

A cheetah is lying in a field of tall, dry, yellowish-brown grass. The cheetah's body is covered in its characteristic dark spots, which blend perfectly with the surrounding vegetation, making it nearly invisible. The cheetah is positioned in the upper half of the frame, facing towards the right.

Avoiding Trouble

***A Scaled Approach to an Environmental and Social Risk
Management System (ESMS) for use by CTFs***

**11th CAFÉ General Assembly
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What is an ESMS?

An ESMS is everything that you put in place to help assess, manage and monitor environmental and social risks related to a CTF's operations:

- i) an environmental and social policy (including an exclusion list) ;
- ii) clearly defined procedures to identify, assess and ensure management of the environmental and social risks and impacts of the programs and projects you finance ;
- iii) your CTF's capacity and competency to operate the ESMS ;
- iv) a means for monitoring and analyzing environmental and social risks at the grant and portfolio levels ; and
- (v) a feedback mechanism.



Why do CTFs need an ESMS?

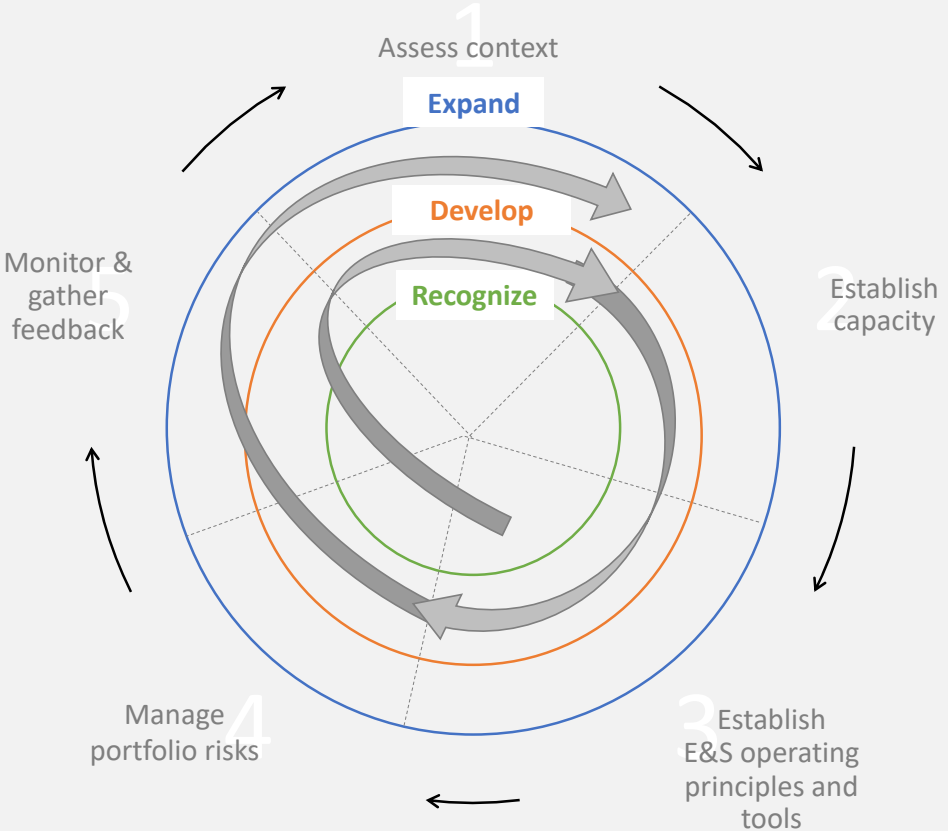
Doing good is not enough... *there can be unintended or undetected negative environmental and social impacts.*

Donors requirements have evolved... *some form of ESMS is now required by all major donors, especially if a CTF seeks accreditation (GEF, GCF)*

Project design and sustainability can be improved... *by identifying risks early and incorporating measures to reduce their potential negative impact*

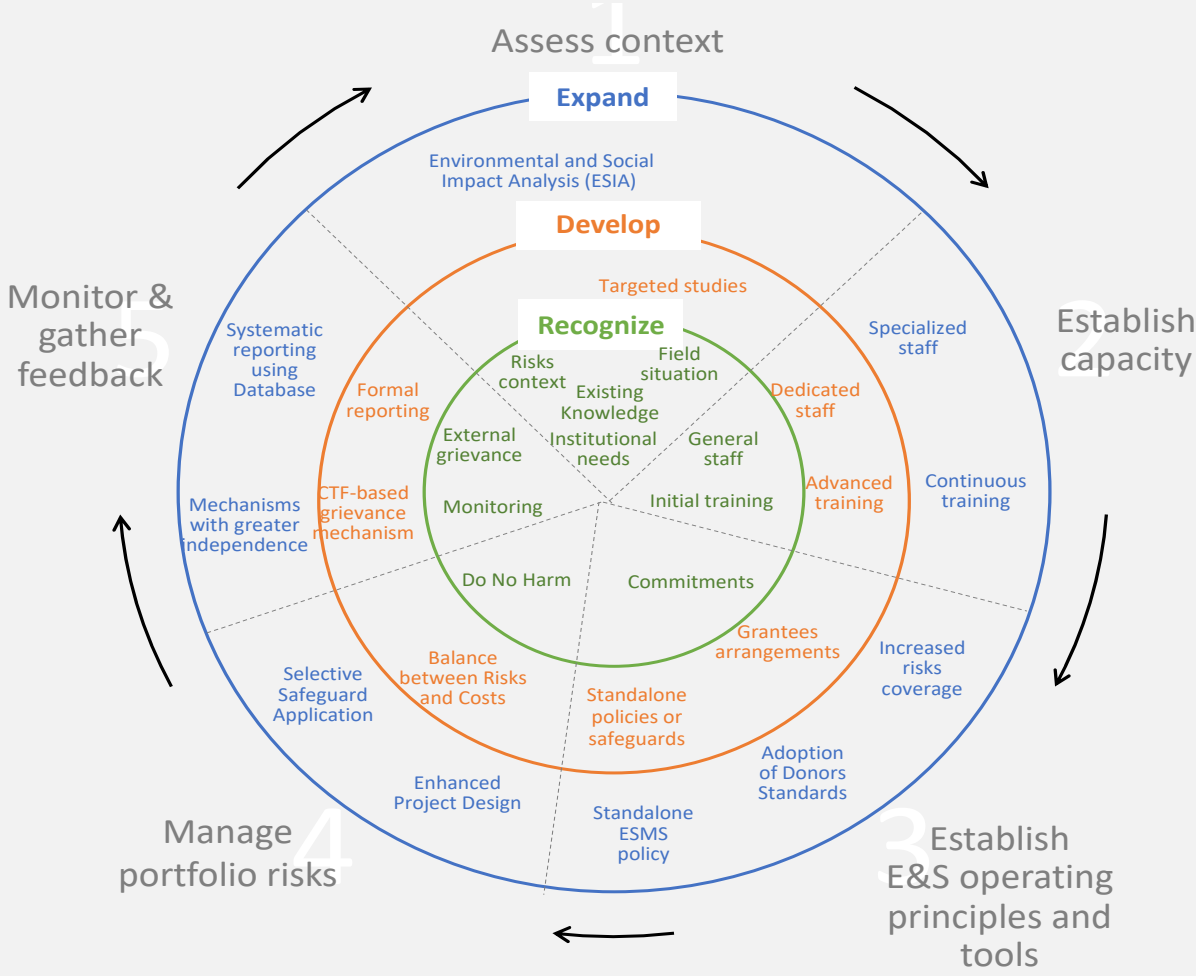


The Scaled Approach – Evolution and Equilibrium



Moving outward through the levels will depend on the risks encountered and the complexity of the risk responses required which may impact, among other elements, the number of competent staff, the choice of tools and the feedback mechanism needed to address the risks

The Scaled Approach – Processes, Human Resources and Tools



Key Principles of the Scaled Approach

- 🍃 An ESMS evolves over time and in response to situational changes.
- 🍃 Identifying and addressing E&S risks should be mainstreamed into CTF operations.
- 🍃 Some E&S issues may be higher-order and applied institutionally, whereas others may be project specific and applied as required (or “triggered”).
- 🍃 Clearly stated burden sharing is encouraged between CTFs and grantees.
- 🍃 Management of E&S risks is a fiduciary responsibility of the CTF Board.
- 🍃 An ESMS cannot provide absolute assurance that all risks will be covered.
- 🍃 There are special considerations for regional and global CTFs.



Risk Areas to Consider for Conservation Activities

Environmental

Small infrastructure (minor impact of constructing guard posts in parks)

Infrastructure with a material impact (construction of roads in parks)

Social

Land rights (physical displacement leading to asset or income loss)

Livelihoods (restricted access leading to asset or income loss)

Law enforcement (inappropriate conduct and actions outside the law)

Cross-cutting (inequitable or non-inclusive treatment of indigenous and vulnerable peoples, human rights transgressions, gender inequity)



Key Points to Take Away

Understand the context of programs and grant-funded projects, ***what is already being done*** to address risks and ***what can be improved***

Aim for a ***shared burden*** and ***clearly define responsibilities*** of each party

Train ***everyone*** (Board, all staff, grant recipients, beneficiaries)

Promote ***open channels of communication*** (consultation, feedback, grievance mechanism)

Design an ESMS that everyone ***believes in, is practical*** and ***is manageable***

Develop an ***institutional*** ESMS and ***mainstream*** it into your way of doing business



A close-up photograph of tropical foliage, featuring long, slender, green leaves with prominent veins and some reddish-brown stems. The background is slightly blurred, creating a sense of depth.

Thank You!

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