

Annex 2: Application of GCF Safeguards under the International Climate Initiative

It is mandatory for IKI project implementing organisations to apply the **GCF Safeguard System** (interim IFC Performance Standards). Application of the GCF Safeguards will provide both IKI implementing organisations and BMU/IKI Secretariat with a tool to holistically monitor and avert potential negative environmental and social impacts of IKI projects. This guarantees high quality project implementation.

Reporting on Performance Standards:

In the table below, please do the following:

- Elaborate on the **environmental and social risks** potentially caused **by project or project-related activities** for every Performance Standard. Justify, where you expect no risks to occur.
- Determine the **significance of risk** and **rate it A to C** (see below) for every Performance Standard.
- Identify appropriate **risk mitigation measures** for each Performance Standard rated A to C.

The **guiding questions** provide orientation on the respective Performance Standards. Please refer to the [IFC Performance Standards on Environmental and Social Sustainability](#) for comprehensive guidance about how to assess potential risks. Performance Standard 1 does not apply in the IKI context.

Determining the significance of risks:

The significance of risks is based on the following aspects :

- **Scale** (i.e. number of affected people, hectar) and **intensity** (i.e. degree of marginalization of vulnerable groups, degree of restriction of water access) of the (potential) impacts/disturbances
- **Frequency/recurrence** of the (potential) impacts/disturbances (place, duration, timing)
- **Sensibility/vulnerability** of affected people, groups, species or habitats (in light of their adaptation capacities)
- **Irreversibility** of changes (in light of the potential to restore/regenerate the original conditions, after the (potential) impacts/disturbances have materialized)

Determining the risk category for each Performance Standard:

As a result of the screening for significance, each Performance Standard should be rated as follows:

- A** – Activities with **high** adverse environmental or social risks and/or impacts that are diverse, irreversible, or unprecedented.
- B** – Activities with **moderate** adverse environmental or social risks and/or impacts that are few in number, largely reversible, generally site-specific, and readily addressed through standard mitigation measures.
- C** – Activities with **low** adverse environmental or social risks and/or impacts.
- N/A** – Activities with **no** adverse environmental or social risk and/or impact.

Determining the overall risk category of the project:

- The **overall risk category** corresponds to the **highest risk category** identified based on a **screening of all Performance Standards**.

For projects **with an overall risk category A or B**, please integrate the most relevant **identified mitigation measures** into the overall project management and monitoring.

Overall risk category (A-C)	
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Reporting on Performance Standards

Performance Standard	Guiding Question <i>Please note all impacts caused directly or indirectly by project activities. Consult IFC PS to cover all aspects.</i>	Summary of risk <i>Description of risks analysed based on IFC Performance Standards, including contributing factors such as location and activities associated with the project.</i>	Risk (A-C)	Planned mitigation measures, responsible party and schedule <i>Options to avoid, minimize, mitigate risks and impacts. This may also include additional due diligence and specific management plans. Note measures for each identified risk.</i>	Expected results of mitigation <i>Note results in a measurable way. Bullet points suffice.</i>
PS 2 Labor & Working Conditions	Can project activities possibly cause harm to workers? (covers labor law compliance, workers association rights, workers health and safety, forced labor, child labor)			Measures: Responsible: Schedule:	
PS 3 Resource Efficiency & Pollution Prevention	Are there potential negative impacts on the environment through inefficient use of resources or pollution? (air, water, land pollution, GHG emissions, efficient resource use, technology applied based on Good International Industry Practice)			Measures: Responsible: Schedule:	
PS 4 Community Health, Safety, and Security	Are there potential negative impacts on health, safety and security of the affected population? Will human rights – as expressed in international and regional human rights treaties – be safeguarded?			Measures: Responsible: Schedule:	
PS 5 Land Acquisition and Involuntary	Does the project anticipate, avoid and, where avoidance is not possible, minimize displacements and/or adverse social and economic impacts from land acquisition or land use restrictions? (covers physical displacement (relocation,			Measures: Responsible:	

Resettlement	loss of shelter) and economic displacement (loss of access to assets, income sources)) Projects causing forced evictions are excluded from IKI funding!			Schedule:	
PS 6 Biodiversity Conservation & Sustainable Management of Living Natural Resources	Will project activities potentially lead to negative impacts for biodiversity, ecosystem services, or living natural resources? (covers loss/degradation/fragmentation of habitat, overexploitation, pollution, invasive species)			Measures: Responsible: Schedule:	
PS 7 Indigenous Peoples and Marginalized Groups	Will project activities lead to potential negative impacts for indigenous peoples or marginalized communities? (covers respect for dignity and human rights, loss of identity or culture, loss of natural resource based livelihoods (land use/resource use), protection of indigenous culture, knowledge, practices)?			Measures: Responsible: Schedule:	
PS 8 Cultural Heritage	Will project activities lead to potential negative impacts on (tangible / intangible) cultural or natural heritage? Does the project promote the equitable sharing of cultural heritage benefits?			Measures: Responsible: Schedule:	