14 March 2017

Moving Towards a Common Approach:
Environmental and Social Standards and Accountability
for UN Programmes/Projects

Terms of Reference, EMG Consultative Process

Introduction

The Senior Officials of the UN Environment Management Group (EMG) agreed in September 2015 to establish a new work stream under the "Consultative Process on Advancing the Environmental and Social Sustainability in the UN system" (Consultative Process) to consider options for moving towards a common approach to environmental and social standards for programmes/projects. This work stream builds on the results of a pilot project conducted in 2015, with seven UN agencies (UNOPS, WHO, WFP, IFAD, UNEP, FAO, and UNIDO) testing the utility of the "Framework for Advancing Environmental and Social Sustainability in the UN System" (ESS Framework) and the related Interim Guide.

While the pilot looked at the integration of environmental and social sustainability across the three "entry points" of the ESS Framework (Strategy/Policy, Programme/Project, Facilities/Operations), the pilot noted that many agencies are currently in the process of developing or rolling out social and environmental safeguards at the programme/project level as a priority. Several of these agencies highlighted that if we do not move towards a more common approach, we may face challenges of policy coherence in our country level programming through the introduction of different standards. EMG members also identified the potential benefits of moving towards a common approach which would allow for shared trainings, tools, learning, improved collaboration with governments and other national counterparts, etc.

This Terms of Reference highlights the rationale for moving towards a common approach to social and environmental standards and accountability for UN programming, outlines the basis that could be used as a starting point, and proposes a work plan.

Rationale

Robust social and environmental standards (e.g. safeguards), and related accountability mechanisms (e.g. grievance mechanisms), are increasingly applied as best practice in programming. In practical terms such standards aim to ensure that development and humanitarian actors are held to the principles they proclaim, and that interventions do not result in inadvertent harm to people and the environment. They support a rights-based approach that is transparent, inclusive and participative so that no one is left behind. They also reflect that even with good planning and best intentions, unanticipated impacts and conflict may still arise so accountability mechanisms need to be in place to receive, assess, and respond to grievances from project-affected people. Such an approach is fundamental to ensuring the UN's normative principles are translated into practice, particularly in contexts of increasing risk, uncertainty and conflict. Based on this shared need, there are a number of benefits to developing a common approach to safeguards.

First, a common approach would demonstrate a commitment to **Delivering as One** by ensuring the normative principles of the UN are consistently operationalized through country level programming in particular. Without a common approach it can only be expected that there will increasingly be multiple environmental and social policies/procedures and accountability mechanisms being consulted, applied and

communicated at the country level. This would not be in line with the spirit of alignment, the Quadrennial Comprehensive Policy Review and Delivering as One.

Second, a common approach could collectively demonstrate and communicate to partners and stakeholders that the UN system is walking the talk and integrating the SDG agenda into the way we do our work. This is central to showing the system is **fit for purpose** to support countries on the SDG agenda by ensuring:

- a credible, transparent, coherent and effective approach to environmental and social standards and accountability, built on international norms and best practice;
- that it is well positioned to build the capacities of countries to internalize environmental and social standards as a key enabler to achieving progress on the SDGs; and
- that it is committed to responding to calls to enhance transparency, accountability and harmonization across UN operations.

Third, there would be considerable **efficiencies** in establishing a common approach. For example, this would enable the use of a shared package of training, learning, and guidance materials benefitting from relevant expertise from across the system. With a common framework, efficiencies in implementation would also be facilitated by making it possible to pool resources and relevant expertise to jointly screen, assess and manage potential social and environmental impacts and jointly handle grievances related to UN country programming where possible.

Fourth, as the UN system is facing resource constraints, a common approach will help to ensure continued **access to financing** that is increasingly tied to social and environmental safeguards and accountability policies (e.g. Green Climate Fund, Global Environment Facility, Adaptation Fund, bilaterals). Having such policies in place can also translate into increased international recognition and reputational value for the UN by having a compliant or even exceeding system wide approach.

Starting Point

The common approach will build on the ESS Framework which recognizes the need for the "*UN system to internalize the internationally agreed norms of the sustainability agenda at the level of policy/strategy, programme/project and facilities/operations management through a **common framework** for environmental and social sustainability, including through safeguards, risk management, institutional learning, capacity-building, simplification, coherence and transparency*".

The Sustainability Framework provides a strong basis for a common approach by outlining several minimum requirements related to ensuring screening, assessment and management measures are embedded in programme and project management policies and procedures. In addition, the supporting Interim Guide elaborates key building blocks across the three entry points. However, while these provide an important basis for common procedural and institutional aspects of applying standards at the programming level, they do not provide a normative basis to ensure policy coherence.

The common approach will need to recognize that given the structure and legal nature of the UN system, the administration and implementation of a common approach will depend on each agency's policy, procedural and accountability frameworks. This will most likely present the biggest challenge for moving forward with a common approach and will require a commitment across the system to reflect on and adjust these internal frameworks to become more aligned. A common approach that is grounded in the UN

normative framework (rather than a common administrative process) would facilitate this transition, allowing for the flexibility needed to administer such policies within each organization.

In addition to the Framework and Interim Guide, the following elements provide a strong basis from which to build a common approach:

1. **UN Normative Framework**: Environmental and social policies and procedures need to be based on the UN international legal and normative framework. Therefore, the UN system is well-positioned to take a leadership role in setting such standards and operationalizing them through our own programmes/projects. Such an approach will reflect the UN's commitment to support country partners to implement their duties and obligations under international conventions and agreements, including human rights and international environmental agreements.

2. **UNDG Programming Principles:** The recently updated UNDG principles for common country programming (leave no one behind; human rights, gender equality and women's empowerment; sustainability and resilience; accountability) could provide an important starting point for a coherent policy approach and an opportunity to operationalize these principles through country-level programming. While not all UN programming occurs at the country-level, these shared principles can be useful for global and regional initiatives as well.

3. **Best Practice and Lessons Learned:** Environmental and social safeguards or standards for programming have been applied by the multilateral development banks for decades and more recently several UN agencies have also developed and are implementing similar standards. This provides a strong basis of best practice and lessons learned from which to build. There are also experiences in developing common approaches to safeguards (e.g. UN-REDD, Forest Carbon Partnership Facility) that can provide examples of the issues and elements that need to be considered.

2017 Work Plan

A new working group has been established under the Consultative Process to take forward this work stream. This Work Plan outlines the main outputs for the working group for 2017. More detailed work plans, timelines and responsibilities will be elaborated by the working group.

The Working Group will be co-chaired by UNDP and IFAD. Members will include FAO, UNEP, UNICEF, UNIDO, UNOPS, UN-Habitat, ILO, IMF, and WHO. Members will be expected to bring both the perspectives and lessons from their own organization in applying such standards as well as normative expertise (e.g. ILO on labour) to inform a common approach based on UN norms and standards. Therefore, while this work stream is being conducted under the EMG, the members of this work stream should include both social and environmental expertise.

The following outputs will be the focus of the 2017 work plan, leading up to the 2017 Senior Officials Meeting in September:

Output 1 - Comparative Analysis

Building on the information collected during the EMG pilot project, a more detailed analysis will be conducted of agencies programme/project level safeguard policies/procedures and accountability

mechanisms. This will include a review and identification of the normative basis and, to the extent possible given resources, other key benchmark standards (e.g. Green Climate Fund). The review will aim to identify where there is a basis for commonality as well as where there are differences. In areas of gaps or incoherence, the analysis will seek to identify whether these variations are justified or rather indicate issues of policy/procedure coherence that need to be addressed. The comparative analysis will be a tiered/phased approach that will start with a high level analysis and then drill down into specific standards or areas of priority. For example, some of the potential areas of comparison, analysis and benchmarking could include requirements related to:

- Specific standards to ensure consistency with UN norms and obligations (e.g. Human Rights, Gender, Indigenous Peoples, Environmental, Health, Labour Standards)
- Stakeholder consultation and participation
- Information disclosure
- Compliance and grievance response mechanisms
- Screening, assessment and management requirements and timing

Task	Timeline
Methodology and tool for the comparative analysis	March 17
Completion of the template for each organization that has volunteered to be part of the analysis	April 7
Identification of key normative basis and other benchmark standards	April 7
Draft comparative analysis and summary report	May 12
Final summary report (including recommendations for the basis of a common approach and identifying where further analysis is needed to inform workshop and final report, see Output 3)	July 31

Output 2 - Knowledge Sharing Platform and Community of Practice

An important aspect of moving towards a common approach will be to learn from each other to ensure that those who are beginning the process do not need to reinvent the wheel and those who are facing similar challenges can work together to find solutions. The pilot project showed that several agencies are facing similar challenges and could benefit from a community of practice to exchange on approaches and latest thinking within the UN system. This output intends to provide a platform for knowledge exchange to both inform and drive a shift towards a more common approach. This will center around a series of thematic discussions on priority areas that will also be reflected in the comparative analysis.

Lessons from the pilot project and comparative analysis can be shared on an online platform to be used by the working group. The use of the online platform will be seen as a "pilot" to see if such a platform would be useful for scaling up and making available to the UN system.

Task	Timeline
Use of existing online platform for knowledge sharing between the working group members and to share working documents.	March 31
Themed teleconferences (on topics such as Accountability Mechanisms, Labour Standards, Public Disclosure, etc) – each theme will have a facilitator to coordinate discussion and capture outcomes, experts on specific issues may be invited to join	Regularly scheduled throughout 2017

Output 3 - Final Report - Recommendations for a Common Approach

Building on Outputs 1-2, the working group will prepare a final report outlining recommendations for a common approach, in terms of both substance and process. The paper will outline recommendations for a common normative framework for social and environmental safeguards, key procedural and operational aspects (to also inform revisions to the "Interim Guide") and proposals for how to develop it further (if needed) and take it forward (including piloting, through UNDG processes, development of a joint programme to mobilize resources, review of other safeguard frameworks, etc.). This will be presented in a paper to be submitted to the EMG SOM in September 2017.

While this work stream is being undertaken within the auspices of the EMG, it is noted that this work has relevance for wider system-wide efforts, in particular those related to the SDGs and Delivering as One. Therefore, the working group will need to identify opportunities to engage with relevant inter-agency processes, sharing the final ToR and final report.

Task	Timeline
Presentation of ToR to UNDG Programme Working Group and discussion of how to link EMG work stream with rollout of new UNDG guidelines (may lead to additional activities under this output)	Q2 2017
Presentation of ToR to UNDG SDG Working Group and discussion of how to link EMG work stream with rollout of new UNDG guidelines (may lead to additional activities under this output)	Q2 2017
Presentation of ToR to other relevant processes identified (e.g. Fit for Purpose discussions,etc)	Q2 2017
Workshop to discuss results of Outputs 1 and 2 and discuss recommendations for a common approach to be presented in the final paper.	Mid-June (tentative)
Consultation with wider EMG "Consultative Process" and other inter-agency processes as relevant	June/July
Final package for EMG SOM and shared with other inter-agency processes as relevant	August 15