Environmental Monitoring Report

Semesteral Report July-December 2022

Pakistan: National Disaster Risk Management Fund

Prepared by National Disaster Risk Management Fund (NDRMF) Environmental Safeguard Team for The Asian Development Bank

NOTES

(i)   The fiscal year (FY) of the Government of the Islamic Republic of Pakistan and its agencies ends on 30 June.

(ii)   In this report "$" refer to US dollars.

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List of Acronyms

ADB	Asian Development Bank
CAP	Corrective Action Plan
DDRs	Due Diligence Reports
DRR	Disaster Risk Reduction
EAL	Emergency Assistance Loan
EMP	Environmental Management Plan
EPAs	Environmental Protection Agencies
ESMS	Environmental and Social Management System
FIPs	Fund Implementing Partners
GIA	Grant Implementation Agreement
GoP	Government of Pakistan
GRM	Grievance Redress Mechanism
IEE	Initial Environmental Examination
IPPC	Initial Project Proposal Concept
KP	Khyber Pakhtunkhwa
NDMP	National Disaster Management Plan
NDRMF	National Disaster Risk Management Fund
NGOs	Non-Government Organization
NIH	National Institute of Health
NPSE	Non Public Sector Entities
NPSEs	Non-Public Sector Entities
PDMA	Provincial Disaster Management Authority
PEPA	Pakistan Environmental Protection Act
PIAL	Prohibited Activities Investment List
PPE	Personal Protective Equipment
REA	Rapid Environmental Assessment
SAEMR	Semi Annual Environmental Monitoring Report
SGU	Safeguards Unit
SPS	Safeguard Policy Statement

1. Introduction

1.1. Preamble

1. This report presents the Semi-annual Environmental Monitoring status of projects funded under Emergency Assistance Loan (EAL) for the period (July -December 2022). Rescue 1122 and Emergency Assistance to fight against Covid-19 were appraised and recommended by the NDRMF Technical Advisory Committee (TAC) for board approval and subsequent Grant Implementation Agreement (GIA) in previous reporting period i.e. (Jan -Jun 2022).
2. Subsequently, in the previous reporting period preliminary compliance in terms of preparation of safeguards documentation was ensured to meet the ESMS (revised/updated for EAL) requirements for all approved projects. The report for current period is based on the performance assessment aspects along with the status.
3. The aforementioned projects have not been started and the Emergency Assistance to Fight Against Covid-19 has been dropped by GoP.

1.2. Background

4. The Government of the Islamic Republic of Pakistan (GoP) has established National Disaster Risk Management Fund (NDRMF) to institutionalize a mechanism to enhance Pakistan's resilience against disasters by strengthening the government's ability for quick response to future disasters triggered by natural hazards. The Fund focuses on: (i) Disaster Risk Reduction; (ii) Design, development and seeding of disaster risk financing strategies and instruments; and (iii) partnerships with other organizations to provide relief and recovery support, including livelihood restoration initiatives and reconstruction and rehabilitation of key public infrastructure. NDRMF provides a common mechanism to pool various contributions from a diverse base of contributors and serves as a vehicle for donor coordination on disaster risk management by the government.
5. The NDRMF supports existing government entities and civil society organizations, involved in Disaster Risk Management, including the National Disaster Management Authority (NDMA), Provincial Disaster Management Authorities (PDMA) and District Disaster Management Authorities (DDMA), etc. The Fund is in line with existing policies and strategies of the GOP to address disasters, including (i) the Disaster Risk Reduction Policy (2013); (ii) Climate Change Policy (2013); (iii) Vision 2025; (iv) National Disaster Management Plan 2013-2022 (NDMP); (v) the draft National Flood Protection Plan IV (NFPP) (2016-2025); and (vi) Post-2015 Sendai Framework for Disaster Risk Reduction, 2015-2030.
6. On the request of Government of Pakistan, NDRMF extended its financial support to cope with the COVID-19 pandemic as an emergency project. Ministry of National Health Services, Regulations and Coordination as a lead agency is preparing and responding to the COVID-19 pandemic in Pakistan and strengthening national health systems for public health preparedness particularly to help the poor and vulnerable to cope with immediate impact of the pandemic. Similarly, Rescue 1122 KP proposed project was considered for appraisal to handle and various localized disasters in the province.
7. The environmental and social policies of the Fund adhere to the requirements of national legal and regulatory, and international ratified conventions and agreements. It has helped

establish a good reputation of the Fund among donors, civil society, Fund Implementing Partners (FIPs) and other national and international stakeholders by ensuring its E&S practices are in line with international standards and international best practices such as ADB requirements for financial intermediaries. In addition to this, the Fund also complies with environment and social policies of the respective Financing Source(s).

8. In order to assess, screen and categorize the EAL related projects scope, ESMS was updated and an Environmental Review Framework (ERF) was developed as well. Appraised projects are reviewed and aligned with the updated policies/guidelines and compliance will be monitored during implementation phases.

1.3. Purpose of the Report

9. This is a consolidated report on implementation of environmental safeguards for activities carried out during the reporting period and has been prepared in compliance with the ADB and NDRMF policies. The benchmark for performance is the current status and compliance against the applicable environmental safeguard requirements in the appraised projects under EAL.

10. This report is prepared to comply with the reporting requirements laid down in the ESMS and those of ADB for the reporting period particular for EAL projects.

2. Screening and Review Procedures

2.1. Accreditation of FIPs

11. FIPs (Fund Implementing Partners) for NDRMF can be government and non-government entities, international donors, civil society and academia. The FIPs are accredited through a detailed process consisting of a rigorous review of the applicant entity for its organizational procedures and guidelines including safeguards (environment, social and gender).

12. The main purpose of accreditation is to assess the FIP's overall project management capacity including safeguards (environment, social and gender). Comprehensive accreditation guidelines were developed by the Fund and disclosed on the website to ensure easy access of potential partners. Following are the core environmental assessment requirements for FIP accreditation:

- Environmental safeguards policy
- Status of FIP's policy & approval
- Policy implementation arrangements

Both the Ministry of National Health Services, Regulations, and Coordination, Islamabad and KP Rescue 1122 are government entities and accreditation was not required.

2.2. Review of Project Proposals-Environmental Safeguards

13. In previous reporting period, the project proposals/schemes document submitted by the FIPs were reviewed to ensure environmental safeguards compliance requirements during project design phase. Checklists such as PIAL (Prohibited Activities Investment List) and REA (Rapid Environmental Checklist) were used to screen projects and assign applicable environmental categories.

14. Environmental assessment remained the core requirement during review of the project proposals through rigorous process and data provision of following mandatory aspects:

- Scope of work (Limited to category B & C)
- Locations of subprojects with detailed scope of work.
- Applicability of REA checklist
- Budgetary provisions for EMP implementation including human resource.
- Budgetary provision for instrumental monitoring wherever required.
- GRM & compliance monitoring and reporting.

15. A rigorous review of the proposals was carried out to ensure all the above mentioned details are completed in the finalized project documents/proposals of Ministry of National Health Services, Regulations, and Coordination, Islamabad and KP Rescue.

16. During current reporting period (Jul-Dec-2022) project related to EAL have neither been received nor reviewed.

2.3. Screening and Categorization of Proposals/Projects

17. Fund has adopted a comprehensive procedure to screen and categorize proposed projects including initial screening by Prohibited Investment Activities List (PIAL), which serves as a tool to screen the Initial Subproject Concepts (ISPC). Once the projects are screened against activities listed in PIAL, it is then subjected to Rapid Environmental Assessment using REA checklist. Categories are assigned by analyzing the information provided in the REA with desk observational tools and due diligence visits for category B scope of works.

18. This initial screening and assessment helps identify major environmental concerns associated with the project and to defer any project not complying with the ESMS (revised/updated for EAL) guidelines.

19. During the reporting period, none of the proposed projects triggered the PIAL and FIPs were informed accordingly for the applicable requirements.

20. ESMS (revised/updated for EAL) outlines the eligible environmental categorization for projects financing as given below for reference and category "A" projects are screened out.

Table 1: ESMS Categorization

Category (Risk Rating)	Environmental Safeguards	Involuntary Resettlement Safeguards	Indigenous Peoples Safeguards

Category A (with potential significant impacts)		Screened out	
Category B (with less significant impacts)	Comply with national laws and PIAL and Funding Source specific international laws	Comply with PIAL and/or SR2 including RP and national laws and Funding Source specific international laws	Comply with national laws and PIAL and Funding Source specific international laws
Category C (with minimal or no impacts)	Comply with national laws and PIAL and Funding Source specific international laws	Comply with national laws and PIAL and Funding Source specific international laws	Comply with national laws and PIAL and Funding Source specific international laws

21. The details of the three types of environmental and social categorization ensured during the reporting period is given as:

Category 'A': Project proposals are classified as category A for environment which are assessed for having significant impacts or located in environmentally sensitive or protected area. All such projects are screened out/ deferred for current phase funding.
Category 'B': Projects with less significant environmental impacts are classified as category B. Impacts are reversible in nature and have less magnitude. In accordance of revised/updated ESMS for EAL scope, category B projects will require to develop/prepare and Environmental Management Plan (EMP) instead of Initial Environmental Examination (IEE) in the previous version of ESMS.
Category 'C': Projects with minimal or no impacts are classified as environmental category C. Impact of this category projects are highly localized have low magnitude. According to the revised/updated ESMS for EAL, category C projects will not require preparation of any environmental assessment report and checklist (REA) is considered sufficient.

22. In previous reporting period, upon review of the submitted project proposals and detailed deliberation on the scope of work, it was observed that activities are limited to procurement of emergency supplies, equipment, and software and up gradation of existing facilities. Hence, the projects were assigned "Category C" keeping in view the magnitude and severity of associated environmental impacts.

23. No change in the scope of work was observed during the reporting and therefore categorization for both of the projects are same. Similarly, projects have not been initiated and is pending for approval from the competent forum.

2.4. Due Diligence and Environmental Assessment

24. According to the ESMS (revised/updated for EAL) projects were of category C and desk review was carried out as part of due diligence process and the projects were subjected to various screening and review procedures. Since no major construction/civil works was required and limited to up gradation of existing health facilities, field visits were not carried

out and literature review and subsequent analysis were used to conduct due diligence of the proposed projects.

25. Due Diligence Reports were prepared for all submitted projects by the NDRMF's environment team and the review showed no need for further assessment owing to the minimal impacts identified during screening and categorization process. DDRs have been reviewed and approved by the ADB environmental safeguards team in the previous reporting period (Jan-Jun-2022).

2.5. Training and Capacity Building

Following steps were taken:

26. Covid-19 safety guidelines during the project implementation were communicated with FIPs and their implementation will be assured on quarterly basis to avoid any anticipated or unforeseen impacts.
27. FIPs were technically guided on the use and applicability of both Fund's and national environmental safeguards requirements through hands on mentoring and virtual meetings.
28. Training and capacity building of FIPs will remain an ongoing process throughout the project's life cycle. Moreover, continuous support and guidance will be required for FIPs during implementation and completion phases as well so that partner's understanding could be improved.
29. Both projects under EAL were of category C with no further environmental assessment and or studies. Similarly, during the reporting period works have not been started and the need for trainings have neither been envisaged nor required.

3. Reporting

30. Environmental safeguards compliances will be assessed on quarterly basis as well as bi-annual basis. FIPs will submit quarterly progress reports with dedicated sections on environment along with an environmental and social compliance monitoring report on semi-annual basis.
31. Fund's staff developed an overarching semi-annual environmental performance report containing detailed information on compliance status of appraised projects under EAL funding window.
32. No progress has been made as the projects are pending for approval from the competent forum.

3.1. Environmental Approvals

33. Since projects appraised under EAL are of category C and neither the environmental approval of Environmental Protection Agency has been envisaged nor required.

3.2. Information Disclosure

34. In line with ADB's Public Communications Policy, Fund is committed to working with the FIPs to ensure that relevant information of environmental safeguards is disclosed. Pursuant to the ADB's policy and ESMS, safeguards documents of approved/financed projects will be disclosed on the Fund's website. Using the link https://www.ndrmf.pk/disclosure all the stakeholders have timely and easy access to the information on environmental safeguards.

35. First SAEMR of EAL projects was disclosed soon after the approval from the ADB on the fund website.

4. Projects' Implementation Status

36. Projects are appraised and implementation has not been started yet. The matrix provided below (Table 2 & 3) will present the status of all projects along with their respective environmental categories and requirements prepared in order to comply with the ESMS (revised/updated for EAL) of NDRMF.

Table 2: Project Wise Work Progress

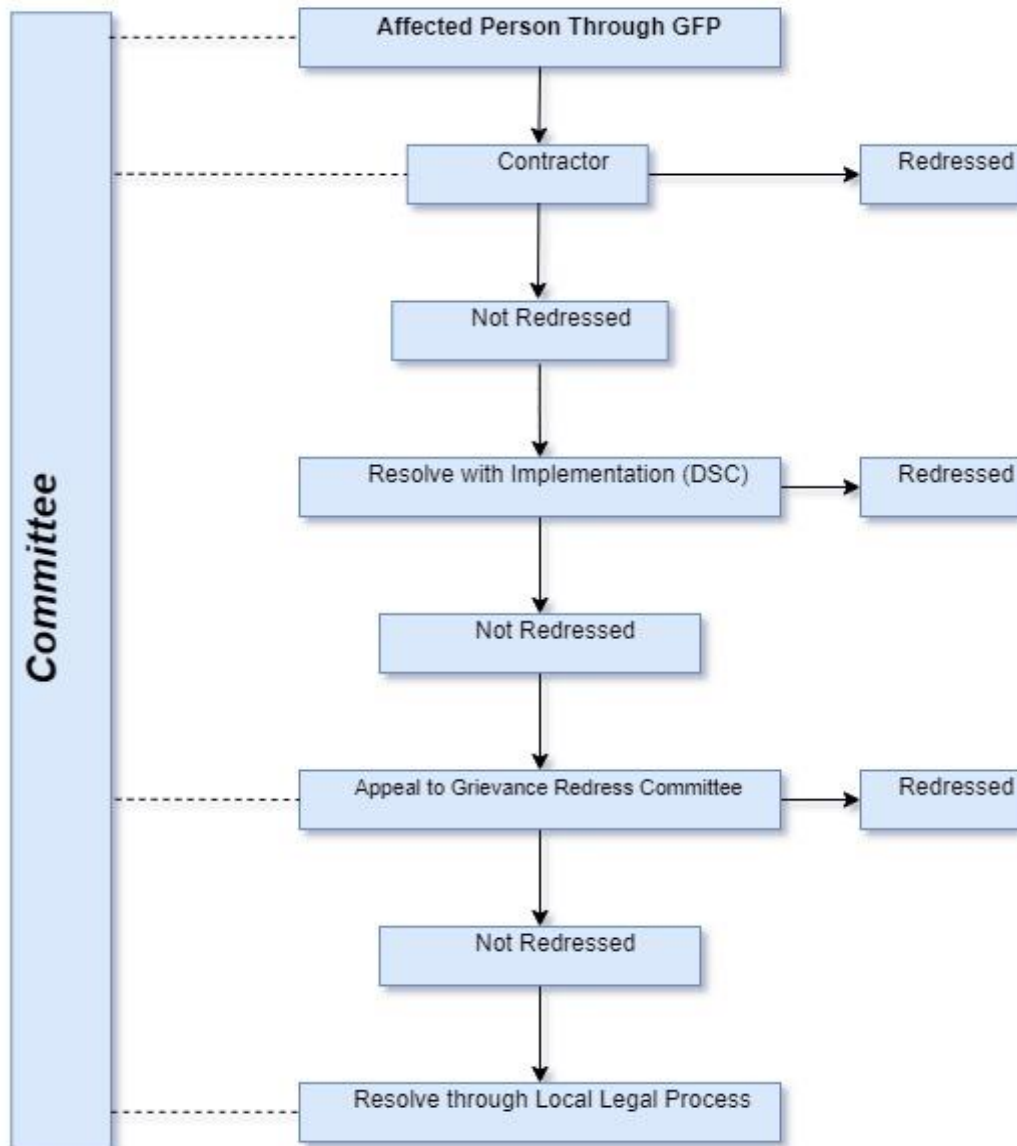| S. No.	Organization	Project Title	Status
Non-Public Sector Entities			
1	Strengthening & Disaster Preparedness of Operational Districts of Emergency Rescue Services (Rescue 1122) Khyber Pakhtunkhwa	Emergency Rescue Services (Rescue 1122) Khyber Pakhtunkhwa	• IEE/EMP not required as per revised/updated ESMS • EPA NOC is not required • **Project is yet to be commenced**
2	Emergency Assistance to Fight Against Covid-19	Ministry of National Health Services, Regulations, and Coordination, Islamabad	• IEE/EMP not required as per revised/updated ESMS • EPA NOC is not required • **Project has been dropped by the GoP and project will not be executed.**

Table 3: Approved Projects Status (GIA, DDR and IEE)

S. No.	Title of Project	Scope of Work	FIP	Cycle	GIA Status	Environmental Category	DDR	IEE	EPA Approval Status
1.	Strengthening & Disaster Preparedness of Operational Districts of Emergency Rescue Services (Rescue 1122) Khyber Pakhtunkhwa	• Procurement of equipment, vehicles, safety gauges • Provision of trainings •	Emergency Rescue Services (Rescue 1122) Khyber Pakhtunkhwa	I	Not yet	C	Completed	Not required	Not Required
2.	Emergency Assistance to Fight Against Covid-19	• Procurement of emergency supplies, IT database • Upgradation of isolation facilities	Ministry of National Health Services, Regulations, and Coordination, Islamabad	I	Not yet	C	Completed	Not required	Not Required

5. Corrective Action Plan (CAP)

37. An Environmental Assessment and Review Framework (EARF) was prepared by the Fund for Emergency Assistance Project. The EARF was reviewed and approved the ADB for compliance specifically on emergency based projects. Since the EAL funding portfolio will be closed and the EARF will be updated if required depending upon the future funding.

6. Grievance Redress Mechanism

38. Pursuant to the ESMS (revised/updated for EAL) requirements for Grievance Redress Mechanism (GRM), fund established an efficient system to maintain the working relationship with FIPs and stakeholders at the highest level of transparency, professional integrity, accountability and quality. Since the projects are yet to be started, therefore no grievance has been received.

39. In order to receive and facilitate the resolution of affected peoples, grievance redress committee has been proposed in the project proposals and below given figure shows the overall hierarchy:

7. Lessons Learned

Figure 1: GRM System

40. Projects are yet to be started therefore, lessons learned are the same as given below:
- Capacity of FIPs is weak and need improvement for understanding of ESMS requirements for EAL related projects scope.
- Screening of projects scope for environmental impacts and categorization was difficult for FIPs staff.
- Capacity of FIPs regarding safeguards needs improvement along with continuous supervision
- Need for dedicated/trained HR for environmental safeguards

8. Way Forward

41. Projects are yet to be started therefore, the way forward are the same as given below:

- Need assessment of FIPs to fill the gaps for environmental safeguards
- Capacity building session based on need assessment
- Budgetary provision in projects proposal for HR and EMP compliance