

## **Annex 6b**

# **Environmental and Social Management Plan (ESMP)**

to the GCF Funding Proposal

*Adaptation of agricultural value chains to climate change in Madagascar  
– PrAda 2+*

March 2025

Version 3

Submitted by:

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

Enquiries regarding the present document can be directed to:

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

Dag Hammarskjöld Weg 1-5

65760 Eschborn

Germany

[gcf@giz.de](mailto:gcf@giz.de)

[www.giz.de](http://www.giz.de)

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## Abbreviations

E&S	Environmental and Social
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
ESMS	Environmental and Social Management System
ESS	Environmental and Social Safeguards
FP	Funding Proposal
GCF	Green Climate Fund
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
GRM	Grievance Redress Mechanism
M&E	Monitoring and Evaluation
MRV	Monitoring, Reporting and Verification
SEAH	Sexual Exploitation, Abuse and Harassment
SEP	Stakeholder Engagement Plan
S+G	Safeguards+Gender (Management System of GIZ)

## **1. Environmental and social management plan**

The Environmental and Social Management Plan (ESMP) documents the project's ESS risk management strategy. It serves as an "Umbrella Document" that integrates the findings of all impact studies carried out during the design phase, the plans and other provisions for complying with the requirements of the standards that were triggered as well as country- and site-specific information relevant for the project's ESS risk management strategy. The ESMP is an integral part of the project proposal and will be implemented, monitored and updated accordingly.

The aims of the ESMP are:

- Establish measures to mitigate the E&S risks identified in the ESIA.
- Ensure the project is compliant with the (country) regulatory framework.
- Ensure the project is compliant with the Environmental and Social requirements of the Green Climate Fund (GCF) and GIZ.
- Ensure adequate human resources and budget have been allocated by the Project to implement the ESMP.

The ESMP is seamlessly incorporated into the project design, with its implementation costs fully accounted for within the project budget.

### **1.1 Environmental and social management system of the project**

As required under ESS1, the environmental and social management and monitoring system (ESS-MS) for the project includes/covers:

- The adoption of an E&S policy for the project.
- A procedure for identification of new and upcoming risks and impacts.
- Organisational capacity and competency: the definition of staffing and training needs.
- Inclusion of environmental and social monitoring in the project MRV system.
- Updating of the ESMP.
- Implementation of the Gender Action Plan.
- Disclosure of the E&S documentation.
- Implementation of the project's stakeholder engagement plan (SEP) and grievance redress mechanism (GRM).

### **1.2 Implementation arrangements**

GIZ will recruit an ESS, Gender and M&E specialist to coordinate all ESS related processes within the project as well as the implementation of the ESMP. Executing Entities (EE) will nominate their ESS focal points to ensure better planning, implementation, and the monitoring of the ESMP.

During the inception phase, GIZ will develop an effective Environmental and Social Safeguards Management and Monitoring System ESS-MS (defined as a set of relevant procedures and plans, organisational structure, planning activities and resources for developing, implementing, achieving, reviewing and maintaining the Environmental and Social Requirements) in close coordination with all EE ESS focal points.

A Project Management Committee will be established and will oversee the ESMP implementation.

### **1.3 Training needs**

Trainings for the representatives of EEs and project staff will be conducted. The overall goal of the training is to deliver necessary information on GCF ESS and the project's environmental and social documentation including ESIA, ESMP and Stakeholder Engagement Plan (SEP). The main concept of the training is to provide necessary knowledge and skills required for the implementation of ESMP procedures throughout the project lifecycle.

The training module will be designed according to the training needs. The training includes – among other contents – i) the GCF's Environmental and Social Policy and ESS Standards as well as ii) a general overview on the ESIA for the project and iii) the SEP and the Grievance Mechanism of the project.

The project's Grievance Redress Mechanism (GRM) will be developed during the inception phase and will be promoted in the target regions through awareness raising and information campaigns.

#### **1.4 Monitoring, Reporting and Verification (MRV)**

The implementation of the ESMP will be monitored. Compliance with the ESS as well as the progress of implementation of the ESMP will be monitored through Results-Based Monitoring (RbM) workshops (bi-annual) as well as through the ESS MS system itself. And for each measure it should be assessed whether the implementation is on due course and according to the schedule (e.g. delayed; on track or ahead of schedule). Where delays are encountered the reasons need to be explained and solutions suggested. Aside from progress the effectiveness of the mitigation measures will also need to be monitored, additional monitoring activities and indicators can be established where needed.

The project will use observations and stakeholder consultations to assess the measures' effectiveness. Synergies with the project's monitoring plan are used and might include indicators that can be taken for judging the effectiveness of mitigation measures. Annual monitoring should also identify any additional environmental or social risks that may have emerged since the project started and establish appropriate mitigation measures for any significant new risk. These additional risks and their mitigating measures will be added to the ESMP and reported on as part of the annual performance report. The annual ESMP progress is reviewed by the GCF Oversight Unit of GIZ as part of the systematic risk dialogue and periodic project supervision missions.

The E&S monitoring, reporting and verification approach is integrated into the general project approach.

## 1.5 Environmental and Social Management Plan (ESMP)

The table below provides the organisational responsibilities for the ESMP measures.

Table 1: ESMP measures

#	ESS risks <sup>1</sup>	Reference to ESS standard	Risk Rating	Project Activity	Mitigation measures <sup>2</sup>	Responsibility	Time-frame <sup>3</sup>	Resources	Expected result or evaluation criteria for successful implementation (for ESMP monitoring purposes)
1	Environmental and social risks may occur mostly in relation to pollution generation, SEAH, biodiversity loss and ineffective stakeholder engagement.  Potential risks due to insufficient institutional capacities to monitor, report and manage identified E&S risks.	ESS1	Medium	Cross-cutting	Hire one dedicated ESS & Gender specialist.  Set up an Environmental and Social Management Plan (ESMP) to manage potential risks and establish a project Grievance Mechanism (GRM) to handle complaints.  Operationalise the GAP and ensure that the GRM <sup>4</sup> is gender-responsive, train project staff and launch awareness-campaigns on SEAH avoidance.  Operationalise a Stakeholder Engagement Plan (SEP) to ensure meaningful, locally adapted, and gender-responsive engagement with stakeholders.	GIZ	Y:1	1 GIZ-Safeguard and Gender advisor  4 GIZ Monitoring advisors	Safeguard and Gender advisor hired.  ESMP, GRM, GAP and SEP operational.

<sup>1</sup> Potential risk of negative unintended impacts.

<sup>2</sup> Where mitigation measures have already been considered as project activities, please only enter “refer to activity”.

<sup>3</sup> Set out a timeline or goal within the project duration

<sup>4</sup> Please refer to Annex 1 of the ESIA (Annex 6a) for guidelines on developing a GRM, including a protocol for addressing SEAH issues.

2	Potential risks related to the intensification of agriculture, which could lead to maladaptation.	ESS1	Medium	Activity 1.3.1 Activity 1.3.2 Activity 2.1.2	Support and fund the implementation of promoted adaptation measures, ensuring alignment with the project's risk category and compliance with the ESIA and ESMP.	GIZ  FDA	Y:1-6	GIZ- Safeguard and Gender advisor  4 GIZ Monitoring advisors  FDA focal point Extension staff involved in Activity 1.3.1, 2.1.3 Consultancies and material costs, included in  Activity 1.3.1. Activity 1.3.2 Activity 2.1.1 Activity 2.1.2 Activity 2.1.3	Compliance with project's risk category.  Awareness-raising and sensitisation materials developed.  The funded measures align with those specified in the ESIA and adhere to the Exclusion List (see Annex 1).
3	Potential risks of non-compliance with labour standards and decent working conditions, including lack of adequate grievance mechanisms.	ESS2	Medium	Cross-cutting	Conduct awareness raising with relevant groups on the importance of compliance with rules and regulations concerning working conditions and labour laws.  Promote alternative livelihood opportunities to reduce dependence on informal family labour.	GIZ	Y:1-5	GIZ- Safeguard and Gender advisor  4 GIZ Monitoring advisors  Extension staff, consultancies and material costs, included in:  Activity 1.2.2 Activity 1.3.1 Activity 1.3.2 Activity 3.1.1 Activity 3.1.2 Activity 3.2.1	Awareness-raising developed.  Project management policies aligned with GIZ standard operating procedures and compliance with national laws and applied to all staff directly engaged with the project.
4	Potential SEAH risks in project interventions involving community	ESS2	Medium	Cross-cutting, particularly	Establish a project gender-responsive GRM to facilitate the timely reporting of complaints	GIZ FDA	Y:1-6	1 GIZ- Safeguard and Gender advisor	Reporting on GAP implementation.



	interactions, collaboration with other project partners and interactions among project staff. (e.g., training sessions, capacity-building to project partners, etc.			<p>Activity 1.1.1 Activity 1.1.2 Activity 1.3.1 Activity 1.3.2 Activity 2.3.1 Activity 2.3.2 Activity 3.1.1</p>	<p>and concerns, including conflicts between employees and employers.</p> <p>Implement the Gender Action Plan (GAP), which includes dedicated measures for SEAH risks such as SEAH awareness-campaigns, a survivor-centred and gender-responsive GRM, equipped to handle SEAH issues. the development of a Code of Conduct prohibiting SEAH.</p>			<p>4 GIZ Monitoring advisor</p> <p>FDA focal point</p> <p>Extension staff, consultancies and material costs, included in</p> <p>Activity 1.1.2 Activity 1.3.1 Activity 1.3.2 Activity 2.3.1 Activity 2.3.2 Activity 3.1.1</p>	Gender-responsive GRM, considering SEAH established.
5	Potential pollution risks from improper management of agricultural inputs during CRA implementation and other income-generating activities, and soil degradation from continued use of pesticides/herbicides, and unsustainable agricultural practices, such as slash-and-burn agriculture.	ESS3	Medium	<p>Activity 1.3.1 Activity 1.3.2 Activity 2.1.2</p>	<p>GIZ</p> <p>Provide capacity building and training on CRA practices for farmers, partners and extension staff, and conduct awareness-raising on the risks associated with pesticide/herbicide use and unsustainable agricultural practices, such as slash-and-burn agriculture.</p> <p>Promote adaptation measures that lower the likelihood of pesticides/herbicides use, such as selecting adapted plants for the vegetative strips (push-pull system) or covering the soil.</p> <p>FDA</p> <p>Use of pesticides/herbicides will be avoided in project activities. The project will not</p>	<p>GIZ</p> <p>FDA</p>	Y: 1-6	<p>GIZ field staff – Component 1</p> <p>FDA field staff</p> <p>Extension staff, consultancies and material costs, included in</p> <p>Activity 1.3.1 Activity 1.3.2 Activity 2.1.1 Activity 2.1.2 Activity 2.1.3 Activity 3.3.2</p>	<p>All relevant staff, partners and beneficiaries are trained and informed on CRA, incl. risks associated with unsustainable agricultural practices.</p> <p>The funded measures align with those specified in the ESIA and adhere to the Exclusion List (see Annex 1).</p>

					<p>support the procurement of herbicides, pesticide, mineral fertilisers through the FDA on-granting mechanism.</p> <p>Fund the implementation of promoted adaptation measures through the FDA on-granting mechanism, ensuring alignment with the project's risk category and compliance with the ESIA and ESMP.</p>				
6	Social tensions may arise in the context of competition for FDA grants or other project activities.	ESS4	Low	Cross-cutting	<p>FDA</p> <p>Ensure transparent and fair selection process based on eligibility criteria for final beneficiaries and selection criteria for proposed projects within the FDA's grant mechanism and raise awareness among farmers about the available support.</p> <p>GIZ</p> <p>Continue consultations, public awareness raising and wide dissemination of proposed activities to relevant stakeholders at national, regional and local levels, to avoid misinformation about the project and ensure inclusive outreach, with culturally sensitive communication plans.</p>	<p>FDA</p> <p>GIZ</p>	Y: 1-6	<p>1 GIZ-Safeguard and Gender advisor</p> <p>4 GIZ Monitoring advisors</p> <p>Extension staff, consultancies and material costs, included in</p> <p>Activity 1.3.1 Activity 1.3.2 Activity 2.1.1 Activity 2.1.2 Activity 2.1.3 Activity 3.3.2</p>	<p>SEP implemented.</p> <p>Sensitisation and communication materials developed.</p> <p>FDA Eligibility Criteria is followed.</p>
7	Misappropriation and theft incidents affecting VSLAs could lead to tensions or disputes within communities.	ESS4	Low	Activity 2.3.1	<p>Awareness raising sessions and training with VSLA members on the benefits, and importance of transparency, collective sense of accountability and financial management practices to build trust and reduce the risk of</p>	GIZ	Y 1:5	<p>Consultancies and material costs, included in</p> <p>Activity 2.3.1</p>	<p>Awareness-raising strategy and training for VSLA facilitators developed.</p>

					disputes or mismanagement within VSLAs.				
8	Potential SEAH risks in project interventions involving community interactions, collaboration with other project partners and interactions among project staff. (e.g., training sessions, capacity-building to project partners, etc	ESS4	Low	Cross-cutting <i>Please refer to measure 4</i>	<i>Please refer to measure 4</i>	<i>Please refer to measure 4</i>	<i>Please refer to measure 4</i>	<i>Please refer to measure 4</i>	<i>Please refer to measure 4</i>
9	Potential economic displacement due to restrictions on land use and changes in agricultural practices affecting livelihoods.	ESS5	Low	Activity 1.3.1 Activity 1.3.2	Promote income diversification strategies, such as CRA practices and complementary economic activities, to reduce reliance on restricted resources.  Support farmers in the implementation of CRA practices and other income-generating activities through local training and demonstration plots and raise awareness on the proposed activities and potential benefits that could be obtained.	GIZ	Y 1:5	Consultancies and material costs included in  Activity 1.3.1 Activity 1.3.2	Training and awareness-raising conducted.  Demonstration plots established.
10	Risk of loss of biodiversity due to introduction of invasive species and agroforestry measures.  Improved economic opportunities from the VCs may inadvertently increase pressure on forests and other ecosystems, leading to forest encroachment and shifting agriculture.	ESS6	Medium	Activity 1.2.1 Activity 1.2.2. Activity 1.3.1 Activity 1.3.2 Activity 2.1.2 Activity 3.1.1	GIZ  Capacity building, training and awareness-raising for farmers, partners and extension staff related to CRA practices and biodiversity conservation and the risks associated with unsustainable practices that might affect the environment and the wellbeing of local communities.  Protect critical habitats (e.g., protected forest areas) from	GIZ FDA	Y 1:5	GIZ field staff – Component 1  FDA field staff  Extension staff, consultancies and material costs included in  Activity 1.2.1 Activity 1.2.2. Activity 1.3.1 Activity 1.3.2 Activity 2.1.3 Activity 3.1.1	Training and awareness-raising conducted.  Demonstration plots established.

					<p>invasive species and promote crop diversification. Species promoted in the project intervention regions are non-invasive in the specific conditions of use.</p> <p>The project will not support the expansion of agriculture. Instead, it will focus on improving practices on land already under agricultural use by farmers who have been engaged in the target VC, thus, disincentivising extending or changing crop production.</p> <p>FDA Fund the implementation of promoted adaptation measures through the FDA on-granting mechanism, ensuring alignment with the project's risk category and compliance with the ESIA and ESMP.</p>			Activity 3.3.2	
11	Limited engagement of local communities, particularly women and vulnerable groups, during the implementation of the project could undermine stakeholder collaboration, limiting project success.	ESS9	Low	Cross-cutting	<p>Implement and monitor the SEP proposed for this project.</p> <p>Continue consultations, public awareness raising and wide dissemination of proposed activities to relevant stakeholders at national, regional and local levels, to avoid misinformation about the project and ensure inclusive outreach, with culturally sensitive communication plans.</p>	GIZ	Y 1:6	<p>1 GIZ-Safeguard and Gender advisor</p> <p>Consultancies and material costs, included in project activities.</p>	<p>Reporting on SEP.</p> <p>Communication materials.</p>
12	Risks of excluding views and local knowledge of minorities living in the project areas where	ESS9	Low	Cross-cutting	Promote the participation of local authorities and traditional leaders to facilitate knowledge	GIZ	Y 1:5	<p>1 GIZ-Safeguard and Gender advisor</p>	Peer-learning exchanges facilitated.

	interventions will be implemented.				dissemination among their communities.			Consultancies and material costs, included in Activity 1.3.1 Activity 1.3.2 Activity 3.3.2	Communication strategy on lessons learned is developed
13	Potential SEAH risks in project interventions involving community interactions, collaboration with other project partners and interactions among project staff. (e.g., training sessions, capacity-building to project partners, etc.). and inadequate SEAH-specific grievance mechanisms.	ESS9	Low	Cross-cutting	<i>Please refer to measure 4</i>	<i>Please refer to measure 4</i>	<i>Please refer to measure 4</i>	<i>Please refer to measure 4</i>	<i>Please refer to measure 4</i>
14	Unexpected presence of Indigenous peoples in project areas	ESS 7	Low	Cross-cutting	<p>Conduct regular screenings (e.g., site visits, community consultations) to detect any unexpected presence of Indigenous Peoples in project areas.</p> <p>Implement and monitor the SEP proposed for this project, ensuring inclusive consultations to capture and address any concerns related to Indigenous Peoples.</p> <p>Adhere to the Exclusion List of the project.</p>	GIZ	Y 1:6	1 GIZ-Safeguard and Gender advisor Consultancies and material costs, included in project activities.	<p>Regular screenings conducted</p> <p>Reporting on SEP</p> <p>Project activities comply with the Exclusion List</p>

## **Annex 1: Exclusion List**

Activities falling under the IFC Exclusion list, which is reproduced below, are excluded from the Project:

IFC does not finance the following projects:

- Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements.
- Production or trade in weapons and munitions.
- Production or trade in alcoholic beverages (excluding beer and wine).
- Production or trade in tobacco.
- Gambling, casinos and equivalent enterprises.
- Trade in wildlife or wildlife products regulated under CITES.
- Production or trade in radioactive materials.
- Production or trade in or use of unbonded asbestos fibers.
- Purchase of logging equipment for use in primary tropical moist forest.
- Production or trade in pharmaceuticals subject to international phase outs or bans.
- Production or trade in pesticides/herbicides subject to international phase outs or bans.
- Drift net fishing in the marine environment using nets in excess of 2.5 km. in length.

Furthermore, the below activities are excluded from the project:

- Involuntary land acquisition in particular within the final beneficiary projects financed by FDA's on-granting mechanism
- Construction activities that affect cultural heritage sites
- Activities in Indigenous Peoples lands or that have any impact to Indigenous Peoples natural resources.