



ANNEX 6b

ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENT AND ENVIRONMENTAL AND SOCIAL MANAGEMENT PLAN

VOLUME 2 – ENVIRONMENTAL AND SOCIAL MANAGEMENT PLAN (ESMP)

**“Enabling Implementation of Forest Sector Reform in Georgia to
Reduce GHG Emissions from Forest Degradation”**



Prepared for the GIZ
for submission to the
Green Climate Fund (GCF)



***“Enabling Implementation of Forest Sector Reform in
Georgia to
Reduce GHG Emissions from Forest Degradation”***

**Volume 2 – Environmental and Social
Management Plan (ESMP)**

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1. INTRODUCTION

1.1 Overview

The project aims at reducing emissions from forest degradation through sustainable management of forests as well as promotion of energy efficiency and alternative fuels to reduce fuelwood consumption as a main driver of forest degradation. The project will result in the reduction of national GHG emissions, equivalent to approximately 5.2 million tCO_{2eq} over 7 years. Furthermore, the project will strengthen institutional and regulatory systems for low-emission planning and development, at the national and provincial levels, as well as improved law enforcement.

The Green Climate Fund (GCF) and the GIZ require the preparation of an Environmental and Social Impact Assessment for all projects that have been classified as “Category B”. The ESS consultant analysed the primary and secondary information gathered and produced this report; Volume 2 – Environmental and Social Management Plan (ESMP). The purpose of the ESMP is to guide the implementation of mitigation measures identified during the stakeholder engagement process, collection of primary and secondary data and analysis of the information gathered from March to May 2019 and November 2020 to April 2021 (latter for Component 3 only).

1.2 Report Structure

This report presents the Environmental and Social Management Plan for the Project. Section 2 of this report provides a full overview of the mitigation and compensation measures identified to reduce the predicted adverse environmental and social impacts resulting from the implementation of the Project. They are based on embedded mitigation measures involving application of good international industry practice and enhancement measures. These measures constitute the Project’s E&S commitments. The information is presented in a table form to facilitate understanding of the project commitments. Section 3 presents the implementation structure required for the execution of the ESMP, section 4 provides the capacity building section of the ESMP, section 5 provides the specific management plans aligned with the commitments proposed in Table 2-1 and section 6 presents the ESMP budget.

The ESMP will be implemented by the GIZ, MoEPA, relevant ministries, contractors and sub-contractors during construction and operations of the Project. The GIZ will appoint an ESMP+G Specialist that will be responsible for managing the implementation of the ESMP.

1.3 Objectives

The aims of the ESMP are:

- Establish methodologies to manage the impacts identified in Volume 1 – ESIA.
- Ensure the project is compliant with the Georgian regulatory framework.
- Ensure the project is compliant with the Environmental and Social requirements of the Green Climate Fund (GCF), GIZ and the International Finance Corporation (IFC).
- Ensure adequate human resources and budget have been allocated by the Project to implement the ESMP.



To achieve these objectives, the ESMP contains the following information:

- Presentation of the project commitments; outline of the environmental and social impacts of each intervention and mitigation commitments.
- Introduce the implementation structure and capacity building proposed to manage the project impacts.
- Description of the management plans necessary to implement the commitments.
- Presentation of the ESMP implementation budget.

2. Presentation of Impacts and Commitments

Table 2-1 presents the summary of all impacts, as well as the mitigations identified as part of the Environmental and Social Impact Assessment process described in Volume 1.

It is expected that with the implementation of the ESMP the impacts will be efficiently managed and that the overall project will be in compliance with GCF Environmental and Social Standards and GIZ S+G requirements. Regular monitoring of the ESMP, including the individual plans presented in section 5 and the commitments made by the project in Table 2-1 will be carried out and will be reported to the Project Steering Committee and the Project Implementation Unit.

The ESMP will be updated annually based on monitoring and evaluation, supervision of contractors and evaluation of outcomes.

In total, 65103 mitigation measures have been proposed, each mitigation has been included in one of the management plans presented in section 5, except for 9 mitigation measures. The mitigation measures that are not part of a plan are specific actions that do not require a plan and completion will be tracked using Table 2-1 directly.


The ESIA/ESMP will be disclosed on the GIZ and GCF websites for 30 days before the Board Meeting in which the Funding Proposal will be discussed, as required by the GCF and GIZ.

Table 2-1: Summary of Impacts and Commitments

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
All activities	0	Activities as initially planned could contribute to the transmission of COVID-19 if additional measures are not adapted to protect project staff, partners, beneficiaries, and stakeholders.	0	To minimise exposure to COVID 19, some activities will likely require adjustments to ensure the health and safety of project staff, partners and beneficiaries. This could include finding alternative formats for stakeholder consultation or ensuring that suitable health and safety protocols are in place. The project will follow recommendations and guidance from the Georgian Government, GIZ, SDC and World Health Organization, based on the changing COVID-19 situation. When in-person meetings cannot be avoided, measures will be implemented such as ensuring adequately ventilated or spacious venues are selected where distance can be maintained, personal protective equipment should be worn (and if necessary provided to participants), and good hygiene practices should be practiced (e.g. washing hands, disinfecting surfaces, among others). Attendance sheets for participation events should serve as an important tool to inform participants in case a participant later is diagnosed with COVID-19 within 2 weeks of the meeting.	n/a

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
				As the situation is highly dynamic, it requires closely monitoring and reporting on the situation, and ensuring the flexibility to respond to as necessary to emerging developments.	
Component 1 - Sustainable Forest Management					
Activity 1.1: Development and implementation of SFM Management Plans	1	Disruption of wildlife and flora during logging activities.	1.1	As a precautionary measure and no more than two-days prior to logging, the Project will undertake a Rapid Vegetation Assessment to inspect each tree and ensure there are no nests. Trees with nests will not be felled. Reduced Impact Logging and the Vegetation Assessment will be included in the SFM and the Annual Plans prepared by the NFA.	5.1 ESHS-MS and 5.2 ESHS Construction Contractor Requirements Procedure.
	2	During logging and skidding activities, there are OHS Health risks for NFA, project staff, and contractors. In particular carrying out logging and skidding activities and traffic accidents.	2.1	The project will provide safety awareness and fit for purpose training. Health and safety training for loggers, in particular in mountainous areas and defensive driving training for drivers of lumber trucks and small vehicles. Development of a Driver Safety Procedure.	5.1 ESHS-MS and 5.2 ESHS Construction Contractor Requirements Procedure.
			2.2	Provide and document all safety training.	5.1 ESHS-MS and Chapter 4.
			2.3	ESHS-MS to include HS procedures, establishing safety culture within project, and reporting, documenting and managing incidents and accidents. SFM plans and	5.1 ESHS-MS.

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
				Annual Plans to integrate key components of the ESHS-MS.	
			2.4	Supply rangers, loggers, and NFA staff with fit for purpose PPE (e.g. hardhats, safety boots, gloves, etc.)	5.1 ESHS-MS and 5.2 ESHS Construction Contractor Requirements Procedure.
	3	During construction of Forest Access roads, including river crossing and skid trails. Impacts on OHS of workers, generation of waste, noise and dust, spills, disruption of wildlife, vegetation and soil and impact on water.	3.1	Mitigation measures #2.1 to 2.4.	As above.
			3.2	Conduct a Rapid Environmental and Social Screening prior to any construction activity and Rapid Vegetation Assessment (vegetation clearing using chemicals is not permitted, only mechanical removal of vegetation will be used).	5.4 Rapid Environmental and Social Review.
			3.3	Prepare and implement an ESHS Construction Contractor Requirements Procedure (to include all working sites to be equipped with fire extinguishers, spill equipment including trays, spill kits inside each motor vehicle, designated bunded sites for refuelling, waste separation, interdiction of hunting, interdiction of washing any project equipment or vehicle near the rivers).	5.2 ESHS Construction Contractor Requirements Procedure.

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Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
			3.4	Develop a fit for purpose Environmental, Social, Health, and Safety Management System, which will include preparation of ESHS plans and procedures, including a Human Resource Policy and Code of Conduct. Include in Article 13, Regulation 242 of Forest Management (under revision as the Forest Code was approved in May 2020). SFM plans and Annual Plans to integrate key components of the ESHS-MS.	5.1 ESHS-MS .
			3.5	Ensure all earthworks are planned to optimise the management of space to ensure that all cleared surfaces and areas exposed to soil erosion are minimised as much as possible.	5.2 ESHS Construction Contractor Requirements Procedure.
			3.6	Restrict construction of roads and skid trails to surface water buffer restrictions available under the Georgian law to minimize sedimentation accumulation, impacts on aquatic fauna and flora and comply with the Georgian Water Law (the law provides buffer restrictions depending on length of river).	5.2 ESHS Construction Contractor Requirements Procedure.
			3.7	River crossing will be constructed as per international best practices. Covering surface water with construction material is forbidden and no changes of riverbed will be allowed during construction and operations. The	5.2 ESHS Construction Contractor Requirements Procedure.

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
				project will use bridges or special framed culverts to cross surface water.	
			3.8	Stabilize slopes and control erosion in key risk areas using vegetation and other natural processes (bioengineering).	5.2 ESHS Construction Contractor Requirements Procedure.
			3.9	Side casting of material excavated for the construction of the forest road, skid trails and landing sites is not permitted on slopes.	5.2 ESHS Construction Contractor Requirements Procedure.
			3.10	Apply best practices for Forest Road Construction and Maintenance (slope protection and stabilization, drainage, river crossing, equipment selection, etc.) and maintenance (e.g. GIZ Construction Procedure, FAO Guide to Forest Road Engineering in Mountainous Terrain, US Department of Agriculture: Landowner Guide to Building Forest Access Roads, 2014 Best Practice Guidelines - Forest Road Planning and Construction for Georgia, 2009 German Ministry of Agriculture, Conservation and The Environment - Soil Conservation and Forest access - Guide for the practitioners.	5.2 ESHS Construction Contractor Requirements Procedure.

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
			3.11	Risks related to climate change adaption include damage to project infrastructure and equipment and result in barriers to achieving the long-term project objectives. This risk will be addressed through design of the SFMs by assessing forests' vulnerability, and integrating the results into management plans, trainings, protocols and to streamline the results into policy-making. Specifically, for the project this could include constructing resilient forest roads and using climate resilient species during the rehabilitation process.	Feasibility Study Report.
	4	Risk of induced access due to Forest Access roads, impacting flora and fauna.	4.1	Restrict, as much as possible, motor vehicles on all forest roads, except MoEPA, NFA, Supervision Department and institutions. According to new Forest Code, only NFA/Supervision Department will have access to the Forest Roads for forest related activity. This will be implemented with caution to avoid conflict with communities.	Commitment not specifically mentioned in individual management plans.



Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
	5	During operations logging activities, operations in the forest road and skid trails can result in sedimentation accumulation and erosion (some regions are more prone to erosion), impacts on water, generation of dust during operations, impacts on soil due to hazardous material spills and waste generation.	5.1	Mitigation #3.2 to 3.10.	As above.
	6	The interdictions to cut timber for household consumption and the requirement to purchase fuelwood and timber from the BSYs, can increase household energy costs or prevent them from obtaining fuelwood/timber for cooking and heating. In particular vulnerable households and transient population (cattle herders as seen in Kakheti).	6.1	Vulnerable households to be supplied with fuelwood through subsidies or ticketing system, including transportation to their Households (Currently under discussion with MoEPA).	Commitment not specifically mentioned in individual management plans.
6.2			Engage with the transient population (cattle herders) and include them in the participatory consultation process, including the development of SFM plans, grazing locations, EE stoves, briquettes, and other themes.	Stakeholder Engagement Plan (Annex 7 to Funding Proposal) and 4.6 Participatory Sustainable Forest Management Plans.	
6.3			Government to provide subsidies to purchase EE Stoves for vulnerable households.	Commitment not specifically mentioned in individual management plans.	

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
			6.4	Introduce the cost of briquettes at a realistic cost for communities, taking into consideration their current energy expenditures. Support the provision for alternative fuel options that include briquettes and other options.	Commitment not specifically mentioned in individual management plans.
			6.5	Implement Livelihood Support Plan ¹ taking into consideration each Region's Strategic Plan and in consultation with the communities.	5.3 Livelihood Support Plan.
			6.6	Maximize local content by employing and procuring goods and services from the communities. Develop local procurement and employment targets (harvesting, transportation of wood, production of stoves and briquettes, undertaking inventory of forest, regeneration of forest, stove production, supply chain of raw materials for briquette production and other). Criteria to include: Priority will be given to community companies. All job postings will mention that women are encouraged to apply.	5.1 ESHS-MS, 5.2 ESHS Construction Contractor Requirements Procedure and 5.3 Livelihood Support Plan.

¹ To address potential environmental and social risks due to Components 1 and 2, the original version of the ESIA identified the need to develop a Livelihood Support Plan. The Plan aims to share the benefits of the Project with local forest users, maximize employment opportunities for them, and minimize the social and environmental risk associated with the New Forest Code and related secondary legislation. Actions for the Livelihoods Support Plan have been primarily integrated into Component 3 of the GCF Project (where the design was finalized in early 2021), which is funded by the Swiss Agency for Development and Cooperation (SDC). More detailed information on this plan is provided in Section 5.3.

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
			6.7	MoEPA and NFA to develop a transparent procurement system. Tenders to be posted at the municipality and villages.	5.1 ESHS-MS.
	7	Restriction of access to cultural sites or impact on cultural sites located inside the forest (none of the communities met used the forest for cultural purposes, however, there might be other communities in Georgia that use the forest to perform cultural activities/rites).	7.1	Identify communities that use forest for cultural heritage purposes and establish agreed usage rights, if applicable for each individual SFM plan.	5.6 Participatory Sustainable Forest Management Plans.
			7.2	Prepare a Chance Find Procedure.	5.5 Chance Find Procedure.
	8	The New Forest Code allows in principle grazing of livestock and collection of fruit from trees, collection of plants, berries, mushrooms and other NTFP for non-commercial purposes. However, there will be restrictions which can result in socio-economic disturbance and community conflict.	8.1	Meaningful consultation with communities regarding the SFM plans. Including identification of locations where grazing and gathering of NTFP will be allowed and establish targets jointly.	5.6 Participatory Sustainable Forest Management Plans and Volume 1.
			8.2	Engage a facilitator to provide awareness to communities regarding communication and negotiation prior to the SFP consultation process.	5.6 Participatory Sustainable Forest Management Plans and Volume 1.
			8.3	Implement Livelihood Support Plan that strengthens local livelihoods (e.g. joint forest management including improvement of	5.3 Livelihood Support Plan.

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
	9	Risks of natural hazards such as landslides, flooding and avalanches during road construction and maintenance, construction of skid trails and logging activities.	9.1	Prepare and communicate an Emergency Response Plan that includes response to natural hazards for institutions and workers.	5.1 ESMS-MS.
Activity 1.2: Strengthening of Forest Supervision	10	Conflict between communities and NFA/Supervision department due to interdictions to cut timber and issuing of penalties, which could escalate to physical violence.	10.1	Mitigation measure #6.5	As above.
			10.2	Provide capacity building to MoEPA, NFA and Supervision Department on a) conflict management, mediation and dispute resolution; b) communication and engagement with communities; c) OHS; and d) environmental communication; e) fauna and flora identification and biodiversity awareness. The objective is to build institutional competencies for dialogue and cooperation and increase environmental communication capacities within the MoEPA to build inclusive sustainable development.	Section 4.

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
			10.3	Preparation of guidelines and procedures for the MoEPA, NFA and Supervision Department regarding a) conflict management, mediation and dispute resolution; b) communication and engagement with communities; c) OHS; d) environmental communication; and e) fauna and flora guide.	Section 4.
			10.4	Develop a Stakeholder Engagement Plan and communicate and engage regularly with communities as per project activities and participatory consultation regarding any regulation that will impact them. Including information awareness about the requirements and interdictions of the New Forest Code. Include local NGOs as liaison agents.	Stakeholder Engagement Plan (Annex 7 to Funding Proposal)
			10.5	Develop an environmental awareness program for the communities and schools. Include recreational activities in the forest, school educational trips. Install eco-friendly signage of tree species and use to promote awareness of tree species, construct trekking tracks. Establish demarcation sites for camping and install waste bins.	Stakeholder Engagement Plan (Annex 7 to Funding Proposal)

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
	11	Livelihood disturbance due to hunting restrictions and increase supervision.	11.1	Mitigation measure #6.5	As above.
	12	Generation of waste within the forest by DES staff and/or contractors during patrolling activities.	12.1	NFA, Supervision Department, Ministry, including contractors to be provided with awareness regarding minimization of waste generation and waste management (e.g. removal of all waste generated by workers in the forest and ensure proper disposal system).	5.1 ESHS-MS and 5.2 ESHS Construction Contractor Requirements Procedure.
	13	Community health and safety: Traffic accidents due to increase mobile transportation equipment.	13.1	Traffic rules of conduct, including establishment of speed limits.	5.1 ESHS-MS and 5.2 ESHS Construction Contractor Requirements Procedure.
	13.2		Defensive driving training.	5.1 ESHS-MS and 5.2 ESHS Construction Contractor Requirements Procedure.	
Activity 1.3: Provision of sustainably produced fuelwood by NFA	14	Energy costs for the local population increases, this can affect all households in general and in particular vulnerable households due to the requirement to buy fuelwood from the BSYs (Similar impacts as #6).	14.1	Mitigation measures #6.1 to 6.7.	As above.



Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
	15	Health and safety risks for NFA staff during the day to day management of the BSY.	15.1	Mitigation measures #2.1 to 2.4.	As above.
	16	Further degradation of forest due to combination of NFA establishment of Business Service Yards, communities continuing cutting forest illegally and lack of buy-in from communities.	16.1	Mitigation measures #6.5, 6.6, 10.3 and 10.4.	As above.
			16.2	Explore options to engage with private companies, for example HPPs to align with SFM plans (some companies are required to compensate or offset forest loss) and support introduction of stoves and briquettes as part of their Corporate Social Responsibility (CSR) strategy.	Commitment not specifically mentioned in individual management plans.
			16.3	Identify and establish Community Forest Focal-Points community to provide awareness to the community members and support monitoring and inventory of trees and build sense of ownership of forest within the communities.	Section 3, 5.6 Participatory Sustainable Forest Management Plans, and Volume 1.
			16.4	Establish a forest baseline using satellite imagery, using resolutions such as SPOT Satellites (French: Satellite Pour l'Observation de la Terre) which have a variety of resolutions that can help with the accuracy of the process. Ground truthing will be required for specific problem areas will inform the spatial analysis process. This can be used for	Stakeholder Engagement Plan (Annex 7 to Funding Proposal)

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
				monitoring the success of the Forest Code and SFM plans.	
			16.5	Use land use maps changes and sensitivities to communicate messages to communities as shown in Volume 2.	Stakeholder Engagement Plan (Annex 7 to Funding Proposal)
	17	Income reduction for informal businesses (intermediaries) that sell fuelwood or timber.	17.1	Mitigation measures #6.5, 6.6, and 19.3.	As above.
			17.2	Offer formalized employment for example loggers and other employment that will be created by the project.	5.1 ESHS-MS and 5.2 ESHS Construction Contractor Requirements Procedure, and 5.3 Livelihood Support Plan.
	18	Minor nuisance impacts related to the construction of the 14 planned Business Service Yards, including OHS, dust, noise, and waste.	18.1	Rapid Environmental and Social Screening of all construction of infrastructure that will be developed by project (e.g. BSY) to ensure impacts are minimized (e.g. sewage, waste management, safety, consider equipping them with solar energy, other).	5.4. Rapid Environmental and Social Screening.
			18.2	BSYs to be equipped with Fire extinguishers. Capacity building to be provided to BSY staff regarding fire extinction.	5.1 ESHS-MS.
			18.3	Consider construction of BSY's in brown field sites to minimize footprint.	. 5.4. Rapid Environmental and Social Review.
	19		19.1	Mitigation measure #6.1	As above.

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
		<p>Reduced availability of fuelwood for household consumption and disruption of access to fuel wood and timber due to phasing out of Social Cut Program and requirements to purchase from BSUs .</p>	19.2	<p>Identify locations of Business Service Yards based on community accessibility. To minimize induced access, BSY to be located outside the forest and close to the roads. Government distance requirements to forest and municipalities will also need to be considered.</p>	5.4. Rapid Environmental and Social Screening.
			19.3	<p>Introduction of EE Stoves requiring less fuelwood and support households finance the EE Stoves.</p>	Commitment not specifically mentioned in individual management plans.
<p>Activity 1.4: Enhancement of enabling environment for the nation-wide implementation of ecosystem-based sustainable forest management (SFM)</p>	20	<p>This activity consists of supporting the MoEPA rolling out secondary provisions of the Forest Code, essential for ecosystem based SFM, the establishment of a Steering Committee and Working Groups and knowledge information. Impacts of this activity are related to community disturbance of the development and implementation of the</p>	20.1	Mitigation measure #10.4	As above.

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
		secondary legal act on the commercial use of non-timber forest resources.			
Activity 1.5: Improvement of monitoring, and measurement, reporting and verification systems for the forest sector	21	This activity is essentially information management and reporting. As such, no adverse or negligible impacts are expected and no mitigations are required.	n/a	Negligible impact. No mitigation required.	n/a
<p align="center">Component 2 - Market Development for Energy Efficiency (EE) and Alternative Fuels (AF)</p>					

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
Activity 2.1: Establishing Technical Assistance and Investment Support Facility for EE-AF supply chain development	22	Current artisanal and informal suppliers of stoves might lose business due to introduction of EE stoves.	22.1	The project will provide training and capacity building to the current stove suppliers so that they can produce/supply the EE stoves. This activity is planned under Component 2.	5.3 Livelihood Support Plan.
	23	Pollution generation, contamination of work sites, lack of proper waste management and overall non compliance with project standards by EE stove producers.	22.2	The project will provide capacity building to the producers of the EE stoves regarding waste minimization and waste management, using environmentally friendly products, minimizing noise and dust, containing spills, and ensuring workers are using appropriate PPE. The ESMP+G Specialist will monitor the suppliers and conduct occasional inspections of the working sites and working conditions.	5.3 Livelihood Support Plan.
Activity 2.2: Implementing consumer financing instruments for EE- AF solutions	24	Financial debt of households increase and pressure on HH finance.	23.1	Project will provide oversight of financial intermediaries to ensure full compliance with the requirements of the Central Bank of Georgia on household/individual loans.	Commitment not specifically mentioned in individual management plans.
	25	The Project intends to support vulnerable households acquire the EE stoves and briquettes	24.1	Obtain list of all households considered vulnerable (for ESIA purposes those receiving social allowance and possibly transient population due to their social status).	Commitment not specifically mentioned in individual management plans.

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Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
		<p>through different schemes (vouchers, grants, etc.). This support could lead to the cancellation of the Social Allowance checks provided by the Government to vulnerable households.</p>	24.2	<p>Engage with Ministry of Labour, Health and Social Affairs to ensure allowances of vulnerable people are not impacted and ensure municipalities are aware. Meetings were held in May 2019 with the Ministry and this issue has been resolved, but Project team needs to follow this up during implementation.</p>	<p>Commitment not specifically mentioned in individual management plans.</p>
			24.3	<p>Stakeholder Engagement Plan to include a nation-wide awareness campaign regarding forest sustainability, benefits of stoves and briquettes; including health benefits, ecosystem services of forests and other.</p>	<p>Stakeholder Engagement Plan (Annex 7 to Funding Proposal)</p>
<p>Activity 2.3: Creating consumer awareness and provision of advisory services for fuelwood users</p>	26	<p>Non-expected and no mitigations are required.</p>	n/a	<p>Negligible impact. No mitigation measure required.</p>	n/a
<p>Activity 2.4: Enabling policies and regulations</p>	27	<p>Impacts are not known at this phase.</p>	26.1	<p>Meaningful consultations of draft regulations, policies, laws with communities and local government that could have an impact on the population.</p>	<p>Stakeholder Engagement Plan (Annex 7 to Funding Proposal)</p>
Component 3					
<p>Activity 3.1 Municipal-level tools, practices,</p>	28	<p>There is a risk that the context and needs of women and vulnerable</p>	28.1	<p>Project implementation will:</p>	<p>5.3 Livelihood Support Plan 5.7 SH engagement plan and grievance procedure.</p>



Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
<p>plans and necessary capacities for participatory sustainable forest management and conservation are developed and introduced.</p>		<p>groups (poor or remote households, internally displaced persons (IDPs), disabled people) are not sufficiently considered and represented in within the development of an enabling institutional, legal and regulatory framework, related-trainings background studies, and accompanying tools for the introduction of MFM.</p> <p>Newly developed institutions, tools, mechanisms, and regulations may favor certain groups, not sufficiently involve vulnerable households or women, and enable elite capture, unfair benefit sharing, and unequal</p>		<ul style="list-style-type: none"> ▪ Include gender-equitable consultations, including consultations with municipal women’s rooms, committees, NGOs and other stakeholders (see also the Stakeholder Engagement Plan). ▪ Ensure setting and monitoring participation targets (including for women, and other vulnerable groups as suitable) ▪ Promote knowledge exchange with other institutions on social inclusion and gender equality related to MFM, rural development and the forest sector reform ▪ Ensure gender-responsive project monitoring and evaluation (M&E) ▪ Involve the development of training materials and implementation of trainings on gender equality and social inclusion. ▪ Request a gender specialist (either the project Gender specialist or an external specialist) to revise developed legal and regulatory documents, guidelines, tools and training materials to ensure they are gender-sensitive. 	



Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
		representation and decision making power.		These specialists may also oversee trainings on gender equality and social inclusion.	
			28.2	Concerning gender equality, the GAP includes additional measures to prevent the exclusion of women, including women from vulnerable groups, from project activities, and further strengthen gender-equality and gender-benefits within the project.	Gender Action Plan (separate document)
			28.3	The ESMP Management Plan “Participatory Development of Sustainable Forest Management” has been harmonized with Activities 1.1, 3.1 and 3.2.	5.6 Participatory Development of Sustainable Forest Management
			28.4	The project grievance procedures will be accessible to project stakeholders if affected persons or groups want to file a complaint or grievance.	5.7 SH engagement plan and grievance procedure.
	29	There is a risk that a MFM approach will result in the over-harvesting of forest resources (timber, fuelwood and NTFPs), either due to insufficient monitoring or unsustainable management that prioritizes short-term	29.1	Activity 3.1 has been designed considering this risk, where it will support the gradual preparation for scaling up MFM according to a phased approach. The project supports the readiness phase, which will prepare the ground and the framework conditions for piloting of MFM in selected municipalities. Here supporting studies will also evaluate potential	5.3 Livelihood Support Plan

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
		economic benefits from, for example, unsustainable wood and NTFP harvesting. While majority of the project interventions will focus on low-risk activities strengthening the enabling environment, active management may be supported within existing MFM such as Tusheti, where this risk will need to be closely monitored and mitigated		mechanisms to address this risk and mitigate risk (e.g. BSY establishment at the municipal level), in addition to capacity development on various MFM-related topics (including supervision, enforcement and local outreach). In addition, Activity 3.2 will accompany this by developing transparent and equitable benefit-sharing mechanisms and a grievance redress mechanism (GRM), ² that will improve transparency and accountability in the sector. Activities 3.3 and 3.4 will support local forest users to transition to alternative livelihood activities	
			29.2	Tusheti Protected Landscape (TPL) is the one MFM example the project is likely to support with on-the-ground interventions Since TPL is a protected landscape they have a joint forest	5.1 ESHS-MS 5.4 Rapid Environmental and Social Screening

² Note: Activity 3.2 of the GCF project includes efforts to support grievance redress mechanisms within Georgia. These mechanisms should not be confused with the Grievance Management Procedure included within the Environmental and Social Management Plan (ESMP) for the GCF Project. The Grievance Management Procedure described in the ESMP is project specific, where complaints and grievances associated with the GCF project can be filed to GIZ as the Accredited Entity to the Green Climate Fund (GCF), responsible for project implementation. It will be, thus, active during the project implementation period (2021-2028). The Grievance Redress Mechanism (GRM) discussed under the Component 3 of the GCF Project aims to develop a sector-specific mechanism that will be capable of being maintained in Georgia after the end of the project, and where the Government of Georgia will be the main actor responsible for overseeing, managing and reporting on grievances in the sector. Interventions will focus on mechanisms in the project region, but will also consider the potential to develop national mechanisms, or mechanisms that could be replicated elsewhere in Georgia.

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
				<p>supervision model with DES. DES is one of the main beneficiaries in Component 1 Activity 1.2 under ECO.Georiga, where their capacities on forest supervision and enforcement, and monitoring will be strengthened. Nonetheless, for any implementation activities within Forests, the procedures of the ESHS-MS, and the Rapid Environmental and Social Screening will apply.</p>	
<p>3.2 Mechanisms at the local level to better protect the interests of adversely affected stakeholders are developed, promoted and tested.</p>	<p>30</p>	<p>The forest reform may have particularly adverse impacts on local forest users, many who have been informally employed in the sector or whose livelihoods depended on the illegal harvesting of fuelwood (e.g. under the previous forest management scheme, certain partially illegal middlemen provided firewood to households). In addition, strengthened forest supervision and law enforcement combined with the price of fuel-wood may negatively impact local</p>	<p>30.1</p>	<p>Same as Mitigation ID #28.1 and #28.2</p>	<p>5.3 Livelihood Support Plan 5.6 Participatory Development of SFM Plans 5.7 Stakeholder engagement plan and grievance redress procedure Gender Action Plan (separate document)</p>
			<p>30.2</p>	<p>Component 3 and its activities have been designed to address this risk by strengthening livelihoods and mitigating and managing social risks associated with the forest reform, while better protecting the interests and rights of adversely affected stakeholders.</p>	<p>5.3 Livelihood Support Plan 5.6 Participatory Development of SFM Plans 5.7 Stakeholder engagement plan and grievance redress procedure</p>



Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
		livelihoods. 'Business yards' to be established under the new forest code, where fuelwood and timber can be issued to everyone, may not be equally accessible to the local population, and prices may place an additional burden on poor or particularly vulnerable households.		Specifically, enabling conditions and frameworks will be supported for MFM. Under Activity 3.1 analyses will consider implications of fuelwood provision for local communities, including prices, accessibility and social equity implications. In addition, In addition, Activity 3.2 will further develop mechanisms for filing grievances and complaints, supporting equitable benefit sharing and facilitating conflict resolution as the transition to the new fuelwood mechanism may have unintended social and environmental consequences (under Activity 3.2). Activities 3.3 and 3.4 will further strengthen training and knowledge and, and develop sustainable forest-related value chains to provide additional opportunities to strengthen the livelihoods of forest dependent communities who are particularly affected by the forest reform.	
			30.3	Component 1 of the GCF project will support the transition in fuelwood supply chains. It will also generate substantial jobs as forestry specialists, where training and education is supported under Component 1 (including on-the-job training, as well as TVET training).	5.3 Livelihood Support Plan 5.6 Participatory Development of SFM Plans 5.7 Stakeholder engagement plan and grievance redress procedure

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
				Components 1 and 3 will also ensure more active participation of local communities in forest management planning, increasing transparency. Component 2 will focus on scaling up energy efficient stoves to facilitate more efficient consumption, helping to reduce the impact on local forest users.	
	31	The project will be implemented in an area with a complex (pre-existing) situation with diverse interests and power relations, where there are trade-offs and potential conflicts that could emerge. Due to a generally low representation of women and vulnerable households in decision making	31.1	Same as Mitigation ID #28.1 and #28.2	5.3 Livelihood Support Plan 5.6 Participatory Development of SFM Plans 5.7 Stakeholder engagement plan and grievance redress procedure Gender Action Plan (separate document)



Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
		processes, there is a risk of exclusion of these groups from respective mechanisms, and could result in unequal benefit sharing and elite capture.	31.2	In addition, the design of Activity 3.2 promotes flexible approaches, understanding that a one-size fits all approach will not work. By promoting flexible approaches that can be tailored to the local context, combined with targeted capacity building and skill development, it can help facilitate equal access to local mechanisms, flexible approaches. The design of the potential safeguard mechanism under this activity will further consider aspects such as different time schedules of men and women, mobility, levels of education, cultural barriers, or hierarchy. The design of these mechanisms will further be informed by multi-stakeholder consultations.	5.3 Livelihood Support Plan 5.7 Stakeholder Engagement Plan and Grievance Redress Procedure (Annex 7 to Funding Proposal)
	32	There is a risk that joint-management activities are not implemented in a sustainable manner.	32.1	Detailed planning (linked to FMPs) will be conducted through Components 1 and 3, and additional support will be provided to build capacities of both government officials and local forest users during the planning and implementation of these joint management activities to mitigate this risk. Component 1 of the project will further strengthen capacities on monitoring and enforcement, which will help effectively identify and mitigate or manage potential adverse environmental impacts.	5.3 Livelihood Support Plan 5.6 Participatory development of SFM plans

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
			32.2	Same as Mitigation ID #28.4	5.1 ESHS-MS 5.4 Rapid Environmental and Social Screening
3.3 Professional skills and knowledge relevant to sustainable forest management and conservation are available through vocational education and international partnerships with centers of knowledge.	33	There is a risk that developed vocational education and training programs do not sufficiently consider gender and social inclusion aspects (e.g. curriculum is not gender-sensitive, teachers are not trained on gender equality and social inclusion, timing of classes/ trainings at inconvenient times).	33.1	In order to mitigate that risk, curricula and programs will be planned in a gender-responsive manner (e.g. assessing gender-differentiated training needs, through conducting stakeholder consultations with women forest users and women’s organizations prior and during course design, hiring gender experts to contribute to curricula development). Respective project activities have been designed to tackle that risk under Component 3. Moreover, the Gender Action Plan includes respective provisions.	5.3 Livelihood Support Plan 5.7 Stakeholder Engagement Plan and Grievance Redress Procedure Gender Action Plan (separate document)
	34	Women have very low participation levels in forest-related TVET programs, and are less integrated in the formal forest sector, there is the risk of unequal intake of local men, women, and vulnerable households There	34.1	This activity should be regularly monitored to identify opportunities to strengthen programs to meet the diverse needs and contexts of local forest users and forest-related value chains. A further mitigation measure will be focused outreach to ensure women are able to participate in offered courses and benefit from SFM and forest-related value chains.	Gender Action Plan (separate document)

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
		<p>is a risk that women will not be able to equally benefit from skill building, education and training opportunities offered by the project.</p>		<p>Respective project activities have been designed to tackle that risk.</p> <p>Moreover, the Gender Action Plan includes additional affirmative and safeguarding provisions.</p>	
	35	<p>Minor environmental impacts associated with field visits (e.g. from students or researchers), such as littering, trampling biodiversity, or other minor site-specific impacts.</p>	35.1	<p>As a mitigation measure, field visits will require certain standards are adhered to (e.g. properly disposing of all garbage). These standards will be integrated in the vocational training under Activity 3.3. A rapid environmental and social screening can be conducted if a trip is to a particularly sensitive area.</p>	<p>5.3 Livelihood Support Plan 5.4 Rapid Environmental and Social Screening</p>
<p>3.4 Selected value chains are strengthened, e.g. wood value chain, NTFP value chain, or parts of the eco-tourism value chain.</p>	36	<p>For all value chains, there is a risk of exclusion for women and vulnerable households in capacity building, training and marketing activities.</p>	36.1	<p>Same as Mitigation ID #28.1</p> <p>In addition, GRM and safeguard mechanisms from Activity 3.2 will further facilitate local conflict resolution, outreach and improved</p>	<p>5.3 Livelihood Support Plan Gender Action Plan (separate document)</p>
			36.2	<p>Same as Mitigation ID #28.2</p> <p>Targeted support will be provided to women and vulnerable households to help them overcome some of the additional challenges they may face (e.g. time poverty, limited formal control of land or resources that may ultimately limit access to credit). communication. Additional relevant measures have been</p>	<p>5.3 Livelihood Support Plan Gender Action Plan (separate document)</p>

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
				formulated under the respective value chains in Activity 3.4, and within the GAP.	
			36.3	Same as Mitigation ID #28.4	5.7 Stakeholder Engagement Plan and Grievance Redress Mechanism
	37	An increasing use of NTFPs bears the risk of overharvesting and unsustainable collection or processing practices resulting in environmental degradation and potentially biodiversity loss.	37.1	Activity 3.3 will include practical research on topics related to NTFP inventories and management, and will revise curricula and training programs on sustainable NTFP collection practices based on best practices, which will help mitigate and manage this risk. In addition, under Component 1 and Activity 3.1, forest supervision and monitoring will be strengthened.	5.3 Livelihood Support Plan 5.6 Participatory development of SFM plans
			37.2	The participatory development of SFM plans will consider forest-related value chain opportunities in the planning (including NTFPs, wood/timber, and eco-tourism).	5.3 Livelihood Support Plan 5.6 Participatory development of SFM plans
			37.3	Same as Mitigation ID #29.1	5.1 ESHS-MS 5.4 Rapid Environmental and Social Screening

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
			37.4	In addition, Activity 3.4 will include an assessment of the feasibility of (re)introducing certifications promoting sustainable collection (e.g., Fair Wild, Organic wild collection) and, if the results are encouraging, further measures will be taken to support project beneficiaries comply with the requirements of the selected certification(s). These certification systems can further strengthen and monitor sustainable collection of NTFPs.	5.3 Livelihood Support Plan
	38	There is a risk of promoting NTFP value chains that benefit men and/ or households with a higher socio-economic status as they are better represented in decision-making bodies and business environments (elite capture of benefits). Thus, certain NTFP value chains could be favoured over others due to gender aspects, social discrimination or elite capture. needs to be addressed by a gender-	38.1	As a mitigation measure, it is recommended that at least 30% of the supported value chains have strong gender- and social-inclusion benefits. The project should also include affirmative measures to support female entrepreneurs, and women-led SMEs. The Gender Action Plan includes respective affirmative and safeguarding measures.	5.3 Livelihood Support Plan Gender Action Plan (separate document)
			38.2	Activity 3.4 will include the development of a gender-sensitive and inclusive NTFP market study, and to support diverse NTFP value chains within the project, including those with strong benefits for particularly vulnerable groups.	5.3 Livelihood Support Plan Gender Action Plan (separate document)

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
		sensitive and inclusive market study			
	39	There is a risk of "male capture", i.e. use rights given to women might be taken back, or businesses might be taken over by husbands.	39.1	The project will aim to strengthen and monitor women's long-term involvement in respective activities, for instance through long-term leases or formation of women interest groups, cooperatives and through actively supporting women-owned or led SMEs. The Gender Action Plan includes indicators helping to monitor the representation of women, and ensure their participation within the project.	5.3 Livelihood Support Plan Gender Action Plan (separate document)
	40	Tourism is associated with the risk of increasing pollution, such as littering, trampling biodiversity, or other site-specific impacts due to high numbers of visitors or over-development. For instance, increasing tourism in Tusheti led to a severe waste and sewage problem and tourism in	40.1	Within Activity 3.4. promoted eco-tourism activities need to be designed with high sustainability standards and with the intention to support local livelihoods and biodiversity. Activities for the development of eco-tourism will include an assessment of the tourism potential of NFA and municipal lands (including also potential sensitive environmental areas, and adverse environmental and social impacts and risks. This assessment will be informed by stakeholder consultations. It will further be accompanied by awareness raising activities on	5.3 Livelihood Support Plan 5.7 Stakeholder Engagement Plan and Grievance Redress Mechanism

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
		<p>national parks has affected the behavior of animal species.</p>		<p>potential negative consequences of tourism and promote activities on pollution prevention.</p> <p>In addition, training and education supported under Activity 3.3 will further promote best practices on eco-tourism, sustainability and social and environmental safeguards.</p>	
				<p>Improved benefit sharing and outreach mechanisms developed in Activity 3.2, and strengthened participatory processes in Components 1 and 3 will further strengthen communication and cooperation between local communities and forest management bodies, enabling early detection and strengthening awareness of forest use rules.</p>	<p>5.3 Livelihood Support Plan 5.7 Stakeholder Engagement Plan and Grievance Redress Mechanism</p>
			<p>40.3</p>	<p>Same as Mitigation ID #29.1</p>	<p>5.1 ESHS-MS 5.4 Rapid Environmental and Social Screening</p>



Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
	41	The concession mechanism of the NFA does currently not sufficiently address the above-mentioned risks of social exclusion and environmental pollution due to poorly regulated tourism.	41.1	The project will include an analysis of the most suitable conditions of and requirements for mutually beneficial agreements for eco-tourism (under Activity 3.4), which takes into account social and environmental risks and impacts. In addition, the development of eco-tourism measures under Activity 3.4 will be done through participatory and inclusive processes.	5.3 Livelihood Support Plan 5.7 Stakeholder Engagement Plan and Grievance Redress Mechanism
			41.2	Improvements to Georgia’s Forest Information and Monitoring System (FIMS) and capacity building on forest supervision and enforcement (under Component 1) will further mitigate this risk by improving monitoring and accountability.	Integrated in project design (Component 1)
	42	Activities to promote eco-tourism bear the risk of lacking involvement of vulnerable groups (e.g. women, poor or remote households), even though to a minor degree, as	42.1	Same as Mitigation ID #28.1 In addition, GRM and safeguard mechanisms from Activity 3.2 will further facilitate local conflict resolution, improved benefit sharing and outreach.	5.3 Livelihood Support Plan 5.4 Stakeholder Engagement Plan and Grievance Redress Mechanism



Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
		eco-tourism is perceived as a sector with favorable conditions for female entrepreneurship as the role of women is often seen in hospitality.			Gender Action Plan (separate document)
			42,2	Same as Mitigation ID #28.2 Targeted support will be provided to women and vulnerable households to help them overcome some of the additional challenges they may face (e.g. time poverty, limited formal control of land or resources that may ultimately limit access to credit). communication. Additional relevant measures have been formulated under the respective value chains in Activity 3.4, and within the GAP.	5.3 Livelihood Support Plan Gender Action Plan (separate document)
			41.3	Same as Mitigation ID #28.4	5.7 Stakeholder Engagement Plan and Grievance Redress Mechanism
	43	A further social risk is that only a limited number of people or businesses benefits from eco-tourism. A few, business-minded people in a community might profit, while others are left out. In a worst-case scenario, envy and occasionally even sabotage of successful	43.1	In order to mitigate this risk, equitable benefit sharing from eco-tourism activities needs to be ensured. Community funds, where a certain percentage of the profit is paid could be an option to mitigate this risk and should be explored under Activity 3.4. Support under Activity 3.2, focusing on improving participation and mechanisms for outreach, benefit sharing, and conflict	5.3 Livelihood Support Plan 5.4 Stakeholder Engagement Plan and Grievance Redress Mechanism



Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
		business models and companies can occur.		resolution will also support the mitigation of this risk (see also ID#28.4).	
	44	Sub-activities related to the strengthening of sawmills and forestry service providers bear the risk of unsustainable harvesting practices and illegal logging.).	44.1	Risk mitigation is covered by Component 1 of the project (e.g. planning and implementing SFM, establishing Business Service Yards, improvements to the Forest Information Monitoring System, and strengthening capacities of DES).	5.3 Livelihood Support Plan
			44.2	Stakeholder engagement through project implementation will also ensure participating stakeholder are aware of the project's objectives	5.7 Stakeholder engagement plan and Grievance Redress Procedure
	45	Related to sub-activities that aim to strengthen the secondary wood processing sector, as the wood processing sector is largely informal, there	5.1	If project stakeholders, nonetheless, have a complaint or grievance against the project, they are able to file it through the project's grievance processes (5.6).	5.7 Stakeholder engagement plan and Grievance Redress Procedure

Activity	Impact ID #	Potential Adverse Impacts	Mitigation ID #	Mitigation	Reference in ESMP
		<p>is a risk of increasing conflicts with local businesses that are not willing to formalize their activities and adhere to the legal and regulatory framework.</p>	45.2	<p>Awareness raising regarding the country's forest reform will be cross-cutting throughout the GCF project. Actions under Activity 3.4, will not only on best practices and measures to strengthen the sector, but will also serve as an important platform to raise awareness on the sector reform, and the legal and regulatory framework and related consequences for not complying with this framework. Investments under Component 1 will improve monitoring and enforcement capacities to monitor, detect and reduce illegal logging. In addition, the mechanisms and GRM to be designed under Activity 3.2 will also help to improve communication and coordination, mitigate environmental and social risks and provide dispute settlement procedures in case conflicts arise.</p>	5.3 Livelihood Support Plan
			45.3	<p>Stakeholder engagement through project implementation will also ensure participating stakeholder are aware of the project's objectives. The project-level grievance redress mechanism will be available to affected persons.</p>	5.7 Stakeholder Engagement Plan and Grievance Redress Mechanism



3. GENERAL MANAGEMENT STRUCTURE AND RESPONSIBILITIES

The project will have five Executing Entities for individual responsibilities per activities:

- National Forest Agency (NFA)
- Department of Environmental Supervision (DES)
- Environmental Information and Education Centre (EIEC)
- Agricultural and Rural Development Agency (RDA)³
- Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ)

The project will put in place a **Steering Committee**. The Committee will meet two times a year and members will include department heads/directors from the MoEPA, NFA, DES, ARDA, MESD, Ministry of Finance (MoF), EIEC, National Designated Authority (NDA), Ministry of Regional Development and Infrastructure (MRDI), NGOs and the GIZ. The mandate of the Steering Committee includes:

- Provide overall guidance for the project.
- Provide review and feedback of annual work plans, annual reports and audits.
- Ensure project energy and coherence with the evolution of the international and national context.
- Be informed of project adherence with E&S Safeguards and Gender Action plan objectives.
- Support the coordination of project activities across different line ministries and between private and public sector and civil society.

A Project Implementation Unit, located within different departments of the MoEPA, will be set-up for the entire duration of the project, the structure is presented in Figure 3 1. The mandate of the unit includes:

- Enhance common understanding among Executing Entities on the theory of change and how transformation in both sectors shall evolve.
- Discuss, monitor, and promote best possible synchronisation of implementation between the Executing Entities.
- Define, monitor and coordinate work plans.
- Ensure that budgets and work plans are on track and monitor project progress.
- Identify and resolve bottlenecks and implementation challenges relevant on project level.
- Monitor adherence to environmental, social and fiduciary safeguards; monitor implementation of the Project's Environmental and Social Management Plan (ESMP) and Gender Action Plan, and steer review of these plans if needed.
- Identify issues required to be brought to the attention of the steering committee and/or political decision makers.
- Provide for information exchange and synergies between project outputs.
- Agree on terms of reference, recruitment of experts.
- Discuss outcome and impact monitoring processes and results.
- Prepare monitoring reports.

³ The official title of the Agricultural Projects Management Agency (APMA) was changed into Agricultural and Rural Development Agency (ARDA) in July 2019. In 2020 the agency changed their name to the Rural Development Agency (RDA).



The **GIZ** will be responsible for the following:

- Ensure that the required ESIA assessment and the required management plan(s) are developed, disclosed for public consultation and approved, and management measures are adopted and integrated during project implementation.
- Report, fairly and accurately, on project progress against agreed work plans in accordance with the reporting schedule and required formats.
- Maintain documentation and evidence that describes the proper and prudent use of project resources in conformity to the signed Project Document and in accordance with applicable regulations and procedures.
- Ensure all requirements GCF, GIZ, IFC, and national regulatory/policy frameworks have been addressed.
- Hold responsibility and accountability to the GCF for overall management of the project, including compliance.
- Ensure suitable human and financial resources are in place to manage environmental and social risks.
- Provide oversight on all matters regarding safeguards.
- Initiate a mid-term review (MTR) in year four of the project (or at any time that GIZ or partners consider necessary).

The Project will engage a full-time **ESMP+G** specialist that will be responsible for implementing the ESMP and Gender Management Plan and updating the ESMP on an annual basis or as needed (e.g. the ESMP might require an immediate update following a monitoring and evaluation mission or occurrence of an incident). Additional responsibilities include:

- Liaison with project stakeholders.
- Responsibility for overseeing project communication and stakeholder engagement.
- Dissemination of information about the grievance mechanism to project partners, local communities, NGOs, among others.
- Mediation between the project and the communities.
- Overseeing (implementing, monitoring and reporting) on the grievance resolution system.
- Monitoring project progress, including in achieving the ESMP and GAP, and ensuring adaptive management (as needed).

He/she will be assisted by the following consultants:

- National ESHS-MS Consultant – 3 months in total during project duration.
- Monitoring and Evaluation Specialist – Duration of project for once a year monitoring and evaluation. This specialist will prepare an annual monitoring report that will be presented to the PCU and Steering Committee and the GCF.
- Capacity building consultants (discussed in section 4).
- Community Facilitator (approximately 2 months for year 1 to 3, and one month year 4 to 7). The Community Facilitator will be hired by the Project for the communities. He/she will be selected by the communities and will remain independent throughout the process.



The MoEPA, through the NFA, will engage two Health and Safety Specialists. These HS specialists will be in charge of weekly monitoring of construction contractors, including loggers and implementing the OHS activities.⁴

4. CAPACITY BUILDING

Capacity building will be provided to the MoEPA, NFA, Department of Environmental Supervision (DES), the Environmental Information and Education Center (EIEC), Contractors, and the Community Forest Focal Points both at the central and local offices. The objective is to build institutional competencies for dialogue and cooperation and increase environmental communication capacities within the MoEPA to build inclusive sustainable development. All of the proposed trainings below will be developed as official modules of the online knowledge management and training platform, hosted by EIEC (see sub-activity 1.4.3. Development of online knowledge management and training platform for the forest sector in the Funding Proposal). This ensures sustainability and institutionalisation of the trainings.

- **Conflict Management, Mediation and Dispute Resolution (MoEPA, DES, NFA):** This training will include cultural specific conflict management models and resolution tools, sources of conflict, resolution styles, interpersonal communication language, learning to explore options, compromising, building consensus, offering solutions for dealing with difficult people, and listening and understanding the source of conflict.
Approach: 4 sessions will be organized in year 1 in Tbilisi and the 3 concerned Regions and then repeated in year 3. A total of 8 sessions (an option is to combine the trainings from the Region, reducing the amount of sessions). An international specialist will be engaged to provide this training.
- **Communication and Engagement with Communities (MoEPA, DES, NFA, municipal authorities):** Community engagement is an important component of modern forest management, the interface between foresters, forest patrollers and the communities is key for establishing sustainability of forests. Practical tools on how to achieve meaningful and participatory consultation, explaining complexities of working with communities, public consultation techniques, understanding perceptions, attitudes and behaviour, understanding the differences between communication, consultation and participation and knowing when to apply them, interpersonal communication skills, providing tools and techniques of establishing a good working relationship with the communities and effective community engagement will be part of this training.
Approach: 4 sessions will be organized in year 1 in Tbilisi and the 3 concerned Regions and then repeated in year 3 and year 5 (an option is to combine the trainings from the Region, reducing the amount of sessions). A total of 12 sessions. An international specialist will be engaged to provide this training (the Project will consider using an International Association for Public Participation (IAP2) certified practitioner).
- **Occupational Health and Safety (MoEPA, DES, NFA and Contractors and Loggers):** Training will be provided on the ESMS-MS and all the health and safety policies, plans and procedures and all environmental and social requirements of the ESMS-MS. This training

⁴ Based on the review of the Internal Audit Service NFA will establish a new unit – Division of Inspection and Work Safety. The division includes two experts for work safety and environment.



will be provided by the GIZ ESMP+G and the two NFA HS Specialists throughout the duration of the project.

- Environmental Communication (DES, NFA, Environmental Information and Education Center (EIEC) and the Community Forest Focal Points): The informal definition of Environmental Communication is “a study of the ways in which we communicate about the environment, the effects of this communication on our perceptions of both the environment and ourselves, and therefore on our relationship with the natural world” (Cox 2006). The modules will include: communication strategies with different audiences and how to move from “knowing about the environment and perceptions to changing behaviour”, using different channels of communication and knowing when to apply them, visual aids, target communications, understanding environmental and sustainability communication, psychology and the environmental communication mix, message framing, environmental stories, visualizing climate change, media and social media and the environment, persuasion, and others. The overall goal of this training is to promote good environmental practices within the communities through the MoEPA communication system.

Approach: 4 sessions will be organized in year 2 in Tbilisi and the three concerned Regions and then repeated in year 4 and 6 in Tbilisi, specifically for the EIEC. A total of six sessions will be organized (if preferred, the regional trainings can be combined in one Region). An international specialist will be engaged to provide this training (options for training specialists include the International Environmental Communication Association (IECA).

- Flora and Fauna Guide and Biodiversity (DES, NFA, Contractors, Loggers and Community Municipal Forest Authorities/ Focal Points): This training is targeted for the field people and consists of providing the tools necessary to identify the flora and fauna in the area. This will support the inventories of the forests and minimize impacts during construction, logging and maintenance of the forest roads. This training will be provided by the GIZ ESMP+G expert throughout the duration of the project.

The capacity building will include the preparation of guidelines, guides, best practices and procedures regarding a) conflict management, mediation and dispute resolution; b) communication and engagement with communities; c) OHS; d) environmental communication; and e) fauna and flora guide. These guidelines and other documents will be permanently available via the knowledge management and training platform.

5. SPECIFIC MANAGEMENT PLANS

This section presents the management plans necessary to implement the commitments identified in Table 2-1.

5.1 ESHS Management System

Development and Implementation of the Environmental, Social, Health and Safety Management System (ESHS-MS)
Objectives
The overall goal of the Environment, Social, Health and Safety – Management System (ESHS-MS) is to avoid, mitigate, compensate or offset adverse impacts to workers, the environment and the communities - a systematic approach to manage risks. The Project will



implement fit-for-purpose environmental, social, health and safety practices during everyday operations and ongoing long-term activities.

The ESHS-MS establishes the framework that guides all health, safety, environmental and community activities for the project. It provides a methodological approach to managing occupational health and safety, environment and social risks and impacts of the project in a structured way and on an ongoing basis. As required by IFC PS1, the ESHS-MS "is a dynamic and continuous process initiated and supported by management, and involves engagement between the client; its workers, local communities directly affected by the project and, where appropriate, other stakeholders".

Actions

- Appoint GIZ ESMP+G Specialist.
- Appoint two NFA Health and Safety (HS) Specialists at NFA.
- Appoint national ESHS Management System Consultant.
- Develop required procedures and plans.
- Provide capacity building of each individual procedure and plan.
- Implement ESHS-MS.

Plans

Within this Management System, the project will implement, at a minimum, the following policies, plans and/or procedures to minimize risks:

- Human Resources Policy: This policy will include reference to compliance with the Georgian Labour Law, the Universal Declaration of Human rights, the Voluntary Principles of Security and Human Rights, and the declaration of the International Labour Organization (ILO) on Fundamental Principles and Rights and Work.
In addition, the policy will guarantee fair treatment, equal opportunities without discrimination based on political affiliations, age, sex, race, ethnicity and sexual orientation. Including, treating the project workforce with respect and no tolerance for any form of sexual harassment, discrimination, bullying or violence. In addition, specific measures will be included in the HR Policy concerning prioritization for community employment and procurement of goods and services and ensuring that all job announcements are gender sensitive.
- Emergency Response Plan: The Emergency Response Plan (ERP) will explain the approach the Project will use to protect people, project infrastructure and equipment. This plan will include natural hazards such as floods, avalanches, landslides and other.
- Stakeholder Engagement Plan: The Stakeholder Engagement Plan (SEP) is presented in Volume 1. The purpose of the plan is to recognize the importance of setting up meaningful consultations and communication with stakeholders, foster two-way communication, and ensure a relationship based on mutual cooperation and trust is established. The SEP includes a project-level Grievance Mechanism Procedure to manage grievances from stakeholders, which include community members, local and central government and NGOs.
- Hazardous Substance Handling and Storage Management Plan: This plan will include an approach for managing spills and the requirements to include spill kits in all project vehicles, including contractor's vehicles and availability of Material Safety Data Sheets (MSDS), where relevant.
- Occupational Health and Safety (OHS) Policy and applicable procedures: The project will develop an Occupational Health and Safety Policy, which will include reporting



systems, health and safety targets, HS responsibilities, HS training, reporting incidents and accidents and non-compliances. Priority applicable procedures based on the impact assessment include:

- Incident Management Procedure (and incident report form).
- Application of Non-Compliance reporting system.
- Safety training and reporting.
- Driver Safety Procedure (and driver fatigue management).
- Personal Protective Equipment (PPE) Work Practice (e.g. safety glasses, headgear, safety boots, appropriate gloves for task, hearing protection gear, etc.).
- Tree Removal (or trimming) Safety Procedure.

All project contractors will be required to comply with the Project OHS.

- Waste Management Plan: The objective of the plan is to improve performance regarding waste generation and disposal of waste in an appropriate manner, reporting and accounting of the waste generated by the project and provide awareness regarding reduce, reuse, recycle and recover.
- Procurement Procedure: The purpose is to maximize local purchases and have a consistent and transparent selection process.
- ESHS Construction Contractor Requirements Procedure: The purpose of the procedure is to provide contractors with the minimum ESHS requirements with which they must comply with. The overall goal is to minimize environmental, social, health and safety risks. The Contractor Requirement Procedure will include a Code of Conduct.
- Rapid Vegetation Assessment: The purpose of this assessment is to minimize impacts on flora and fauna. Not more than 2 days prior to removal of topsoil or vegetation, the Project will undertake an assessment to inspect nests, red-listed flora, and assess if there is any wildlife in the area that could be impacted by the activities.
- Chance Find Procedure: Article 10 of the Georgian Cultural Heritage Law specifies that “if a natural or legal person identifies or discovers cultural heritage, or has reasonable grounds to presume that cultural heritage is being identified or discovered during activities which, if continued, may damage, destroy or pose a threat of damaging or destroying cultural heritage, the person conducting the activities shall immediately terminate such activities and inform the Ministry in writing, in not later than 7 days, on the subject of identifying and discovering the said cultural heritage or on the existence of a reasonable presumption that cultural heritage is being identified or discovered, as well as on the termination of the activities”. The project will prepare a Chance Find Procedure in case a cultural site is identified in the forest, during the implementation of the project.
- Land Acquisition process: The land acquisition process will follow a willing-buyer willing-seller (voluntary agreement) approach. Land acquisition is the responsibility of the Government. When a potential site has been identified; (i) an ES screening will be undertaken to ensure the site is adequate from an environmental and social perspective, prior to initiating the negotiation of the land with the owner; (ii) the market rates of the land will be determined using the regional land values; (iii) ensure land registry of plot is available regionally (iv) negotiate with the land owner; (v) present value



to the Steering Committee; (vi) finalize agreement with landowner using the legal documentation available in Georgia to purchase land (Note: As discussed in the ESIA, IFC PS5 is not triggered since there is no involuntary resettlement).	
Timeframe	As soon as the Funded Activity Agreement is signed. Timeframe to prepare management system and provide training is 4 months.
Cost estimates	GIZ ESMP+G Specialist (staff cost) NFA 2 HS Specialists (staff cost). ESHS-MS Local Consultant (20,000 Euros)
Monitoring and Reporting	<ul style="list-style-type: none"> - Progress reported to PMU - Progress reported to Steering Committee - Annual plans to GCF
Key Performance Indicators	<ul style="list-style-type: none"> - # of staff recruited for ESHS. - # of plans and procedures prepared and approved. - # of men and women trained, including contractors. - # of procedures and plans included in SFM plans and NFA annual plans.



5.2 ESHS Construction Contractor Requirements Procedure

Implementation of the ESHS Construction Contractor Requirements Procedure
Objectives
<p>The general objectives of the ESHS Construction Contractor Requirements Procedure (contractors in this case are all construction companies that will be employed by the Project (GIZ/MoEPA) to provide civil works related services, including forest road construction, logging, construction of BSYs and other:</p> <ul style="list-style-type: none"> ➤ Commit to meeting project ESHS requirements; ➤ Ensure the safety of all workers and communities ➤ Minimize the footprint; and ➤ Maximize project socio-economic and environmental performance (for example if it is a contractor from Tbilisi, ensure the company maximizes local employment).
Actions
<p>The procedure includes details about how different construction activities related to ESHS will be implemented. It is the implementation component of the procedures and plans that will be prepared through the ESHS-MS. The Contractor Requirements Procedure covers the following:</p> <ul style="list-style-type: none"> ➤ Occupational Health and Safety: <ul style="list-style-type: none"> ○ PPE requirements. ○ Driver safety, fatigue management, speed limits. ○ Safety awareness. ○ Incident reporting. ➤ Environmental management: <ul style="list-style-type: none"> ○ Waste management. Application of the 4 Rs of waste management: Reduce, Reuse, Recycle and Recover. Waste will be segregated by type of waste on-site, using adequate bins and disposed in appropriate landfill locations at each municipality for solid waste and construction waste will be disposed in specific sites. Tracking of waste flows will be established by all contractors. ○ Hazardous Substance Handling and Storage Management. Including spill kits, spill trays, designated refuelling stations with appropriate controls (bunded areas) and disposal of hazardous waste at appropriate locations as indicated in Volume 2. ○ Logging. The Project will apply Reduced Impact Logging (RIL): <ul style="list-style-type: none"> ▪ Pre-harvest forest inventories and the mapping of individual crop trees. ▪ The pre-harvest planning of roads, skid trails and landings to minimize soil disturbance and to protect streams and waterways with appropriate crossings. ▪ Pre-harvest vine cutting in areas where heavy vines connect tree crowns. ▪ The construction of roads, landings and skid trails in accordance with environmentally friendly design principles. ▪ The use of appropriate felling and bucking techniques, such as directional felling, cutting stumps low to the ground to avoid waste, and the optimal



crosscutting of tree stems into logs in ways that maximize the recovery of useful wood.

- The winching of logs to planned skid trails, ensuring that skidding machines remain on trails at all times.
 - Where feasible, the use of yarding systems that protect soils and residual vegetation by suspending logs above the ground or by otherwise minimizing soil disturbance.
 - Conducting post-harvest assessments to provide feedback to resource managers and logging crews and to evaluate the degree to which RIL guidelines have been applied.
- Fire prevention. Including equipping all working sites with fire extinguishers.
 - River-crossings. Planning of river-crossings during the preliminary design of the Forest Road Construction and optimize locations. The following options will be used to cross streams or rivers: bridges or specially framed culverts. Covering surface water with construction material is forbidden and no changes of the riverbed will be allowed during construction and operations. Requirements for river-crossings include application of international best practices (mentioned below in “Relevant Best Practices that will be applied”).
 - Road construction and skidding trails: Key requirements include:
 - To minimize destruction of habitat and footprint, road densities should be kept at a minimum (or as required by Georgian legislation) and use of existing roads and skidding trails should be prioritized.
 - Ensure all earthworks are planned to optimise the management of space to ensure that all cleared surfaces and areas exposed to soil erosion are minimised as much as possible.
 - Side casting of material excavated for the construction of the forest road, skid trails and landing sites is not permitted on slopes.
 - Stabilize slopes and control erosion in key risk areas using vegetation and other natural processes (bioengineering).
 - Before starting timber harvesting in the cutting area, forest roads and skidding roads, loading sites and timber storage areas shall be arranged in the places where the damages to the regeneration, young trees and soil will be minimal.
 - Skidding trails must be rehabilitated against erosion and water runoff immediately after the harvesting operation has been completed.
 - Comply with article 13 of regulation 242: “Taking into consideration the local conditions disposal of the wastes resulting from cutting shall be provided through: a) Placing of the wastes on the skidding tracks after exploitation of the cutting areas, for the purpose of protection from erosion;”



- Harvesting operations in forests shall not disturb, remove or destroy more than 10 % of the area for the purpose of skidding trails, forest roads and other infrastructure.
- Requirements for road construction include application of international best practices (mentioned below in “Relevant Best Practices that will be applied”).
- Distance to surface water. At a minimum, the Project will comply with the Georgian Water Code, the following buffers are required for any type of construction:
 - a) 10 metres - in the case of a river up to 25 kilometres long
 - b) 20 metres - in the case of a river up to 50 kilometres long
 - c) 30 metres - in the case of a river up to 75 kilometres long
 - d) 50 metres - in the case of a river over 75 kilometres long

In addition, the project will consider slopes to determine the best possible buffer as per the US Department of Agriculture: Landowner Guide to Building Forest Access Roads:

Table 5-1: Recommended buffers (US Department of Agriculture 1998)

Recommended Buffer Width	
Slope of the and between road and stream (percent)	Recommended buffer width in feet (slope distance*)
0-10	50
11-20	51-70
21-40	71-110
41-70	111-150
*For roads, slope distance is measured from the edge of soil disturbance. For fills, slope distance is measured from the bottom of the fill slope.	

- Biodiversity:
 - Rapid Vegetation Assessment prior to any topsoil/vegetation removal or tree harvesting.
- Human Resources:
 - Human Resource policy. The policy will include respect for the Georgian legal obligation regarding employees, guaranteeing fair treatment, equal opportunities without discrimination due to political affiliations, age, sex, race, ethnicity and sexual orientation. Including, treating the project workforce with respect and no tolerance for any form of sexual harassment, discrimination, bullying or violence. In addition, the HR policy will include adherence to the principles recognized by the Universal Declaration of Human rights, the Voluntary Principles of Security and Human Rights, and the declaration of the International Labour Organization on Fundamental Principles and Rights and Work.



- Code of Conduct: To include attitude with communities, hunting interdictions for all Project staff, littering, interdictions to use natural resources that are not part of the project activities, and communication with media.
- Permitting:
 - Include any permitting that will be required (e.g. construction permit) and establish whether the permit(s) will be obtained by the Project or Contractor.
- Social:
 - Maximizing local recruitment.
 - Maximizing local procurement.

Relevant Best Practices that will be applied

The following practices apply to the ESHS Construction Contractor Requirements Procedure:

- GIZ Construction Procedure.
- FAO Guide to Forest Road Engineering in Mountainous Terrain.
- US Department of Agriculture: Landowner Guide to Building Forest Access Roads.
- 2014 Best Practice Guidelines - Forest Road Planning and Construction for Georgia.
- 2009 German Ministry of Agriculture, Conservation and The Environment - Soil Conservation and Forest access - Guide for the practitioners.

Timeframe	Prior to the preparation of the Construction activities Scope of Work.
Cost estimates	Preparation of the procedure by ESHS-MS Consultant (see ESHS-MS). Euros 20,000. Construction costs related to the implementation of this procedure are not included.
Monitoring and Reporting	<ul style="list-style-type: none"> - Progress to PMU - Progress to Steering Committee - Annual plans to GCF - Implementation of the procedure: Weekly and random supervision of construction contractors by NFA HS Specialists, monthly by GIZ local representatives established in each Region, and on a quarterly basis by the GIZ ESMP+G Specialist
Key Performance Indicators	<ul style="list-style-type: none"> - Completion of the procedure. - # of contractors - # of incidents and accidents. - # of non-compliances and corrective actions implemented.



5.3 Livelihood Support Program Plan

Design and Implementation of a Livelihood Support Program Plan
Objectives
<p>The purpose of this plan is to share the benefits of the Project with the communities, maximize employment and procurement opportunities for the communities and minimize the risk related to application of the Forest Code and secondary legislation. There are two main components to this plan:</p> <ul style="list-style-type: none"> ➤ Local content: This consists of maximizing employment opportunities for men and women and maximizing local purchases of goods and services. The project will address this by developing professional skills and job opportunities related to SFM and conservation through vocational education and training, and by developing organizational and business skills related to the production, processing and marketing of forest products. <p>Livelihood Community Programs: This consists of specific programs aimed at improving the economic livelihoods of the target communities. The program's goal is to provide diversified livelihood opportunities for the local population through forest-related value chain development. Component 3 will cover the livelihood support for rural communities and the strengthening of local self-governance in forest-adjointing communities. Specifically it will: i) ensure municipal authorities and citizens have and use relevant technical and human capacities to participate in the sustainable management of forests in the target region, and ii) ensure men and women in target communities benefit from diversified income opportunities thanks to forest-related value chains, forest-related knowledge and skills.</p>
Actions for Local Content
<ul style="list-style-type: none"> ➤ Preparation of a list of all the SMEs in each of the districts that could supply goods and services for the Project. Local procurement can include restoration and revegetation activities, transportation of logs, management of a fuelwood sales warehouse, tree harvesting, supply of briquettes, supply of EE stoves, and other. ➤ Provision of capacity building to current stove suppliers (Component 2): This capacity building will include training on best environmental practices such as waste reduction at source, waste management, use of adequate PPE, dust suppression techniques, management in case of spills, providing them with awareness regarding use of green products, support in the preparation and implementation of fit-for-purpose procedures, minimizing the use of plastic, good house-keeping techniques, and other. The project is aware that the majority of the producers will not have procedures nor an ESMS in place, however one of the key features of the project is to maximize the use of regional and national companies, therefore it is expected that compliance will be achieved gradually rather than expecting the companies to have these procedures in place from the beginning, otherwise, these companies will not be able to meet the requirements of the project. ➤ Preparation of an inclusive Procurement Policy: The project will maximize procurement and employment opportunities in the project including: loggers, forest inventory surveyors, staff at BSYs, rangers, community conservation focal points, fuelwood sales warehouse, restoration activities, construction of BSYs and others.



- Preparation of an inclusive Human Resource Policy: All job announcements should clearly state that all men and women are encouraged to apply, and that preference will be given to local communities.

Actions for Livelihoods Community Program

The purpose of this plan is to diversify the livelihood opportunities and strengthen the local self-governance in forest management in the target communities in the regions of Kakheti, Guria and Mtskheta-Mtianeti of Georgia, to increase incomes and reduce socio-economic disparities. It is comprised of four activities. Actions for the Livelihoods Support Plan (covered by Component 3) are grouped into the following Activities and associated sub-activities:

- **Activity 3.1:** Municipal-level tools, practices, plans and necessary capacities for participatory sustainable forest management and conservation are developed and introduced.
 - Conduct feasibility studies on MFM, esp. on costs and benefits
 - Provide policy and legal support to MEPA for preparation of MFM, including on criteria and transfer of FOLI, and facilitate active involvement of municipalities in policy formulation.
 - Support piloting of elements of MFM - incl. continued support to Tusheti - and document experiences and lessons learnt
 - Develop set of guidance documents, instruments and standard operating procedures
 - Scoping other opportunities for MFM (eg. Akhmeta, Dedoplistskaro & Lanchkhuti)
 - Facilitate awareness raising at various levels and capacity building for municipal administrative staff
 - Strengthen links with support to forest-related value chains, and related community and municipality capacity development
 - Assess and map ecosystem services for all 8 municipalities
- **Activity 3.2:** Mechanisms at local level to better protect the interests of adversely affected stakeholders are developed, promoted and tested
 - Facilitate the active participation of local forest users in 4 target districts where FMPs are being developed
 - Inclusive and gender-sensitive FMP planning, and supporting implementation of compatible joint-management activities.
 - Identify potential mechanisms for distribution of benefits and managing social risks, taking into consideration special needs of women
 - Provide training and technical advice for participatory planning and implementation of social safeguards, incl. for municipal authorities, district NFA and DES staff
 - Develop guidance on best practices for supporting such processes with NFA, local government authorities, and local forest users.



- Identify local coordination and conflict resolution mechanisms, building on existing good practices
- Provide advice to governmental actors on safeguard mechanisms to mitigate and manage social risks
- Support concept development and establishment of a locally accessible grievance mechanism and incident reporting system for the forest sector (e.g. ombudsperson)
- **Activity 3.3:** Professional skills and knowledge relevant to sustainable forest management and conservation are available through vocational education and international partnerships with centers of knowledge
 - Provide advice on improvement / update of TVET curriculum “Forest Worker”, including contents on forest-related value chains (e.g. eco-tourism, business skill development, NTFRs)
 - Assess training needs among local entrepreneurs in forest-related value chains (eco-tourism, NTFPs) and demand for short-term courses.
 - Provide technical advice on development and implementation of target group oriented short-cycle education programs offered locally by TVET colleges at municipal level
 - Support strengthening of capacities of TVET professor and teachers (training of trainers) and linkages
 - between TVET colleagues and private sector
 - Develop communication strategy for outreach to local communities on opportunities for TVET education in collaboration with local NGOs, women’s organizations and councils
 - Provide finance and advice to Georgian universities to organize professional exchanges in partnership with Swiss universities and on topics related to SFM and value chains.
 - Facilitate measures to strengthen participation of women in line with gender action plan
- **Activity 3.4:** Selected value chains are strengthened (e.g. wood value chain, NTFP value chain, or parts of the eco-tourism value chain)
 - Provide advisory services to strengthen existing value chains on NTFP, tourism and wood value chains in target areas and linkages between them.
 - Strengthening of business development capacities and of professional and technical skills of stakeholders for selected forest related value chains.
 - Provide advice to foster the access of local entrepreneurs in selected value chains to financial services.
 - Provide equipment and material for local entrepreneurs to support piloting activities in the NTFP and tourism value chains.



- Introduction of NTFP inventory and sustainable collection practices.
- Further develop NFA's processes for tendering of services and concessions to enhance inclusiveness / involvement of local service providers and strengthen environmental safeguards.
- Enhance the inclusiveness of NFA's processes for planning tourism development at the district level.
- Support the legalization of informal local entrepreneurs in selected forest related value chains.
- Raise awareness in 8 target municipalities on livelihood opportunities from forest-related value chains.
- Facilitate involvement of the private sector in policy-making processes at national level

➤ **Requirements:**

- Participation of women.
- Participatory, inclusive and gender-sensitive consultation during the planning and implementation of livelihood support activities.
- Alignment with the Regional Plans of Kakheti, Guria, and Mstkheta-Mtianeti, forest district forest management plans, and if available, municipal plans or other management plans.
- Alignment with community interests (to date the information from the communities include agriculture and value adding activities, beekeeping, eco-tourism, tourism, general SMEs, briquette making, production of EE stoves, livestock (fencing, pasture management, production of winter forage, water, feed, veterinary care), among others).
- Sustainability factors, i.e. viable handover strategy (exit strategy) and self-sustaining.
- Actions of livelihood programs need to be environmentally sound.
- Development of transparent mechanisms for benefit sharing, dispute resolution and management of social and environmental safeguards. Benefits are spread equitably among beneficiaries.
- Clear Operation and maintenance arrangements to avoid creating dependency, where possible building on existing institutional structures and capacities.
- Preparation of ToRs to implement activities associated with the Livelihoods Plan. The requirements mentioned above will be included in the ToRs and a requirement to provide a proposal on how the implementing agency will ensure that vulnerable groups are included (as mentioned in the SEP) and the requirement to include an engagement plan aligned with the Project's SEP. Priority will be given to implementing agencies from the applicable regions.

Timeframe	2021-2024 for the Livelihoods Support Plan. Entire duration of Project for local content.
Cost estimates	ESMP+G Specialist and GIZ Local Representatives.



	<p>SDC has committed to provide EUR 4.09 million for Component 3, which will entail the Livelihood Support Plan.</p>
<p>Monitoring and Reporting</p>	<ul style="list-style-type: none"> - Progress to PMU. - Progress to Steering Committee - Annual plans to GCF. - Semi-annual reporting to SDC - Other reporting as per donor agencies requirements, including a completion report.
<p>Key Performance Indicators</p>	<p>For the Local Content Activities, indicators include:</p> <ul style="list-style-type: none"> - Procurement policy includes priority for procurement of local goods and services. - Human Resource Policy includes employment priority for local men and women. - # of local businesses contracted by the project and value of contracts. - # of men and women hired by local businesses as a result of local contracts. - # of men and women hired directly by the Project. - # and type of training provided to the EE Stove producers. - # of participants in the training provided to the EE stove producers. <p>For the Livelihood Community Program indicators include:</p> <ul style="list-style-type: none"> - Increase of average perception of forest-dependent municipal citizens [gender-differentiated focus groups] regarding their influence on sustainable forest management and related decision-making in the target regions has increased - Number of new legal cooperation arrangements [in line with sustainability standards] between NFA and trained forest users (e.g. on NTFP collection, eco-tourism, wood products) - Number of new or improved business models of local entrepreneurs and SMEs based on forest-related value chains (e.g. NTFPs, eco-tourism, wood products) - A toolbox on MFM for national and municipal level decision-makers with cost-benefit analyses (CBA), analysis of local capacities and preconditions, as well as options for institutional set-up, is co-developed with MEPA and target municipalities - A mechanism for the effective participation of local forest users in the elaboration of forest management plans (FMPs) and associated fair distribution of benefits is developed, promoted and tested - A locally accessible complaints and grievance redress mechanism for the forest sector giving special attention to the needs of women is developed, promoted and tested - Number of local persons trained on forest-related value chains (eco-tourism, NTFPs, wood products) and related



	<p>business skills through newly developed short-cycle education programs offered locally by TVET colleges or other official training institutions</p> <ul style="list-style-type: none"> - Number of new or improved business plans for forest-related value chains (NTFPs, eco-tourism, wood products) developed by local entrepreneurs and SMEs - % of local private entrepreneurs or SMEs having improved access to formal financial products and services for forest-related value chains (NTFPs, eco-tourism, wood products) - Number of new or improved forest-based products (NTFPs, eco-tourism, wood products) of local private entrepreneurs or SMEs marketed through events (e.g. fairs, exhibitions) or online.
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5.4 Rapid Environmental and Social Screening

Figure 5-1 below presents the procedure that will be used to screen for project-sub activity impacts. This approach had been adapted from the FAO’s environmental and social risk management approach.

Each activity will be screened using the checklist presented below. In order to conduct the screening, the following information will be required:

- Description of the activities to be carried out at all sites.
- Equipment used and duration of activity.
- Footprint.
- Description of the site.
- Location, maps, and GPS coordinates.

Once the construction activities and/or sub-activities and location of activities have been identified the screening checklist will be completed and signed off by the ESMP+G Specialist and the PMU. The screening process will ensure that the activity is aligned with the project’s objectives and standards, in line with Georgia’s legal framework, and that an adequate environmental review has been conducted.

While the nature, magnitude, reversibility and location of impacts are main elements in the screening of sub-activities, expert judgment will be a central factor in deciding whether a sub-activity should be included and if the entire ESMP and ESMS is sufficient to manage the impacts. The Screening process will also determine if other site-specific management plans are required to manage impacts. The Stakeholder Engagement Plan will be implemented in each of the construction and/or sub-activities.

A specific description and technical details of monitoring measures for each sub-activity will be developed, the methods to be used, sampling locations, frequency of measurements, detection limits (where appropriate), and definition of thresholds that will signal the need for corrective actions.

Defining Sub Activities

Identification of Sub-activities

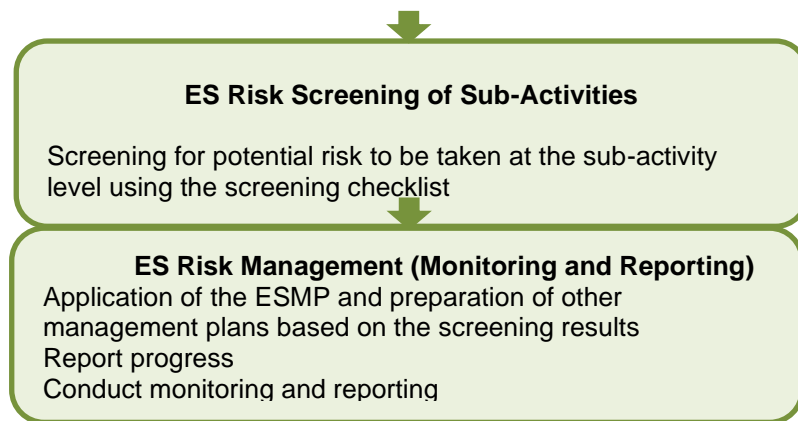


Figure 5-1: Screening Procedure

Applicable safeguard instruments include IFC PS and the GIZ Sustainability Policy and related safeguards.



Design and Implement a site-specific Rapid Environmental and Social Screening Checklist

Objectives

The objective of the Rapid Environmental and social Screening Checklist is to minimize ESHS risks by undertaking site specific investigations prior to starting a construction activity (this includes all civil work activities including BSYs, and forest roads).


Actions

Prior to undertaking any construction activity and/or sub-activity, the following will be examined:

Risks/Impacts	Yes	No	Comment
Does the activity require government permits (central or local)?			
Are the permits in place?			
Have all options been explored to minimize greenfield sites and instead use brownfield sites (e.g. establishing a BSY in an existing building, maximize the use of existing forest roads, etc.)?			
Has consideration been taken for location of BSYs and community access?			
Type of security and safety measures that are required			
Has a review and clearance been obtained from the GIZ construction department?			
Has PPE been identified and procured?			
Undertake a rapid assessment of flora and fauna.			
Are there priority flora and fauna?			
Are there risks of disturbing fauna?			
Inspect trees no more than two days prior to felling trees to determine if there are any nests as per the			



Rapid Vegetation Assessment.			
Have areas been identified for solid waste and construction material disposal?			
Will the activity generate hazardous waste and are mitigations in place?			
Erosion and Sedimentation risks and are control measures in place?			
Are there potential impacts on surface and ground water?			
Have areas been identified for temporary storage of topsoil?			
Are there slopes and have these been taken into account during the design?			
Are there risks for invasive species and pests spread?			
Compatibility with urban plan (if relevant).			
Are there community trees, crops or infrastructure?			
Identify options to maximize local employment for men and women.			
Are there any community infrastructure close to site (e.g. schools)?			
Risks of nuisances (e.g. noise and dust).			
Will activity result in any community hazard?			
Is the activity compliant with local regulations?			
Have communities and local authorities been consulted (both men and women)? Include recommendations from communities.			
Have communities and local authorities been informed of the start and completion date of the activity?			
List mitigation measures proposed for site-specific activity (not covered in ESMP).			

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Timeframe	Prior to construction.
Cost estimates	ESMP+G Specialist. HS Specialists.
Monitoring and Reporting	<ul style="list-style-type: none"> - Progress to PMU. - Progress to Steering Committee - Annual plans to GCF.
Key Performance Indicators	<ul style="list-style-type: none"> - Establishment of Screening system. - # of Screenings undertaken and quality of reviews. - Type of on-site measure proposed and implemented.



5.5 Chance Find Procedure

Prepare a Chance Find Procedure	
Objectives	
The objective of the Chance Find Procedure is to ensure there is a process in place in the unlikely event that a cultural or archaeological site is identified during the implementation of project activities. The IFC defines Chance Find as “Tangible cultural heritage encountered unexpectedly during project construction or operation” (IFC 2012).	
Actions	
Any discovery of a cultural heritage site (or archaeological) during construction (BSYs and forest access roads), during logging or any other project activity, must be communicated immediately to the ESMP+G Specialist. Work in the area must cease immediately, the area marked off and adequate specialists must conduct an inquiry to identify the significance of the site. The following will be carried out:	
<ul style="list-style-type: none"> ➤ Stop work in the immediate surrounding area and inform staff working in the area. ➤ Inform the supervisor. ➤ Inform the ESMP+G Specialist, who will then inform the NFA. ➤ Inform the Trustee. ➤ Set up temporary protection measures at the site. ➤ Take a photograph of the site and GPS location. ➤ Following discussions with the MoEPA, engage a specialist to conduct preliminary investigation. ➤ Appropriate strategies of treatment will be developed considering consultation with the concerned stakeholders and the Government. 	
Timeframe	Prior to any construction and during lifetime of Project.
Cost estimates	ESMP+G Specialist
Monitoring and Reporting	<ul style="list-style-type: none"> - Progress to PMU. - Progress to Steering Committee - Annual plans to GCF.
Key Performance Indicators	<ul style="list-style-type: none"> - # of sites identified. - Type of mitigations implemented.

5.6 Participatory Development of Sustainable Forest Management Plans

Development and Implementation of Participatory Development of Sustainable Forest Management Plan	
Objectives	
The objective of establishing participatory sustainable forest management plans is to better protect the interests of local stakeholders in forest management and forest resource use, and find mutually beneficial outcomes for forest managers and local populations. Benefit sharing mechanisms and active participation mechanisms, as included in the new forest code, might not be implemented properly and local communities, and especially sub-sets of forest users within communities (e.g. women, vulnerable households), might not benefit from local forest utilisation. In order to mitigate that risk, the GCF project will support participatory forest management planning, and the implementation of plans (involving implementation opportunities with local communities, as detailed within forest management plans). Component 1 of the plan covers the technical processes to develop FMPs and provides	



training for NFA and DES on participatory processes from a forest managers perspective. This training will also be extended to municipal authorities in the context of Municipal Forest Management (Activity 3.1). Component 3 as a whole will support local forest users to participate and benefit from participatory processes, integrating them in planning processes, as well as the implementation of sustainable activities. As conflict over forest use is a risk in Georgia, Activity 3. 2 aims to avoid the risk of conflict before it actually arises and implement the do-no-harm principle. This will be done by developing, testing and promoting better more inclusive participation mechanisms and platforms to avoid conflicts, improve local governance processes, and to strengthen fair benefit sharing mechanisms. Activity 3.3 will build up skills and capacities related to forests and related value chains. Activity 4.4 will support the strengthening of forest-related value chains, which will be closely linked with this participatory planning process. The implementation of this Participatory Development of Sustainable Forest Management Plan will be part of Component 3.

Actions

- Building capacities of forest managers and enforcement agencies on gender, social inclusion, social and environmental safeguards, and best practices for participatory forest planning and management.
- Strengthening the participation of local communities, including women and other vulnerable groups, in FMP development and implementation
- Identify specialists to provide capacity building to MoEPA (including DES), NFA, and municipal authorities and provide capacity building on participatory consultation (see section 4 of this report).
- Engage a facilitator to provide awareness to communities regarding communication and negotiation prior to the SFMP consultation process.
- Awareness raising on public participation at various levels: Hold meetings with communities, youth, women and men (meetings will be held directly in the villages) and establish awareness and agreement regarding objectives of SFM, monitoring, targets, grazing location and targets, NFTP and targets, restrictions and other relevant management conditions of SFM (if required, separate meetings will be organized with women).
- Ensure vulnerable people and where possible transient population (cattle herders) are included in the consultation process (separate meetings might be required, or meetings directly in the households).
- Assist the implementation of compatible joint management activities and benefit sharing mechanisms (e.g. skill building and education and technical support related to grazing, recreation and tourism, utilization of NTFPs, among others)
- Analyse the already approved FMPs in four target municipalities to better integrate additional considerations on community forest use in future FMPs
- Develop guidance on best practices for supporting the FMP process through participatory and inclusive processes, for both government authorities (at the regional, district/ municipal level), and local forest users
- Establish a participatory mechanism that can serve as a model for scaling up participatory planning and implementation processes in the forest sector
- Accompany and monitor the implementation of agreed participation and benefit sharing/ safeguard mechanism mechanisms
- Ensure adequate disclosure of information on the project-level grievance redress mechanism (and once available the forestry sector GRM supported by Activity 3.2)

➤ Identify with the communities if there are any cultural heritage sites inside the forest and establish usage rights.	
Timeframe	During operations and start of SFM plan process.
Cost estimates	ESMP+G Specialist (staff cost). NFA (staff cost). Community Facilitator (sporadic support for 7 years). EUR 42,000 Other costs are covered within Activity 3.2..
Monitoring and Reporting	<ul style="list-style-type: none"> - Progress to PMU. - Progress to Steering Committee - Annual plans to GCF. - Inclusion in SFM plans and annual plans.
Key Performance Indicators	<ul style="list-style-type: none"> - # of participatory consultations held. - # of men and women participants. - # of capacity building sessions. - # and type of consultation material prepared. - Evidence that community needs and recommendations have been adopted in SFM plans. - # of SFM plans prepared in consultation with communities. - # of grievances, resolution time and satisfaction rating. - Number of new legal cooperation arrangements [in line with sustainability standards] between NFA and trained forest users (e.g. on NTFP collection, eco-tourism, wood products) - A mechanism for the effective participation of local forest users in the elaboration of forest management plans (FMPs) and associated fair distribution of benefits is developed, promoted and tested - Average perception of forest-dependent municipal citizens regarding their influence on sustainable forest management and related decision-making in the target regions has increased

5.7 Stakeholder Engagement Plan and Grievance Management Procedure

A Stakeholder Engagement Plan and Grievance Management Procedure is provided in Annex 7 to the Funding Proposal: Stakeholder Engagement and Consultation Plan & Grievance Mechanism.

6. BUDGET

Table 6-1 provides the estimated budget to implement the ESMP. It does not include the construction costs related to application of international best practices.


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Table 6-1: ESMP Budget*

Description	Cost (EUR)
Equipment for ESMP+G Specialist (GPS, camera, computer, access to car, accommodation whilst in the field)	50,000
Community Facilitator	42,000
Organization of public consultation events and communication material	100,000
Health and safety equipment	80,000
Capacity Building	200,000
ESHS-MS Consultant	20,000
Total	492,000

**Not including the budget for the Livelihood Support Plan (included within project budget under Component 3)*



7. REFERENCES

1. Cox, R 2006, Environmental communication and the public sphere. Sage, Thousand Oaks, CA.
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