a body of TNC Executive Team members currently consisting of the Chief Conservation Officer, the Chief Financial Officer, and the Global Head of Policy and Government Relations. It approves all project proposals before they are reviewed by the Oversight Committee and approved by the TNC Board. The full role of the Steering Committee is explained in additional detail in the TNC-GCF Operations Manual.

In relation to Environmental and Social Safeguards, the TNC-GCF Steering Committee:

- Has overall responsibility for ESMS operationalization
- Oversees the implementation of the ESMS and ensures that ESMS procedures and standards are fully respected and enforced
- Holds management responsibility for implementing the grievance mechanism
- Reviews quarterly reports from the TNC-GCF Unit, including those from the TNC-GCF Safeguards Coordinator on potential environmental and social risks during project implementation

PROJECT TEAMS

Project Design Team

The Project Design Team is the group tasked to develop the Concept Note and then the Funding Proposal, in collaboration with the project partners. In relation to the ESMS, the Project Design Team:

- Leads the engagement with the project's stakeholders
- Leads the engagement with the relevant National Designated Authorities or Focal Points¹
- Drafts the ESMS Risk Assessment and prepares ESIA and ESMP (which are overseen by the TNC-GCF Safeguards Coordinator)
- Leads the engagement with project partners

Implementation Unit

The Implementation Unit is responsible for the successful delivery of the project and might be different from the Project Design Team that prepared the proposal. In relation to the ESMS, it:

- Collects all the necessary data to meet the relevant performance, risk, financial and benefits reporting requirements
- Implements and assesses monitoring and evaluation protocols of the ESMS, which may include plan revisions as risk/impact factors change and vary
- Performs monthly reviews of progress against milestones, budgetary situation and risk identification and mitigation
- Produces quarterly project reports and ESMS reports for the TNC-GCF Unit and the TNC-GCF Steering Committee

TNC-GCF ADVISORS

¹ National Designated Authorities (NDAs) are government institutions that serve as the interface between each country and the GCF. They provide broad strategic oversight of the GCF's activities in the country and communicate the country's priorities for financing low-emission and climate-resilient development.

If a country does not have a designated NDA, it can appoint an individual as Focal Point.

Project teams and each TNC-GCF Unit staff consults as needed with TNC staff and outside experts to add capacity and satisfy their various functions as they relate to the ESMS.

Chief Ethics and Compliance Office

The [Chief Ethics and Compliance Office](#) provides leadership and guidance to implement TNC's compliance program. It works closely with the TNC-GCF Unit. They:

- Serve as point-of-contact for Ethics and Compliance-related matters and advises the TNC-GCF Unit as needed
- Manage the Grievance Mechanism Process and Ethics and Compliance Hotline
- Update the TNC-GCF Unit on pending grievances and reports out findings of grievance mechanism processes to the GCF

Legal Department

The [TNC Legal Department](#), charged with helping to prevent illegal, unethical, or improper conduct at all levels of the organization, acts in close coordination with the Ethics and Compliance Office and the TNC-GCF Safeguards Coordinator on the Performance Standards and the ESMS.

Risk Assessment Committee (RAC)

The Risk Assessment Committee (RAC) is consulted as needed to evaluate risks associated with projects and activities, notably those with a particularly complicated and potentially high-impact risk profile.

ESMS Advisors

ESMS Advisors are TNC staff with issue-area expertise consulted as needed. Project Teams and the TNC-GCF Safeguards Coordinator may reach out to the TNC Environmental and Social Safeguards Framework (ESSF) Steering Committee for input and support obtaining relevant, issue area expertise within the organization for ESMS components of GCF-funded projects.

SCOPE OF THE ESMS

The provisions of this ESMS are applicable to all GCF-Funded projects where TNC is the entity legally responsible for the project, irrespective of the type of project implementation arrangement in place or the entities involved in its execution.

This includes the following arrangements:

- GCF-funded projects where TNC is the sole Executing Entity per GCF guidelines and definitions
- GCF-funded projects for which TNC is serving as an GCF Accredited Entity in an Intermediary role and other organization(s) act as the primary Executing Entity[ies]
- GCF-funded projects executed by other agencies where TNC is subcontracted for labor or other capacity support and/or serves in an Executing Entity role under another GCF Accredited Entity acting as an Intermediary

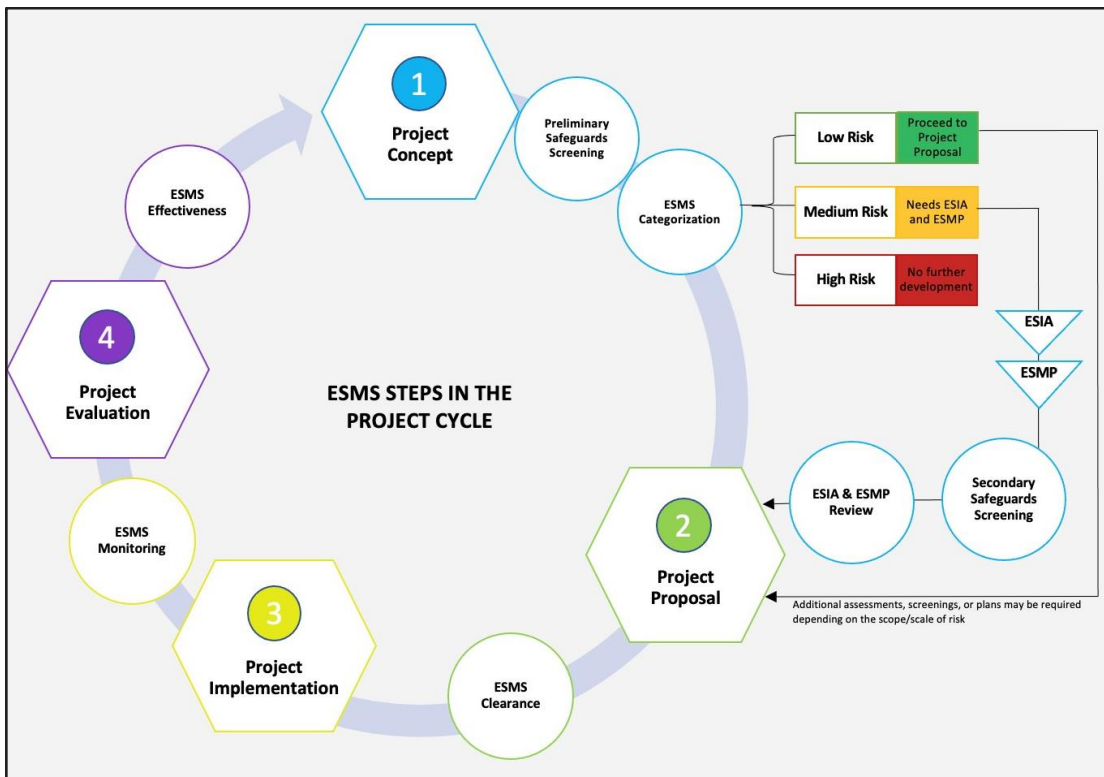
Where TNC is serving as an Intermediary, it will require Executing Entities to adopt all applicable policies in this ESMS and the TNC-GCF Assessment and Management of Environmental and Social Risks and Impacts. In these cases, TNC will conduct due diligence of, and implement an appropriate management system for, the Executing Entity consistent with TNC policies and standard operating procedures.

Element 2: ESMS in the Project Cycle

ESMS STEPS IN THE TNC-GCF PROJECT CYCLE

The TNC-GCF ESMS is an intrinsic part of the GCF-funded project cycle. This section describes the procedures for identifying, assessing and managing environmental and social risks throughout the project cycle:

- Step 1—Conduct a Preliminary Safeguards Screening
- Step 2 – Risk Categorization
- Step 3—Complete an Environmental and Social Impact Assessment (ESIA)
- Step 4—Develop an Environmental and Social Management Plan (ESMP)
- Step 5—ESIA & ESMP Review and Secondary Safeguards Screening
- Step 6—Approve the project’s ESMS
- Step 7—Monitor the ESMS
- Step 8—Evaluate the effectiveness of the ESMS



A summary table of all steps and related responsibilities is found under ‘Step 8 – Effectiveness Evaluation’ of this handbook.

STEP 1 – Conduct a Preliminary Safeguards Screening

The Preliminary Environmental and Social Safeguards Screening takes place as early as possible in project conceptualization. The primary output of this step is the **Preliminary Environmental and Social Safeguards Screening Report**. The **TNC-GCF Safeguards Coordinator** is the point-of-contact for overseeing the Preliminary Safeguards Screening Process and determining project risk-level categorization for GCF-funded projects based on screening outcomes.

The steps in this process are:

- The Project Design Team develops a draft Concept Note, together with a Situation and/or Stakeholder Analysis and additional relevant documentation and resources, to submit to the TNC-GCF Safeguards Coordinator with the Preliminary Safeguards Screening.
- The Project Design Team uses these resources to perform the Preliminary Safeguards Screening using TNC’s environmental and social Performance Standards for GCF-funded projects.
- Screening results are documented in the TNC ESMS Master Tool Excel Sheet Preliminary Safeguards Screening Form and a finalized Preliminary Safeguards Screening Report that gets submitted to the TNC-GCF Safeguards Coordinator for evaluation and risk categorization.

Preliminary Safeguards Screening is to be commensurate with the appropriate stage in project development, engaging relevant stakeholders to identify risks, their likelihood, the potential consequences, as well as potential mitigations measures.

Environmental and Social Safeguards Screening Process

The purpose of the **TNC-GCF Environmental and Social Safeguards Screening Process** is to provide the evidence base for project risk categorization, Performance Standards (i.e., safeguards categories) triggered by the project at the applicable project phase, and mitigation measures to be initially considered and/or implemented in later planning phases. This process also determines if any exclusion criteria apply that preclude the TNC-GCF Unit from considering a project proposal based on inconsistencies with TNC and/or GCF organizational values, policies, or Standard Operating Procedures (SOPs) or TNC’s Accreditation status for GCF-funded projects.

The Nature Conservancy Green Climate Fund - Safeguards Screening Tool						Steps Completed: 0 of 5					
Complete the table below for BOTH Preliminary and Secondary Screenings						Completed 0 of 49					
Performance Standard	Risk Identified	Scope of application (Yes/No/TB/D)	Risk Significance			Brief description of Risks and impacts	Mitigation measures	Person Responsible	ESIA assessment likely to be required? (Yes/No/TB/D)	Are safeguard tools likely to be required? (Yes/No/TB/D)	Is the Safeguard Triggered?
			Likelihood (Dropdown)	Impact (Dropdown)	Risk Significance Level						
PS#1 - Assessment and Management of Environmental and Social Risks and Impacts	a. Cause significant adverse environmental and social impacts to processes/ecosystems within the project area or broad region that might be sensitive, biologically diverse, or the impacts unprecedented		Rare	Insignificant	L						
PS#1 - Assessment and Management of Environmental and Social Risks and Impacts	b. Cause adverse environmental and social impacts on human populations or environmentally or socially important areas?		Possible	Minor	M						
PS#1 - Assessment and Management of Environmental and Social Risks and Impacts	c. Have any Concept Note Stage (or equivalent pre-funding phase) preliminary environmental and social assessments – including preliminary desk ESIA, targeted stakeholder engagements, or other ESMS related socio-demographic studies – already been completed and/or are in progress?		Possible	Moderate	H						
PS#2 – Labor and Working Conditions	d. The fundamental rights of workers, consistent with the International Labour Organization’s (ILO) Declaration on the Fundamental Principles and Rights at Work are respected and protected		Possible	Insignificant	L						

The TNC-GCF Unit implements a two-part Safeguards Screening Process for the majority of GCF-funded projects. In most cases, a Preliminary Safeguards Screening is submitted during ‘Step 1—Conduct a Preliminary Safeguards Screening’ and a Secondary Safeguards Screening takes place during ‘Step 5— ESIA & ESMP Review and Secondary Safeguards Screening.’ This is to ensure an iterative risk assessment process as project activities change and evolve to incorporate learning and stakeholder feedback through project development.

For both Preliminary and Secondary Safeguards Screening, the overarching steps for submission are identical. They are:

- Step 1: Define Screening Type
- Step 2: Review Screening Guidelines
- Step 3: Provide Basic Project Information
- Step 4: Complete TNC-GCF Exclusions Checklist
- Step 5: Complete Screening

Project teams will submit a report that provides summary evidence of conclusions in the **Preliminary and/or Secondary Safeguards Screening Form** and the TNC-GCF Safeguards Coordinator will review the report together with the form and other applicable documentation to make risk categorization determinations.

Additional details on this and the subsequent risk categorization process are available in the Guidance Note on the **TNC-GCF Safeguards Screening Process**.

STEP 2 – Risk Categorization

Once the **Preliminary Safeguards Screening** is complete, the **TNC-GCF Safeguards Coordinator** categorizes the overall project, in consultation with the standing TNC Risk Assessment Committee (RAC), when applicable, based on the degree of potential social and environmental risks and impacts.

GCF RISK LEVEL	FUNDING PROPOSALS	INTERMEDIATION	EXAMPLES
Low	<p>Category C Activities with minimal or no adverse environmental and/or social risks and/or impacts</p> <p><i>NOTE: Low risk project concepts can proceed to full proposal development without further assessments</i></p>	<p>Intermediation 3 (I-3) When an intermediary’s existing or proposed portfolio includes financial exposure to activities that predominantly have minimal or negligible adverse environmental and/or social impacts.</p>	<ul style="list-style-type: none"> • Education and training • Public broadcasting (TV, radio, satellite) • Small-scale reforestation • Health and family planning • Monitoring programs • Plans and studies • Advisory services
Medium	<p>Category B Activities with potential mild adverse environmental and/or social risks and/or impacts that are few in number, generally site-specific, largely reversible, and readily addressed through mitigation measures</p> <p><i>NOTE: Medium risk project concepts must be accompanied by an Environmental and Social Impact Assessment (ESIA) before they can be developed into project proposals.</i></p>	<p>Intermediation 2 (I-2) When an intermediary’s existing or proposed portfolio includes substantial financial exposure to activities with potential limited adverse environmental or social risks and/or impacts that are few in number, generally-site specific, largely reversible, and readily addressed through mitigation measures; or includes a very limited number of activities with potential significant adverse environmental and/or social risks and/or impacts that are diverse, irreversible, or unprecedented.</p>	<ul style="list-style-type: none"> • Adaptation of crop farming systems to climate change • Forest management activities • Activities to improve energy efficiency of industry • Small and medium-scale low emission power generation • Small-scale agriculture initiatives

High	<p>Category A</p> <p>Activities with potential significant adverse environmental and/or social risks and/or impacts that are diverse, irreversible, or unprecedented</p> <p><i>NOTE: High risk projects <u>will NOT</u> be considered for implementation by TNC</i></p>	<p>Intermediation 1 (I-1)</p> <p>When an intermediary's existing or proposed portfolio includes, or is expected to include, substantial financial exposure to activities with potential significant adverse environmental and/or social risks and/or impacts that are diverse, irreversible, or unprecedented</p>	<ul style="list-style-type: none"> • Large scale forestry projects • Large-scale agricultural projects • Large thermal development • Projects affecting highly sensitive ecosystems • Projects with large resettlement components • Projects affecting indigenous or tribal populations • Projects with serious occupational or health risks • Projects which pose serious socioeconomic concerns
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- If the TNC-GCF Safeguards Coordinator categorizes the project as **High Risk (A/I-1)**, then it will not move forward, as TNC is accredited for, at most, Medium Risk (B/I-2).
- If the project is categorized as **Medium Risk (B/I-2)**, the project proposal must be accompanied by a Full or Limited Environmental and Social Impact Assessment (ESIA) depending on the extent of risk, see Step 3 below.
- If the project is categorized as **Low Risk (C/I-3)**, no ESIA is required though certain risk remediation steps may be required by the TNC-GCF Safeguards Coordinator. In most cases, the Project Design Team can move ahead with the internal approval process and then submission of the Concept Note to the GCF Secretariat.

STEP 3 – Environmental and Social Impact Assessment (ESIA)

If the project is categorized as **Medium Risk (B/I-2)**, it must be accompanied by an **Environmental and Social Impact Assessment (ESIA)** before the TNC-GCF Safeguards Coordinator authorizes the Project Design Team to undertake the internal approval based on the [Project Approval Process Framework](#). The TNC-GCF Safeguards Coordinator's screening evaluation process will also determine the scope and scale of the ESIA needed, as well as any special studies required.

The purpose of the ESIA is to comprehensively predict and assess the type and scale of potential impacts to Affected Communities' rights, livelihoods and well-being, and to the physical, natural, socio-economic or cultural environment. An ESIA should build on information previously collected by the Project Design Team to prepare the Concept Note, as indicated in the [TNC Guidance for Developing a GCF Proposal](#), and based on the information collected in the **TNC ESMS Risk Assessment** process. In particular, Project Teams may want to use conclusions of the 'Risk Significance' assessment in the **Preliminary Safeguards Screening Form** and other evidence from ongoing stakeholder consultations and applicable desk research to build the evidence base for conclusions articulated in the ESIA Report.

Where required, full ESIA Reports must include, at a minimum:

ESIA ELEMENTS	PURPOSE
Project description	To provide the geographic, ecologic, social and temporal context.
Analysis of policy, legal, and administrative framework	To clarify the framework within which the ESIA is carried out and to be adhered to by the project.
Stakeholder identification and analysis	To identify the range of stakeholders that may be affected by the project and have legitimate interests in the activities performed.
Environmental and social baseline data	To understand what the starting point is, including any normal changes anticipated without the project, typically involving disaggregated data.
Environmental and social impact assessment	To analyze relevant associated risks and make predictions for all significant impacts.
Analysis of feasible alternatives	To assess viable alternate options to accomplish key goals/objectives of the project, considering foreseeable risks/impacts.
Results of stakeholder consultations	To understand the concerns of relevant parties and what is needed to protect their rights and livelihoods.
ESMP summary	To consider early mitigation measures being considered for adoption in the ESMP.
Budget	To outline outstanding budget needs for mitigation measure development and plans following conclusion[s] of risk/impact assessment[s].
Monitoring, evaluation, and learning (MEL) Plans	To develop initial plans for effective oversight of recommendations outlined in the ESIA Report.

Depending on scope and scale of ESIA needed, Project Design Teams will complete the required components above and catalogue conclusions in an **ESIA Report**. Relevant summaries and assessments will also be input into the **ESMS Master Tool Excel Sheet**.

Additional details on this process are available in the **Guidance Note on Environmental and Social Impact Assessment (ESIA) Procedures**.

ESIA Scoping Phase

The ESIA Scoping Phase defines the initial scope, procedures (i.e., planning), schedule and outline of the ESIA. This process also forms the basis of the Terms of Reference for the ESIA.

Additionally, the Scoping Phase outlines issues from all stakeholders (Affected Communities, local/national authorities, sovereign Indigenous governments, Civil Society Organizations, and other local stakeholders like commercial interests and NGOs). The ESIA stakeholder engagement process begins during this phase.

Specifically, the elements of the ESIA Scoping Phase are:

- Establish the parameters of the study area and area of influence of the project, with special attention to locations of heightened risk of impacts and up/downstream impacts;
- Summarize any applicable administrative, legal, or policy frameworks within which the ESIA is carried out;
- Provide an initial description of the likelihood, potential severity, and significance of potential environmental and social impacts;

- Articulate likely mitigation measures to address environmental and social impacts, noting the project team’s process and methodology[ies] for arriving at mitigation options, as well as areas of alignment, co-creation, and/or disagreement with Affected Communities regarding these options;
- Identify the specific expertise and capacity needed to complete the ESIA;
- Identify the roles of relevant stakeholders, especially participation from Affected Communities;
- Engage with stakeholders to inform the ToR; and
- Identify and prepare to assess project alternatives

Project Design Teams should produce an **ESIA Scoping Report** to serve as a guide for the ESIA. Summary results of the ESIA Scoping Report are catalogued in the **ESMS Master Tool Excel Sheet ESIA Scoping Form**.

ESMS Risk Register

The **TNC ESMS Risk Register**, located in the **ESMS Master Tool Excel Sheet**, is TNC’s tool for documenting results of environmental and social risk and impact assessment in the ESIA process.

The **TNC ESMS Risk Register** follows a standard methodology for assessing risk: **Likelihood x Impact = Risk**.

While the nature of this assessment is often subjective, framing risk in terms of how likely any given event/action is to affect individuals and communities allows Project Design Teams to better understand the type of risks, their magnitude and how possible mitigation measures might reduce those risks.

		Impact				
		Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood	Almost Certain	Medium (11)	High (16)	Extreme (20)	Extreme (23)	Extreme (25)
	Likely	Medium (7)	High (12)	High (17)	Extreme (21)	Extreme (24)
	Possible	Low (4)	Medium (8)	High (13)	High (18)	Extreme (22)
	Unlikely	Low (2)	Low (5)	Medium (9)	High (14)	High (19)
	Rare	Low (1)	Low (3)	Low (6)	Medium (10)	High (15)

The **TNC ESMS Risk Register** tool includes a list of potential threats identified in the **TNC-GCF Assessment and Management of Environmental and Social Risks and Impacts** policies and listed by Performance Standard. However, the Project Design Team and the TNC-GCF Safeguards Coordinator should add other potential risks that relate to a specific project’s activities, conditions, Affected Communities and geography. For instance, a project that includes reef restoration should include specific risks related to boating and diving activities.

Special attention should also be given to comprehensively identifying risks to vulnerable communities by performing targeted outreach and co-identification of risks with disaggregated subgroups. For example, risk identification and assessment workshops may need to be planned with women’s groups in an Indigenous community to determine specific disaggregated project risks to those individuals.

Project Design Teams then undertake the following steps using the Risk Register tool:

- Identify specific potential risks to the Affected Communities under each Performance Standard by adding to the existing list if necessary

Performance Standard	Risk Identified	Initial Risk Rating		
	QUESTION: What is the likelihood of this occurring during the project life-cycle?	Likelihood	Impact	Risk/Impact Level
PS#8 – Cultural Heritage	Project activities that affect tangible cultural heritage (e.g. archaeological, paleontological, historical, architectural, and sacred sites including graveyards, burial sites, and sites with unique natural values)			
PS#8 – Cultural Heritage	Project activities that affect intangible cultural heritage (e.g. knowledge, skills, traditions, languages, practices, customs, beliefs)			
PS#8 – Cultural Heritage	Potential removal of replicable cultural heritage (tangible cultural heritage that can be moved to another location or that can be replaced by a similar structure)			
PS#8 – Cultural Heritage	Potential removal of non-replicable cultural heritage			
PS#8 – Cultural Heritage	Project use of cultural heritage for commercial purposes			

- b) Assess likelihood of each of those risks materializing; and
- c) Assess their impact to the project-affected individuals and communities
- d) Determine risk/impact level ratings for each risk based on combined likelihood and impact

Performance Standard	Risk Identified	Initial Risk Rating		
	QUESTION: What is the likelihood of this occurring during the project life-cycle?	Likelihood	Impact	Risk/Impact Level
PS#8 – Cultural Heritage	Project activities that affect tangible cultural heritage (e.g. archaeological, paleontological, historical, architectural, and sacred sites including graveyards, burial sites, and sites with unique natural values)	Possible	Major	H
PS#8 – Cultural Heritage	Project activities that affect intangible cultural heritage (e.g. knowledge, skills, traditions, languages, practices, customs, beliefs)	Rare	Minor	L
PS#8 – Cultural Heritage	Potential removal of replicable cultural heritage (tangible cultural heritage that can be moved to another location or that can be replaced by a similar structure)	Possible	Moderate	H
PS#8 – Cultural Heritage	Potential removal of non-replicable cultural heritage	Unlikely	Major	H
PS#8 – Cultural Heritage	Project use of cultural heritage for commercial purposes	Unlikely	Moderate	M

- e) Provide brief description of the risk
- f) Identify options for risk mitigation measures, based on the type of risk and potential restrictions included in the policy

Initial Risk Rating			Brief description	Mitigation measures
Likelihood	Impact	Risk/Impact Level		
Possible	Major	H	Sacred burial site is located in a forested area within the project boundaries. Location is well known to local communities, but not very visible and could be accidentally damaged by non-local staff or workers	In consultation with local communities, identify ways to temporarily fence the area and signal its importance, while giving local communities free access. Also include information (maps, pictures, procedures) to non-local staff and workers during their onboarding/training.
Rare	Minor	L		
Possible	Moderate	H		
Unlikely	Major	H		
Unlikely	Moderate	M		

- g) Assign responsibility for implementation of proposed mitigation measures
- h) Re-assess potential risk level with mitigation measures in place

Mitigation measures	Person Responsible	Residual Risk Rating (after mitigation measures)		
		Likelihood	Impact	Risk/Impact Level
In consultation with local communities, identify ways to temporarily fence the area and signal its importance, while giving local communities free access. Also include information (maps, pictures, procedures) to non-local staff and workers during their onboarding/training.	XYW (Area Project manager)	Unlikely	Minor	L

Understanding the local context of the project area(s) will help in identifying the threats to Affected Communities. Some additional (though non-exhaustive) considerations while thinking about threats include:

- Particular risks that may be present in a conflict or post-conflict context
- Potential exposure of communities including special needs, disadvantaged or vulnerable groups or individuals, in particular women and children, to both accidental and natural hazards
- Potential risks posed to communities by a project’s use of rangers, eco-guardians, or similar security personnel, whether armed or unarmed
- Threats to human security through the risk of escalation of personal or communal conflict and violence that could be caused or exacerbated by the project
- Impacts of the project on provisioning and regulating ecosystem services that are directly relevant to community health and safety
- Current or projected effects of climate change and other natural hazards
- Community exposure to health risks
- Types of crime and their prevalence
- Security incidents have occurred in recent months/year
- Threats that vary by area and by time of day/year
- Threats originated from outside area of operations

The TNC-GCF Safeguards Coordinator oversees ESIA outputs, including use of the **TNC ESMS Risk Register**, and provides recommendations to the TNC-GCF Unit regarding adoption of ESIA conclusions more broadly. The Coordinator may request amendments to the Project Design Team’s assessment process or methodological approach at any time.

STEP 4 – Environmental and Social Management Plan (ESMP)

The main output of the ESIA process is a strategy for managing risks and mitigating impacts that takes the form of an **Environmental and Social Management Plan (ESMP)**. The ESMP describes mitigation and performance improvement measures and actions that address the environmental and social risks and impacts identified by the Project Design Team.

The level of detail and complexity of the identified measures and actions must be commensurate with the project’s environmental and social risks and impacts, as well as with its scope, complexity, and the availability of relevant data, among other considerations. The Project Design Team should work closely with the TNC-GCF Safeguards Coordinator to identify the appropriate level of detail, but in general, an ESMP should contain:

- A broad project description
- A set of identified environmental and social impacts and mitigation measures based on triggered Performance Standards
- A monitoring and evaluation plan that includes:
 - Mitigation measures to be evaluated, indicators responsive to risks/impacts, and triggers for remedial actions
 - Sampling and analytical or other monitoring methods used, including staff, procedures, schedule, budget, and triggers for measure re-evaluation
 - Sampling and monitoring locations and schedule
- Provisions for training and capacity building, as needed
- A responsive Stakeholder Engagement Plan for iterative consultation and relevant stakeholder feedback
- An Implementation Action Plan that includes:
 - Clear, well delineated responsibilities for implementation and monitoring
 - Performance indicators, targets, or acceptance criteria to be tracked over defined time periods
 - Estimates of the resources required for implementation of the Plan[s]
 - Implementation schedule
 - Plan and timeline for communication of ESMP to Affected Communities and relevant stakeholders
- Organizational structure and oversight, including:
 - Institutional arrangements for implementation of the ESMP
 - Staff responsible for tasks, available capacity, relevant experience, and oversight
 - An organization chart or other depiction of roles/responsibilities for ESMP implementation

Project Design Teams will complete the required components above and catalogue conclusions in an **ESMP Report** commensurate with the scope and scale of ESMP needed. Relevant summaries and Plans will also be input into the **ESMS Master Tool Excel Sheet**.

Depending on the type, scale, likelihood, and impact of environmental and social risks, Project Design Teams may also be required to conduct special studies or comprehensive risk mitigation **Plans** for triggered Performance Standards. These may include Indigenous Peoples Plans, Livelihood Adjustments Plans, Resettlement Actions Plans, or others. The TNC-GCF Safeguards Coordinator can recommend special studies or Plans at any point in the project cycle but is likely to articulate most special or comprehensive safeguards requirements following the **Preliminary Safeguards Screening**.

As appropriate, the ESMP will also recognize and incorporate the role of relevant actions and events managed by third parties to address identified environmental and social risks and impacts.

Additional details on this process are available in the **Guidance Note on Environmental and Social Management Plan (ESMP) Procedures**.

Applying Conservation by Design 2.0

Overall, management plans must be grounded in **TNC's Conservation by Design 2.0²** to consistently combine the requirements of the ESMS with TNC's unique strategies project implementation and addressing risk, social safeguards, and other factors. Conservation by Design 2.0 contains 14 steps grouped around five major phases:

1. Identify Challenges and Goals

- Specific Planning Context
- Conduct Situation Analysis
- Draft Goal Statement
- Share Advances in Knowledge Through Relevant Pathways

2. Map Strategies and Places

- Identify Candidate Strategies
- Construct Results Chains
- Strategy and Opportunity Mapping
- Select Strategy or Strategies
- Share Advances in Knowledge Through Relevant Pathways

3. Finalize Outcomes and Develop Measures

- Articulate Theory of Change
- Define Measures and Create a Monitoring and Evaluation Plan

4. Take Action

- Implement Strategy(ies) using Sound Project Management

5. Evaluate and Adapt

- Evaluation
- Adapt

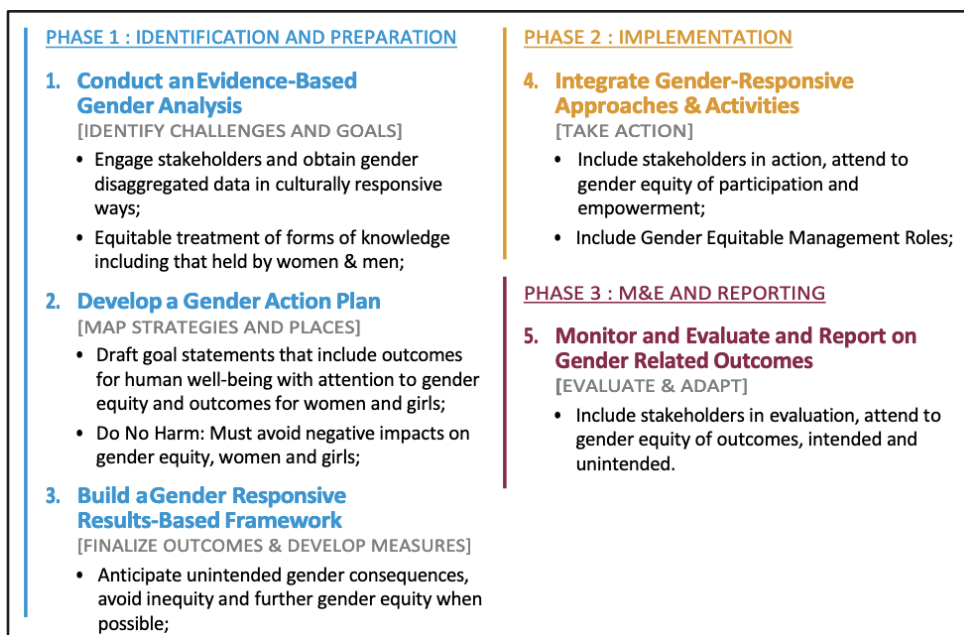
For most requirements, there will be an obvious corresponding step in the Conservation by Design 2.0 process. However, managing these requirements is the responsibility of the Project Design Team and they can adjust the plans for each project based on the specific local context and upon consultation with the TNC-GCF Unit.

Gender Integration

The [TNC Guidance for Integrating Gender Equity in Conservation 2020](#) (available in seven languages)³ outlines how to integrate gender equity into conservation and climate change projects, using a three-phase approach based on Conservation by Design 2.0.

² See Conservation by Design 2.0 Guidance Document in supplemental materials for additional information. The Conservation by Design 2.0 Guidance Document should be referenced wherever Conservation by Design 2.0 (or CbD 2.0) is referenced in this document, unless otherwise noted.

³ The Guidance is available on Connect in English, Chinese French, Indonesian, Mongolian, Portuguese, Spanish and Swahili.



Mitigation Hierarchy

TNC follows the GCF's basic framework for mitigation hierarchy as an overall principle for managing environmental risks and impacts in GCF-funded projects. Over the course of a project's life cycle, project teams should reference TNC's organizational guidance on applying mitigation hierarchy at the project-level — see [Achieving Conservation and Development: 10 Principles for Applying the Mitigation Hierarchy](#).⁴

In order of priority, the mitigation hierarchy aims to:

1. Anticipate and avoid adverse risks and impacts on people and the environment
2. Minimize adverse risks and impacts through abatement measures
3. Mitigate any residual risks and impacts
4. Where avoidance, minimization or mitigation measures are not available or sufficient, and where there is sufficient evidence to justify and support viability, design and implement measures that provide remedy and restoration before adequate and equitable compensation of any residual risks and impacts

STEP 5 - ESIA & ESMP Review and Secondary Safeguards Screening

Once the ESIA and the ESMP are ready, they must be reviewed by the **TNC-GCF Safeguards Coordinator** before the Project Design Team incorporates findings and measures in the Funding Proposal. Through the review, the TNC-GCF Safeguards Coordinator determines whether the information provided in the report and the measures contained in the Management Plan are:

Adequate ⇒ the Project Design Team can proceed to with a project Funding Proposal submission; or

Insufficient ⇒ the Project Design Team must provide more information, data, analysis, or measures and resubmit the ESIA and ESMP

⁴ The document is available on the Conservation Gateway site.

Secondary Environmental and Social Safeguards Screening

In most cases, during ESIA and ESMP review, Project Design Teams will also perform a second environmental and social safeguards screening, building on the results of the **ESIA**, **ESMP**, and other relevant project resources, updates and revisions since the **Preliminary Safeguards Screening**. The **Secondary Environmental and Social Safeguards Screening Form** is ideally submitted with the **TNC-GCF Funding Proposal** at the GCF Funding Proposal Development Stage as a review, verification, and reassessment of project work to that stage.

The **Guidance Note on the TNC-GCF Safeguards Screening Process** provides additional details on **Secondary Safeguards Screening**.

STEP 6 – ESMS Clearance

The next step, once the **TNC-GCF Funding Proposal** has been finalized but before internal approval for submission to the GCF, is to perform an ESMS Clearance by verifying that it:

- Adheres to the ESMS principles and standards
- Integrates findings from the ESIA
- Incorporates the results of stakeholder consultations
- Includes mitigation measures from the approved ESMP
- Includes realistic costs for the mitigation measures in the budget

The ESMS Clearance is performed by the TNC-GCF Safeguards Coordinator, in consultation with the rest of the TNC-GCF Unit. The Safeguards Coordinator may also work with other TNC units or experts on relevant performance standards to develop the final recommendation to the TNC-GCF Steering Committee. It is the TNC-GCF Steering Committee that makes the final decision on the clearance.

STEP 7 – Monitoring

The Project Design Team establishes procedures to monitor and measure project outcomes first in the ESIA/ESMP at the Concept Note Stage and then, once they obtain ESMS clearance, in the Funding Proposal. TNC's monitoring processes for GCF-funded activities must be grounded in the Conservation by Design 2.0 Framework and should involve direct participation of Affected Communities, where possible.

Monitoring and Reporting Responsibilities

The different aspects of the project will be monitored by the appropriate member of the TNC-GCF Unit, in consultation with others in the organization as necessary:

- **Implementation Unit members** perform monitoring and evaluation while ensuring that data and information are regularly collected during project implementation. The Unit should also report ESMS monitoring and evaluation results regularly to the TNC-GCF Safeguards Coordinator who oversees this process. When necessary, and under certain special circumstances where it is a requirement based on GCF policies, the Project Design Team may also budget for external experts with relevant ESMS experience to perform monitoring or verify monitoring information.
- **TNC-GCF Safeguards Coordinator** is responsible for assessing and verifying results of ESMS monitoring and evaluation reports produced by the Implementation Unit and recommending revisions to monitoring and evaluation processes. They also support the completion of the ESMS monitoring and evaluation process with technical support.
- **TNC-GCF Coordination Unit Director** is responsible for regularly reporting the monitoring results to the TNC-GCF Steering Committee and ensuring successful project oversight overall.
- **TNC-GCF Steering Committee** receives quarterly and annual performance reviews of the effectiveness of the ESMS, based on systematic data collection and analysis.

The scope and frequency of the reporting will depend upon the nature and scope of the activities identified and undertaken. Based on the results of the performance reviews, the TNC-GCF Steering Committee will take the necessary steps to ensure that ESMS procedures, practices, and plans are being effectively implemented.

Monitoring Adjustments

It is the Implementation Unit that documents the results of the project’s monitoring activities. If the Implementation Unit identifies the need for corrective and preventive actions and therefore amendments to the management plans, it must request approval by the TNC-GCF Safeguards Coordinator and the rest of the TNC-GCF Unit, if necessary.

- Minor amendments - if the TNC-GCF Safeguards Coordinator deems the amendments to be minor, they will authorize the changes and inform the TNC-GCF Steering Committee during a periodic update
- Substantial amendments - if the changes required are substantial, the TNC-GCF Unit Director will request formal approval by the TNC-GCF Steering Committee

STEP 8 - EFFECTIVENESS EVALUATION

The measures included in the ESMP and integrated in the project proposal must be implemented before the project is formally concluded. The end-of-project evaluation must include:

- A review of the indicators established for monitoring the effectiveness of the mitigation measures
- A report that describes which adverse impacts have been successfully avoided or mitigated
- Recommendations for further action, if needed

The TNC-GCF Unit Director ensures that all evaluation reports are posted on the TNC-GCF website.

SUMMARY OF STEPS AND RESPONSIBILITIES

PROJECT CYCLE	ESMS REVIEW STEPS	ACTIONS	TNC-GCF RESPONSIBLE PARTY	INVOLVED PARTIES
PROJECT CONCEPT	Step 1: Conduct Preliminary Safeguards Screening	Complete ESMS Preliminary Screening Form	Project Design Team leader	Project partners Stakeholders Affected Communities Internal & External experts, as needed
	Step 2: Risk Categorization	Perform ESMS Preliminary Safeguards Screening and Risk Categorization	TNC-GCF Safeguards Coordinator	Risk Assessment Committee (RAC)
	Step 3: Complete an Environmental and Social Impact Assessment (ESIA)	Prepare ESIA	Project Design Team leader	Project partners Stakeholders External experts, if needed
	Step 4: Develop an Environmental and	Prepare ESMP	Project Design Team leader	Project partners Stakeholders External experts, if needed

	Social Management Plan (ESMP)			
	Step 5: ESIA & ESMP Review and Secondary Safeguards Screening	Determine if information and measures are integrated and perform ESMS Secondary Safeguards Screening	TNC-GCF Safeguards Coordinator (Project Design Team completes screening form)	Project partners Risk Assessment Committee (RAC) External experts, if needed
PROJECT PROPOSAL	Step 6: ESMS clearance of project proposal	Verify that the ESMS principles are adhered to, that costs are included, stakeholders consulted and results fully incorporated	TNC-GCF Safeguards Coordinator (recommendations) TNC-GCF Steering Committee (final decision)	TNC-GCF Unit members TNC-GCF Steering Committee
PROJECT IMPLEMENTATION	Step 7: Monitor ESMS	Collect data and information during implementation according to ESMP	Project Design Team leader	Project partners Affected Communities Internal & External experts, as needed
		Supervise overall ESMS monitoring	TNC-GCF Safeguards Coordinator	Project partners (reporting to Coordinator)
		Provide periodic reports to the TNC-GCF Steering Committee	TNC-GCF Unit Director	Project partners
		Identify corrective and preventive actions	Project Design Team leader	TNC-GCF Safeguards Coordinator
		Amend monitoring plans	TNC-GCF Safeguards Coordinator (minor adjustments) TNC-GCF Steering Committee (substantial adjustments)	Project partners Affected Communities
PROJECT EVALUATION	Step 8: Evaluate ESMS effectiveness	Compile data and information	Project Design Team leader	Project partners Stakeholders / Affected Communities
		Perform final ESMS evaluation	TNC-GCF Safeguards Coordinator (or external consultants where required)	Project partners
		Publish ESMS evaluation	TNC-GCF Unit Director	Project partners

Element 3: Stakeholder Engagement

TNC's core conservation method described in Conservation by Design 2.0 and adopted for all TNC-led GCF projects requires inclusive stakeholder engagement throughout the project cycle. The extent and types of stakeholder engagement, however, depend on the project's scope, scale, materiality of risks and possible adverse impacts, as well as the stage of project development.

A **Stakeholder** is a person with an interest in the project.

An **Affected Community** is any local community directly and negatively impacted as a whole by a project; or a neighboring community as determined by the stakeholder analysis with a direct stake in the impacts to an affected local community.

TNC-GCF Unit and the Project Design Team should refer to the **TNC Human Rights Guide for Working with Indigenous Peoples and Local Communities** (available at <https://www.tnchumanrightsguide.org/>), and in particular in [Module 1: Learning & Early Discussions](#), which provides guidance, tips, and tools TNC staff can use to:

- Identify Indigenous Peoples and Local Communities (IPLC) who might be affected by conservation activities
- Determine the most appropriate, equitable way to approach and talk to those IPLCs
- Better understand their social and political structures, goals, aspirations, and the resources they rely on

Ongoing stakeholder engagement may include, at levels appropriate to the context and project, the following:

1. STAKEHOLDER ANALYSIS AND PLANNING

The Project Design Team proposing a project to be considered for GCF funding must identify the range of stakeholders that may have legitimate interests in the project. It must do so by providing a **Stakeholder Analysis**, together with the Concept Note, to the TNC-GCF Safeguards Coordinator in support of the **ESMS Risk Assessment**. Stakeholder Analyses should include studies disaggregated by relevant categories that might include gender, age, immigration status, socio-economic status, minority group, status as an Indigenous person group, or other categories that would support risk identification among vulnerable communities, in particular. Categories for data disaggregation should be based on local project context. For example, Project Design Teams should disaggregate data by age in communities where age is considered a reliable indicator of vulnerability to identified environmental and social project risks, and so on.

The **Stakeholder Engagement Plan** provides a strategy and process for when, how, and with whom consultation should take place throughout a project's life cycle. Stakeholder Engagement Plans are a central component of all GCF-funded projects that TNC participates in. The process helps inform the entire project cycle, from screening, identification of risks, and the development of safeguards, through project implementation, and monitoring and evaluation. Stakeholder Engagement Plans build on Stakeholder Analysis. Where Stakeholder Analysis identifies relevant groups and their relationship to a project, the Stakeholder Engagement Plan provides a roadmap for gathering their direct input and incorporating it into the project. Plans must be commensurate to the project's scope, scale and risks, and impacts, and be tailored to the characteristics and interests of the identified Affected Communities. The **TNC Human Rights Guide** provides an Engagement Plan [template](#) that can be used for GCF-funded projects.

Project Design Teams should begin developing a draft Stakeholder Engagement Plan or **Stakeholder Engagement Framework** (where the full range of relevant stakeholders and Affected Communities are not identifiable in the early stages of project development) as early as possible in the project design phase. Stakeholder Engagement Plans and Frameworks should be iteratively revised as the project develops into implementation.

A full scope Stakeholder Engagement Plan should define and outline:

- Relevant summaries from the Stakeholder Analysis including:
 - Identification of relevant stakeholders and Affected Communities
 - Summary results of socio-demographic studies relevant to the project
- Information disclosure plans
- Periodic reporting and communication channels
- Grievance mechanism processes
- Iterative consultation plans
- Free, Prior, and Informed Consent processes, where they apply
- A well-documented register of completed and planned consultations with dates and topics of discussion listed
- Plans for consultation-informed mitigation and management plans
- Monitoring and evaluation throughout the life cycle

Stakeholder Engagement Plans must be disclosed to relevant stakeholders and Affected Communities before finalizing consultation plans with opportunity for input.

2. DISCLOSURE AND DISSEMINATION OF APPROPRIATE INFORMATION

TNC adopts all applicable information disclosure standards, policies, and principles of the GCF articulated in the 'Information Disclosure Policy of the Green Climate Fund' for GCF-funded activities.

Disclosure of relevant project information helps the Affected Communities and other stakeholders understand the risks, impacts and opportunities of the project. Depending on the type of information and any restrictions applicable to it, the **Project Design Team** determines how to provide the Affected Communities access to information, in an easily accessible form and culturally appropriate local language(s), about:

- The purpose, nature, and scale of the project
- The duration of proposed project activities
- Identified risks to and potential impacts on such communities and relevant mitigation measures
- The envisaged stakeholder engagement process
- The grievance mechanism (see 'Element 5: Grievance Mechanism' of this Handbook).

The full draft ESIA and ESMS and/or ESMF of funding proposals assigned the Medium Risk (B/I-2) categorization must be disclosed to Affected Communities and relevant stakeholders at least 30 days prior to submission to the GCF for funding consideration.

If Indigenous Peoples or Local Communities (IPLCs) may be affected by proposed project activities, the draft ESIA and ESMS and/or ESMF must be disclosed to Affected Communities and relevant stakeholders at least 45 days prior to submission.

Disclosure requirements will also apply to Low Risk (C/I-3) categorized projects unless waived by the TNC-GCF Safeguards Coordinator.

3. RELEVANT STAKEHOLDER CONSULTATION ON PROJECT RISKS, IMPACTS AND MITIGATION MEASURES

When the Affected Communities are subject to risks and adverse impacts from a GCF-funded project, the **Project Design Team** must undertake a process of consultation in a way that provides the Affected Communities with opportunities to express their views on project risks, impacts and mitigation measures, and allows the Project Design Team to consider and respond to these views.

4. CAPACITY BUILDING AS NEEDED TO ENABLE PARTICIPATION

If capacity building is needed to enable robust Stakeholder participation, the **Project Design Team** must properly budget for it.

5. ICP AND FPIC WHERE THEY APPLY

In case of potentially significant adverse impacts on Affected Communities, the Project Design Team must conduct an Informed Consultation and Participation (ICP) process, which involves a more in-depth exchange of views and information and the incorporation of the Affected Communities' views on matters that affect them directly (e.g., proposed mitigation measures, sharing of development benefits and opportunities, etc.) into the decision-making process. In addition, in case of adverse impacts to Indigenous Peoples and in certain other circumstances, Project Design Teams might be required to obtain their Free, Prior, and Informed Consent (FPIC).

For advice on how to conduct a FPIC process, the Project Design Team should consult the **TNC Human Rights Guide for Working with Indigenous Peoples and Local Communities** (available at <https://www.tnchumanrightsguide.org/>), and in particular **Module 2: Free Prior and Informed Consent**.

6. DESIGN AND USE OF A GRIEVANCE MECHANISM

See 'Element 5: Grievance Mechanism' of this Handbook.

7. REPORTING TO AFFECTED COMMUNITIES

The Implementation Unit provides periodic reports to the Affected Communities about project implementation of actions related to ongoing risks to or impacts on Affected Communities and related to issues that the consultation process or grievance mechanism have identified as a concern.

Element 4: Risk Assessment

This section provides summary guidance to project teams on ways to avoid, minimize or mitigate adverse social or environmental impacts related to Performance Standards #2-#8 while planning and implementing projects funded by the GCF. It is based on the **TNC-GCF Assessment and Management of Environmental and Social Risks and Impacts** policy document. These policies should be reviewed throughout the project cycle to ensure compliance with applicable standards.

PERFORMANCE STANDARD #2 – LABOR AND WORKING CONDITIONS

This section is based on *TNC-GCF Assessment and Management of Environmental and Social Risks and Impacts, Performance Standard #2: Labor and Working Conditions*, which should be read carefully before taking any action.

PS #2 Objectives (IFC)

- To promote the fair treatment, non-discrimination, and equal opportunity of workers
- To establish, maintain, and improve the worker-management relationship
- To promote compliance with national employment and labor laws
- To protect workers, including vulnerable categories of workers such as children, migrant workers, workers engaged by third parties, and workers in the client’s supply chain
- To promote safe and healthy working conditions, and the health of workers
- To avoid the use of forced labor

“TNC aims for its labor and working conditions policies to be fair, equitable, and transparent. The fundamental rights of workers have been codified by countless international conventions, including those of the International Labour Organization and the United Nations. We recognize these fundamental rights and have built a multi-layered set of accountability mechanisms at TNC to ensure our own policies are carried out in practice.”

— From the **TNC-GCF Safeguards Policy**

Overall Project Team Roles & Responsibilities

- Provide a safe and healthy work environment, taking into account inherent risks for every project and activity type and specific hazards to a particular geography
- Ensure that staff and contractors are informed about this PS and the Grievance Mechanism

TNC Employees

TNC has a clear employment relationship and complete control over the working conditions and treatment of its direct workers. Therefore, all requirements of Performance Standard #2 apply to this group of workers.

HR Policies and Procedures (2.2.1)⁵

- Adopt and implement relevant HR Policies and SOPs for TNC employees and volunteers

⁵ Numbers in parenthesis indicate corresponding sections in the TNC GCF Assessment and Management of Environmental and Social Risks and Impacts

- Provide TNC employees with clear and understandable information regarding their rights under national labor and employment law and any applicable collective agreements, including rights related to hours of work, wages, overtime, compensation, and benefits upon beginning the working relationship and when any material changes occur

Working Conditions and Terms of Employment (2.2.2)

- Put in place and implement policies on the quality and management of the accommodation if housing, lodging services, or other living accommodations are provided to workers
- Consistently apply the principles of non-discrimination and equal opportunity
- Include representatives of Affected Communities
- Develop and implement a Retrenchment Plan to reduce adverse impacts on workers if there are no viable alternatives (2.2.5)

Workers' Organizations (2.2.3)

- Engage with workers' representatives and workers' organizations, and provide them with information needed for meaningful negotiation in a timely manner

Non-Discrimination and Equal Opportunity (2.2.4)

- Base employment relationships on the principle of equal opportunity and fair treatment
- Do not discriminate with respect to any aspects of the employment relationship, such as recruitment and hiring, compensation (including wages and benefits), working conditions and terms of employment, access to training, job assignment, promotion, termination of employment or retirement, and disciplinary practice
- Take measures to prevent and address harassment, intimidation, and/or exploitation

Child labor (2.3.1) and Forced labor (2.3.2)

- Ensure no employment of children or minors that is economically exploitative, or likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral, or social development and/or such employment is otherwise prohibited by law
- Ensure no work or service that isn't voluntarily performed that is exacted from an individual under threat of force or penalty

Occupational Health and Safety (2.4)⁶

- Apply TNC SOPs and policies relevant to occupational health and safety, as well as applicable safety protocols used at the local level by TNC staff, and other guidance specific risk types or geographies, or analyze and document the reasons for exceptions
- Identify potential hazards to workers
- Take steps to prevent accidents, injury, and disease arising from, associated with, or occurring in the course of work by minimizing, as far as reasonably practicable, the causes of hazards
- Seek out relevant experts, both at TNC and in the local community, to assess occupational risks, develop necessary training workshops, or for other occupational health and safety-related issues
- Provide the necessary training of workers
- Document and report occupational accidents, diseases and incidents
- Document and report emergency prevention, preparedness, and response arrangements

⁶ Additional information related to emergency preparedness and response is available in the Emergency Preparedness section under Performance Standard #1: Assessment and Management of Environmental and Social Risks and Impacts.

Contracted Workers (2.5)

Workers engaged through third parties (e.g., contractors, brokers, agents, or intermediaries)

- Make reasonable efforts to have contractors and other third-party entities accept or incorporate relevant TNC HR Policies and SOPs into their own practices when no minimum standard exists under local laws or customs
- Seek to obtain compliance information from contractors and other third-party entities regarding compliance with the requirements of PS#2 and national laws that apply
- Take reasonable efforts to seek that the third parties who engage contracted workers are reputable and legitimate enterprises and have an appropriate ESMS or background that will allow them to operate in a manner consistent with the requirements of PS#2 (except ‘Section 2.2.5 Retrenchment’ and ‘Section 2.6 Supply Chain’)
- Establish policies and procedures (if necessary and permissible) for managing and monitoring the performance of third-party employers in relation to the requirements of PS#2
- Use reasonable efforts to incorporate these requirements in contractual agreements with such third-party employers

Supply Chain Workers (2.6)

Supply chain workers are those employed by suppliers providing goods and materials to the company where there is no direct contractual or labor relationship between the client/TNC and the workers at supplier level, and costs and benefits are paid by suppliers.

- Identify whether there is a high risk of child labor or forced labor in the primary supply chain (consistent with ‘Section 2.3.1 Child Labor’ and ‘Section 2.3.2 Forced Labor’)
 - If child labor or forced labor cases are identified, TNC will take appropriate steps to remedy them, and:
 - Monitor to spot any significant changes
 - Halt progress if new risks or incidents of child and/or forced labor are identified during project implementation
 - Identify whether there is a high risk of significant safety issues related to supply chain workers
 - Introduce mitigation measures to ensure that primary suppliers are taking steps to prevent or correct life-threatening situations
 - Report incidents to the TNC-GCF Unit, which can consult with the PS#2 Advisory Group (see below) and provide recommendations on how to address the issues
 - If unable to influence primary suppliers involved in a GCF-funded TNC project, shift to suppliers that can demonstrate that they are complying with PS#2

Other roles & responsibilities

TNC Human Resources staff with applicable field labor expertise and experience in the local project areas of influence should be assigned to a project.

PS#2 Advisory Group:

- TNC Ethics and Compliance Office and TNC Legal Department - ensures that illegal and improper activities and working conditions are identified and addressed
- TNC People Team (Human Resources) - administers HR policies
- TNC Global Diversity, Equity, and Inclusion (GDEI) Department - advises on personnel matters related to non-discrimination and equity in the workplace

24-hour Ethics and Compliance Helpline

- Available to TNC employees, contractors, volunteers, and other third-party entities with whom TNC has a directly contractual relationship over the course of GCF- funded project activities (See 'Element 5: Grievance Mechanism' of this Handbook)

PERFORMANCE STANDARD #3 – RESOURCE EFFICIENCY AND POLLUTION PREVENTION

This section is based on *TNC-GCF Assessment and Management of Environmental and Social Risks and Impacts, Performance Standard #3: Resource Efficiency and Pollution Prevention*, which should be read carefully before taking any action.

PS #3 Objectives (IFC)

- To avoid or minimize adverse impacts on human health and the environment by avoiding or minimizing pollution from project activities
- To promote more sustainable use of resources, including energy and water where applicable
- To reduce project related GHG emissions

“Our goals with regard to minimizing greenhouse gas (GHG) emissions mirror those of the Green Climate Fund; we aim to engage in low-emission, climate-resilient development through mitigation and adaptation projects. TNC will not engage in activities involving the discernible risk of substantial greenhouse gas emissions.”

“In designing and implementing GCF-funded projects, we will emphasize efficient and sustainable use of products typically used in TNC projects; particularly non-renewable natural resources, water, production materials, and equipment.”

— **From the TNC-GCF Safeguards Policy**

Overall Project Team Roles & Responsibilities

- Seek to implement technically and financially feasible and cost-effective measures for improving efficiency in the consumption of energy, water and other resources and material inputs
- Where data is available on resource efficiency, establish target levels of usage in the design of projects

Greenhouse Gases (3.2.1)⁷

- Screen and assess the potential for the direct or indirect release of GHGs as a result of project activities, and if staff foresee a non-negligible rate of GHG emissions as a result of a GCF-funded project activity, they will:
 - Consider technically and financially feasible and cost-effective options to reduce project related GHG emissions
 - Facilitate adaptation via cooperation with existing or planned TNC activities (whether GCF-funded or not) and/or combine mitigation [e.g., reduction in GHG emissions] and adaptation measures)

⁷ Numbers in parenthesis indicate corresponding sections in the *TNC GCF Assessment and Management of Environmental and Social Risks and Impacts*

- Consider alternative options such as alternative project locations, adoption of renewable or low-carbon intensity sources, and sustainable agricultural, forestry, and livestock management practices, among others

Marketing Carbon Benefits to Finance Conservation (3.2.1)

- Adhere to the TNC Marketing Carbon Benefits to Finance Conservation SOP
- Undertake project review consistent with the TNC Carbon Project Review Committee (CPRC) review process, if the project:
 - Involves the potential marketing, sale or transfer of rights to realized or anticipated amounts of carbon benefits (also known as emission reductions or offsets)
 - Seeks contributions or financial support for activities in exchange for rights to or retirement of carbon benefits

Ecological Burning and Fire Management (3.2.1)

- Adheres to the TNC Fire Management SOP, the TNC Fire Management Manual, and applicable local and federal laws if the project includes fire management activities (such as prescribed burning and wildfire suppression)

Water Consumption (3.2.2)

- If a GCF-funded TNC project is expected to be a potentially significant consumer of water:
 - Explore measures that avoid or reduce water usage consistent with 'Section 1.4.3 Mitigation Hierarchy' for GCF projects, so not to have significant adverse impacts on Affected Communities, local ecosystems, or other human or non-human life reliant on the water source. Measures include:
 - Budget and use additional technically feasible water conservation techniques regularly undertaken by TNC staff
 - Use alternative water supplies that reduce risk of overconsumption in critical sources
 - Consider offsets to reduce total demand for water resources within the available supply, where necessary and after feasible alternatives have been considered
 - Evaluate alternative project locations
 - Consult with the broad range of TNC in-house water conservation experts and, where relevant and/or required, with Affected Communities and relevant stakeholders
 - Adopt viable and reasonable alternative options that are technically and financially feasible, and cost-effective given the context and extent of the specific project

Wastes (3.3.1)

- Ensure that TNC employees and third-party contractors adhere to relevant SOPs related to waste and hazardous materials management, including guidance in the *TNC Workplace Safety SOP*
- Avoid the generation of hazardous and non-negligible non-hazardous waste materials to the extent possible
- Where waste generation cannot be avoided:
 - Reduce the generation of waste, and recover and reuse waste in a manner that is technically and financially reasonable and safe
- Where waste cannot be recovered or reused:
 - Ensure the treatment, destruction, or disposal of waste in an environmentally sound manner that includes the appropriate control of emissions and residues resulting from the handling and processing of the waste material, in observance of the local applicable regulatory requirements
 - If the generated waste is considered hazardous, adopt GIIP alternatives for its environmentally sound disposal while adhering to the limitations applicable to its transboundary movement

- When hazardous waste disposal is conducted by third parties:
 - Use contractors that are reputable and legitimate enterprises licensed by the relevant government regulatory agencies and monitor chain of custody documentation to the final destination
 - Research whether licensed disposal sites are being operated to legal standards. If not, project teams reduce waste sent to such sites and considers alternative disposal options, including the possibility of developing their own recovery or disposal facilities at the project site

Hazardous Material (3.3.2)

- Avoid or, when avoidance is not possible, minimize and control the release of hazardous materials
- Assess thoroughly the potential for production, transportation, handling, storage, and use of hazardous materials for project activities
- Consider less hazardous substitutes where hazardous materials are intended to be used or where there is risk of producing hazardous by-products

Pesticide Use and Management (3.3.3)

- Minimize and manage environmental and health risks associated with the application of pesticides, insecticides, and herbicides (herewith referred as “pesticides”)
 - Where appropriate, formulate and implement an integrated pest management (IPM) and/or integrated vector management (IVM) plan that integrates available pest control methods with cultural practices, biological, genetic, and where most appropriate, chemical means to prevent large-scale pest damage and/or disease transmission
 - In non-agricultural projects focusing on ecological habitat restoration and invasive species control, favor control of invasive species by improving ecological function, biodiversity, and/or the production of ecosystems services
 - Evaluate and use other forms of invasive species control (biological, mechanical / manual, fire, etc.) when practical and appropriate
 - Use pesticides only when other methods are ineffective and/or cost-prohibitive, however:
 - Select chemical pesticides that are as low in human toxicity as practicable for the intended application
 - Ensure they are packaged in safe containers, labeled for safe and proper use, and that the pesticides have been manufactured by a licensed entity
 - Design pesticide application regimes to:
 - Avoid damage to natural enemies of the target pest, and where avoidance is not possible, minimize such damage
 - Avoid the risks associated with the development of resistance in pests and vectors, and where avoidance is not possible, minimize such resistance
- Consider the WHO Recommended Classification of Pesticides by Hazard when selecting pesticide applications:
 - Refrain from purchasing, storing, using, manufacturing, or trading in products deemed as being “extremely hazardous” or “highly hazardous” by TNC pesticides experts serving as consultants to PS#3
 - Refrain from purchasing, storing, using, manufacturing, or trading “moderately hazardous” pesticides without the approval of TNC pesticides experts
- Ensure that chemicals are not accessible to personnel without proper training, equipment, and facilities to handle, store, apply, and dispose of these products properly

PERFORMANCE STANDARD #4 – COMMUNITY HEALTH, SAFETY AND SECURITY

This section is based on *TNC-GCF Assessment and Management of Environmental and Social Risks and Impacts, Performance Standard #4: Community Health, Safety and Security*, which should be read carefully before taking any action.

PS #4 Objectives (IFC)

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

“TNC will evaluate the risks and impacts to the health and safety of the Affected Communities during a GCF-funded TNC project’s lifecycle and will establish preventive and control measures consistent with prevailing good international industry practice. Additionally, TNC will identify risks and impacts and propose mitigation measures that are commensurate with their likelihood, nature and magnitude. These measures will favor the avoidance of risks and impacts over minimization.”

— From the TNC-GCF Safeguards Policy

Project Team Roles & Responsibilities

Infrastructure and Equipment Design and Safety (4.2.1)⁸

- Budget, design, construct, operate, and decommission the structural elements or components of a project in accordance with good international industry practice, taking into consideration safety risks to third parties and Affected Communities
- Ensure that structural elements are designed and constructed by competent professionals, and certified or approved by competent authorities or professionals
- Avoid high-risk in terms of safety and take precautions to ensure (a) that risk factors are analyzed thoroughly and (b) comprehensive mitigation hierarchy⁹ is applied before implementation
 - When structural elements are situated in high-risk locations, and their failure or malfunction may threaten the safety of communities, engage external experts separate from those responsible for the design and construction, to conduct a review as early as possible in project development and throughout the stages of project design, budgeting, construction, operation, and decommissioning
 - When new project sites will be accessed by members of the public, consider incremental risks of the public’s potential exposure to operational accidents and/or natural hazards
 - Seek to avoid the occurrence of incidents and injuries to members of the public in projects that operate moving equipment on roads and other infrastructure (see *TNC Vehicle Use and Safety SOP* for additional details)

⁸ Numbers in parenthesis indicate corresponding sections in the TNC GCF Assessment and Management of Environmental and Social Risks and Impacts

⁹ Section 1.4.3 Mitigation Hierarchy

Hazardous Materials Management and Safety (4.2.2)

- Avoid or minimize the potential for community exposure to hazardous materials and substances that may be released (see 'Annex 3 - Performance Standard #3', 'Sections 3.3.2 Hazardous Materials' and '3.3.3 Pesticide Use and Management')
- Exercise special care whenever there is a potential for the public (including workers and their families) to be exposed to hazards by modifying, substituting, or eliminating the material causing the potential hazards or implementing appropriate safety conditions
- Exercise reasonable efforts to secure safe deliveries of hazardous materials, and transportation and disposal of hazardous wastes, and implement measures to avoid or control community exposure to pesticides
- Exercise special care when decommissioning activities if hazardous materials are part of existing project infrastructure, in order to avoid exposure to the community

Ecosystem Services (4.2.3)

- If project activities a) impact ecosystem services, b) designate sites for renewable energy infrastructure, c) generate carbon outputs and/ or d) pose short-term community risks; project teams implement mitigation measures in accordance with:
 - Performance Standard #5: Land Acquisition and Involuntary Resettlement, 'Section 5.3.2 Economic Displacement'
 - Performance Standard #6: Biodiversity Conservation and Sustainable Management of Living Natural Resources
 - Other applicable standards depending on specific risks and context

Community Exposure to Disease (4.2.4)

- Avoid or minimize the potential for community exposure to waterborne, water based, water-related, and vector-borne diseases, and communicable diseases that could result from project activities
- Avoid or minimize transmission of communicable diseases that may be associated with the influx of temporary or permanent project labor
- Explore opportunities to improve environmental conditions that could help minimize the incidence of diseases that are endemic in communities in the project area

Emergency Preparedness and Response (4.2.5)

- Follow emergency preparedness and response requirements described in Performance Standard #1: Assessment and Management of Environmental and Social Risks and Impacts
- Assist and collaborate with the Affected Communities, competent local government agencies, and relevant parties, in their preparations to respond effectively to emergency situations in GCF-funded TNC project areas
- Document emergency preparedness and response activities, resources, and responsibilities, and if necessary disclose appropriate information to Affected Communities, relevant government agencies, or other relevant parties

Security Personnel (4.3)

- Assess risks in case staff and/or contractors provide security to protection to personnel and property related to the GCF-funded project
 - Inquire that those providing security are not implicated in past abuses
 - Inform them about standards for use of force (and where applicable, firearms), and appropriate conduct toward workers and Affected Communities
 - Require them to act within the applicable law

- Do not sanction any use of force except when used for preventive and defensive purposes in proportion to the nature and extent of the threat
 - Follow the principles of proportionality, good international practice¹⁰, TNC's *Hiring and Recruiting SOP* and other relevant documents in the *TNC Policies and SOP Manual* in relation to hiring, rules of conduct, training, equipping, and monitoring of such workers, and by applicable law
- Assess and document risks arising from the project's use of government security personnel deployed to provide security services
 - Seek to ensure that security personnel act in a manner consistent with this Performance Standard
 - Encourage the relevant public authorities to disclose the security arrangements for TNC's project sites to the public, subject to reasonable security concerns
- Provide information to the communities about the grievance mechanism to allow them to express concerns about the security arrangements and acts of security personnel

PERFORMANCE STANDARD #5 – LAND ACQUISITION AND INVOLUNTARY RESETTLEMENT

This section is based on *TNC-GCF Assessment and Management of Environmental and Social Risks and Impacts, Performance Standard #5: Land Acquisition and Involuntary Resettlement*, which should be read carefully before taking any action.

PS #5 Objectives (IFC)

- To avoid, and when avoidance is not possible, minimize displacement by exploring alternative project designs
- To avoid forced eviction
- To anticipate and avoid, or where avoidance is not possible, minimize adverse social and economic impacts from land acquisition or restrictions on land use by (i) providing compensation for loss of assets at replacement cost and (ii) ensuring that resettlement activities are implemented with appropriate disclosure of information, consultation, and the informed participation of those affected
- To improve, or restore, the livelihoods and standards of living of displaced persons
- To improve living conditions among physically displaced persons through the provision of adequate housing with security of tenure at resettlement sites

“TNC will not consider GCF-funded project proposals with a discernible risk of forced physical displacement, and will seek to avoid proposals with a discernible risk of direct economic displacement, and/or voluntary physical displacement by an Affected Community. In cases with minimal risk of unintended consequences that include direct economic or voluntary physical displacement, TNC will consider feasible alternative project designs to avoid and/or minimize the potential for direct economic displacement or non-forcible physical displacement, while balancing environmental, social, and financial costs and benefits, and paying particular attention to impacts on the poor and vulnerable.”

— **From the TNC-GCF Safeguards Policy**

¹⁰ Including practice consistent with the United Nation's (UN) Code of Conduct for Law Enforcement Officials, and UN Basic Principles on the Use of Force and Firearms by Law Enforcement Officials.

Overall Project Team Roles & Responsibilities

- Avoid forced physical displacement under all circumstances in the design of the project
- Consider feasible alternatives to avoid and/or minimize the potential for unintended consequences involving direct economic displacement or non-forcible physical displacement, while balancing environmental, social, and financial costs and benefits, and paying particular attention to impacts on the financially poor and vulnerable
- Ensure that no risk of forced physical displacement or direct economic displacement, and/or no voluntary physical displacement by an Affected Community arises during project implementation

Project Development Phase

Community Engagement (5.2.3)¹¹

- Engage Affected Communities through the stakeholder engagement process described in this document
- Apply additional provisions to consultations with Indigenous Peoples and Local Communities, in accordance with Performance Standard #7: Indigenous Peoples and Local Communities

Grievance Mechanism (5.2.4)

- Establish a grievance mechanism as early as possible in the project development phase

Compensation and Benefits for Non-Forcibly and/or Economically Displaced Persons (5.2.2)

- Consider activities with risk of economic displacement or voluntary physical displacement only if:
 - They are at a minimal level of unintended but foreseeable risk;
 - The Affected Community has been informed; and
 - FPIC has been obtained where the right applies (See 'Section 7.4.2 Circumstances Requiring FPIC')
- If displacement occurs, the need might arise to draft compensation agreements that are transparent and apply fairly and equitably to the Affected Communities and affected persons within those communities, regardless of whether or not they individually favored the agreement (see 'Section 5.3 Displacement' for additional information)
- Budgets for such contingencies in the GCF-funded project proposal

Resettlement and Livelihood Restoration Planning and Implementation (5.2.5)

Do not move forward with project implementation if there is risk of economic displacement or voluntary physical displacement. However, if displacement is unavoidable:

- Carry out a census to identify who will be displaced by the project, including:
 - Those who have formal legal rights to the land/assets they occupy or use
 - Those who do not have formal legal rights to land/assets, but have a claim to land that is recognized or recognizable under national law; or
 - Those who have no currently recognizable legal right or claim to the land, but could reasonably claim rights or access as a member of an Indigenous People traditionally present on lands or natural resources not already designated to any other indigenous community, as defined in Performance Standard #7: Indigenous People and Local Communities
- Determine other sources of compensation or compensation-like payment

¹¹ Numbers in parenthesis indicate corresponding sections in the TNC GCF Assessment and Management of Environmental and Social Risks and Impacts

- Determine who will be eligible for compensation and assistance
- Discourage ineligible persons (e.g. opportunistic settlers) from claiming benefits or nonexistent damages
- In the absence of host government procedures, establish a cutoff date for eligibility and disseminate information throughout the project area
- Abstain from being directly responsible for any expropriation or forced sale procedure, but explore opportunities to collaborate and encourage mitigation measures when expropriation or other legal procedures are initiated by other parties (including government agencies)
- Budget for such contingencies in the GCF-funded project proposal

Physical Displacement (5.3.1)

- In case of voluntary physical displacement as a direct result of a GCF-funded TNC project, the Project Team will develop a *Resettlement Action Plan*¹² that includes, at a minimum:
 - An analysis of the reasons for relocation, through consultations with the displaced persons
 - An assessment of the resettlement conditions, including a comparison of livelihood and living standards before and after the relocation
 - Relocation assistance or compensation if the relocation was deemed as unavoidable and undertaken as a direct result of the project, including a relocation budget from within the project funds, repurposed as necessary from project activities that will not take place given the need for resettlement
 - A resettlement schedule
 - Mitigation measures to counteract the negative impacts of displacement, giving particular consideration to the needs of women, the poor and the vulnerable
 - Potential development opportunities

Economic Displacement (5.3.1)

- In case of direct economic displacement only, the team develops a *Livelihood Restoration Plan* that includes entitlements of Affected Persons and/or Communities, provided in a transparent, consistent, and equitable manner:
 - For persons whose livelihoods are land-based, replacement land should be offered as a matter of priority
 - For persons whose livelihoods are natural resource-based and where project-related restrictions on access apply, continued access to affected resources or access to alternative resources with equivalent livelihood-earning potential and accessibility (whether individual or collective) should be offered
 - If providing land or similar resources is not possible, alternative income earning opportunities may be provided, such as credit facilities, training, cash, or employment opportunities

Unknown consequences (5.2.5)

- If the exact nature/magnitude of the land dispute or restrictions on land use related to a project with potential to cause physical and/or economic displacement is unknown due to the stage of project development, the project team will develop a *Resettlement and/or Livelihood Restoration Framework* outlining general principles compatible with this Performance Standard
 - When the necessary information becomes available, the project team expands the Framework into a *Resettlement Action Plan* or *Livelihood Restoration Plan* (in accordance with 'Sections 5.3.1 Physical Displacement' and '5.3.2 Economic Displacement' below)

¹² The IFC Handbook for Preparing a Resettlement Action Plan should be referenced and may be used as a guideline text for project teams designing Resettlement Action Plans.

Project Implementation Phase

- Establish procedures to monitor and evaluate the implementation of the *Resettlement Action Plan* or *Livelihood Restoration Plan* (see ‘Sections 5.3.1 Physical Displacement’ and ‘5.3.2 Economic Displacement’) and take corrective action as necessary
- Disclose relevant information to Affected Communities/Persons not just during planning, but also during implementation, monitoring & evaluation of compensation payments, livelihood restoration activities, and resettlement

Project Closing Phase

- Consider whether it is necessary to commission an external completion audit of the Resettlement Action Plan or Livelihood Restoration Plan to assess if the provisions have been met. Audits should:
 - Be undertaken once all mitigation measures have been substantially completed and affected persons are deemed to have been provided adequate opportunity and assistance to sustainably restore their livelihoods
 - Be undertaken by competent resettlement professionals
 - Include a review of the mitigation measures implemented, a comparison of implementation outcomes against agreed objectives, and a conclusion as to whether the monitoring process can be ended
- Budget for such contingencies in the GCF-funded project proposal

PERFORMANCE STANDARD #6 – BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF NATURAL RESOURCES

This section is based on *TNC-GCF Assessment and Management of Environmental and Social Risks and Impacts, Performance Standard #6: Biodiversity Conservation and Sustainable Management of Natural Resources*, which should be read carefully before taking any action.

PS#6 Objectives (IFC)

- To protect and conserve biodiversity
- To maintain the benefits from ecosystem services
- To promote the sustainable management of living natural resources through the adoption of practices that integrate conservation needs and development priorities

“This PS reflects the objectives and guidance of TNC’s Conservation by Design 2.0 framework (CbD 2.0), which will guide GCF-funded project design and planning, as well as project management related to monitoring and evaluation.”

— **From the TNC-GCF Safeguards Policy**

The guidelines in this PS apply only to GCF-funded projects that:

- Are located in areas that provide significant ecosystem services to Affected Communities, upon which they depend for survival, sustenance, livelihood, or primary income; or
- Involve the extraction of renewable natural resources as a main purpose (e.g., plantation forestry, commercial harvesting, agriculture, livestock, fisheries, and aquaculture); or
- Have a discernible risk of modifying a natural, modified or critical habitat

Overall Project Team Roles & Responsibilities

- Use CbD 2.0 to guide GCF-funded project design and planning, as well as project management related to monitoring and evaluation
- Assist the TNC-GCF Safeguards Coordinator in conducting the pre-project Risk Assessment (see 'Section 6.1.2 Risk Assessment')

Avoidance of negative impacts (6.2.2) ¹³

- Avoid negative impacts to habitat and biodiversity
- If risks to habitat and biodiversity are identified, apply the mitigation hierarchy based on the *CbD 2.0* guidance¹⁴
 - Ensure no significant conversion or degradation of modified or natural habitats, nor engagement with partners or contractors that conduct such activities (exceptions listed in 'Section 6.2.2 Avoidance of Negative Impacts')
 - Ensure no conversion or degradation of critical habitats, nor engagement with partners or contractors that conduct such activities
 - If negative impacts are identified during implementation, the TNC-GCF Steering Committee must recommend measures to redesign the project to avoid these impacts
 - If negative impacts cannot be mitigated, implementation is halted until mitigation alternatives are identified and agreed upon by the TNC-GCF Safeguards Coordinator, project manager, and relevant stakeholders

Biodiversity offsets (6.2.5)

- Projects that require a biodiversity offset will be an exception to TNC's policy to avoid significant modification of habitats, and must only be considered if the proposed offset will produce net benefits
- If avoidance, reduction, or minimization of impacts is not sufficient to mitigate and/or restore affected habitats or species, budget and propose biodiversity offset options to the TNC-GCF Steering Committee¹⁵
- Use internal guidance on the development and application of environmental offset programs and projects¹⁶

Legally protected areas (6.2.6)

- Comply with national and local regulations for appropriate environmental management, and consult relevant stakeholders in preparation of management and mitigation measures when projects include a) protected areas, b) internationally recognized areas (e.g., World Heritage Areas) or c) areas that are proposed for protection or international recognition
- Ensure any proposed development is consistent with:
 - Area's existing management plan
 - Terms of FPIC agreed upon by the Affected Community (if FPIC applies and if there is no management plan)
 - Objectives determined by the responsible natural resource, protected area, or wildlife agency

¹³ Numbers in parenthesis indicate corresponding sections in the TNC GCF Assessment and Management of Environmental and Social Risks and Impacts

¹⁴ See Section 1.4.3 of TNC GCF Assessment and Management of Environmental and Social Risks and Impacts and the TNC document Achieving Conservation and Development: 10 Principles for Applying the Mitigation Hierarchy

¹⁵ TNC is committed to adopting biodiversity offsets only to the extent necessary and appropriate for GCF-funded TNC projects.

¹⁶ See TNC document Achieving Conservation and Development: 10 Principles for Applying the Mitigation Hierarchy for more information.

Invasive alien species (6.2.7)

- Avoid purposefully introducing known invasive alien species into a project area
- Take precautions to avoid unintentionally introducing known or potentially invasive alien species into a local ecosystem
- Identify measures to minimize and/or mitigate if invasive alien species are unintentionally introduced
- If invasive alien species exist in a project area, avoid promoting their spread or undertaking activities that could enhance their competitiveness with indigenous plant or animal life

Management of ecosystem services (6.2.8)

- If Risk Assessment determines that a project is likely to adversely impact ecosystem services:
 - Conduct a systematic review to identify priority ecosystem services
 - Engage Affected Communities
 - Seek to avoid adverse impacts and when they are unavoidable, minimize them and implement mitigation measures that aim to maintain the value and functionality of priority services

Sustainable management of natural resources (6.2.9)

- Where TNC or a contracted third-party is engaged in production of living natural resources, including natural and plantation forestry, agriculture, animal husbandry, aquaculture, and fisheries:
 - Locate land-based agribusiness and forestry projects on unforested land or land already converted
 - Manage, and require subcontractors and partners to manage, living natural resources in a sustainable manner
 - Implement sustainable management practices that meet one or more relevant and credible globally, regionally, or nationally recognized standards
 - If TNC lacks independent verification or certification of its compliance with such standard(s), conduct a pre-assessment of conformity to the applicable standard(s) and take actions to achieve verification or certification
 - If there is no credible global, regional, or national standard for the particular living natural resource in the country concerned:
 - Commit to applying good international industry operating principles, management practices, and technologies; and
 - Actively engage and support the development of a national standard

Supply chain (6.2.10)

- Before purchasing primary production (especially, but not exclusively, food and fiber commodities) that is known to be produced in a region where there is a significant risk of conversion of natural and/or critical habitats
 - Explore sustainable sourcing options
 - Explore feasible alternatives to purchase in a region where sustainable options are available

PERFORMANCE STANDARD #7 – INDIGENOUS PEOPLES AND LOCAL COMMUNITIES

This section is based on *TNC-GCF Assessment and Management of Environmental and Social Risks and Impacts, Performance Standard #7: Indigenous Peoples and Local Communities*, which should be read carefully before taking any action.

PS #7 Objectives (IFC)

- To ensure that the development process fosters full respect for the human rights, dignity, aspirations, culture, and natural resource-based livelihoods of Indigenous Peoples and Local Communities (IPLC)
- To anticipate and avoid adverse impacts of projects on IPLCs, or when avoidance is not possible, to minimize and/or compensate for such impacts
- To promote sustainable development benefits and opportunities for IPLCs in a culturally appropriate manner
- To establish and maintain an ongoing relationship based on Informed Consultation and Participation (ICP) with the IPLCs affected by a project throughout the project's life-cycle
- To ensure the Free, Prior, and Informed Consent (FPIC) of the Affected IPLCs when the circumstances described in this Performance Standard are present
- To respect and preserve the culture, knowledge, and practices of IPLCs

Project Team Roles & Responsibilities

*Avoidance of negative impacts (7.1.1)*¹⁷

- Seek to avoid adverse impacts to IPLCs
- If adverse impacts are unavoidable, engage in further informed consultation with affected IPLC, including disaggregated sub-groups (e.g. women)
 - If required, seek FPIC
 - Plan to minimize and compensate for the adverse impacts in a way that is equitable and culturally appropriate, with mitigation and compensation proportionate to the nature and scale of such impacts and the form and degree of vulnerability of the affected IPLCs

Identifying and engaging with IPLC (7.2)

- Perform ESMS Risk Assessment of possible impacts on IPLCs as early as possible to identify:
 - IPLCs living in, or carrying out their daily activities within or near, the project boundaries
 - IPLCs who have established or customary tenure rights regarding any of the natural resources the project will impact
 - Any nomadic herders or hunter/gatherers who may not currently be present but who may use the land during certain times, circumstances or seasons
- If IPLCs are present or potentially impacted:
 - Determine the most appropriate way to approach and engage with them
 - Ensure TNC works with the appropriate institutions and individual representatives
 - Collaborate on initial resource mapping and clarification of historical uses of natural resources within the project areas, to understand the locations, customary access routes to, and uses of resources which may be impacted (full disclosure of the project's preliminary plans and possible impacts is required)
 - Prepare an *Indigenous Peoples Plan* (IPP, see below)

Indigenous Peoples Plan (7.3)

- If the ESMS Risk Assessment determines that a project may impact IPLCs, the TNC-GCF Safeguards Coordinator, in consultation with the Project Team, might decide to prepare an Indigenous Peoples Plan (IPP):

¹⁷ Numbers in parenthesis indicate corresponding sections in the TNC GCF Assessment and Management of Environmental and Social Risks and Impacts

- IPP contains, at a minimum:
 - Baseline information (from the risk assessment process);
 - Key findings and analyses of impacts, risks and opportunities;
 - Measures to avoid, minimize and mitigate negative impacts, and enhance positive impacts and opportunities;
 - Community-based natural resource management;
 - Results of consultations (participants, timetable, roles and responsibilities, FPIC obtained, engagement plans)
 - Gender assessment and action plans;
 - Benefit sharing plans;
 - Tenure arrangements;
 - Costs, budgets, timetables, organizational responsibilities;
 - Monitoring, evaluation and reporting; and
 - A grievance mechanism

Free, Prior and Informed Consent (7.4)

- Under this performance standard, the following circumstances automatically trigger FPIC:
 - Initial and subsequent resource mapping of lands and natural resources subject to traditional ownership or under long term customary use or long-term occupation by IPLCs
 - Impacts on lands and natural resources subject to traditional ownership or under long term customary use or long-term occupation by IPLCs
 - Relocation of Indigenous Peoples from lands and natural resources subject to their traditional ownership or under long term customary use or occupation
 - Impacts to IPLC cultural heritage (see Performance Standard #8: Cultural Heritage)
- The TNC-GCF Safeguards Coordinator and/or TNC-GCF Unit Director may also trigger FPIC at any point in the project cycle
- If IPLCs feel that FPIC is not being granted appropriately, they may use the grievance mechanism to request the right to FPIC (7.5)¹⁸

Mitigation and compensation (7.6)

- Identify measures to mitigate environmental and social risks and impacts in alignment with the Mitigation Hierarchy¹⁹
- Compensation to IPLCs:
 - Determination, delivery and distribution must take into account institutions, rules, customs, capacities and gender equality
 - Eligibility can be individually or collectively based, or be a combination of both
 - If collectively based, define and implement mechanisms in consultation with affected IPLCs that promote distribution of compensation to all eligible members, or in a manner that benefits all members of the group, including women, youth, the elderly and persons with disabilities

¹⁸ See the "Grievance Mechanism" chapter in this document on establishing a culturally responsive, effective grievance mechanism to address IPLC's project-related concerns.

¹⁹ See TNC document Achieving Conservation and Development: 10 Principles for Applying the Mitigation Hierarchy

Development benefits (7.6)

- Identified opportunities that address the IPLCs' goals and preferences, including improving their standard of living and livelihoods in a culturally appropriate manner, recognizing and strengthening the role of women in the project, and fostering the long-term sustainability of the natural resources on which they depend

PERFORMANCE STANDARD #8 – CULTURAL HERITAGE

This section is based on *TNC-GCF Assessment and Management of Environmental and Social Risks and Impacts, Performance Standard #8: Cultural Heritage*, which should be read carefully before taking any action.

PS #8 Objectives (IFC)

- To protect cultural heritage from the adverse impacts of project activities and support its preservation
- To promote the equitable sharing of benefits from the use of cultural heritage

Project Team Roles & Responsibilities*Screening during risk assessment (8.1)²⁰*

- Identify the extent and complexity of potential risks to cultural heritage and any possible impacts in the project's direct area of influence
- If the screening indicates potential adverse impacts, undertake further assessment to understand nature and scale of impacts and proposed mitigation measures (with expert consultants, if needed)
- Disclose findings unless it would compromise or jeopardize the safety or integrity of the cultural heritage involved and/or would endanger the source of information about the cultural heritage (See 'Section 8.4 Disclosure of Findings')

Project design and execution Phase (8.3)

- Where cultural heritage is present or potentially could be present or impacted, TNC work in the design phase and execution of GCF-funded projects will
- Comply with applicable:
 - National laws related to cultural heritage
 - Country obligations under the UNESCO Convention Concerning the Protection of the World Cultural and Natural Heritage
 - Internationally recognized practices for their protection, field-based study and documentation
- Allow continued access to impacted cultural site or provide an alternate access route to the extent possible, taking into consideration overriding health, safety and security issues and in consultation with current and/or historical users and owners of the site, in addition to government entities (See 'Section 8.5 Community Access')

Removal of cultural heritage (8.6 and 8.7)

- Removal of replicable cultural heritage (tangible forms of cultural heritage that can be moved to another location or that can be replaced by a similar structure to which the cultural values can be transferred by appropriate measures):
 - Apply mitigation measures favoring avoidance
 - If avoidance is not feasible, apply this mitigation hierarchy:

²⁰ Numbers in parenthesis indicate corresponding sections in the TNC GCF Assessment and Management of Environmental and Social Risks and Impacts

- Minimize adverse impacts and implement restoration measures, in situ, that ensure maintenance of the value and functionality of the cultural heritage, including maintaining or restoring any ecosystem processes needed to support it;
- If restoration in situ is not possible, restore the functionality of the cultural heritage in a different location, including the ecosystem processes needed to support it;
- Permanent removal of historical and archeological artifacts and structures is carried out according to the principles in 'Section 8.3 Project Design and Execution Phase' above; and
- Compensate for loss of that tangible cultural heritage only if minimization of adverse impacts and restoration to ensure maintenance of the value and functionality of the cultural heritage are demonstrably not feasible, and where the Affected Communities are using the tangible cultural heritage for long-standing cultural purposes
- Removal of non-replicable cultural heritage (this relates to the social, economic, cultural, environmental, and climatic conditions of past peoples, their evolving ecologies, adaptive strategies, and early forms of environmental management, where the cultural heritage is (i) unique for the period it represents, or (ii) unique in linking several periods in the same site)
 - Avoid removal of any nonreplicable cultural heritage unless all of the following are met:
 - No technically or financially feasible alternatives to removal are available
 - Project's overall benefits outweigh the anticipated loss of cultural heritage anticipated from removal; and
 - Removal is conducted using methods commonly applied by experts in similar circumstances

Critical cultural heritage (8.8)

Critical cultural heritage consists of: (i) internationally recognized heritage of communities who use, or have used within living memory the cultural heritage for long-standing cultural purposes; and/or (ii) legally protected cultural heritage areas

- Avoid projects that have a likelihood of involving negative impacts
- Avoid removing, significantly altering, or damaging critical cultural heritage, if at all feasible
- If impacts are unavoidable, use a process of documented good faith informed consultation and participation with the Affected Communities
- In addition, if project is located within a legally protected area (PA):
 - Comply with defined national or local cultural heritage regulations or the PA management plans
 - Consult PA's sponsors and managers, Affected Communities and other key stakeholders
 - Implement additional programs, as appropriate, to promote and enhance the PA's conservation objectives

Project use of cultural heritage (8.9)

- If a project proposes to use the cultural heritage, including intangible cultural heritage (e.g., knowledge, innovations, or practices) for commercial purpose, inform Affected Communities of:
 - Their rights under national law;
 - Scope and nature of the proposed commercial development; and
 - Potential consequences of such development
- Determine whether ownership is individual, collective or a mixture of both, before proceeding
- Avoid proceeding with commercialization unless project teams:

- Enter into a process of informed consultation and participation, including with relevant disaggregated subgroups such as women, using a good faith negotiation process that results in a documented outcome
- Obtain FPIC, if required, and
- Provide for fair and equitable sharing of benefits from commercialization of such knowledge, innovation, or practice, consistent with the local customs and traditions
- In addition, use of images, music, other media, some traditional names or other similar cultural heritage, even in the project proposal phase should only be done after assessing the cultural sensitivities related to such use and the potential risks and rewards of doing so

Element 5: Grievance Mechanism

CODE OF CONDUCT

The **TNC Code of Conduct** – [publicly available on the TNC website](#) – provides the principles and expectations to guide staff, Board members, Trustees/Advisors, volunteers, and third-parties in the course of their work for TNC. One of those expectations is that TNC staff and others acting on our behalf will comply with all applicable laws, rules, and regulations in each country, state, or locality where TNC operates. Where TNC's Code or policies are more protective than the laws and customs in certain countries, TNC staff and others acting on our behalf will be held to the higher standards set forth in our Code.

Our Code is also an interactive field guide for our staff that provides access to additional resources to help them make sound ethical and legal decisions. Staff and others who violate our Code will face consequences commensurate with the infraction.

TNC EMPLOYEES AND CONTRACTORS FILING A REPORT

All TNC employees and contracted workers engaged in the implementation of GCF-funded TNC projects must be informed, at the time of hire, of their right to and access to file a report. In addition, the Project Design Team or Implementation Unit leader (depending on stage in project design and implementation) must provide all TNC employees and contracted workers involved in a GCF-funded project with the name of their direct supervisor or contract manager, and the Human Resources business partner.

1. Supervisors or contract managers are the first resource for complaints
2. Human Resources business partners are the second resource for complaints
3. In addition, TNC Employees and third parties involved in GCF-funded projects will be informed, at the time of hire, of their right to submit a question or concern, and to file a report by contacting the Ethics & Compliance team anytime at the TNC online Helpline. The Helpline is:
 - A 24-hour free of charge service
 - Available online or by phone (phone numbers for international calling are listed in the Helpline page)
 - Available in a variety of languages

The Helpline allows individuals to:

- Report suspected violations of law, policy, or procedure
- Seek anonymity where permitted by law; and
- To avoid a conflict-of-interest between the employee or contracted worker and a supervisor/manager

AFFECTED COMMUNITIES FILING A GRIEVANCE

The Implementation Unit should familiarize itself with **TNC-GCF Assessment and Management of Environmental and Social Risks and Impacts Section 9. Annex to Procedures for Policy on Grievance Mechanism**, also referred to as “TNC’s Grievance Mechanism for GCF-Funded Projects.” Section 9 provides detailed information on the grievance mechanism policy and resolution processes, as well as practical steps that the Project Design Team or Implementation Unit can take to build constructive, respectful relationships and resolve conflicts when working with Affected Communities.

An Affected Community, as mentioned in the Stakeholder Engagement section, is “any local community directly and negatively impacted as a whole by a project; or a neighboring community as determined by the stakeholder analysis with a direct stake in the impacts to an affected local community.” For the TNC-GCF ESMS, an Affected Community or its representative (including individuals acting along) who files a proper grievance is referred to as an Affected Party.

TNC’s Grievance Mechanism for GCF-Funded Projects is rooted in the TNC Human Rights Guide for Working with Indigenous Peoples and Local Communities (available at <https://www.tnchumanrightsguide.org>), and in particular in [Module 3: Conflict Resolution](#).

Grievances can be filed by:

- Affected Community representatives, including individuals, in and adjacent to a project area, as defined in the Stakeholder Analysis
- Communities or relevant stakeholders not included in the initial stakeholder analysis report provided that those communities or relevant stakeholders meet the same criteria or substantially similar criteria to the ones applicable to the initially determined Affected Communities. In these cases, specific steps will be taken by the TNC Chief Ethics and Compliance Officer to ensure that they have standing/eligibility to use this process and the applicability of this process and connection of the project to their concerns

Important initial steps for the Project Team:

- Inform the Affected Communities about grievance mechanism options in the course of the stakeholder engagement process carried out by the Project Design Team
- Learn about Affected Communities’ processes for resolving conflicts
 - Share TNC’s conflict resolution process described in the TNC Human Rights Guide for Working with Indigenous Peoples and Local Communities and our preference for addressing problems locally and through culturally responsive ways. At the same time, make clear that Affected Communities do not have to use the process proposed by TNC
- Discuss and agree with the Affected Communities upon a conflict resolution process as soon as possible
- Include the preferred grievance mechanism in the partnership agreement, if one exists. The agreement should be reviewed and revised when needed during project design, implementation and monitoring, and when there are significant changes to the work plan or budget that involve the Affected Communities

The three options below follow a logical progression, but they do not have to be pursued in a particular order – for instance, an Indigenous representative could go straight to **TNC’s Ethics & Compliance Helpline** – unless an existing Grievance Mechanism mandatorily applies to a particular situation.

Option 1- Build Trust and Mutual Understanding with Affected Community Partners

Project Teams should strive to prevent misunderstandings or difficulties from escalating to grievances by establishing and maintaining constructive, open relationships with partners and stakeholders throughout the project to identify and address issues proactively. If mutual trust and understanding are cultivated from the beginning of a project, it is more likely that problems can be resolved through discussion and informal agreement at the local level.

Option 2 – Co-create culturally responsive process for resolving local disputes

A culturally responsive approach is usually the most natural, non-threatening and cost-effective option for solving difficulties and should be grounded in a proper understanding of the Affected Community’s social and cultural

norms for conflict resolution. Practices may include tribal, clan or community councils, open dialogues, facilitation or mediation methods, and traditional ceremonies related to conflict, loss or reconciliation.

To make sure the approach is truly co-created and culturally responsive, the Project Design Team should work through the Affected Community's formal institutions, while creating an inclusive process that fosters the meaningful participation of relevant sub-groups. However, the Project Design Team or Implementation Unit:

- Should be aware of power dynamics and imbalances, both between TNC or other partners and the Affected Community, and within the Affected Community itself
- Should be aware of the relevant sub-groups within the Affected Community, like women, elders, youth, people with disabilities, and other minorities and potentially marginalized groups
- Should identify in advance a respected third party in collaboration with the Affected Community, if an outside mediator is culturally acceptable

Option 3 – Establish a process for resolving formal grievances

Use an existing Grievance Mechanism

One of the first questions to ask is whether or not there is a grievance mechanism required by the host country government or a government/multilateral entity that a) is mandatorily applicable to the project and b) preempts any other type of mechanism. If that is the case, the Project Design Team or Implementation Unit must:

- Determine to what types of disputes it applies
- Confirm that the GCF will accept the terms of the already established grievance process
- Confirm that the Affected Community has consented or is mandated to use it. If that is not the case:
 - The project may be suspended so that the Implementation Unit gathers information about the opposition to a required grievance mechanism
 - The Project Team and the Affected Community may seek a variance or other accommodation
 - If the Implementation Unit and the Affected Community cannot reach agreement on compliance with a government-mandated grievance process, the project may be postponed until some agreement can be reached
 - The Project Team may also request the government or grantor to waive its own grievance mechanism and allow the implementation and application of a different grievance mechanism (options 2 and 3)

Elevate a complaint to TNC Chief Ethics and Compliance Officer

If a dispute cannot be resolved locally, an Affected Party may elevate a complaint to the TNC Chief Ethics and Compliance Officer, who is responsible for overseeing and managing the formal phase of TNC's grievance mechanism for GCF-funded projects. It is the responsibility of the Project Design Team leader, under the supervision of the TNC-GCF Safeguards Coordinator to inform the Affected Communities about:

- What issues are eligible for consideration
- How they can raise a concern for consideration
- How they can file a formal grievance
- How grievances will be managed

Detailed information about each of those is available in **TNC GCF Assessment and Management of Environmental and Social Risks and Impacts, 'Section 9.4 Filing Criteria'**.

A grievance can be filed with TNC Chief Ethics and Compliance Officer by email, phone, text, online or via regular mail:

- **Email:** Compliance@TNC.org
- **Phone:** +1 (800) 461-9330 in the U.S. (for outside the U.S., visit the online reporting link below to search for the correct number on the link's home page)
- **Text:** +1 (571) 458-1739
- **Online Reporting:** [online Helpline](#), which is:
 - a 24-hour free of charge service
 - available online or by phone (phone numbers for international calling are listed in the Helpline page)
 - available in a variety of languages
- **Mailing Address:**

Office of Ethics and Compliance, GCF Grievance
 The Nature Conservancy
 4245 North Fairfax Drive, Suite 100
 Arlington, VA 22203-1606 USA

FILING CRITERIA

For details about eligible grievances and information needed for the filing, see **TNC-GCF Assessment and Management of Environmental and Social Risks and Impacts, 'Section 9.4 Filing Criteria'**.

RESOLUTION PROCESS

For information about the process for resolving project grievances, see **TNC-GCF Assessment and Management of Environmental and Social Risks and Impacts, 'Section 9.5 Review and Resolution Process'**.

ONGOING COMMUNICATIONS WITH AFFECTED PARTIES

As already mentioned, the Project Design Team or Implementation Unit informs the Affected Communities about the various grievance mechanism options in the course of the stakeholder engagement process.

The Project Design Team or Implementation Unit then provides periodic reports to the Affected Communities describing project implementation of actions related to ongoing risks to or impacts on Affected Communities and related to issues that the consultation process or grievance mechanism have identified as a concern to those Affected Communities.

Finally, information about pending and recently resolved grievances will be publicly disclosed on TNC's GCF web page.

PROJECT-LEVEL GRIEVANCE DISCLOSURE AND CONSULTATION

For procedures on project-level grievance and TNC oversight of executing entities implementing project-level grievances, see **TNC-GCF Assessment and Management of Environmental and Social Risks and Impacts, 'Section 9.2.1 How Does TNC's Grievance Mechanism Work'** and **'Section 9.6 Project-Level Grievance Disclosure and Consultation'**.

Element 6: External Communications

Information regarding TNC GCF-funded activities is available to the public online at a specific GCF page in <https://nature.org>.

The TNC-GCF site includes information and documents related to:

- Projects, including proposals, reports and final evaluations
- Relevant policies (e.g., Anti-Bribery and Corruption, Conflict of Interest, Environmental and Social Safeguards, etc.)
- Procurement and grant opportunities and awards
- Accountability and Grievance Mechanism
 - TNC's Code of Conduct
 - Grievance Mechanism, including information about pending and recently resolved grievances
 - TNC Helpline

The TNC-GCF Unit Director ensures that all relevant information and documents are posted on the TNC-GCF website in a timely manner.