

ANNEX II

ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENT (ESIA) REPORT¹

An Environmental and Social Impact Assessment (ESIA) report focuses on the significant issues of a project. The report's scope and level of detail should be commensurate with the project's potential impacts and risks, and should address the issues set out in the international standards applied to the project in accordance with paragraphs 21-26 of this Recommendation. The ESIA report typically includes the following items (not necessarily in the order shown):

1. Non-technical executive summary: concisely discusses significant findings and recommended actions in lay language.
2. Policy, legal, and administrative framework: discusses the policy, legal, and administrative framework within which the Assessment is carried out, including host country regulations, including obligations implementing relevant international social and environmental treaties, agreements, and conventions, the international standards applied to the project, as well as any additional priorities and objectives for social or environmental performance identified by the buyer/project sponsor. Explains the environmental requirements of any co-financiers.
3. Project description: concisely describes the proposed project and its geographic, ecological, social, health and temporal context, including any additional project components that may be required (*e.g.* dedicated pipelines, access roads, power plants, water supply, housing, and raw material and product storage facilities). Encompasses facilities and activities by third parties that are essential for the successful operation of the project. Normally includes maps showing the project site and the project's area of influence.
4. Baseline data: assesses the dimensions of the study area and describes relevant physical, biological, socioeconomic, health and labour conditions, including any changes anticipated before the project commences. Also takes into account current and proposed development activities within the project area but not directly connected to the project. Data should be relevant to decisions about project location, design, operation, or mitigation measures. The section indicates the accuracy, reliability, and sources of the data.
5. Environmental and Social impacts: predicts and assesses the project's likely positive and negative impacts, in quantitative terms to the extent possible. Identifies mitigation measures and any residual negative impacts that cannot be mitigated. Explores opportunities for enhancement. Identifies and estimates the extent and quality of available data, key data gaps, and uncertainties associated with predictions, and specifies topics that do not require further attention. Evaluates impacts and risks from associated facilities and other third party activities. Examines global, transboundary, and cumulative impacts as appropriate.

¹ This Annex is based on the IFC Guidance Notes: Performance Standards on Social and Environmental Sustainability of 31 July 2007; however, for the purposes of this Recommendation, the text has been adapted.

6. **Analysis of Alternatives:** compares reasonable alternatives to the proposed project site, technology, design, and operation in terms of their potential environmental and social impacts; the feasibility of mitigating these impacts; their capital and recurrent costs; their suitability under local conditions; and their institutional, training, and monitoring requirements. States the basis for selecting the particular project design proposed and justifies recommended emission levels, including where relevant for greenhouse gases, and approaches to pollution prevention and abatement.
7. **Management Programme:** consists of the set of mitigation and management measures to be taken during implementation of the project to avoid, reduce, mitigate, or remedy for adverse social and environmental impacts, in the order of priority, and their timelines. May include multiple policies, procedures, practices, and management plans and actions. Describes the desired outcomes as measurable events to the extent possible, such as performance indicators, targets or acceptance criteria that can be tracked over defined time periods, and indicates the resources, including budget, and responsibilities required for implementation. Where the buyer/project sponsor identifies measures and actions necessary for the project to comply with applicable laws and regulations and to meet the international standards applied to the project, the management programme will include an Action Plan, which is subject to disclosure to the affected communities and on-going reporting and updating.
8. **Appendices:**
 - List of ESIA report preparers – individuals and organisations.
 - References – written materials, both published and unpublished, used in study preparation.
 - Record of interagency and consultation meetings, including consultations for obtaining the informed views of the affected communities and/or their legitimate representatives and other interested parties, such as civil society organisations. The record specifies any means other than consultations (*e.g.* surveys) that were used to obtain the views of affected groups.
 - Tables presenting the relevant data referred to, or summarised in, the main text.
 - Associated reports, audits, and plans (*e.g.* Resettlement Action Plan or Indigenous Peoples/ Natural Resource Dependent Community plan, community health plan).
 - Action Plan that (*i*) describes the actions necessary to implement the various sets of mitigation measures or corrective actions to be undertaken, (*ii*) prioritises these actions, (*iii*) includes the time-line for their implementation, and (*iv*) describes the schedule for communicating with affected communities when on-going disclosure or consultation is expected.