SUSTAINABILITY IN HYDROPOWER DEVELOPMENT

IFC's Sustainability Framework and Performance Standards



CHALLENGES TO ADDRESSING E&S RISKS AND IMPACTS HYDROPOWER PROJECT IN MYANMAR

- Untapped resources located in:
 - pristine or underdeveloped watershed / natural habitats
 - Approximately I32 Key Biodiversity Areas (KBA) have been identified in Myanmar.
 - remote areas, generally located near rural communities, with diverse levels of vulnerabilities, ethnicities and languages; and land tenure uncertainties;
 - difficult access, limited services including transmission to evacuate energy generated or electric distribution to communities in the area of impact.
- E&S institutional and regulatory capacity is still emerging;
- Streamlined stakeholder engagement and consultation process is not standard practice;
- Concession process is not linked to an environmental and social assessment / criteria.
 - Limited watershed level / strategic resources management / cumulative impact assessment.

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SUSTAINABILITY POLICY



IFC Sustainability Framework

POLICY AND PERFORMANCE STANDARDS ON ENVIRONMENTAL AND SOCIAL SUSTAINABILITY

ACCESS TO INFORMATION POLICY

Effective January 1, 2012

Defines IFC's commitments toward sustainability

- Manage risk
- Hierarchy:
 - Anticipate, avoid
 - Minimize
 - Compensate or offset
- Identify opportunities



SUSTAINABILITY POLICY

- Articulates IFC commitments to
 - Low carbon growth and climate change
 - Business and Human Rights
 - Corporate Governance
 - Gender
 - Ecosystems
- Defines roles, responsibilities of IFC and clients







IFC's Performance Standards



PSI:Assessment and Management of E&S 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



STAKEHOLDER ENGAGEMENT

Affected Communities:

- Informed
 Consultation
 and
 Participation
 (ICP)
- Broad
 Community
 Support
 (BCS)

Stakeholder Identification & Analysis

Invest time in identifying and prioritizing stakeholders and assessing their interests and concerns.

Management Functions

Build and maintain sufficient capacity within the company to manage processes of stakeholder engagement, track commitments, and report on progress.

Reporting to Stakeholders

Report back to stakeholders on environmental, social and economic performance, both those consulted and those with more general interests in the project and parent company.

Information Disclosure

Communicate information to stakeholders early in the decision-making process, in ways that are meaningful and accessible, and continue this communication throughout the project life

Stakeholder Consultation

Plan out each consultation process, consult inclusively, document the process, and communicate follow-up.

Negotiation and Partnerships For controversial and complete

For controversial and complex issues enter into good faith negotiations that satisfy the interests of all parties. Add value to impact mitigation or project benefits by forming strategic partnerships.

Grievance Management

Establish accessible and responsive means for stakeholders to raise concerns and grievances about the project throughout its life.

Stakeholder Involvement in Project Monitoring

Stakeholder

Engagement

Involve directly
affected stakeholders in
monitoring project
impacts, mitigation and
benefits, and involve
external monitors
where they can
enhance transparency
and credibility.