

## THE ASIAN INFRASTRUCTURE INVESTMENT BANK'S (AIIB) ELEMENTS OF AN ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENT (ESIA) REPORT

Source: Asian Infrastructure Investment Bank, "Environmental and Social Policy: Environmental and Social Assessment by the Client," in *Environmental and Social Framework*, p. 22, 43, 2021, <https://www.aiib.org/en/policies-strategies/download/environment-framework/AIIB-Revised-Environmental-and-Social-Framework-ESF-May-2021-final.pdf>.

The Bank requires the Client to undertake an environmental and social assessment that consists of the following elements in varying degrees, depending on the categorization, and reflecting the nature, scale and potential risks and impacts of the Project:

- (a) description of the Project, including, as applicable, a map of the Project area;
- (b) policy, legal and administrative framework, including the international and national legal framework applicable to the Project;
- (c) scoping, including stakeholder identification and consultation plan;
- (d) analysis of alternatives, including the "without Project" alternative;
- (e) baseline environmental and social data;
- (f) evaluation of environmental and social risks and impacts;
- (g) analysis of risks and impacts related to climate change;
- (h) public consultation and information disclosure; and
- (i) development of mitigation, monitoring and management measures and actions in the form of an [environmental and social management plan (ESMP)] or [environmental and social management planning framework (ESMPF)] or another Bank-approved document.

The assessment also identifies the GRMs required for the Project.

The assessment considers Project and design alternatives to avoid or minimize physical and/or economic displacement and impacts on Indigenous Peoples.

## **THE ASIAN INFRASTRUCTURE INVESTMENT BANK'S (AIIB) PROCESS OF AN ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENT (ESIA)**

Source: Asian Infrastructure Investment Bank, "Environmental and Social Standard 1: Environmental and Social Assessment and Management," in *Environmental and Social Framework*, p. 43, 2021, <https://www.aiib.org/en/policies-strategies/download/environment-framework/AIIB-Revised-Environmental-and-Social-Framework-ESF-May-2021-final.pdf>.

### **Environmental and Social Assessment**

Conduct an environmental and social assessment to identify direct, indirect, cumulative and induced Project-related risks to and impacts on physical, biological, socioeconomic and cultural resources in the Project's area of influence. These include risks to and impacts on air and water quality, including: (a) environmental health; (b) natural resources, including land, water and ecosystems; (c) livelihoods; (d) vulnerable groups; (e) gender; (f) worker and community health and safety [including, as appropriate, risks related to pandemics and other forms of transmission of communicable diseases]; and (g) cultural resources.

Use strategic, sectoral or regional environmental and social assessments and cumulative impact assessments, where appropriate.

Assess potential transboundary and global impacts, including climate change, as they relate to the Project.

Conduct an assessment whose scope and depth are commensurate with and proportional to the nature and magnitude of the Project's potential risks and impacts and the categorization assigned by the Bank.

Apply a mitigation hierarchy approach in the environmental and social assessment, by: (a) anticipating and avoiding risks and impacts; (b) where avoidance is not feasible, minimizing or reducing risks and impacts to acceptable levels; (c) once risks and impacts have been minimized or reduced, mitigating; and (d) where residual risks or impacts remain, compensating for or offsetting them, where technically and financially feasible.

As part of the environmental and social assessment, conduct an assessment of the Project's legal obligations under national law (including international agreements adopted by the Member) applicable to the Project.

### **Examination of Alternatives**

Examine, all in a comparative manner: (a) alternatives to the proposed Project that are relevant to the stage of the Project's development; and (b) their potential environmental and social risks and impacts; and document the rationale for selecting the particular alternative proposed. Depending on the type of Project, alternatives examined may include: (a) investment alternatives to address the development objective; and (b) technical alternatives, including Project location, design, technology and operation. As part of examining alternatives, consider and document the "without Project" alternative. Assess the alternatives' feasibility of mitigating environmental and social risks and impacts, capital and recurrent costs, suitability under local conditions and their institutional, training and monitoring requirements. Examine Project alternatives to avoid or minimize Involuntary Resettlement and impacts on Indigenous Peoples. For existing Projects, the scope of alternatives may be limited.

## **THE ASIAN INFRASTRUCTURE INVESTMENT BANK'S (AIIB) PROCESS OF A SOCIAL IMPACT ASSESSMENT (SIA) FOR INDIGENOUS PEOPLES**

Source: Asian Infrastructure Investment Bank, "Environmental and Social Standard 3: Indigenous Peoples," in *Environmental and Social Framework*, p. 71-72, 2021, <https://www.aiib.org/en/policies-strategies/download/environment-framework/AIIB-Revised-Environmental-and-Social-Framework-ESF-May-2021-final.pdf>.

### **Social Assessment**

Undertake a culturally appropriate and gender sensitive social assessment or use similar methods to assess Project impacts, both positive and adverse, on Indigenous Peoples and their use of resources. This may be a stand-alone exercise or part of the Project's overall social assessment. Give full consideration to options the affected Indigenous Peoples communities prefer in relation to the provision of Project benefits and the design of mitigation measures, including consideration of women's wage and nonwage subsistence activities. Identify social and economic benefits for these affected Indigenous Peoples that are culturally appropriate and gender and inter-generationally inclusive, and develop measures to avoid adverse impacts on them, or when avoidance is not feasible, to minimize or mitigate such adverse impacts.