

»» GRMF Environmental and Social Safeguard Requirements and Applicable Standards

GRMF – HEAT kick-off webinar on 1st December 2022

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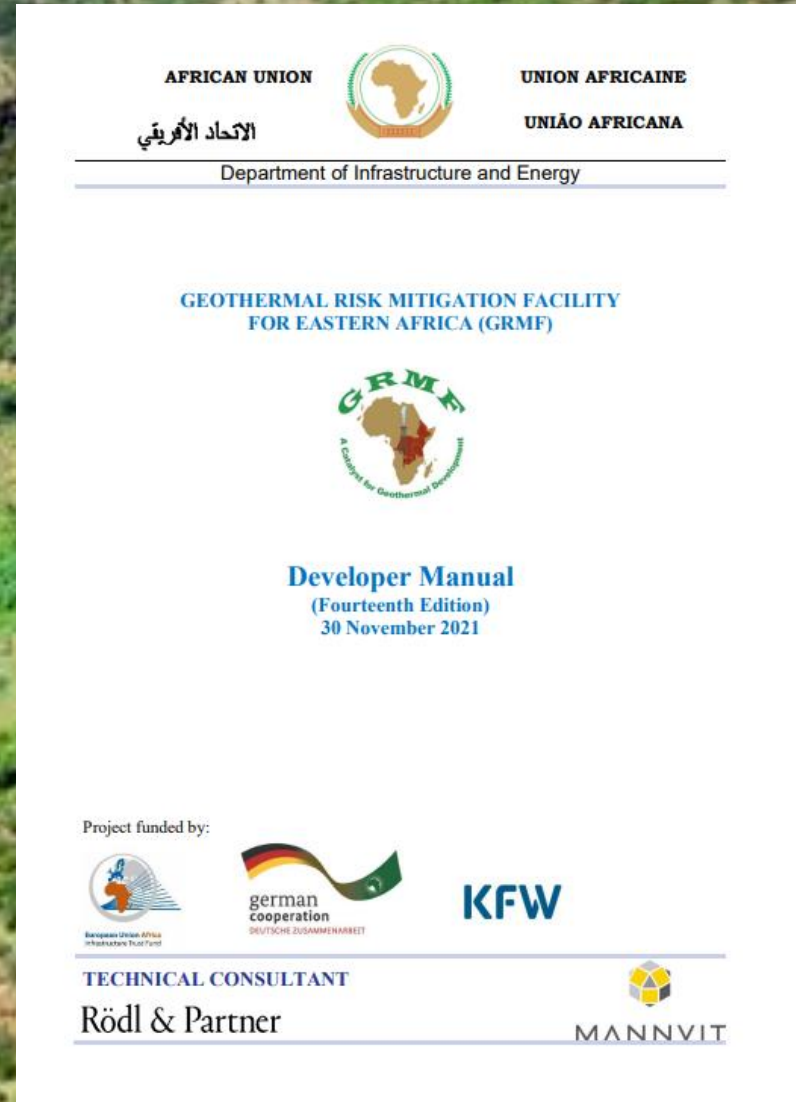
Dr. Norbert Raschke

ERM

Bank aus Verantwortung

The logo for KfW, consisting of the letters 'KFW' in a bold, blue, sans-serif font.

»» GRMF Developer Manual, Section 11 Comprehensive Information on E&S Requirements and Applicable Standards



»» Environmental and Social Risk Management

Key tools for sound environmental and social performance for undertakings funded by GRMF.

- Assessment of environmental and social impacts and risks
- Development of adequate management plans and programs

Appropriate **environmental and social management system (ESMS)**

- Central tool to address and manage the specific risks and impacts of geothermal projects
- In line with relevant legislation of the host country and compliant with the *Applicable Standards*.

(GRMF Developer Manual)

□ The Developer's E&S Assessment and Management System (ESMS)

- E&S/Sustainability Policy;
- Identification of Risks and Impacts;
- Management Programme;
- Organisational Capacity and Competence;
- Monitoring and Review;
- Stakeholder Engagement;
- External Communications and Grievance Mechanism; and
- Continuous Reporting to Affected Communities

»» The Applicable Standards

- **Host Country Law and regulations** (including international law and treaties and conventions adopted by the host country and applicable to the project)

In addition:

- IFC Environmental and Social Performance Standards (IFC 2012)
- World Bank Group's General Environmental and Health and Safety Guidelines and selected Industry Sector Specific EHS Guidelines
- ILO Core Labor Standards
- For resettlement aspects: UN Basic Principles and Guidelines on Development-based Evictions and Displacement
- Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests (VGGT, FAO 2012)

**Human Rights Diligence:
GRMF Human Rights Guidance
for Developers (December 2020)**

»» IFC Environmental and Social Performance Standards (PS1-PS 8), 2012



PS1: Assessment and Management of Environmental and Social Risks and Impacts



PS 2: Labor and Working Conditions



PS 3: Resource Efficiency and Pollution Prevention



PS 4: Community Health, Safety and Security



PS 5: Land Acquisition and Involuntary Resettlement



PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources



PS 7: Indigenous Peoples



PS 8: Cultural Heritage

»» Stakeholder Engagement

- **Developer is required to prepare and implement a continuous process of stakeholder engagement to be built into project planning and implementation.**
- **Information exchange with all identified stakeholder groups prior to the start of the project and at key decision-making points:**
 - Inform about project's risks and impacts
 - Consultation of affected communities during project implementation to allow for expression of their views on project risks, impacts, and mitigation measures
- **Stakeholder Engagement Plan:** formal description of this approach
- **Grievance Mechanism from the commencement of activities onwards**

Special Case: Indigenous People

- **Assessment at the very outset of the project whether indigenous communities are present in the wider concession area.**
- **If so and if IFC PS 7 is triggered, apply the principle of free, prior and informed consent (FPIC)**

»» Requirements for Surface Studies



Application

- Review by GRMF, subject to No Objection
- Approved documentation becomes part of the Grant Agreement

Environmental and Social Risk Screening Report

Initial environmental and social information and risk and impact screening of planned activities, work plan for acquisition of further environmental and social information and related activities during surface study phase (incl. IP screening)

Draft Stakeholder Engagement Plan (SEP)

Overall approach for stakeholder engagement and corresponding activities to be undertaken during Surface Study phase, i.e. how will stakeholders be informed and consulted - how will local communities in the survey area be informed about the activities and consulted during the field work. The SEP will contain an initial grievance mechanism, to be further developed based on information from stakeholder engagement during the surface studies.



Completion Surface Studies

- Review by GRMF, subject to No Objection
- Condition for disbursement

Environmental and Social Scoping Report

Identification of key issues to be considered in a full ESIA, Terms of Reference for full ESIA

Updated Stakeholder Engagement Plan

Draft SEP + information obtained during the surface study phase + outlook for engagement in exploration drilling phase

Any other E&S documentation as required by national legislation

»» Requirements for Temperature Gradient Wells

- All steps as for Surface Studies apply

In addition

- All equipment, material and waste shall be removed from the drilling site and deposited appropriately.
- The Developer shall establish and implement a Restoration Plan.
- Following completion of site restoration, the handover of the land used temporarily back to the original owner/user shall be documented in the format of a Handover Protocol to be signed by both, the landowner/user and the Developer.
- The TG well has to be properly sealed in accordance with best industry practice. This process has to be documented.

»» Geothermal Development Human Rights Risks

New GRMF Guidance to support integration of Human Rights Risks into the development of ESIA and any environmental and social management plans.
Available on GRMF's Website

GEOTHERMAL RISK MITIGATION FACILITY
FOR EASTERN AFRICA (GRMF)



KFW
Kreditanstalt für Wirtshaftsbank

Human Rights
Assessment Guidance

Guidance Note for Geothermal Risk
Mitigation Facility (GRMF) Project
Development

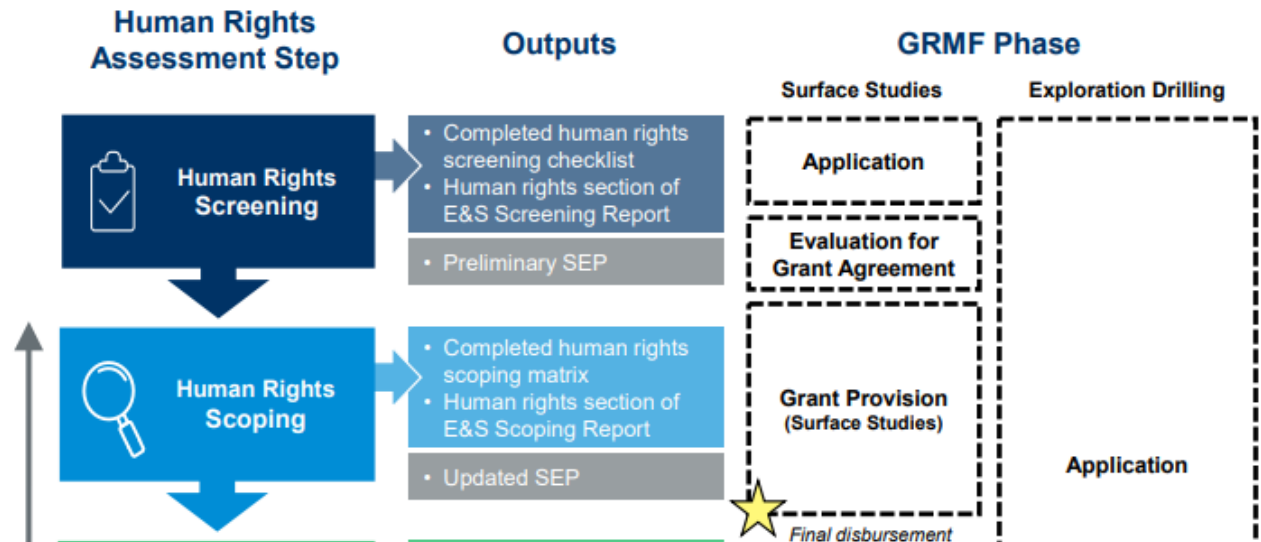
April 2021

KFW

FPIC Guidance for
Projects Supported by
Geothermal Risk
Mitigation Facility for
Eastern Africa

03 August 2020
Project No.: 0467431 / 096

Figure 1-1: Human Rights Due Diligence through GRMF Funding Process



»» Reporting requirements

During Surface Study Phase:

- **Monthly status reports, comprising information**
 - on stakeholder engagement activities and respective findings
 - on environmental and social aspects
- Template of E&S reporting will be attached to the grant contract

Geothermal Project: [REDACTED]

Instructions			
■ To be completed by the responsible party for Environmental, Social, Health and Safety. ■ Use as much space as needed. The space provided in the table should not be a limit. Add rows if needed, and attach relevant documents and photos (with cross-reference indicated).			
Project Developer			
Developer:	Country: City:		
Authorisation			
I certify that the data contained in this report completely and accurately represents the current status of knowledge of the investment.			
Company authorized representative			
Name:	Digital Signature:		
Title:	Date:		
City:			
Contact			
The following person(s) are responsible for the completion of this monitoring report:			
Name	Position	Telephone	Email
Project Description and Status			
Expected Capacity (MW):	Expected start of generation/operation:		
Current Phase:	Affected Area (m ² , ha or km ²):		
Location (describe and provide/attach map):			
Related Project Components or Developments:			
Known sensitivities (e.g., protected areas, resettlement requirements, protests/unrest):			
Activities completed to date:	Activities planned for the next 3 months:		
Change in activities compared to previous reporting period:			
Priority Issues			
Have there been any environmental, social or occupational health and safety accidents/incidents that have caused damage, injuries or fatalities; affected project labour or local communities; affected cultural or indigenous property; or created potential liabilities for the company?	Yes <input type="checkbox"/> No <input type="checkbox"/>		
■ If yes, send Report to GRMF within 24 hours. Summarize events and actions that have/will be taken to remedy and to prevent recurrence. Attach the detailed Accident & Incident Report.			
Date of incident:	Date reported to GRMF:		

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Geothermal Development

»» Environmental and Social Risks (examples)

- Increased air quality degradation from dust, vehicular emissions and gases released during Project operations.
- Noise and vibration from equipment operations, machine and turbine engines.
- Waste generation from construction activities, process effluents and accommodation.
- Occupation health and safety risks from machine/equipment use, transport, poor workmanship...if the workforce is not well trained on safety and health.

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Geothermal Development

»» Environmental and Social Risks (examples)

- Physical displacement associated with land take.
- Economic displacement due to loss of livelihood activities or reduction in income due to Project activities.
- Conflicts over resources
- Immigration of workers from other areas into the local community.
- Possible marginalization of indigenous community due to introduction of new cultures and immigrant population for the Project.

»»

Questions and Answers

Thank you for your attention

Q&A

