

Operationalization of the Global Climate Fund's Environmental & Social Safeguards



**Andrea Rodríguez | Senior Attorney
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OUTLINE

- What is the Green Climate Fund?
- The Importance of Safeguards
- An Overview of GCF Safeguards
- Assessment of GCF Interim Safeguards
- The Future of GCF Safeguards



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THE GREEN CLIMATE FUND

- Created at COP16 – Cancun
- Objective: to contribute to a paradigm shift towards low-emission, climate-resilient development.
- Expected to be the main channel to mobilize climate change resources.
- Will provide support to developing countries for adaptation to and mitigation of climate change.



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THE IMPORTANCE OF SAFEGUARDS

Environmental & Social Safeguards:

- Prevent undue harm to people and their environment in the development process;
- Provide guidelines in the identification, preparation, and implementation of programs and projects;
- Provide space for the participation of stakeholders in project design;
- Promote country ownership of projects.



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DEVELOPING GCF SAFEGUARDS

- The Boards of the Green Climate Fund decided to develop its own Environmental & Social Safeguards (ESS) within 3 years of operation and with inclusive multi-stakeholder participation.
- The Board approved guidelines for a “fit-for-purpose” accreditation approach.
- An Accreditation Panel will review documentation and determine whether an entity shall be granted accreditation before the Board.
- The Board adopted, on an interim basis, the Performance Standards (PS) of the International Finance Corporation (IFC).



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GCF INTERIM SAFEGUARDS

The Eight Performance Standards Include:

- PS1: Assessment and Management of Environmental and Social Risks and Impacts
- PS2: Labor and Working Conditions
- PS3: Resource Efficiency and Pollution Prevention
- PS4: Community Health, Safety and Security
- PS5: Land Acquisition and Involuntary Resettlement
- PS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources
- PS7: Indigenous Peoples
- PS8: Cultural Heritage



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ASSESSMENT OF INTERIM STANDARDS

- The IFC's "business as usual" approach has proved insufficient for preventing damages on the ground.
- The IFC Performance Standards do not represent international best practices and should not form the basis for GCF safeguards.



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THE FUTURE OF GCF SAFEGUARDS?

- The GCF safeguards must be designed to ensure a “do no harm” outcome for affected communities, the environment, and fiduciary aspects.
- The needs of affected communities and the environment must be prioritized when implementing safeguards.
- The level of discretion and flexibility in implementing the safeguards should be low.
- Key concepts should be clarified for effective implementation.
- Safeguards should comply with international law in relation to environment, human rights, indigenous peoples and labor.



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THE FUTURE OF GFC SAFEGUARDS?

- They must be designed within a process of multi-stakeholder engagement.
- The GCF must adopt the highest international standards possible. Best practices are spread across institutions—no single institution provides a model policy.
- Effective assessment, implementation and monitoring of safeguards are key. Safeguards should be reviewed throughout the whole project cycle not just at the accreditation stage.
- Safeguards must be mandatory in nature, meaning that all implementing entities and intermediaries are required to implement safeguards for all projects/programs.



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¡THANK YOU!

Andrea Rodríguez

arodriguez@aida-americas.org

San Francisco, CA; México D. F. y Ensenada;
Costa Rica; Colombia; Perú; Chile

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