INTERIM GUIDANCE FOR IMPLEMENTING
THE FRAMEWORK FOR ADVANCING ENVIRONMENTAL AND SOCIAL
SUSTAINABILITY IN THE UNITED NATIONS SYSTEM

Fourth Draft

ENVIRONMENT MANAGEMENT GROUP

August 2013

**INTERIM GUIDANCE FOR IMPLEMENTING
THE FRAMEWORK FOR ADVANCING ENVIRONMENTAL AND SOCIAL
SUSTAINABILITY IN THE UNITED NATIONS SYSTEM**

Introduction

This guidance document is designed to facilitate implementation of the **Framework for Advancing Environmental and Social Sustainability in the United Nations System** (or **Sustainability Framework**), which was developed through a consultative process led by the **Environment Management Group (EMG)** and adopted by the EMG in 2012.

The guidance consists of three parts:

- Part 1 – Introduction
- Part II – Getting Started
- Part III – Assembling the Building Blocks for Implementation

Part 1
CONTEXT

Environmental and social sustainability is critical to the overall mission of the United Nations (UN). This concept has been recognized and endorsed time and again at the highest levels of the UN. The most recent endorsement was in the Report of the **UN Conference on Sustainable Development (Rio + 20)** held in Rio de Janeiro from 20-22 June 2012, in which Member States renewed their commitment to sustainable development in calling for "further mainstreaming of the three dimensions of sustainable development throughout the United Nations system…".

Sustainability Framework

Adopted in advance of the **Rio + 20 Conference** in 2012, the **Sustainability Framework** represents the first common approach taken by the UN to advance environmental and social sustainability within its overall operations. It is the result of a two-year inter-agency initiative, undertaken through a consultative process led by the **Environment Management Group** (EMG), to advance sustainability in the UN system. It will allow all UN entities to better understand the impacts and outcomes of their activities and to better integrate environmental and social considerations in them. The challenge now is to bring the policy framework into implementation so that all UN entities can advance individually and collectively toward fully mainstreaming sustainability in their activities. This guide is intended to facilitate that process.

The **Sustainability Framework** is guided by its vision, that the environmental and social sustainability of the UN be enhanced, contributing to its mission to promote and protect human well-being; justified by its rationale, that acting as one UN in developing a common environmental and social sustainability framework will strengthen its leadership role and better support Member States to further the global sustainability agenda; and focused by its objective, to enhance sustainability by internalizing internationally accepted environmental and social principles.

Achieving this objective should result in the following expected outcomes: Environmental and social considerations are systematically integrated in UN activities using the following three entry points:

- **Policy/Strategy -** Development of policies and strategies that embed a broad view of sustainability.
- **Programmes/Projects** – Integration of environmental and social considerations in all programme and project cycles.
- **Facilities/Operations** – Adoption of procedures and practices to integrate environmental and social considerations in management practices and support systems.

The common approach offered by the **Sustainability Framework** provides UN entities with a number of benefits:

- The framework encourages agencies to operate in the spirit of the 2012 **UN Conference on Sustainable Development**, which renewed its call for "integrating the social, economic and environmental dimensions across the operational activities of the United Nations system". (See http://www.un.org/ga/search/view_doc.asp?symbol=A/_RES/66/288&Lang=E)
- The framework promotes practices that facilitate agencies working together to support the UN's 2006 **Delivering as One** initiative, which began consolidation of UN activities at the country level. (See http://www.un.org/events/panel/resources/pdfs/HLP-SWC-FinalReport.pdf)
- The framework provides coherent common approaches and expectations for UN entity-supported initiatives, recognizing the flexibility needed to meet individual operational challenges. It allows capacity building by sharing knowledge, learning together and improving in a more systematic manner.
- Operationally, the framework provides a common reference point and language for UN staff and for country partners.
- Implementing the framework will demonstrate to UN donors, partners and other stakeholders that the UN has a credible, transparent and coherent approach based on internationally accepted good practices.

Role in Promoting Sustainable Development

The UN has long been committed to the concept of "sustainable development" in its operations – development that integrates the environmental, social and economic dimensions in a carefully balanced and sustainable approach to human development. The **Sustainability Framework** represents a fundamental expression of this commitment to enhancing environmental and social sustainability in all of its activities – planning, policies, project design and management – to enable the UN to better position itself to support Member States in achieving sustainable development. Enhancing sustainability in this way carries the UN forward in realizing the Framework's vision of promoting and protecting human well-being, at the same time fulfilling its rationale of strengthening UN leadership in furthering the global sustainability agenda.

Building on Experience across the UN System

In operationalizing the **Sustainability Framework**, UN entities are increasingly integrating environmental and social sustainability in their policies, activities and operations. The **EMG** has monitored this progress on sustainability initiatives in recent years, from its first UN system-wide review of sustainability measures in 2010 to its most recent UN retreat on environmental and social sustainability in 2013. In the early years, the EMG found that most entities adopted an *ad hoc* approach to addressing sustainability issues. For the most part, they often displayed a varied understanding of the purpose and benefits of applying environmental and social sustainability measures and often held diverse expectations of what the measures could deliver. By 2013, on the other hand, the **EMG** noted definite advances made among UN entities in their implementation of sustainability measures. It found a remarkably wide range of experience and

capacity among entities that have embarked on sustainability initiatives. Many remain at the beginning stages, sometimes with sporadic and disaggregated initiatives and no higher level vision/policy or support to anchor and guide them. Some have made impressive progress, leading the rest of the system in applying lessons learned from their experience. The **EMG** also observed that both top-down and bottom-up approaches have been used to advance sustainability measures. For several UN entities, sustainable development or its various dimensions represent a core activity of their normative work. Many UN entities have made efforts to integrate sustainability from multi-year strategic plans to project level approaches. Others have employed bottom-up approaches with experiences from national level activities informing wider strategic planning initiatives.

Developments since Endorsement of the Sustainability Framework

In his first report on mainstreaming sustainability since the **Rio + 20** Conference, (**Mainstreaming of the Three Dimensions of Sustainable Development throughout the United Nations System**, May 2013), the Secretary General cites a range of initiatives on sustainability being taken by UN entities and recognizes the challenges that remain ahead. The report identifies a number of building blocks for further integration of sustainability measures (many of which are cited in this guidance):

- Commitment at the highest levels of the UN system
- Stronger coordination and policy coherence
- Enabling culture of wider coordination within the UN system
- Accountability and transparency
- Adequate institutional support within the UN system
- Analytical capacities, new competencies and tools to support developing countries
- System of continuous learning and improvements in practice
- Mobilization and allocation of resources to drive sustainable development.

The report concludes that integrating the economic, social and environmental dimensions of sustainable development more systematically will enhance the capacity of the UN to support Member States in advancing post-2015 development agenda and their sustainable development goals.

Part 2
GETTING STARTED

Part 2 explains how UN entities can take steps to get started on implementing the **Sustainability Framework**. This involves identifying the drivers of change or making the business case for internal environmental and social sustainability and beginning the process of effecting change (see box below).

Key to Part 2

Drivers of Action on Environmental and Social Sustainability

Beginning the Process
Self-Assessment
Action Plan

Drivers of Action on Environmental and Social Sustainability

Identify drivers of action on environmental and social sustainability, both internal and external, to help effect sustainability changes.

Any number of drivers of action, or agents of change, are available to promote improvements in environmental and social sustainability within the UN system. In fact, most UN entities will face multiple internal and external drivers on the various aspects of sustainability. Often it is the combination of both internal and external drivers that makes things happen.

Internal drivers are those agents of change that arise from within a UN entity or within the UN system itself to promote change on sustainability issues. These include:

- Senior managers who exercise leadership on sustainability issues in a top-down approach within a UN entity or across the UN system

The UN Secretary General has been a key internal driver promoting environmental and social sustainability within the UN system. He articulated his commitment to UN sustainability measures when he endorsed the **Sustainability Framework** in 2012, saying "internalizing environmental, social and economic sustainability practices can make us a more efficient, effective and responsible organization".

- Committed staff who provide leadership on sustainability issues from a bottom-up approach within a UN entity or across the UN system

In many cases, the EMG focal points who have participated in the consultative process developing the **Sustainability Framework** have served as <u>internal drivers</u> within their entities, often playing leadership roles on internal sustainability issues.

- Recommendations from internal evaluations of the environmental/social performance of UN entities

The evaluation reports of the Joint Inspection Unit (JIU) and the Office of Internal Oversight Services (OIOS) often serve as <u>internal drivers</u> on sustainability within the UN system. The 2010 JIU report "Environmental Profile of the United Nations System Organizations", for example, provided an in-house review of the environmental management policies and practices of UN entities. The report found that the UN system lacked a framework for integrated environmental management and recommended identifying common norms and standards for environmental management based on international best practices.

- Other business case or corporate governance initiatives that support sustainability, e.g. risk assessment/management, quality enhancement/assurance, etc.

The quality enhancement/quality assurance review processes, for example, that IFAD uses for its agricultural investment projects and programmes have served as <u>internal drivers</u> for ensuring consideration of environmental and social sustainability throughout the project identification, preparation and appraisal process.

<u>External drivers</u> are those agents of change that derive from sources outside the UN entity or UN system to promote change on sustainability issues. These include:

- Member States that demand change on sustainability issues within a UN entity or across the UN system

The primary <u>external drivers</u> for the UN system have been the Member States. As noted above, at the **Rio + 20** Conference, Member States called for further mainstreaming of the three dimensions of sustainable development throughout the UN system and requested the Secretary General to report on the progress made in that regard (see box below).

From the Report of the UN Conference on Sustainable Development (2012)
"We call for the further mainstreaming of the three dimensions of sustainable development throughout the United Nations system, and request the Secretary General to report to the General Assembly, through the Economic and Social Council, on the progress made in this regard" (para. 93). … "We invite the governing bodies of the funds, programmes and specialized agencies of the United Nations development system to consider appropriate measures for integrating the social, economic and environmental dimensions across the operational activities of the United Nations system" (para. 94). (See http://www.un.org/ga/search/view_doc.asp?symbol=A/RES/66/288&Lang=E)

- Donor organizations that require change or action on sustainability issues as a condition for receiving donor funding

A number of the bilateral donor organizations require sustainability measures as a condition of their support and thus serve as <u>external drivers</u> for UN entities using donor financing. The Canadian International Development Agency, for example, requires that environmental impact assessments be performed in order to ensure the sustainability of the field projects that it finances.

- Multi-lateral development funds that require minimum standards on sustainability issues as a condition for project financing

There are several examples of <u>external drivers</u> among the multi-lateral development funds that require sustainability measures in the form of safeguard policies for fund-financed projects. For example, the **Forest Carbon Partnership Facility** (FCPF) adopted the Common Approach to Environmental and Social Safeguards for Multiple Delivery Partners, which has been a driver on project/programme safeguards for UN agencies that participate as Delivery Partners (DPs) in the FCPF Readiness Fund (see box below).

Environmental and Social Safeguards in the FCPF Readiness Fund

The FCPF's Common Approach requires that delivery partners (DPs) participating in the FCPF Readiness Fund have certain environmental and social safeguards and associated policies and procedures. "The objective of these safeguards and associated policies and procedures is to prevent and mitigate undue harm to people and their environment and strive to develop benefits in the development process". The safeguards include: environmental assessment, natural habitats, forests, involuntary resettlement, indigenous peoples and physical and cultural resources. The Common Approach also requires adherence to four sets of guidelines on Strategic Environmental and Social Assessment, stakeholder engagement, disclosure of information and establishing grievance and redress mechanisms at the country level. Two UN entities currently serve as DPs for the FCPF Readiness Fund (i.e. FAO and UNDP) and have demonstrated substantial equivalence with the Common Approach through their own policies and procedures. (See Common Approach at: http://www.forestcarbonpartnership.org/sites/forestcarbonpartnership.org/files/Documents/PDF/Nov2011/FCPF%20Readiness%20Fund%20Common%20Approach%20_Final_%2010-Aug-2011_Revised.pdf)

The **Global Environment Facility** (GEF) also serves as an <u>external driver</u> for a number of UN entities that implement GEF-financed environmental projects (i.e. FAO, IFAD, UNDP, UNEP and UNIDO). The GEF "Policy on Agency Minimum Standards on Environmental and Social Safeguards" has been a driver on project/programme safeguard policies for these five GEF Implementing Agencies (see box below).

GEF Policy on Agency Minimum Standards on Environmental and Social Safeguards

"The purpose of the policy is to support environmentally sustainable development by ensuring that the GEF and its Partner Agencies undertake sufficient efforts to avoid, minimize, mitigate, and where appropriate, offset any adverse impacts to people and the environment from GEF-financed operations". The GEF minimum standards address: environmental policies and environment assessment, natural habitats, involuntary resettlement, indigenous peoples, pest management, physical and cultural resources, safety of dams, and accountability and grievance systems. The five UN entities that currently serve as GEF Implementing Agencies (and any UN entities that may do so in the future) will have to meet these minimum standards. (See GEF Policy on Minimum Standards on Environmental and Social Safeguards at: http://www.thegef.org/gef/sites/thegef.org/files/documents/C.40.10_GEF_Policies_on_Safeguards_and_Gender.April_26_2011.pdf)

- external evaluations of UN entity programmes or performance, e.g. …

These internal and external drivers can be used to help make the "business case" to senior management within the entity for action on appropriate sustainability measures in the context of the entity's mandate, activities, funding, etc.

Beginning the Process

The process of effecting change on sustainability issues within UN entities can be challenging and in some cases slow. Recognizing this, entities should plan an appropriately phased and deliberative process, taking lessons learned from other entities within the system and "learning by doing" as they go. This guidance suggests starting this process with a self-assessment and an action plan (as shown in the figure below).

Self-Assessment

Perform a self-assessment to determine the status of sustainability and identify opportunities for adopting sustainability measures.

At the outset UN entities will need to perform a self-assessment in order to:

- take stock of where things stand in terms of their own environmental and social sustainability and
- identify opportunities for and challenges to improving its implementation of sustainability measures.

This will assist the entity to:

- identify its areas of strength and weakness in sustainability, possibly using a gap analysis
- set a baseline from which to measure progress in implementing the framework and
- identify appropriate sustainability measures consistent with the drivers of sustainability action, both internal and external, already identified above.

While some UN entities have already undertaken this self-assessment, in whole or in part, and are already taking steps to implement appropriate sustainability measures, other UN entities will need to start with this step.

The self-assessment should involve a thorough review of the following:

- For the **policy/strategy** entry point:
  - Core entity documents, e.g. entity mission statements, strategic objectives, policies and strategies, budget allocations, etc. to assess sustainability in entity policies and strategies

- o <u>Internal processes</u>, e.g. entity decision-making and policy-making processes, bodies and units to assess sustainability in entity decision-making and policy-making
- For the **programmes/projects** entry point:
  - o <u>Principal activities</u>, e.g. programmes of work, headquarters and field programmes and projects, policy advice and technical assistance activities, etc. to assess sustainability in entity programmes and projects
- For the **facilities/operations** entry point:
  - o <u>Operations and management</u>, e.g. management of entity facilities and operations, both headquarters and field, to assess sustainability measures in entity facilities and operations
- For **cross-cutting** issues:
  - o <u>Institutional capacities</u>, e.g. managerial and technical capacities and capabilities to undertake appropriate sustainability measures.

Holly suggests that the above should align more closely with the building blocks in Part 3

Action Plan

Develop an action plan for effecting environmental and social sustainability changes.

Guided by the results of the self-assessment, UN entities should determine the entity's sustainability priorities and proceed to developing an action plan for taking the actions and adopting the measures necessary to advance environmental and social sustainability. A well-prepared action plan should serve as a useful roadmap for entity action in the near, medium and long term for those areas identified in the entity self-assessment. To this end, the action plan should provide the overall direction of entity actions, as well as the scope and timeframe for measures and activities to be taken.

Developing an action plan will:

- allow the entity's leadership team to build and retain entity support for the initiative
- align its activities with its goals and priorities
- permit it to phase activities over a reasonable timeframe
- consolidate an appropriate approach for enhancing entity sustainability and
- ensure better management, monitoring and evaluation of the initiative.

Most UN entities, in fact, have experience with developing and implementing action plans of this nature. Therefore, this should not represent an insurmountable challenge for UN entities. Of course, each UN entity will have to develop its own action plan; there is no formula for defining an action plan that will serve all UN entities. However, experience suggests a number of critical elements that should be included in any entity action plan (see box below).

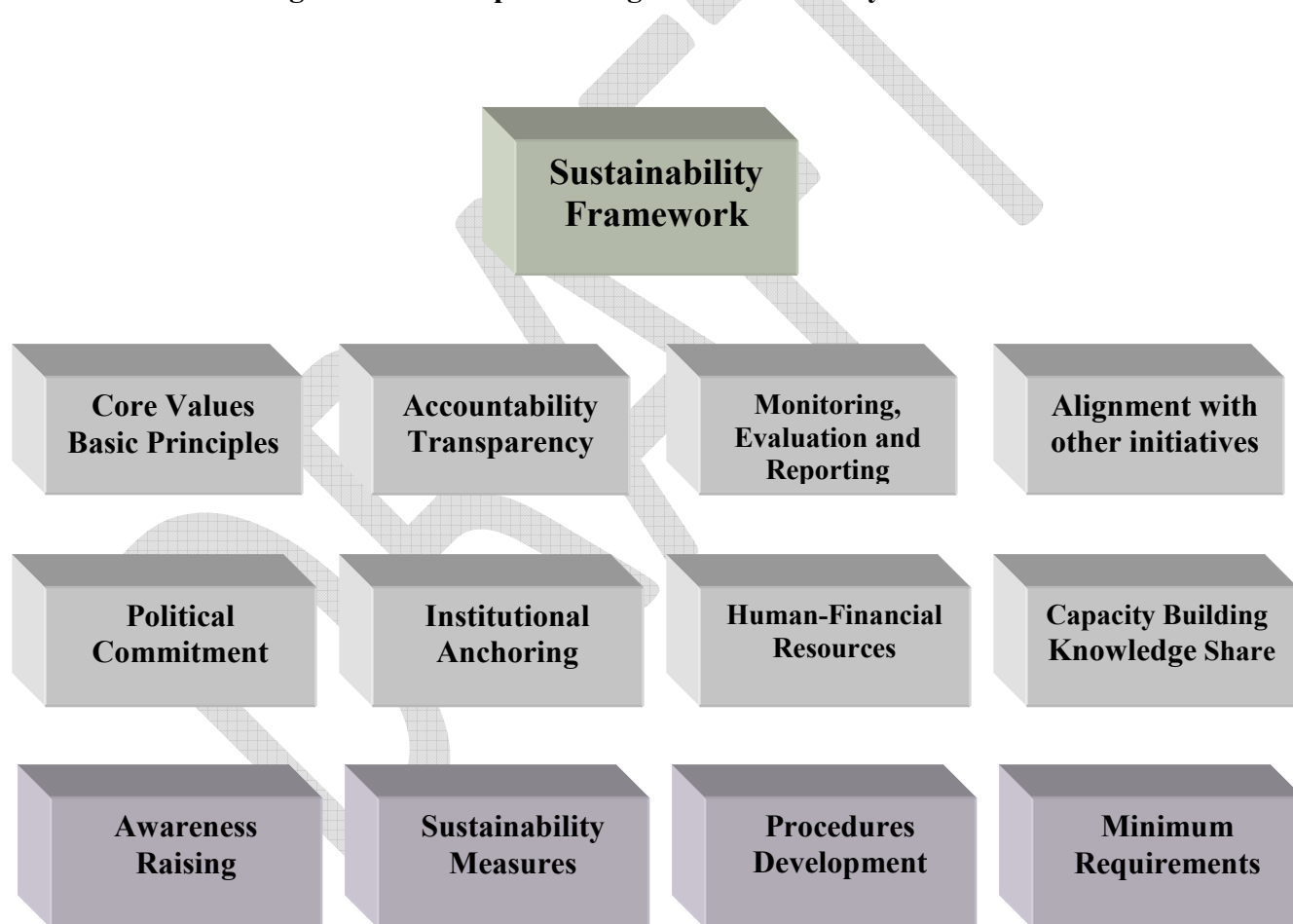| Critical Elements of an Action Plan |
| --- |
| <u>Direction</u>. Description of the overall direction the entity wants to take <u>Stakeholders</u>. Identification and characterization of the entity's stakeholders for sustainability changes, both internal and external, their interests and views <u>Approach</u>. Description of the basic approach to advancing entity sustainability for the appropriate entry points of the **Sustainability Framework** <u>Priorities</u>. Identification of specific priority areas for action <u>Timeline</u>. Definition of a timeline for taking action <u>Staffing and resources</u>. Identification of responsible staff and allocation of appropriate resources <u>Next steps</u>. Identification of immediate next steps in getting the action plan started <u>Review and evaluation</u>. Description of the process for reviewing progress and assuring expected outcomes (Modified from IISD Implementation Guide for Corporate Social Responsibility, 2007) |

Holly suggests that the elements of the action plan should align more closely with the building blocks in Part 3

Part 3
ASSEMBLING THE BUILDING BLOCKS

Part 3 reviews the basic building blocks that are critical to successful implementation by UN entities of their environmental and social sustainability measures (See figure below); they are also essential to facilitating and reinforcing institutional learning throughout the process of implementation. This part presents two critical elements (i) the technical framework establishing policies, procedures and accountability and (ii) the various factors needed to turn policy into practice and drive institutional change.

Building Blocks for Implementing the Sustainability Framework

Sustainability Framework

Core Values Basic Principles	Accountability Transparency	Monitoring, Evaluation and Reporting	Alignment with other initiatives
Political Commitment	Institutional Anchoring	Human-Financial Resources	Capacity Building Knowledge Share
Awareness Raising	Sustainability Measures	Procedures Development	Minimum Requirements

Defining the Policy and Accountability Framework

Establish a framework of policies, procedures and accountability to support the entity's sustainability measures.

After completing the initial steps for getting started, UN entities will need to establish the basic framework of policies, procedures and accountability within which the various sustainability measures will be undertaken. The framework should include:

- core values and basic principles underpinning sustainability actions
- policies guiding sustainability measures across the three entry points
- adoption of minimum standards for sustainability measures
- guidance on appropriate sustainability measures to undertake
- development of operational procedures governing the sustainability measures
- establishment of mechanisms/procedures to assure accountability.

Policies

Start with the core values and basic principles that underpin the entity's sustainability actions or measures.

The underlying basis for all UN activities should be "Do no harm. Do good". This can be translated into the core values that underpin the **Sustainability Framework** and thus provide the normative foundation for UN entities to build on:

Environmental Sustainability	Social Sustainability
UN entities integrate environmental sustainability in all aspects of their decision-making recognizing the following values:	UN entities integrate social sustainability in all aspects of their decision-making recognizing the following values:
• Protection of and, where possible, enhancement of, both the natural and human environment • A precautionary approach to addressing environmental challenges • Inter-generational equity with respect to management of the world's environmental resources.	• Respect for and protection of basic (inter-nationally proclaimed) human rights • Recognition and promotion of the dignity of human labor and the right to a safe and healthy work environment • Protection and, where possible, enhancement of basic social well-being.

These core values support the sustainability measures of UN entities according to their individual mandates and activities. For some entities this may mean developing policies or strategies that ensure the promotion of adequate social sustainability (e.g. policies on human rights, indigenous peoples, etc.), employing systems to ensure consideration of environmental and social impacts in programmes and projects (e.g. impact assessment) or adopting practices and measures that ensure the sustainability of day-to-day operations and management of facilities (e.g. climate neutrality, energy conservation, etc.).

The foundation of a consolidated policy framework should be a set of <u>basic principles</u> or standards[1] that underpin the entity's efforts to implement measures to advance sustainability. These principles should draw on the core values identified above, but they should also complement the particular mandate and activities of the UN entity and provide the basis for effective implementation by the entity of appropriate sustainability measures.

There are numerous examples of guiding principles for UN entities to review in developing their own set of principles. For example, the five programming principles adopted by the **United Nations Development Group (UNDG)** are generally accepted and often cited as a good example (see box below). These principles serve as a guide for UN country teams in their analysis, preparation and implementation of country work programmes as defined by the **UN Development Assistance Framework** (**UNDAF**). Therefore, UNDG entities are already committed to these principles and can use them as the basis for their policy framework, elaborating further within their own policies and procedures to ensure these principles are upheld.

UNDG Country Programming Principles:
- **Human rights-based approach** - Human rights carry normative value as a set of universally agreed values, standards and principles.
- **Gender equality** – Achieving gender equality and eliminating all forms of discrimination are at the heart of a human rights-based approach.
- **Environmental sustainability** - Sustainable development, including the environmental dimension, has been a guiding policy of the UN since 1992.
- **Results-based management** - Results-based management is a strategic management approach used to plan, cost, implement, monitor and measure the changes from management.
- **Capacity development** - Capacity development and ownership of national development strategies are essential for the achievement of internationally agreed development goals.

These principles include: (i) three <u>normative principles</u> (i.e. human rights, gender equality, and environmental sustainability) that are universal in nature, grounded in internationally-agreed development goals and treaties, and fundamentally relevant to all government-UN cooperation efforts[2]; and (ii) two <u>enabling principles</u> (i.e. capacity development and results-based management) that provide the means to make the normative principles operational.

(See: http://www.undg.org/index.cfm?P=220)

Of course, there are other good examples UN entities may review in developing their own set of principles. The ten principles adopted by the **UN Global Compact**, for example, address human rights, labor, environment and anti-corruption issues, expanding on the UNDG programming principles cited above (See: http://www.unglobalcompact.org/AboutTheGC/TheTenPrinciples/). There is also a set of **Principles for Responsible Investment** developed by an international group of institutional investors convened by the UN Secretary-General. These six principles incorporate environmental, social and corporate governance issues into investment practices and reflect their increasing relevance to corporate governance (See: http://www.unpri.org/).

---

[1] The terminology here will present a challenge to each UN entity in deciding whether to organize the policy framework around environmental and social principles, standards or safeguards.

[2] The three normative UNDG principles are very similar to the core values described in the text above and may serve as the basis for more entity-specific principles.

Alignment with Other UN Initiatives and National Systems

> **Align sustainability measures with other UN initiatives addressing sustainable development issues and national systems.**

A final building block in implementing sustainability measures should be to promote increasing alignment of sustainability measures with other important UN initiatives addressing wider sustainable development issues and concerns, as well as with national systems where appropriate. Examples of these issues include gender policies, climate change strategies, the green economy initiative, and current and post-2015 Millennium Development Goals (MDGs). While the **Sustainability Framework** may not make direct link with many of these other initiatives, UN entities should recognize and make every effort to align their sustainability efforts, wherever feasible, with them.

Finally, wherever practical, entities should consider integrating their sustainability measures with any comparable national sustainability systems in place in the countries where they work. In recent decades, national environmental and social frameworks have made significant advances and are, in some cases, equivalent or superior to those employed by the UN. National safeguard systems for development projects, for example, may be equivalent to those employed by entities with safeguard policies for programmes and projects. In those cases, UN entities should integrate their policies with these national systems. The World Bank has taken the lead in this respect in using national systems that are equivalent and acceptable to the Bank for its projects (See box below.).

World Bank Use of National Systems

The Bank's environmental and social ("safeguard") policies are designed to avoid, mitigate, or minimize adverse environmental and social impacts of projects supported by the Bank. The Bank encourages its borrowing member countries to adopt and implement systems that meet these objectives while ensuring that development resources are used transparently and efficiently to achieve desired outcomes. To encourage the development and effective application of such systems and thereby focus on building borrower capacity beyond individual project settings, the Bank is piloting the use of borrower systems in Bank-supported projects. The key objective of the pilot program is to improve overall understanding of implementation issues related to greater use of country systems.

The Bank considers a borrower's environmental and social safeguard system to be equivalent to the Bank's if the borrower's system is designed to achieve the objectives and adhere to the applicable operational principles identified by the Bank. Since equivalence is determined on a policy-by-policy basis, the Bank may conclude that the borrower's system is equivalent to the Bank's in specific environmental or social safeguard areas in particular pilot projects, and not in other such areas. Before deciding on the use of borrower systems, the Bank also assesses the acceptability of the borrower's implementation practices, track record, and capacity.

(World Bank OP 4.00)

Procedures

<div style="border:1px solid; background:#c0c0c0; text-align:center;">

Select the appropriate sustainability actions or measures depending on mandate, programme of work and activities.

</div>

Based on the drivers identified, the gaps determined in the self-assessment and the activities specified in the action plan undertaken in **Part 2 - Getting Started**, each UN entity should be in a position to begin the process of selecting the appropriate sustainability actions or measures to undertake, consistent with the entity's basic principles. The measures to be addressed will necessarily depend on the mandate, programme of work and activities of the UN entity, including any or all of the following types of actions or measures:

- All UN entities, whether engaging in normative or operational work, should undertake sustainability measures for the policy/strategy entry point. This should involve developing policies or strategies that promote environmental and social sustainability in areas pertinent to the mandate, programme of work and activities of the entity. FAO, for example, recently adopted a Policy on Indigenous and Tribal Peoples (2010); IFAD adopted its Environment and Natural Resources Management Policy (2010); UNDP its Environmental Mainstreaming Strategy (2004).

- UN entities that implement programmes or projects should undertake sustainability measures for the programmes/projects entry point. This may involve developing environmental and social impact assessment policies and procedures to ensure the environmental and social sustainability of their operations and projects in the field (see box below). As noted above, a number of UN entities (i.e. FAO, IFAD, UNDP, UNEP and UNIDO) have already developed environmental and social impact assessment policies and procedures.

<div style="border:1px solid;">

IFAD's Environmental and Social Assessment Procedures (ESAP)

The routine review of proposed projects and programmes under IFAD's ESAP may result in changes to project design, risk analysis or even environmental category. The quality enhancement review, for example, may recommend project design changes to include, among other things, environmental screening of sub-projects, measures for adaptation to climate change or increased awareness raising and capacity building activities. The review may also recommend including analysis of potential climate change impacts in the overall project risk analysis and, in cases where projects are proposed for ecologically sensitive areas, it may even recommend a change in environmental category with additional environmental analysis of potential impacts on sensitive environments.

</div>

- All UN entities manage facilities and operations and thus should undertake sustainability measures for the facilities/operations entry point. This may involve any of the range of measures coordinated by EMG and UNEP's **Sustainable United Nations** (**SUN**) initiative (see box below) to achieve climate neutrality and overall sustainability in the UN system. (See: http://www.greeningtheblue.org)

<div style="border:1px solid">

Sustainable United Nations (SUN)

The Sustainable UN facility (SUN) was created in 2008 by UNEP with the goal to support the commitment made by the UN CEB in 2007 to implement the UN Climate Neutral Strategy, which asks UN entities to prepare annual greenhouse gas (GHG) inventories, reduce GHG emissions as far as possible and consider purchasing carbon offsets for remaining emissions. Over time, the facility has expanded its portfolio of advice to promoting a systematic approach to environmental management overall. The UN CEB decided in April 2013 that all UN entities should develop and implement Environmental Management Systems (EMS).

</div>

UN entities have a range of tools to choose from in implementing their environmental and social sustainability measures. Many of these tools (e.g. environmental and social impact assessment for projects and programmes, SUN climate neutrality measures to reduce GHG emissions and carbon footprint, etc.) are internationally recognized and accepted as good practice in the development field (see box below). The **UNDAF** Guidance on Mainstreaming Environmental Sustainability, which UN entities may wish to review, provides a list of common tools available for mainstreaming environmental considerations in country analysis and preparation and implementation of the **UNDAF**. (See: http://www.environmental-mainstreaming.org/documents/UNDG%20-%20Mainstreaming%20in%20Country%20Analysis%20and%20UNDAF%20-%20Guidance%20Note_FINAL.pdf)

<div style="border:1px solid">

Internationally Recognized Tools for Mainstreaming Environmental Sustainability

- **Policy/strategy entry point**
    - o Tool: Policy – corporate statement of commitment with respect to one or more aspects of environmental or social sustainability. Examples: IFAD Environmental and Natural Resources Management Policy (2010), FAO Policy on Indigenous and Tribal Peoples (2010)
    - o Tool: Strategy – corporate statement of approach to addressing one or more aspects of environmental or social sustainability. Examples: UNDP Environmental Mainstreaming Strategy (2004), IFAD Climate Change Strategy (2009)
- **Programme/project entry point**
    - o Tool: Environmental screening checklist – A menu of environmental questions to be answered in screening a programme or project for environmental impacts.
      Example: FAO's Environmental Impact Assessment: Guidelines for FAO Field Projects
    - o Tool: Environmental and social impact assessment (ESIA) – Screening and analysis of potential environmental and social impacts of a programme or project and identification of appropriate preventive actions or mitigation measures to address any adverse impacts. Examples: ESIAs performed under IFAD's ESAP (see above)
    - o Tool: Social impact assessment (SIA) – Screening and analysis, using public consultations, of potential social impacts of a programme or project on stakeholders and other people in the project area. Example:
    - o Tool: Strategic Environmental Assessment (SEA) – Screening and analysis of potential environmental impacts on a broader scale than programme or project-related impacts. Example: SEAs performed under IFAD's ESAP (see above)

</div>

- **Facilities/operations entry point**
  - Tool: GHG emissions inventory – An inventory of GHG emissions from a facility, process, activity, etc. used to identify opportunities for reducing GHG emissions. Example: SUN GHG inventory tools.

Develop the procedures necessary to operationalize the sustainability actions or measures.

In order to operationalize the sustainability measures undertaken above, an entity will have to develop appropriate procedures, standards or operational guidelines to ensure effective implementation. The types of procedures, standards or guidelines will necessarily depend on the sustainability measure undertaken by the UN entity. They may include the following:

- UN entities that undertake sustainability measures for the policy/strategy entry point may need to develop operational procedures or guidelines to ensure that the provisions of the policy or strategy are actually implemented across the entity. UNDP?
- UN entities that undertake sustainability measures for the programmes/projects entry point will need to develop procedures/guidelines to ensure their effective implementation. Some examples of this include IFAD's Environmental and Social Assessment Procedures (See: http://www.ifad.org) and FAO's Environmental Impact Assessment: Guidelines for FAO Field Projects (See: http://www.fao.org/docrep/016/i2802e/i2802e.pdf).
- UN entities that undertake sustainability measures for the facilities/operations entry point will need to develop procedures or guidelines depending on the specific measures taken. The **SUN** facility, for example, has developed procedures, guidance and tools to facilitate UN entity reporting on GHG inventories (see box below).

Procedures for UN GHG Inventories
The annual UN GHG inventory reporting, coordinated by SUN, involved the development of inventory methodologies, databases, software and procedures used for it, with the active involvement of the participating UN entities. Tools used include structured data collection collection files, an on-line office emissions calculator, a stand-alone air travel emissions calculator and a web-portal where the data files can be uploaded and emissions results generated automatically. Quality control procedures are being further strengthened with the development of Inventory Management Plans and a proposed external verification system.

Where applicable, ensure procedures address the minimum requirements specified for environmental and social assessments.

The **Sustainability Framework** recommends that each entity establish certain minimum requirements for the sustainability principles adopted by them and for the overall process/procedure established for implementing sustainability measures.

The specific minimum requirement for the programmes/projects entry point, for example, could be as the **Sustainability Framework** specified, shown in the following box.

Minimum Requirements for the Programmes and Projects Entry Point

- **Reviewing and categorizing.** Programmes/projects shall be reviewed and categorized according to their potential impacts, using environmental and social screening criteria and tools. The need for and type of further assessment will be determined by review and categorization.
- **Assessing environmental and social impacts.** Programmes/projects with potential social and environmental impacts shall be assessed using tools and mechanisms determined by a scoping process.
- **Planning tool**. If negative impacts are identified, a management plan or other similar work-planning tool will be used that outlines how management and mitigation measures will be targeted, implemented, monitored and reported.
- **Participation.** Where applicable, affected communities and stakeholders must be able to participate in the screening and review processes. To proceed, an initiative must show it has adequately incorporated the concerns of affected communities, including the role of women.
- **Covenants and Articles.** Covenants or articles make commitments binding. Responsibilities would be spelled out in each UN entity's legal agreements, where applicable, concerning compliance of activities with the sustainability measures; harmonization of national social and environmental laws and regulations and UN sustainability core values, principles and minimum requirements; and the roles and responsibilities of the UN entity and implementing partners.
- **Grievance mechanism**. Accountability to external stakeholders and partners may require UN entities to have a grievance mechanism in place.
- **Monitoring/Reporting.** Monitoring and reporting will be addressed within the procedures of each organization, but it is desirable to have a common reporting policy and mechanism across the UN system so that, to the extent possible, common approaches can be developed, compiled and compared across the system. Sustainability monitoring and reporting procedures and mechanisms will be developed for system-wide use. (See **Sustainability Framework** p. 50: http://www.unemg.org/index.php/a-framework-for-advancing-environmental-and-social-sustainability-in-the-un-system)

Accountability

Promote accountability and transparency practices.

Accountability and transparency are two cornerstones of organizational good practice that should be employed by UN entities. In the UN system context, entities should be "accountable" for the impacts of their decisions and activities on society, the environment and the economy (i.e. the social, environmental and economic dimensions of sustainable development).

The International Organization for Standardization (ISO) has defined these terms for all types of organizations in its guidance on social responsibility (See box below on ISO 26000), which is good guidance for all UN entities.

Accountability and Transparency in ISO 26000

- <u>Accountability</u> is defined as "being answerable for decisions and activities to the organization's

> - governing bodies, legal authorities and, more broadly, its stakeholders".
> - Transparency is defined as "openness about decisions and activities that affect society, the economy and the environment, and willingness to communicate these in a clear, accurate, timely, honest and complete manner".

Accountability in a UN entity begins with the clear and explicit assignment of responsibilities and the authority to carry them out effectively. In the sustainability context, this translates into assigning entity staff the responsibility and authority for carrying out, or ensuring compliance with, sustainability measures. Where the entity or entity staff fail to execute or comply with sustainability measures, they can be held accountable, both internally and externally, by the entity's governing body, entity staff, stakeholders or project beneficiaries.

In an effort to promote accountability in their activities, a number of UN entities have begun to establish accountability processes or mechanisms to hold themselves accountable to their stakeholders for their decisions and activities (See example in box below). Most of the multi-lateral development banks have long-established accountability mechanisms that often serve as models for the UN entities. As mentioned earlier, in some cases the FCPF and GEF serve as external drivers on accountability mechanisms for UN entities that seek FCPF and GEF project financing.

UNDP's Proposed Compliance Review and Dispute Resolution Processes

UNDP is proposing to establish: (i) a **compliance review** process to respond to claims that UNDP is not in compliance with applicable environmental and social policies, including its proposed environmental and social screening procedure; and (ii) a **dispute resolution process** that ensures individuals, peoples, and communities affected by UNDP programmes and projects have access to appropriate dispute resolution procedures for hearing and addressing project-related disputes. To this end, UNDP proposes to create a self-contained compliance review unit within UNDP's Office of Audit and Investigation and to develop a dispute resolution process through a Dispute Resolution Support Office. This proposal will involve clear delegation of responsibility in each country office and a set of procedures for dispute resolution at the corporate and country levels. UNDP's approach takes advantage of its current capacities and provides a cost-effective way to launch compliance review and dispute resolution processes with the potential for scaling up in the future. (See: http://tinyurl.com/732pscd)

Turning Policy into Practice

Beyond the Policy and Accountability Framework, there are a number of critical building blocks needed to ensure effective implementation of sustainability measures. This section describes these building blocks that are needed to turn policy into practice and drive institutional change.

High-level Political Commitment

> **At the outset, secure high-level political commitment for sustainability actions and measures.**

A fundamental building block is to <u>win and secure high-level political commitment by senior management</u> and of staff in critical positions, <u>and endorsement of, any sustainability policies, procedures or actions necessary to advance sustainability measures</u>.

Many UN entities have the endorsement of high-level management, for example, the Joint Statement of the Executive Heads of EMG Members committing to implementation of the **Sustainability Framework** (See box below).

> **Joint Statement by Executive Heads of EMG Members**
> We hereby commit ourselves, proceeding in a phased manner, to use the Framework … as a means of furthering the organization's sustainability performance, including by:
> - Moving our respective organizations towards strengthening environmental and social sustainability in our activities, and endeavouring to find the necessary resources to realize the increased efficiency and operational safety gains of such a common approach.
> - Supporting the further development and implementation of a United Nations System-wide framework for environmental and social sustainability including environmental and social safeguards; for monitoring collective efforts; and for reporting back to the Governing Bodies of our respective organizations on progress made, good practice and lessons learned.

The Secretary General's support for the High-level Panel on Global Sustainability, cited earlier as an internal driver, is another good example of this. The challenge will be in channeling this support effectively to produce the action necessary to effect sustainability changes.

Following this is the need to <u>ensure broad support among agency staff in positions critical to implementing sustainability measures.</u> This may entail additional efforts at awareness raising, capacity building and incentive providing in order to be successful.

Institutional Anchoring

> **Clearly anchor institutional responsibilities for sustainability policies, procedures and measures.**

For successful implementation, each entity will have to establish clear institutional responsibilities for implementing sustainability measures. This may involve either of two options:

- Creating a new unit, committee or dedicated staff team within the existing organizational structure with designated responsibility for implementing the sustainability measures, providing technical support, building capacity, sharing knowledge, etc. or
- Assigning new responsibilities to an existing unit, committee or staff team within the existing organizational structure (e.g. existing environmental/social safeguards staff) to perform these functions.

There is no right option for this. The option taken will largely depend on an entity's existing organizational structure and functions, its institutional mandate and programme of activities. And, in the end, it will take more than this centralized unit or staff to fully implement sustainability measures. It will necessarily involve staff across the entity, in both headquarters and field offices, assuming responsibilities to ensure effective implementation.

Many, if not most, UN entities have already established their institutional responsibilities for sustainability measures and anchored them in an appropriate location (See example in the box below[3]). Wherever they are anchored, the assignment of responsibilities and the authority to carry them out effectively must be explicit and clear within the entity; and those staff assigned these responsibilities and the leadership team, should have the full support of and access to the highest levels of management in the entity.

IFAD's Environment and Climate Change Division

IFAD has anchored its institutional responsibilities for environmental sustainability in its Environment and Climate Change Division. This recently-created division houses IFAD's team of environmental specialists and oversees IFAD's strategies, policies and safeguards ensuring environmental sustainability in all of IFAD's operations. This includes: IFAD's Climate Change Strategy, which integrates climate change in IFAD's core programmes, policies and activities; its Environment and Natural Resources Management Policy, which promotes protection of the environment and sustainable management of natural resources in IFAD programmes and projects; and its Environmental and Social Assessment Procedures, which ensure assessment of potential impacts and identification of remedial measures for IFAD programmes and projects.

Human and Financial Resources

Dedicate the human and financial resources necessary for the task.

Equally important, the entity must ensure that the financial and technical resources necessary for implementing the sustainability policies, procedures and measures are allocated in a timely and effective manner. In the end, the leadership team will not be able to function effectively if it does not have access to adequate technical capacity and financial resources to carry out its tasks. This involves both the human

---

[3] This example is one of anchoring responsibility for environmental sustainability. Entities may wish to consider alternatives that anchor both environmental and social sustainability (e.g. including human rights, indigenous peoples, etc.)

and financial resources necessary to perform the centralized support functions (e.g. developing policies and procedures, ensuring accountability, building capacity, sharing knowledge, etc.) and those resources across the entity necessary to ensure effective implementation of sustainability measures (e.g. additional time demands, technical expertise, associated costs, etc.).

As mentioned with respect to institutional anchoring above, dedicating qualified entity staff at both the central and field levels is critical and they may require targeted capacity building in order to perform their new functions effectively. Finally, using sustainability tools may require additional staff resources as well as entity budgetary resources to cover the additional costs required for consultants, travel and other expenses.

Capacity Building and Knowledge Sharing

Ensure effective capacity building and knowledge sharing.

Capacity building and sharing of knowledge is necessary for effective implementation. In some cases, entity staff may not be familiar enough with the tools for advancing environmental and social sustainability (e.g. environmental and social impact assessments, energy-saving practices in operations and facilities) to employ them effectively. Targeted training might be needed for building both technical and managerial expertise in such areas.

Knowledge sharing, both internal and external, through networks of practice, dissemination of good practice examples in the field, exchanges of experiences among UN entities, etc. may be used to further enhance entity knowledge and capacity. An example is the **Teamworks** space, being used by UNDP and now hosting the knowledge sharing platform on the Environment and Social Sustainability Framework (See box below).

Teamworks

Teamworks is an online network that UNDP developed in 2010 to encourage knowledge sharing and dissemination of experiences and lessons learned by UNDP staff in headquarters and in the field. UNDP recognized that networks of people and their experiences are extremely valuable resources to be shared and encouraged its staff to share their unique knowledge and experience for the benefit of the entire organization and ultimately UNDP's beneficiaries. UNDP has made **Teamworks** available to UN entities interested in leveraging the power of knowledge sharing across the UN system. Users from more than 35 UN entities now collaborate with colleagues using **Teamworks**.

Awareness Raising and Communications

Emphasize raising awareness and fostering communications.

Though sustainability measures have been around for some time, general awareness and understanding of these measures among UN staff who are not directly involved may not be as high as is often assumed. For this reason, the leadership team should recognize that awareness-raising campaigns and other communications and outreach efforts may be necessary.

Communications with stakeholders can take many forms. Developing a simple but effective communications strategy would be very useful. Reporting regularly on progress is one means of communicating with stakeholders and engaging them in the process in order to raise their awareness and understanding of the sustainability measures being implemented. To this end, UN entities should make regular reporting part of a larger effort to communicate with stakeholders, both internal and external.

Monitoring, Evaluation and Reporting

Employ monitoring, evaluation and reporting effectively.

As UN entities make progress in implementing sustainability measures, they should regularly monitor their performance, evaluate the results and report on their progress to both internal and external stakeholders. Monitoring and evaluation activities are useful tools for reviewing entity performance in implementing sustainability measures, identifying gains where progress has been made (strengths) and recognizing challenges where more remains to be achieved (weaknesses) and lessons are to be learned.

Reporting on progress, in whatever form it may take (e.g. oral communications or electronic messages to staff, meetings with stakeholders, periodic written reports, etc.), is mainly to share information and engage with stakeholders in order to gain their confidence. It will also help build ownership for the sustainability initiative within the entity itself and across the UN system. It would be good for UN entities to adopt a minimum requirement of annual reporting on sustainability measures, aimed at both internal stakeholders (i.e. agency staff, governing bodies) and external stakeholders (i.e. country partners, other UN entities).

ANNEXES

Annex A – Checklist for Implementation of the Sustainability Framework

Checklist for Key Elements of the Sustainability Framework	Yes	No
1. Enabling Conditions **Expected outcomes**: Enabling conditions strengthened and established for the internalization of internationally accepted environmental and social principles.		
Agency Outputs		
Clear, coherent vision and policy established that relates environmental and social issues to the mission and work of the entity.		
Internal capacities developed to implement the vision and policy and to raise awareness among staff to ensure environmental and social sustainability embraced.		
Adequate resources available to achieve the institutional goals of the vision and policy.		
A continuous cycle of improvement established by reviewing the effectiveness of outcomes and activities in order to enhance environmental and social performance.		
2. Implementation entry points **Expected outcomes**: Environmental and social considerations systematically integrated into the following three entry points.		
(a) *Policy/Strategy* **Expected outcomes**: Policies and strategies adopted that embed a broad view of sustainability and avoid unnecessary trade-offs or harm to people and the environment.		
Agency Outputs		
Process for integrating environmental and social sustainability considerations into relevant policies and strategies implemented.		
(b) *Programmes/Projects* **Expected outcomes**: Environmental and social considerations systematically integrated into all programme and project cycles.		
Agency Outputs		
An environmental and social assessment framework developed and implemented (including screening, review, management plans, monitoring, accountability and transparency).		
Consideration of environmental and social performance objectives integrated into existing management approaches.		
(c) *Facilities/Operations* **Expected outcomes**: Procedures and practices that integrate environmental and social considerations into entity management practices adopted.		
Agency Outputs		
Sustainability management system established that helps entities move towards environmental and social sustainability.		
Sustainable practices developed, such as in building management, procurement, travel and the use of information and communication technologies.		

Annex B – Glossary and Acronyms

Glossary
(to be developed)

Entity:

Facilities:

Operations:

Policy:

Programme:

Project:

Strategy:

Acronyms

EIA	Environmental Impact Assessment
EMG	Environment Management Group
FAO	Food and Agriculture Organization of the United Nations
GEF	Global Environment Facility
GHG	Greenhouse gas
IFAD	International Fund for Agricultural Development
IMG ESM	Issue Management Group on Environmental Sustainability Management
JIU	Joint Inspection Unit
MDG	Millennium Development Goal
OIOS	Office of Internal Oversight
SEA	Strategic Environmental Assessment
SUN	Sustainable UN
UNDAF	United Nations Development Assistance Framework
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNIDO	United Nations Industrial Development Organization
WB	World Bank
WFP	World Food Programme
WHO	World Health Organization

Annex C – Sources of Further Information

Common Approach to Environmental and Social Safeguards for Multiple Delivery Partners, **Forest Carbon Partnership Facility** (FCPF) Readiness Fund. August 2012 (http://www.forestcarbonpartnership.org/sites/forestcarbonpartnership.org/files/Documents/PDF/Nov2011/FCPF%20Readiness%20Fund%20Common%20Approach%20_Final_%2010-Aug-2011_Revised.pdf)

Environmental Profile of the United Nations System Organizations: Review of their in-house environmental management policies and practices. **Joint Inspection Unit**, Geneva, 2010

Equator Principles, **Equator Principles Financial Institutions** (Citigroup, ABN AMRO, Barclays, etc.) June 2003 (www.equator-principles.com)

Guidance on social responsibility: ISO 26000, **International Organization for Standardization** (ISO). Geneva, 2010

Policy on Agency Minimum Standards on Environmental and Social Safeguards, **Global Environment Facility** (GEF), November 2012 (http://www.thegef.org/gef/sites/thegef.org/files/documents/C.40.10_GEF_Policies_on_Safeguards_and_Gender.April_26_2011.pdf)

Application of Policy on Agency Minimum Standards on Environmental and Social Safeguards, **Global Environment Facility** (GEF), November 2012

IFC Performance Standards on Environmental and Social Sustainability, **International Finance Corporation** (IFC), January 2012

Corporate Social Responsibility: An Implementation Guide for Business, **International Institute for Sustainable Development** (IISD). 2007 (www.iisd.org/pdf/2007/csr_guide.pdf)

Project Sustainability Management: Guidelines, **International Federation of Consulting Engineers** (FIDIC). Switzerland, 2004

Key Concepts for Project Sustainability Management: A draft FIDIC guideline, **International Federation of Consulting Engineers** (FIDIC). Switzerland, 2011

Mainstreaming Environmental Sustainability in Country Analysis and the UNDAF: A Guidance Note for United Nations Country Teams and Implementing Partners Teams, **United Nations Development Group** (UNDG), 2009

Resilient People – Resilient Planet: A Future Worth Choosing, Report of the **United Nations High-level Panel on Global Sustainability**. January 2012

Report of the United Nations Conference on Sustainable Development, **United Nations**. Rio de Janeiro, Brazil, June 2012

United Nations Global Compact (UNGC), **United Nations**, New York, July 2000

UNDP Environmental Mainstreaming Strategy: A strategy for enhanced environmental soundness and sustainability in UNDP policies, programmes, and operational processes, **United Nations Development Programme** (UNDP). June 2004

Environmental and Social Screening Procedure for UNDP Projects: Guidance Note, **United Nations Development Programme** (UNDP). March 2012

UNEP Yearbook: Emerging Issues in our Global Environment 2012, **United Nations Environment Programme**. Nairobi, Kenya, 2012 (www.unep.org/yearbook/2012)

The World Bank's Safeguard Policies: Proposed Review and Update – Approach Paper, **World**