

R2E2 Accreditation with GCF - ES Standards and Gender Policy

18 February 2022

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Structure of the Presentation

- ▶ Scope of Engagement – ESS and Gender Policy:
 - ▶ Environmental and Social Policy
 - ▶ Pillars of the Environmental and Social Policy
 - ▶ Environmental and Social Management System
 - ▶ Gender Policy – Objectives
 - ▶ Gender Policy – Principles
 - ▶ Gender Policy - Implementation

Environmental and Social Policy

- ▶ R2E2 Fund's environmental and social policies are designed to avoid, mitigate, or minimize adverse environmental and social impacts of projects supported by R2E2 Fund.
- ▶ Environmental and social policies are fundamental to ensuring that R2E2 Fund does not support or implements projects/programmes that unnecessarily harm the environment, public health or vulnerable communities.

Pillars of Environmental and Social Policy

To carry out its Policy, R2E2 Fund shall:

- ▶ Have an environmental and social management system that ensures environmental and social risks are identified and assessed at the earliest possible stage of project/programme design,
- ▶ Adopt measures to avoid or where avoidance is impossible to minimize or mitigate or manage those risks during implementation, and
- ▶ Monitor the status of those measures during and at the end of implementation.
- ▶ Assure that adequate opportunities are provided for the informed participation of all stakeholders in the formulation and implementation of projects/programmes implemented by R2E2 Fund.

Environmental and Social Policy Standards

- ▶ All projects/programmes implemented by R2E2 Fund shall be designed and implemented to meet the following ten Environmental and Social Performance Standards (PSs).
- ▶ It is recognized that depending on the nature and scale of a project/programme all of the PSs may not be relevant to every project/programme.
- ▶ These Performance Standards are in line with the international best practices for assessment of environmental and social risks e.g. those of the International Finance Corporation (IFC), GCF etc.

Environmental and Social Policy Standards

- ▶ PS1: Assessment and management of environmental and social risks and impacts
- ▶ PS2: Labour and working conditions
- ▶ PS3: Resource efficiency and pollution prevention
- ▶ PS4: Community health, safety and security
- ▶ PS5: Land acquisition and involuntary resettlement

Environmental and Social Policy Standards

- ▶ PS6: Biodiversity Conservation and sustainable management of living natural resources
- ▶ PS7: Indigenous peoples
- ▶ PS8: Cultural heritage
- ▶ PS9: Gender Equity and Women's Empowerment
- ▶ PS10: Access and Equity and protection of Human Rights
- ▶ PS11: Compliance with the Law
- ▶ PS:12 Climate Change

Environmental and Social Management System

R2E2 Fund proposing projects/ programmes that present environmental and social risks shall ensure that the environmental and social impacts of such projects/programmes are thoroughly assessed and will identify mitigation measures for avoiding, reducing or mitigating all environmental and social impacts; and will ensure that the implementation of such measures is monitored and reported on through the life of the project/programme.

Environmental and Social Management System

Screening of environmental and social risks:

- ▶ All proposed projects/programmes either executed or implemented by R2E2 Fund shall be screened by R2E2 Fund or the executing entities through an Environmental and Social Due Diligence (ESDD) to determine their potential to cause environmental or social harm.
- ▶ The ESDD screening process shall seek to identify potential environmental and social impacts and risks, taking into consideration R2E2 Fund's environmental and social performance standards outlined above. The screening process shall consider all potential direct, indirect, trans boundary, and cumulative impacts in the project's/programme's area of influence that could result from the proposed project/programme.

Environmental and Social Management System

All proposed projects/programmes shall be categorized according to the scale, nature and severity of their potential environmental and social impacts. The following classification will be adopted.

- ▶ **Category A** - Projects/programmes likely to have significant adverse environmental or social impacts that are for example diverse, widespread, or irreversible.
- ▶ **Category B** - Projects/programmes with potential adverse impacts that are less adverse than Category A projects/programmes, because for example they are fewer in number, smaller in scale, less widespread, reversible or easily mitigated.
- ▶ **Category C** - Those projects/programmes with no adverse environmental or social impacts

Environmental and Social Impact Assessment

The ESIA will identify any environmental or social risks, including any potential risks associated with environmental and social impact assessment (ESIA)'s environmental and social performance standards set forth above. The assessment shall:

- ▶ consider all potential direct, indirect, trans boundary, and cumulative impacts and risks that could result from the proposed project/programme;
- ▶ assess alternatives to the project/programme; and
- ▶ assess possible measures to avoid, minimize, or mitigate environmental and social risks of the proposed project/programme.

Environmental and Social Management Plan

- ▶ Where the environmental and social assessment identifies environmental or social risks, the assessment shall be accompanied by an environmental and social management plan that identifies those measures necessary to avoid, minimize, or mitigate the potential environmental and social risks.
- ▶ A project's environmental management plan consists of the set of mitigation, monitoring, and institutional measures to be taken during implementation and operation to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels. The plan also includes the actions needed to implement these measures.

Environmental and Social Management Plan

- ▶ During project implementation the R2E2 Fund will implement the Environment Management Plan and monitor its effectiveness. The R2E2 Fund will document monitoring results, including the development and implementation of corrective actions, and disclose monitoring reports.
- ▶ The R2E2 Fund will establish a grievance redress mechanism to receive and facilitate resolution of the affected people's concerns and grievances regarding the project's environmental performance.

Mitigation

The ESMP identifies feasible and cost-effective measures that may reduce potentially significant adverse environmental impacts to acceptable levels. The plan includes compensatory measures if mitigation measures are not feasible, cost-effective, or sufficient. Specifically, the EMP:

- ▶ identifies and summarizes all anticipated significant adverse environmental impacts;
- ▶ describes--with technical details--each mitigation measure, including the type of impact to which it relates and the conditions under which it is required, together with designs, equipment descriptions, and operating procedures, as appropriate;
- ▶ estimates any potential environmental impacts of these measures; and
- ▶ provides linkage with any other mitigation plans required for the project.

Public disclosure and Consultations

- ▶ R2E2 Fund shall identify stakeholders and involve them as early as possible in planning any project/programme executed or implemented by R2E2 Fund.
- ▶ The results of the environmental and social screening and a draft environmental and social assessment, including any proposed management plan, shall be made available for public consultations that are timely, effective, inclusive, and held free of coercion and in an appropriate way for communities that are directly affected by the proposed project/programme. R2E2 Fund will publicly disclose the final environmental and social assessment through its website as soon as it is done.
- ▶ R2E2 Fund is responsible for disclosing the final environmental and social assessment to project-affected people and other stakeholders.

Gender Policy - Objectives

The R2E2 Fund's gender policy has the following objectives:

- ▶ To ensure equal approaches to women and men in the R2E2 Fund programming;
- ▶ To provide women and men with an equal opportunity to build resilience, address their differentiated vulnerability, and increase their capability;
- ▶ To address and mitigate against assessed potential program risks for women and men in relation to concrete actions;
- ▶ To contribute to addressing the knowledge and data gaps on gender-related vulnerabilities and to accelerate learning about effective gender-equal measures and strategies;
- ▶ To consult with affected women and men actively, considering their experiences capabilities and knowledge of the situation and processes.

Gender Policy - Principles

All projects/programmes implemented by the R2E2 Fund shall be designed and implemented to meet the following principles, although it is recognized that depending on the nature and scale of a project/program all the principles may not be relevant to every project/program. The gender policy is based on the following principles:

- ▶ Commitment
- ▶ Comprehensiveness in scope and coverage
- ▶ Accountability
- ▶ Competences
- ▶ Knowledge generation and communication

Gender Policy - Reporting

Information on Project implementation team:

- ▶ Sex disaggregated data on project implementation team; comparative analyses of composition - challenges and opportunities; further steps
- ▶ Capacity and gender expertise to implement the project effectively, including:
 - ▶ Existence of the gender specialist, main responsibilities, LOE
 - ▶ Training for women and men at all levels of the project team to ensure gender sensitivity
 - ▶ Inclusion of responsibilities for integrating gender aspects at project implementation in job descriptions, terms of references of management, technical staff, and consultants.

Gender Policy - Reporting

Information on work with stakeholders:

- ▶ Existence of targeted partnerships with civil society / women's advocacy groups;
- ▶ Initiatives on targeted capacity development/ gender sensitization for main partners and stakeholders, including government. Local self-governance and private sector;
- ▶ Initiatives to support and encourage women and men to bring their voice, needs, potential, perspectives, and priorities to project implementation team and decision makers;
- ▶ Initiatives to engage and target men as agents of change and champions for gender equality;
- ▶ Initiatives to embed project processes within a national or sectoral context, including through capacity building and decision-making processes.

Gender Policy - Reporting

Gender mainstreaming efforts:

- ▶ Provide information on the assumptions and information regarding the characteristics, needs, and interests of men and women, taken into consideration at the project design stage
- ▶ Provide sex-disaggregated data on project participants and beneficiaries
- ▶ Provide information on activities implemented/ undertaken during the reporting period, including gender indicators
- ▶ Provide information about the results - impact /changes the project is achieving in relation to women and men
- ▶ Provide information on any challenges or barriers arisen during project implementation hindered the equal participation of men and women in activities, decision-making; existence of any legal, cultural, or religious constraints on women's participation in the project



THANK YOU !!!

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R2E2 Accreditation with GCF - Control Frameworks

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Structure of the Presentation

- ▶ Scope of Engagement – Control Frameworks:
 - ▶ **Policy on Prohibited Practices**
 - ▶ **Prevention of prohibited practices** - Staff Code of Conduct, Policies on Ethics and Conflict of Interest, AML/CFT Policy and Standards, Policy on Sexual Exploitation, Abuse and Harassment
 - ▶ **Detection of prohibited practices** – Policy on the protection of whistleblowers and witnesses
 - ▶ **Investigation of prohibited practices** – Compliance Officer

R2E2 Policy on Prohibited Practices

“R2E2’s Policy on Prohibited Practices” is aimed at:

- establishing specific conduct and activities which are prohibited by the R2E2,
- the obligations of Covered Individuals and Counterparties to uphold the highest standards of integrity and to refrain from Prohibited Practices;
- the actions which the R2E2 may take when Prohibited Practices are alleged to have occurred in R2E2 Fund-related Activities.

R2E2 Policy on Prohibited Practices

Guiding principles

- ▶ The R2E2 maintains a zero-tolerance policy for Prohibited Practices
- ▶ R2E2 Personnel shall maintain the highest level of integrity, accountability and efficiency, refrain from directly or indirectly condoning, encouraging, participating or engaging in Prohibited Practices in any R2E2 Fund-related Activity and take action to deter, mitigate and/or correct Conflicts of Interest.
- ▶ Any report of suspected Wrongdoing shall be made promptly to the Compliance Officer (CO) and investigated in accordance with the requirements and procedures set out in the R2E2's Policy on the Protection of Whistleblowers and Witnesses

R2E2 Policy on Prohibited Practices

Actions taken by R2E2 staff

- ▶ A Staff member who is found to have directly or indirectly condoned, encouraged, participated in or engaged in a Prohibited Practice may be subject to disciplinary measures
- ▶ Any disciplinary measures or administrative sanctions to be imposed on R2E2 Fund Personnel shall be determined and enforced by the Director.
- ▶ The Director shall be guided by the findings and recommendations made by the CO at the conclusion of its investigation of a report of suspected Wrongdoing concerning R2E2 Personnel as provided for in this Policy

R2E2 Staff Code of Conduct

- ▶ The purpose of this Guideline is to state the human resources policies of the R2E2 Fund and to set out the duties, rights and responsibilities of its staff members. This Guideline applies to all staff members, regardless of type of appointment.
- ▶ Subject to the paramount consideration of securing the highest level of efficiency and competence, the R2E2 Fund will always strive for equitable gender balance among its staff.
- ▶ The R2E2 Fund will systematically evaluate the relative levels of jobs and the equitable remuneration for similar responsibilities, both within the R2E2 Fund and compared to other relevant organizations.
- ▶ The Function of Staff Representative is proposed to be introduced to consult on the key issues related to the professional interests of the staff.

R2E2 Staff Code of Conduct

Duties and Responsibilities of Staff members:

- ▶ Adhere to the principles defined in the Code of Conduct
- ▶ Refrain from communication and publication of the confidential/ internal information
- ▶ Seek confirmation from Director in cases related to publications and public speaking
- ▶ refrain from participation in political activities that may interfere or conflict with their duties or their status as staff members

R2E2 Staff Code of Conduct

Duties and Responsibilities of Staff members:

- ▶ Business affiliation and private activities:
 - ▶ Private activities - Except with prior approval by the Director, staff members must not hold private employment or engage in any occupation or own or operate any business which, in the R2E2 Fund's opinion, is incompatible with the proper performance of their official duties
 - ▶ Subsequent employment - Except with the authorization of the Director, former staff members who have separated from the R2E2 Fund may not, within two years after their separation from the R2E2 Fund, perform services for any other entity or person, other than government or government agency, in respect of any matter in which the R2E2 Fund has an interest or to which the R2E2 Fund is a party and in which the staff member participated personally and substantially while at the R2E2 Fund.

R2E2 Staff Code of Conduct

Duties and Responsibilities of Staff members:

- ▶ **Internal gifts** - Giving or accepting gifts among R2E2 Fund's staff members is not allowed if intended to serve the purpose of obtaining or exchanging a favor; or influencing other staff members' performance of official duties or responsibilities.
- ▶ **Medals and honors** - Staff members and former staff members may not accept medals, decorations or similar honors from any authority or person external to the R2E2 Fund, for services rendered during the period of their appointment or service with the R2E2 Fund.
- ▶ Disclose financial and business interests.

R2E2 on Ethics and Conflict of Interest

- ▶ This policy on ethics and conflicts of interest for R2E2 Staff Members (hereinafter referred to as the Policy) sets forth principles and ethical standards for the Covered Individuals in connection with, or having a bearing upon, their status and the discharge of their responsibilities in the R2E2 Fund.
- ▶ Throughout this Policy, when it is stated that any ethical and/or conflict of interest matter concerning a Covered Individual shall be reported, referred, submitted or disclosed by others or by the Covered Individual herself/himself, to the Compliance Officer for guidance, review, investigation, decision or other actions.
- ▶ Declaration of impartiality and confidentiality shall be signed upon employment of the staff member.

R2E2 on Ethics and Conflict of Interest

Conflict of interest:

- ▶ A conflict of interest arises when the personal interests of a staff member interfere in any way with her/his official duty or with the interests of the R2E2 Fund.
- ▶ In performing her/his duties, the staff member shall carry out her/his responsibilities to the exclusion of any personal advantage.
- ▶ Staff members shall endeavor to avoid any situation involving an actual conflict of interest, or the appearance of a conflict of interest.
- ▶ If an actual conflict arises, a Covered Individual shall promptly refer the matter in writing to the Compliance Officer.

R2E2 on Ethics and Conflict of Interest

Outside employment and other activities:

- ▶ Staff members, upon joining the R2E2 Fund, shall devote themselves to the activities of the R2E2 Fund on a full-time basis and dissociate from any other public or private position that they may hold.
- ▶ The staff member shall not, without the prior written approval of the Director of the R2E2 Fund, accept any position or obligation or have any interest directly or indirectly in any activity which is incompatible with the discharge of her/his duties in the R2E2 Fund other than positions related to pro bono activities unrelated to the Fund.

R2E2 on Ethics and Conflict of Interest

Conduct within Institution:

- ▶ Staff members shall treat their colleagues and other staff of the R2E2 Fund with courtesy and respect
- ▶ Staff members shall exercise adequate control and supervision over matters for which they are individually responsible and the resources for which they are entrusted, and shall know and observe the budgetary standards and restrictions prescribed under relevant R2E2 Fund's policy.
- ▶ Staff member shall ensure that the property and services of the R2E2 Fund are used by herself/himself and persons in her/his offices only for the official business of the R2E2 Fund.

AML/CFT Policy

Scope and applicability:

- ▶ The staff of the R2E2 Fund, its governing bodies and every other person working for the R2E2 Fund are required to adhere to this Policy to protect the R2E2 Fund, and its reputation, from being misused for ML and/or TF by ensuring that they discharge their responsibilities in a manner that enables the full implementation of this Policy.
- ▶ The R2E2 Fund shall apply this Policy to its relationship with its Executing Entities and Subcontractors through **“Know-Your Customer”** screening and AML/CFT standards.

AML/CFT Policy

Principles:

- ▶ In the context of its activities R2E2 Fund shall ensure that its funds are not used to finance any illegal acts related to Money Laundering or Terrorist Financing.
- ▶ R2E2 Fund shall take steps to encourage its Executing Entities and Subcontractors to adopt policies and procedures that are consistent with the principles set out in this Policy, with the purpose of safeguarding R2E2 Fund's resources from being used for Money Laundering or the Financing of Terrorism.
- ▶ R2E2 Fund's Executing Entities and Subcontractors shall be responsible for identifying and mitigating the risks of Money Laundering and Terrorist Financing in deploying and managing R2E2 Fund's resources.

AML/CFT Policy

Key provisions:

- ▶ The R2E2 Fund shall apply the “Know Your Customer” Due Diligence (KYCDD) measures, as determined on a risk-based basis.
- ▶ The R2E2 Fund shall take reasonable measures to duly assess the purpose, economic rationale and overall AML/CFT and related integrity aspects of the Executing Entity and Subcontractors, its Beneficial Owners to avoid being involved in relationships structured for the purposes of ML and TF.
- ▶ **Monitoring:** It shall be the responsibility of the CO to monitor the implementation of the policy.
- ▶ **Reporting:** Any suspicious information or red flag that comes to the knowledge of a Covered Individual indicating ML/TF must be immediately reported by such Covered Individual to the CO without informing the Executing Entity or Subcontractor or other third parties (“Tipping Off”) that a suspicious activity is being reported or investigated.

AML/CFT Policy

Key responsibilities:

- ▶ **Board:** The Board is responsible for ensuring governance and oversight of the R2E2 Fund's risk management framework and controls regarding ML and FT.
- ▶ **Compliance Officer:** The CO shall, in accordance with its own mandate, provide such support as may be required to monitor adherence to the AML/CFT Policy.
- ▶ **Staff of the R2E2 Fund and associated persons:** Staff members, consultants and other associated persons shall be responsible for Complying with the R2E2 Fund's AML/CFT Policy, standard and controls, familiarizing themselves with and acting in accordance with relevant R2E2 Fund processes and procedures to manage AML/CFT compliance, as well as reporting to the CO without undue delay any suspicions (or actual occurrences) or red flags of ML/TF activities.

Policy on Sexual Exploitation

Scope:

- ▶ The Policy on the Prevention and Protection from Sexual Exploitation, Sexual Abuse, and Sexual Harassment (the Policy) establishes R2E2 Fund's zero tolerance of SEAH. It sets clear obligations for R2E2 Fund staff members to prevent and respond to SEAH and to refrain from condoning, encouraging, participating in, or engaging in SEAH. The scope for this policy is focused on staff members.
- ▶ This Policy is linked with the ES Policy, and SEAH risk mitigation requirements in all R2E2 Fund financed activities are addressed in the ES Policy.

Policy on Sexual Exploitation

Guiding Principles:

- ▶ R2E2 Fund shall not tolerate any form of Sexual Exploitation, Sexual Abuse, or Sexual Harassment.
- ▶ R2E2 Fund and its staff members shall not enter into future engagements with those who condone, encourage, participate in, or engage in SEAH in R2E2 Fund-related activities.
- ▶ R2E2 Fund shall take all appropriate measures to prevent, mitigate, investigate, and remedy SEAH in relation to acts perpetrated by staff members in R2E2 Fund-related activities.
- ▶ R2E2 Fund shall take all appropriate measures to protect actual or suspected survivors such as ensuring their anonymity, physical safety and removal from proximity to suspected perpetrators - from retaliation because of a report of actual or suspected SEAH perpetrated by Covered Individuals in relation to a R2E2 Fund related activity.

Policy on Sexual Exploitation

Prevention and Due Diligence:

- ▶ R2E2 Fund shall ensure, as soon as practicable following the adoption of this Policy, that its recruitment, procurement, employment, or any other onboarding processes include SEAH Checks.
- ▶ In conducting SEAH Checks, R2E2 Fund shall ensure that staff and external experts complete SEAH Declarations prior to the offer of any appointment, employment, or contract.
- ▶ Following the submission of the SEAH Declaration, R2E2 Fund shall ensure that the appropriate Reference Checks are carried out for the purpose of verifying, to the extent possible, the accuracy and authenticity of the information provided by the candidate, including the information provided in the SEAH Declaration.
- ▶ Staff Members are required to disclose to R2E2 Fund their intimate personal relationships with other staff members.

Policy on Sexual Exploitation

Protection and remedies:

- ▶ Any Survivor who reports, attempts to report or is believed to have reported suspected or actual SEAH by a staff member in relation to a R2E2 Fund related activity shall be entitled to all the protection and remedies, afforded to 'whistleblowers' as set out in the R2E2 Fund Policy on the Protection of Whistleblowers and Witnesses.
- ▶ Any other person who reports, attempts to report or is believed to have reported actual or suspected SEAH, shall be deemed a 'whistleblower' or as a 'witness', as appropriate, and shall be entitled to all the related protection.
- ▶ Any staff member who is a Survivor of an act of SEAH perpetrated by another Covered Individual in connection with a R2E2 Fund-related activity, may request that R2E2 Fund provide the guidance and support.

Policy on Protection of Whistleblowers and Witnesses

General Principles:

- ▶ The R2E2 Fund shall not tolerate Retaliation against Whistleblowers and Witnesses. Retaliation against Whistleblowers and Witnesses is a Prohibited Practice.
- ▶ Any person may report without encumbrance to the CO any allegations of suspected Wrongdoing that come to their attention and cooperate with the CO in the context of an investigation, proactive integrity review or other inquiry without fear of retaliation.
- ▶ The R2E2 Fund including the CO shall take all available measures within the capacities of the Fund to protect Whistleblowers and Witnesses who have made a report or cooperated with an investigation in good faith and with reasonable belief that the report, information, or evidence provided is true.
- ▶ Any person may anonymously report suspected Wrongdoing or provide evidence or information with regard to an investigation.

Policy on Protection of Whistleblowers and Witnesses

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- ▶ The R2E2 Fund including the CO shall take all available measures within the capacities of the Fund to protect Whistleblowers and Witnesses who have made a report or cooperated with an investigation in good faith and with reasonable belief that the report, information, or evidence provided is true.
- ▶ Any person may anonymously report suspected Wrongdoing or provide evidence or information with regard to an investigation.

Compliance Officer

General Principles:

- ▶ The Board of Trustees of the R2E2 Fund establishes function of the Compliance Officer (CO), to report to Ethics and Audit Committee and to the Board of Trustees, to investigate allegations of fraud and corruption and other Prohibited Practices.
- ▶ The CO will enjoy complete independence in the exercise of its responsibilities. In order to conduct an investigation, it will have full access to all relevant documents and data of the R2E2 Fund, including electronic data.
- ▶ The CO will maintain objectivity, impartiality and fairness throughout the investigative process and conduct its activities with the highest levels of integrity.

Compliance Officer

General Principles:

- ▶ Investigations conducted by the CO will not constitute a judicial or quasi-judicial process, and the standard of proof that will be used by the CO to determine whether a suspicion or allegation is substantiated, will be whether the information, as a whole, demonstrates that an investigative finding is more probable than not.
- ▶ Investigative findings will be based on facts and related analysis. The subject of an investigation will be given the opportunity to explain the reasons for the conduct and provide information supporting such explanation.
- ▶ If the CO does not find sufficient information during the investigation to substantiate a suspicion or allegation, it will document its findings, close the investigation, and notify the Ethics and Audit Committee, the Director and other parties, as appropriate.



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