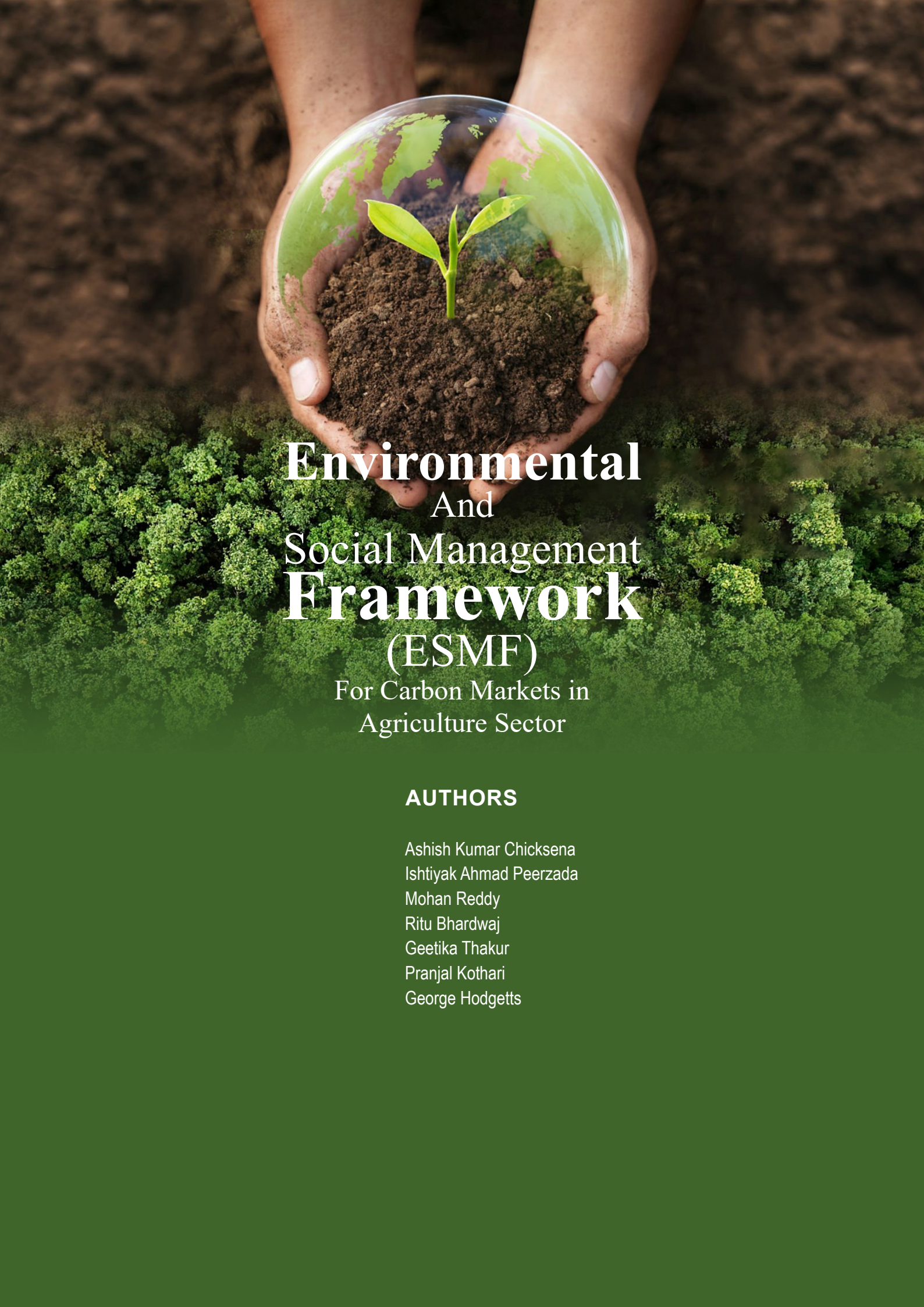


Environmental And Social Management Framework (ESMF)

For Carbon Markets in
Agriculture Sector



Ashish Kumar Chicksena | Ishtiyak Ahmad Peerzada
Mohan Reddy | Ritu Bhardwaj | Geetika Thakur
Pranjal Kothari | George Hodgetts



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Disclaimer

This guidance was prepared by IIED, SKUAST-K, and VCMI and reflects the independent views of the authors, who take sole responsibility for the information presented in this report and for any errors or omissions.

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ACKNOWLEDGEMENT

The development of the Environmental and Social Management Framework (ESMF) for Carbon Markets in the Agriculture Sector represents a collaborative effort to promote environmentally sustainable, socially inclusive, and high-integrity carbon market interventions within India's agricultural landscape. This framework has been prepared with the objective of ensuring that agricultural carbon market initiatives not only contribute to climate mitigation and carbon sequestration, but also strengthen ecosystem resilience, protect biodiversity, safeguard community rights, and enhance rural livelihoods.

We gratefully acknowledge the Ministry of Agriculture and Farmers' Welfare (MoAFW), Government of India, the International Institute for Environment and Development (IIED), the Voluntary Carbon Markets Integrity Initiative (VCMI), and Sher-e-Kashmir University of Agricultural Sciences and Technology of Kashmir (SKUAST-K) for their leadership, technical guidance, and continued engagement throughout the development of this framework.

We wish to express particular appreciation to the Ministry of Agriculture and Farmers' Welfare (MoAFW), Government of India, for their institutional support, policy endorsement, and central role in enabling the development of this ESMF. MoAFW's engagement reflects the Government of India's commitment to ensuring that agricultural carbon market interventions are implemented responsibly, equitably, and in full alignment with national development and climate objectives. The Ministry provided the essential governmental framework and inter-institutional coordination that anchored this ESMF within India's evolving national carbon market architecture - most importantly, within the Carbon Credit Trading Scheme (CCTS), notified by the Government of India under the Energy Conservation (Amendment) Act, 2022. MoAFW has confirmed its intention to adopt and apply this ESMF as a foundational safeguard instrument to guide the screening, assessment, and management of environmental and social risks associated with agricultural carbon projects registered and operationalised under the national CCTS framework. This commitment reflects MoAFW's recognition that robust environmental and social safeguards are not merely a compliance requirement but an essential foundation for building farmer trust, ensuring equitable benefit-sharing, and maintaining the long-term credibility and integrity of India's agricultural carbon markets. MoAFW's endorsement also reinforces the alignment of this framework with India's Nationally Determined



Environmental and Social Management Framework

Contributions (NDCs) under the Paris Agreement and its national goals for climate-resilient, low-emission, and inclusive agricultural development.

IIED, VCMI, and SKUAST-K actively participated in the project Technical Support for Developing Agricultural Voluntary Carbon Markets in India, under which this ESMF has been developed as an important institutional and safeguard framework to support responsible and sustainable agricultural carbon market interventions. Their collective commitment to advancing transparent, equitable, and environmentally sound climate action has significantly contributed to the quality and practical relevance of this publication.

We also extend our sincere gratitude to the Integrity Council for the Voluntary Carbon Market (ICVCM) and to reviewers from VCMI and ICVCM for their valuable technical review, constructive feedback, and continued guidance throughout the preparation of this publication. ICVCM's Core Carbon Principles (CCPs)¹ and Assessment Framework provided an important reference point for ensuring that the environmental and social safeguard standards embedded in this ESMF are consistent with internationally recognised best practices for high-integrity carbon markets. Their expertise in carbon market integrity, environmental and social safeguards, and sustainable development significantly strengthened the quality, credibility, and practical relevance of this framework.

We particularly acknowledge contributions from the following stakeholder groups:

- Ministry of Agriculture and Farmers' Welfare (MoAFW), Government of India: We gratefully recognise MoAFW's institutional leadership, policy guidance, and governmental endorsement, which were instrumental in establishing the national policy relevance and institutional legitimacy of this ESMF. MoAFW's commitment to adopting this framework under the national CCTS reflects the Government's determination to ensure that India's agricultural carbon markets deliver genuine, verifiable, and equitable outcomes for farming communities, ecosystems, and the broader rural economy.
- Integrity Council for the Voluntary Carbon Market (ICVCM): We thank ICVCM for their technical engagement and for providing the internationally recognised integrity standards, including the Core Carbon Principles and associated Assessment Framework, that informed key elements of the environmental and social safeguard architecture of this ESMF. Their work in establishing global benchmarks for carbon

¹ <https://icvcm.org/core-carbon-principles/>



Acknowledgement

market credibility has been an important reference throughout the development of this framework.

- International climate and development organisations: We thank experts and practitioners associated with IIED and VCMI for their guidance on environmental and social safeguards, carbon market governance, and sustainable development approaches.
- Academic and research institutions: We express our gratitude to faculty members, researchers, and technical experts from SKUAST-K and partner institutions for their analytical inputs, research support, and contributions toward strengthening the scientific and practical foundations of the ESMF.
- Environmental and social safeguard specialists: We acknowledge professionals working in biodiversity conservation, environmental assessment, gender inclusion, labour rights, Indigenous Peoples' rights, community health and safety, and climate resilience for their valuable technical insights and review comments.
- Government agencies and policymakers: We appreciate the engagement of national and sub-national institutions involved in agriculture, climate change, natural resource management, and rural development, whose perspectives helped align the framework with national priorities and sustainability objectives.

This ESMF has been developed to support the responsible implementation of agricultural carbon market projects by establishing a structured approach for identifying, assessing, managing, and monitoring environmental and social risks and impacts. The framework seeks to ensure that climate mitigation interventions contribute positively to sustainable development while preventing unintended adverse impacts on ecosystems, communities, and vulnerable groups.

The framework specifically aims to:

- Promote sustainable and climate-resilient agricultural practices that enhance carbon sequestration while protecting soil health, water resources, biodiversity, and ecosystem services.
- Strengthen environmental and social safeguards by integrating risk screening, impact assessment, stakeholder engagement, grievance redress mechanisms, and benefit-sharing systems into project planning and implementation.
- Support inclusive rural development by improving livelihoods, promoting decent work, strengthening gender equality, and safeguarding



Environmental and Social Management Framework

the rights and interests of Indigenous Peoples, smallholder farmers, and local communities.

- Enhance transparency, accountability, and environmental integrity in agricultural carbon markets by aligning projects with internationally recognised Environmental and Social Safeguards (ESS), the ICVCM's Core Carbon Principles, and good international practices.
- Build institutional and community capacity to enable farmers, producer groups, researchers, and implementing agencies to participate effectively in carbon markets while adopting sustainable land-use and resource management practices.
- Contribute to India's broader climate and sustainable development goals including the commitments embedded in India's NDCs and the national CCTS by encouraging low-carbon, resilient, and socially responsible agricultural systems.

Finally, we thank all contributors, institutions, and stakeholders who participated in consultations, technical discussions, and knowledge-sharing processes. Their collective efforts and commitment have helped create a valuable resource that supports responsible, inclusive, and environmentally sound carbon market interventions in the agriculture sector.



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Message

It is a privilege to write this message for the edited volume titled *“Environmental and Social Management Framework (ESMF) for Carbon Markets in the Agriculture Sector.”* This publication addresses a critical and timely need as carbon markets increasingly intersect with agricultural systems, rural livelihoods, and natural resource governance.



Agriculture lies at the heart of both the climate challenge and the climate solution. While the sector is highly vulnerable to climate risks, it also offers immense potential for mitigation through improved land management, soil carbon enhancement, and climate-smart practices. However, the expansion of carbon market activities in agriculture must be guided by strong environmental and social safeguards to ensure that climate action does not come at the cost of ecological integrity or social equity. This volume makes an important contribution by placing Environmental and Social Management Frameworks at the centre of agricultural carbon market design and implementation.

The book stands out for its comprehensive and structured approach to identifying, assessing, and managing environmental and social risks and opportunities associated with carbon market interventions. By addressing issues such as land tenure, biodiversity conservation, inclusion of smallholders, gender equity, grievance redress mechanisms, and stakeholder engagement, the volume provides a practical roadmap for responsible and inclusive carbon market development. Its emphasis on compliance, transparency, and adaptive management strengthens the credibility and long-term sustainability of agricultural carbon initiatives.

From an academic and institutional perspective, this edited work exemplifies the role of universities in advancing knowledge that bridges policy, practice, and community needs. The interdisciplinary perspectives brought together in this volume reflect a deep understanding of the complexities of agriculture, climate finance, and social systems, particularly in developing country contexts. I commend the editors and contributing authors for their thoughtful scholarship and commitment to ethical climate action. I am confident that this volume will serve as a valuable reference for policymakers, project developers, financial institutions, and development practitioners working to build high-integrity, farmer-centric carbon markets in the agriculture sector.

(Nazir Ahmad Ganai)

Place: SKUAST-K, Shalimar, Srinagar
Dated: 03.08.2026





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Message

It is with great enthusiasm that I write this message for the edited volume "*Environmental and Social Management Framework (ESMF) for Carbon Markets in the Agriculture Sector*." This publication arrives at a critical juncture, as agricultural carbon markets expand rapidly and demand robust frameworks to ensure that climate solutions deliver lasting environmental and social value.



The integration of environmental and social safeguards into carbon market design is no longer optional it is fundamental to credibility, equity, and long-term impact. This volume makes a timely and substantive contribution by systematically addressing the risks, responsibilities, and opportunities associated with carbon market interventions in agriculture. It provides a structured lens through which sustainability, inclusiveness, and accountability can be operationalized rather than merely stated as principles.

The edited volume is particularly strong in its applied orientation. By examining issues such as land and resource rights, biodiversity protection, smallholder inclusion, labor standards, gender considerations, and grievance redress mechanisms, it highlights the complex realities of agricultural landscapes and rural communities. The framework presented enables practitioners and institutions to anticipate potential adverse impacts while enhancing co-benefits for farmers and ecosystems alike.

I value the interdisciplinary scholarship reflected in this work, bringing together insights from agriculture, environmental science, social research, policy analysis, and climate finance. This convergence of disciplines exemplifies the role of academic institutions in generating solutions that are both scientifically sound and socially responsible.

I commend the editors and contributors for their commitment to advancing high-integrity carbon markets grounded in ethical practice and empirical evidence. I am confident that this volume will serve as a vital reference for researchers, policymakers, project developers, and development agencies seeking to design and implement agricultural carbon initiatives that are resilient, inclusive, and environmentally robust.

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ABOUT IIED

The International Institute for Environment and Development (IIED) is a globally respected policy and action research organisation that works to promote sustainable development and social justice. Founded in 1971 and headquartered in London, IIED collaborates with partners across the world to ensure that the voices of the most vulnerable are heard in decisions affecting their lives and the environment.

IIED's mission is to build a fairer, more sustainable world through evidence, action, and influence. It focuses on pressing global challenges such as climate change, biodiversity loss, sustainable markets, urban development, and natural resource governance. The organization operates with a strong commitment to locally led solutions, placing equity and inclusion at the heart of its work.

A hallmark of IIED's approach is its emphasis on partnerships, particularly with organisations in the Global South. Rather than imposing external solutions, IIED supports local research institutions, civil society groups, and communities to develop strategies rooted in local knowledge and context. This ensures that sustainable development policies and practices are both effective and equitable.

Through rigorous research, policy analysis, and advocacy, IIED plays a key role in shaping international debates and policies. It is a trusted advisor to governments, multilateral institutions, NGOs, and private sector stakeholders. IIED also produces influential publications, including the *Environment and Urbanization Journal* and numerous policy briefs that help bridge the gap between research and real-world action.

In an era of mounting environmental and social challenges, IIED's work is more critical than ever. By combining research excellence with inclusive, collaborative methods, IIED contributes to a future where people and the planet thrive together.

For more information, visit: iied.org



ABOUT VCMI

The Voluntary Carbon Markets Integrity Initiative (VCMI) is a global non-profit working to mobilize private sector finance for climate action and sustainable development by scaling high-integrity carbon credit markets.

VCMI sets the global benchmark for credible corporate use of carbon credits through its Codes of Practice, helping build trust, confidence and consistency across the market. VCMI also supports governments to unlock corporate demand for carbon credits by hosting the Secretariat for The Coalition to Grow Carbon Markets.

Through its Access Strategies Program and partnership with the Climate Vulnerable Forum and its V20 Finance Ministers (CVF-V20), VCMI supports emerging markets and developing economies to build the policies, capacity and infrastructure needed to leverage carbon markets to deliver finance for their climate and sustainable development priorities.

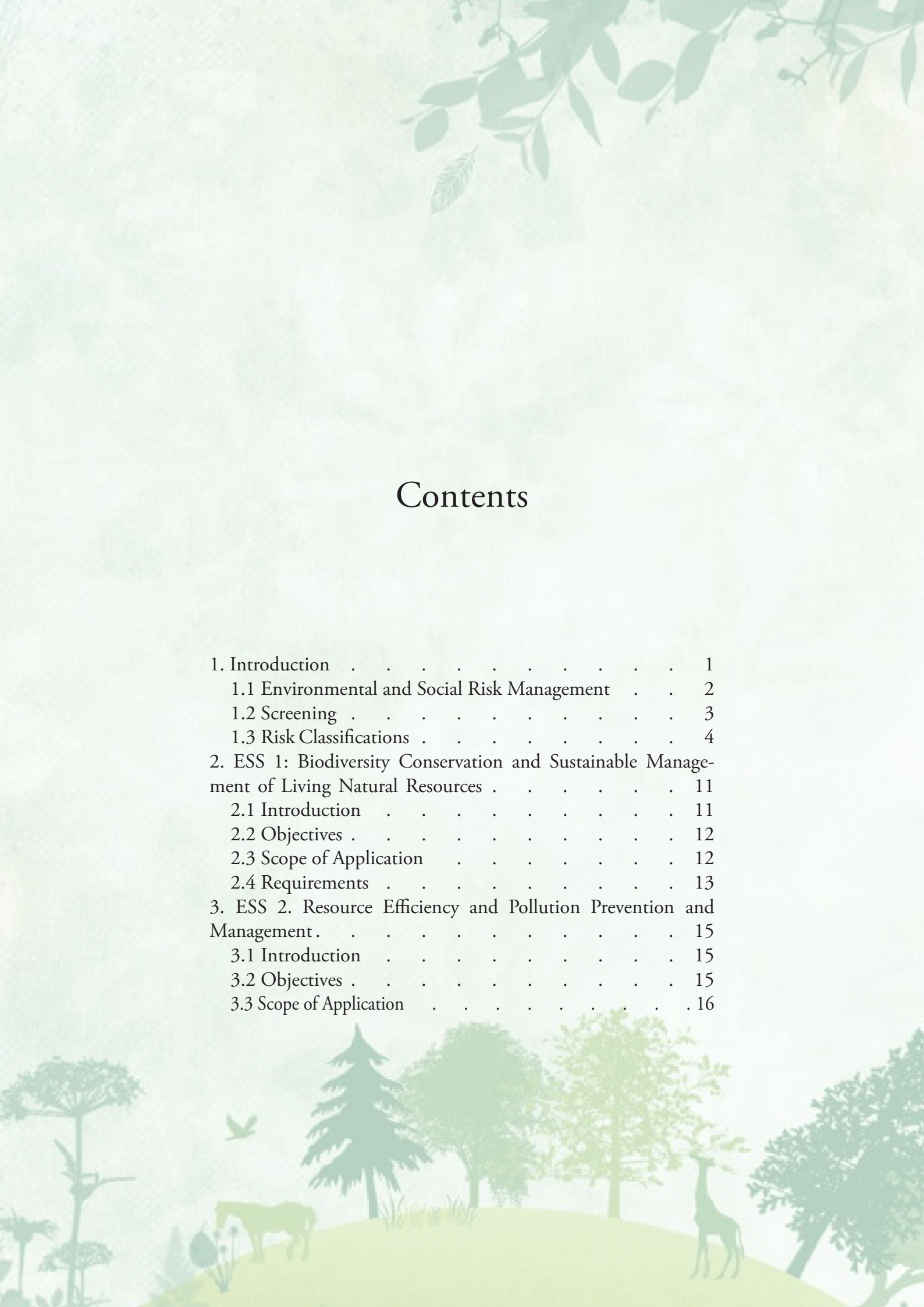
VCMI collaborates with stakeholders from civil society, the private sector, Indigenous Peoples, local communities, and governments to harness the full potential of high-integrity carbon markets. This includes participation from civil society, academia, government, business and other relevant initiatives focused on high-integrity carbon credit markets.

A separate governance structure exists for VCMI's work as host of the Secretariat for The Coalition to Grow Carbon Markets. The Coalition's strategy and policy positions are determined solely by its member governments.

VCMI is an independent non-profit operating as a sponsored project of Social Change Nest. VCMI was announced by COP26 President-Designate Alok Sharma on 31 March 2021, and has received funding from the Ballmer Group, Bezos Earth Fund, Children's Investment Fund Foundation, ClimateWorks Foundation, Google LLC, David and Lucile Packard Foundation, and UK Department for Business, Energy and Industrial Strategy.

For more information, visit: vcmintegrity.org





Contents

1. Introduction	1
1.1 Environmental and Social Risk Management	2
1.2 Screening	3
1.3 Risk Classifications	4
2. ESS 1: Biodiversity Conservation and Sustainable Management of Living Natural Resources	11
2.1 Introduction	11
2.2 Objectives	12
2.3 Scope of Application	12
2.4 Requirements	13
3. ESS 2. Resource Efficiency and Pollution Prevention and Management.	15
3.1 Introduction	15
3.2 Objectives	15
3.3 Scope of Application	16

Environmental and Social Management Framework

3.4 Requirements	16
4. ESS 3. Climate Change and Disaster Risk Reduction	23
4.1 Introduction	23
4.2 Objectives	24
4.3 Scope of Application	24
4.4 Requirements	24
5. ESS 4: Decent Work	25
5.1 Introduction	25
5.2 Objectives	26
5.3 Scope of Application	26
5.4 Requirements	27
6. ESS 5: Community Health, Safety and Security	32
6.1 Introduction	32
6.2 Objectives	32
6.3 Scope of Application	32
6.4 Requirements	33
7. ESS 6. Gender Equality and Prevention of Gender-Based Violence.	36
7.1 Introduction	36
7.2 Objectives	37
7.3 Scope of Application	37
7.4 Requirements	38
8. ESS 7. Land Tenure, Displacement and Resettlement	39
8.1 Introduction	39
8.2 Objectives	39
8.3 Scope of Application	40
8.4 Requirements	42
9. ESS 8. Indigenous Peoples	46
9.1 Introduction	46
9.2 Objectives	46



Contents

9.3 Scope of Application	47
9.4 Requirements	47
10. ESS 9: Cultural Heritage	52
10.1 Introduction	52
10.2 Objectives	52
10.3 Scope of Application	53
10.4 Requirements	53
Annex 1: Environmental and Social (E&S) Screening Checklist	57
Annex 2: Risk Classification Form Risk Classification	66
Annex 3: Environmental and Social Analysis for Moderate Risk Projects	67
Annex 4: Environmental and Social Impact Assessment for High-Risk Projects	70
Annex 5: Environmental and Social Commitments Plan (ESCP)	74
Annex 6: Environmental and Social KPIs	81
Annex 7: Stakeholder Engagement/Consultation	82
Annex 8: Grievance Assessment Procedure	84

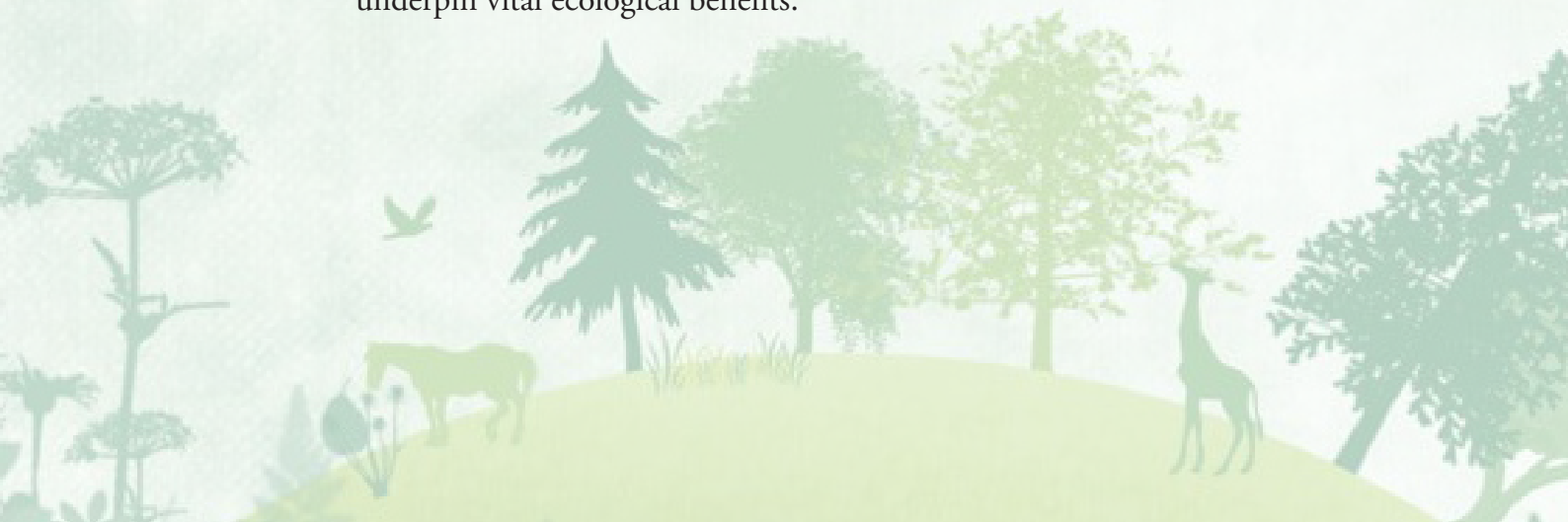


1. INTRODUCTION

India's vast agricultural sector underpins the economy and supports millions of livelihoods, yet it faces mounting challenges—rising food demand, shrinking natural resources, biodiversity loss, soil degradation, and emerging pests and diseases.

Agrifood systems depend on ecosystem services, and their resilience hinges on minimizing environmental and social impacts while optimizing production. Protecting, conserving, restoring, and regenerating natural resources is essential to balance ecosystem health with society's growing demand for food and agricultural products. Achieving this requires building resilient livelihoods across rural, urban, and peri-urban areas, alongside promoting healthy diets.

The Government of India has introduced major initiatives to advance sustainable agriculture, aiming to balance the sector's economic gains with the conservation of natural resources that underpin vital ecological benefits.



1.1 Environmental and Social Risk Management

The Environmental and Social Management Framework (ESMF) is designed to strengthen project performance by applying a risk- and outcome-based approach to environmental and social management. Through its set of tools, the ESMF ensures that sustainable resource use, environmental protection, and livelihood safeguards are embedded into the design, preparation, and implementation of VCM agriculture projects.

ESMF aims to:

- identify, evaluate and manage the environmental and social risks and impacts of projects;
- set minimum requirements on how social and environmental factors must be integrated into projects;
- adopt the following risk mitigation hierarchy:
 - (a) anticipate and avoid adverse environmental and social impacts;
 - (b) where avoidance is not feasible, minimize or mitigate risks and impacts to acceptable levels;
 - (c) where significant residual impacts remain, compensate for or offset them whenever technically and financially feasible; and
- promote inclusive, resilient and sustainable agri-food systems.

Environmental and Social Safeguards form a core component of the Environmental and Social Management Framework (ESMF) developed for agriculture sector VCM projects. They provide a structured approach to identify, assess, and manage po-

tential environmental and social risks and impacts, while enhancing positive outcomes. The safeguards cover following key areas:

- ESS 1: Biodiversity Conservation and Sustainable Management of Living Natural Resources*
- ESS 2: Resource Efficiency and Pollution Prevention and Management*
- ESS 3: Climate Change and Disaster Risk Reduction*
- ESS 4: Decent Work*
- ESS 5: Community Health, Safety and Security*
- ESS 6: Gender Equality and Prevention of Gender Based Violence*
- ESS 7: Land Tenure, Displacement and Resettlement*
- ESS 8: Indigenous Peoples*
- ESS 9: Cultural Heritage*

Their application is determined through the project's environmental and social screening and categorization process, under which relevant safeguards are triggered where potential risks or impacts are identified.

1.2 Screening

- Screening involves identifying and categorizing the environmental and social risks linked to projects.
- At the project identification stage, the project proponent (PP) assesses potential risks or negative impacts using the Environmental & Social (E&S) Screening Checklist (Annex 1).



Environmental and Social Management Framework

- The checklist provides guiding questions to classify projects as Low, Moderate, or High risk in line with Environmental and Social Safeguards.
- E&S Screening should be carried out during the project design phase to determine the nature and extent of environmental and social risks.

1.3 Risk Classifications

Projects are categorized into three risk levels-Low, Moderate, and High-based on their activities and the scale of potential environmental and social impacts.

Low Risk:

- (a) The project poses minimal to no negative environmental or social impacts, either upstream or downstream.
- (b) It is unlikely to generate controversy among key stakeholders.
- (c) Where minor impacts exist, they are manageable through established good practices that are widely known, readily available, and already applied by project implementers (e.g., farmers, fishermen).

Moderate Risk:

- (a) Projects may involve identifiable adverse environmental and/or social impacts.

- (b) Impacts are not unprecedented within the project area.
- (c) Impacts are generally low in magnitude, affecting a limited number of people.
- (d) Impacts are confined to the project's footprint.
- (e) Impacts are neither irreversible nor cumulative.
- (f) Potential adverse effects can be mitigated through established good management or pollution control practices, with proven success in the project area (both upstream and downstream).

High Risk:

Projects are classified as High Risk when:

- (a) Impacts are long-term, permanent, and/or irreversible, and cannot be fully avoided due to the project's nature.
- (b) The affected geographical area or population is medium to very large in scale.
- (c) Impacts are significant, cumulative, and may extend across borders.
- (d) There is a high likelihood of serious adverse effects on human health, livelihoods, and the environment.
- (e) Sensitive ecosystems or valuable habitats are involved (e.g., protected areas, regions of high biodiversity, Indigenous or minority communities, cultural heritage sites, or densely populated urban areas).
- (f) Some risks cannot be mitigated, or require complex, unproven, or highly specialized measures and follow-up actions.

- (g) Social impacts and mitigation measures may trigger conflict, harm, or pose risks to health and security.
- (h) External factors beyond project control could generate significant environmental or social impacts that influence project outcomes.

Risk levels may not be evident at the outset and can shift during project preparation. Hence, projects must undergo systematic screening at identification and design stages, and continuous monitoring during implementation to capture indirect, cumulative, and related impacts. The classification system enables proactive management of environmental and social risks while safeguarding project sustainability and development goals. The project proponent (PP) is responsible for completing the initial Risk Classification Certification Form (Annex 2).

Environmental and Social Risk Assessment

For moderate-risk projects, the PP conducts an Environmental and Social Analysis (ESA) (Annex 3). High-risk projects require a full Environmental and Social Impact Assessment (ESIA) (Annex 4), undertaken by an independent external expert. For high-risk projects, the PP will arrange a site visit by independent qualified experts. During the design stage, they will conduct the ESA or ESIA and prepare the project's Environmental and Social Commitment Plan (ESCP).

Environmental and Social Commitment Plan (ESCP)

For moderate- and high-risk projects, an Environmental and Social Commitment Plan (ESCP) is prepared during the design

stage as part of the ESA or ESIA. The ESCP outlines project commitments, actions, and timelines to manage and mitigate environmental and social risks, ensuring compliance with ESS throughout the project's life cycle. It incorporates recommendations from the ESA/ESIA and stakeholder engagement, detailing measures to avoid, minimize, or reduce impacts. The plan is developed by the PP with independent expert support and validated at key stages, with a tentative outline provided in Annex 5.

Implementation, Monitoring and Reporting

During implementation, E&S risk management will monitor project progress against the ESCP, establish operational controls, and verify compliance. The monitoring plan, included in the ESCP, will be adapted based on experience, required actions, and stakeholder feedback, with direct participation of affected communities where possible. This process ensures accurate records of implementation, compliance, and quality improvements, while tracking relevant Environmental and Social KPIs outlined in Annex 6.

Stakeholder Engagement

Effective stakeholder engagement is central to managing a project's environmental and social impacts, fostering trust and accountability. It is a continuous process that includes identifying and analyzing stakeholders, planning engagement across the project cycle, sharing accessible information, enabling inclusive consultations, establishing grievance redress mechanisms, and reporting back to stakeholders. Both women and men should be

actively involved in monitoring and evaluation. The scope, frequency, and intensity of engagement will vary depending on the project's risk profile, potential impacts, and stage of development.

Stakeholders should be identified and engaged early in the project cycle, with attention to power dynamics, and their involvement must be sustained throughout all phases of the project. Details of the stakeholder engagement process are described in Annex 7: Stakeholder engagement/ consultation.

Information Disclosure

To ensure meaningful participation in consultations, the PP must disclose clear, accessible, and culturally appropriate information on environmental and social risks before formal appraisal. This disclosure should address the specific needs of affected groups, including women and men, considering literacy, gender, disability, language, and connectivity. Information is mandatory for moderate- and high-risk projects, optional for low-risk projects if necessary, and subject to national or local disclosure requirements for high-risk and certain moderate-risk projects.

Benefit Sharing Plan

Integrity Council for the Voluntary Carbon Market described benefit sharing arrangements as:

“The arrangement(s) that describe Partners, Monetary and Non-Monetary Benefits, and the Benefit Distribution Mechanism(s). Benefit Sharing Arrangements describe the processes for the distribution of Monetary and Non-Monetary Benefits to Beneficiaries, including the types and proportions of benefits to be shared and the Mechanism by which such benefits will be distrib-

uted. Benefit Sharing Arrangements are included in a part of mitigation activity documentation and form the basis of the development of the Benefit Sharing Plan.”

Benefit-sharing in carbon credit projects must specify the type of benefits, target beneficiaries, proportions, and distribution methods, with revenues shared monetarily (e.g., direct payments, community funds) or non-monetarily (e.g., training, infrastructure, services, technology, livelihood support). These benefits differ from broader “co-benefits” such as ecosystem or livelihood improvements that arise from project implementation. Project participants are required to design benefit-sharing plans in line with national regulations, present draft and final versions to affected stakeholders in accessible formats, and disclose outcomes publicly where legally permissible.

Capacity Building

Building awareness of carbon markets among farmers is crucial for advancing sustainable agriculture. By adopting climate-friendly practices, farmers can generate carbon credits and reinvest the income to strengthen carbon sequestration and farm resilience. This contributes to sustainable development and improved rural livelihoods. Capacity building through training and knowledge-sharing is vital, with ICAR institutes, SAUs, and KVKs playing a key role in engaging farmers in carbon farming initiatives.

Grievance mechanism

Participants in VCM projects should be able to voice concerns about decisions that affect them. Resolving complaints at an early



Environmental and Social Management Framework

stage reduces the risk of escalation. An effective grievance mechanism is therefore critical to provide a fair, transparent, accessible, and inclusive process for redress. Such mechanisms should align with the effectiveness standards of the UN Guiding Principles on Business and Human Rights and, where relevant, be developed and implemented in partnership with local communities.

Grievance mechanisms should be trusted, accessible, and fair, with clear procedures and timelines. They must be inclusive, transparent, and cost-free, ensuring equal access to information and support for all stakeholders, including marginalized groups. Outcomes should respect internationally recognized human rights without limiting access to legal remedies. The system should protect confidentiality and safety, encourage continuous improvement through learning, and maintain transparent communication and records throughout the process. Information about the available grievance, feedback and complaint mechanisms and how it can be accessed needs to be communicated continuously through appropriate channels to stakeholders, and the effectiveness of established grievance mechanism at the local level should be tested periodically.

All VCM project offices at every level will set up clear and accessible channels—such as email, phone, physical drop boxes, and digital platforms—to receive complaints related to ESS compliance and project grievance processes. These mechanisms will be widely and continuously communicated in local languages, with facilities to accept feedback accordingly. Complaints will be handled promptly, respectfully, and at the nearest appropriate project level, with escalation as needed, and complainants will be regularly informed about the status of their cases.

VCM Independent Accountability Mechanism

Beyond project-level grievance systems, MoAFW/VCM will establish an independent accountability mechanism to address stakeholder complaints and review potential breaches of environmental and social safeguards in VCM Agriculture projects. This mechanism will be independent, transparent, accessible, free of charge, and effective, ensuring complaints are fairly reviewed and stakeholders are kept informed throughout the process. It will assess compliance with VCM policies and ESS requirements, with procedures for submitting and reviewing complaints outlined in Annex 8.



2.

ESS 1

BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES

2.1 Introduction

We understand that inclusive and sustainable development relies on conserving biodiversity, restoring ecosystem services, and responsibly managing natural resources. Together, biodiversity and ecosystem services underpin agrifood systems and are essential for livelihoods, resilience, and human well-being.

The Convention on Biological Diversity (CBD) defines biodiversity as:



The variability among living organisms from all sources including, inter Alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species, and of ecosystems (UN Convention on Biological Diversity, 1992).

This definition covers plant, animal, forest, aquatic, micro-organism and invertebrate genetic resources and diversity that are vital to food security, nutrition, livelihoods and the resilience and adaptability of global agricultural production systems.

Ecosystem services are the benefits people obtain from nature. ESS 1 addresses all four types-provisioning, regulating, cultural, and supporting services-ranging from food and water to climate regulation, cultural values, and soil fertility. It aligns with the objectives of the Convention on Biological Diversity by promoting conservation, sustainable use, and fair benefit sharing, while setting measures to prevent and reduce negative impacts on terrestrial, freshwater, and marine biodiversity and genetic resources.

2.2 Objectives

- Conserve biodiversity and ecosystems by avoiding harmful agriculture, fisheries, forestry, and wildlife practices that damage habitats, ecosystem services, or genetic resources.
- Promote sustainable and inclusive resource management, recognizing the vital role of women, Indigenous Peoples, and local communities, and ensuring fair and equitable sharing of benefits from genetic resources.
- Support resilience and stability by respecting traditional knowledge and ensuring responsible use of natural resources, including in post-conflict and emergency settings

2.3 Scope of Application

ESS 1 is applied through the environmental and social screening process and is triggered where risks or impacts to biodiversity are identified. It covers VCM projects that may directly or indirectly affect biodiversity, depend on it for project success, impact ecosystem services, or involve the management of living natural resources such as agriculture, fisheries, forestry, or wildlife.

2.4 Requirements

- Prioritize careful site selection to avoid areas with high biodiversity or conservation value, using early screening and tools such as Integrated Biodiversity Assessment Tool (IBAT) or Biodiversity Screening Tool (EBS Screen) to identify protected, sensitive, or ecologically important sites.
- Use existing spatial and policy data during screening, drawing on landscape maps, Strategic Environmental Assessments (SEA), National Biodiversity Strategies and Action Plans (NBSAP), sector plans, and conservation strategies.
- Avoid converting critical or natural habitats by favouring already modified or degraded lands identified through suitability and restoration assessments.
- Base farm management plans on biodiversity assessments, considering key species, habitats, and sites at farm level and, where risks are higher, across the wider landscape.

Environmental and Social Management Framework

- Apply phased or scaled assessments for large areas, combining satellite analysis with targeted field verification to identify sensitive habitats, set-asides, and restoration options.
- Identify and manage high conservation values (HCV) areas using recognized tools and certifications, clearly mapping them and allowing adequate time for assessment and management planning before planting or conversion.
- Maintain key biodiversity features on-site through corridors, buffers, and set-asides, supported by active management and monitoring where needed.
- Prevent introduction of invasive species by prohibiting new introductions without prior risk assessment in line with CBD principles.
- Reduce accidental introductions by managing transport of soil, plants, and other vectors, and applying safeguards in aquaculture to prevent escapes.
- Use clean, compliant planting materials and equipment, following quarantine rules and cleaning machinery to avoid spreading invasive species.
- Control invasive species by applying strong biosecurity measures to prevent their spread and managing them within project areas.
- Follow international biosafety rules, including the CBD and Cartagena Protocol, when handling living modified organisms.
- Use genetic resources responsibly, ensuring sustainable collection and fair benefit sharing in line with the Nagoya Protocol.

- Secure free prior informed consent (FPIC) from Indigenous and local communities when accessing genetic resources or traditional knowledge for research or development.
- Comply with national access and benefit-sharing laws, particularly where genetic resources are used for research or biotechnology.
- Respect intellectual property and food sovereignty, especially related to native seeds, medicinal plants, and traditional knowledge.



3.

ESS 2

RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT

3.1 Introduction

Efficient resource use is a core principle of sustainable agriculture, improving productivity through balanced inputs while benefiting from ecosystem services. ESS 2 emphasizes resource efficiency and pollution prevention as central to sustainable development, requiring VCM projects to follow good international practice. Reducing greenhouse gas emissions and adapting to climate change are key to enhancing efficiency and strengthening resilience.

3.2 Objectives

- Prevent pollution and protect health and ecosystems by reducing harmful emissions, wastes, and hazardous substances, including proper management of agrochemicals.
- Use resources efficiently and equitably, promoting sustainable use of energy, water, land, soil, and inputs while ensuring equal access for women and men.
- Promote sustainable farming practices, such as integrated pest and soil fertility management, to reduce chemical dependence, lower emissions, and minimize environmental and economic risks.

3.3 Scope of Application

ESS 2 is applied based on the outcomes of the environmental and social risk screening process.

3.4 Requirements

Integrated water resources management

- Assess crop water needs using global guidelines, considering seasonal and regional factors.
- If irrigating, create a plan and schedule, track usage, and align with available water supply.

- Preserve soil health by maintaining organic matter; apply residues or mulches to retain moisture and reduce evaporation.
- Enhance rainwater retention with harvesting methods such as:
 - (a) Channeling runoff from roads/paths to fields to store moisture and buffer dry spells.
 - (b) Collecting excess rain in tanks, ponds, cisterns, or dams for later use.
 - (c) Managing weeds with cover crops, mulches, or herbicides to promote low-water-use ground cover.
 - (d) Preserving vegetation along canals and drains to prevent erosion and slow water flow.
- Implement irrigation water conservation techniques, such as:
 - (a) Keep irrigation systems and channels well-maintained to minimize losses.
 - (b) Record rainfall, irrigation amounts, and soil moisture in a logbook to track efficiency and long-term trends.
 - (c) Reduce evaporation by irrigating during cooler periods, using drip/trickle methods, or under-canopy sprinklers.
 - (d) Limit water loss through windbreaks, lined/closed channels, stormwater collection, and efficient furrow techniques.
- To prevent and control the contamination of water sources:

- (a) Prevent over-irrigation to reduce nutrient and contaminant leaching.
- (b) Monitor soil moisture to maintain appropriate levels.
- (c) Limit debris entering streams through proper harvesting practices and debris traps.
- (d) Maintain buffer zones in riparian areas, adjusting widths to local risks and conditions.

Energy Management

- Use energy-efficient machinery and equipment (e.g., tractors, ventilation systems, drying and storage systems, cooling devices), with fuel-use monitors where possible.
- Train operators in efficient practices, such as shutting engines when idle.
- Optimize irrigation through climate- and soil-based planning, proper scheduling, monitoring, and record-keeping.
- Maintain irrigation systems, select efficient pumps, and match equipment with power sources to reduce energy use.

Soil Conservation and Management

- Apply low/no tillage, direct seeding, and proper machinery use to protect soil structure and reduce erosion.

- Maintain soil health by recycling residues, compost, and manure, and using cover crops, shelterbelts, or windbreaks.
- Plan operations carefully, manage drainage with weirs/canals, and limit road width to reduce soil disturbance.
- Match crops to local climate and soil, guided by meteorological data, soil maps, and regular monitoring for risks and remedial needs.

Nutrient Management

- Maintain soil health with green manures, cover crops, mulching, and nitrogen-fixing legumes to conserve nutrients and moisture.
- Develop balanced fertilizer programs based on soil/leaf analysis, monitor pH and fertility, and apply amendments as needed.
- Apply nutrients at the right time, use proper equipment, and establish buffer zones to reduce runoff and overuse.
- Keep records of fertilizer use, train operators in safe handling and application, and ensure PPE(Personal Protective Equipment) is used per safety guidelines.

Pest Management

- Identify key regional pests, assess risks, and ensure strategies and capacity are in place.
- Use forecasting tools for early detection of pests and diseases.
- Apply Integrated Pest Management by selecting resistant varieties, rotating crops, and supporting beneficial organisms.
- Favor cultural, biological, and mechanical controls, using pesticides only as a last resort after risk assessment.

Pesticide Use and Management

- Avoid pesticides classified by WHO as Class 1a/1b or listed in Stockholm Convention Annexes A/B.
- Use Class II pesticides only with strict controls, trained staff, and proper facilities.
- Prefer selective pesticides over broad-spectrum options to reduce harm to non-target species.

Storage

Recommended pesticide storage practices include:

- Store pesticides in secure, bunded facilities away from water, residences, livestock, and food, using original la-

beled containers with proper ventilation and safety equipment.

- Maintain records of pesticide procurement, usage, and storage, and keep SDS (Safety Data Sheet) accessible at storage sites.
- Equip warehouses with spill kits, secondary containment, and emergency measures to manage accidental leaks or exposure.

Handling

- Ensure operators follow label instructions and use trained personnel for pesticide mixing, transfers, and application.
- Require proper PPE at all times when handling or applying pesticides.
- Conduct mixing/filling in designated areas away from water sources, with spill containment and immediate cleanup.

Application

- Use application methods with the lowest EHS risk, minimizing harm to non-target species and off-site runoff.
- Establish buffer zones, clearly mark aerial spray areas, and avoid contamination of sensitive or organic sites.



Environmental and Social Management Framework

- Keep equipment well-maintained and calibrated, applying pesticides only under suitable weather conditions.

Disposal

- Dispose of unused dilute pesticides, rinse water, and outdated products as hazardous waste.
- Triple-rinse containers and use washings in the tank or treat as hazardous waste; store securely until safe disposal, never repurpose.

Fertilizers

- Store fertilizers in original packaging within secure, labeled facilities, separate from pesticides and machinery, with SDS and inventories accessible.
- Purchase only minimal quantities, use older stock first, and apply fertilizers based on crop-specific needs to reduce environmental impact.
- Train personnel in safe handling, transport, storage, and application practices.

Crop Residue and Solid Waste Management

- Create a residue management plan aligned with nutrient research, recycling residues through composting or on-site use.

- Reuse crop residues for animal feed, bedding, thatching, or energy generation, while managing fire and emission risks with expert guidance.
- Mulch or disperse large plant structures unless biodiversity benefits justify retention, and avoid practices that spread pests or diseases.
- Safely handle pesticide and herbicide packaging-store for proper disposal or recycling, never burn plastics or waste.
- Reduce waste by using bulk containers and exploring alternative or biodegradable product packaging.

Air Quality

- Avoid open burning for land prep, weed control, or post-harvest; use controlled burning only under safe conditions and never for pesticide-treated waste.
- Minimize ammonia emissions from fertilizers and manure by careful selection, incorporation at planting, and monitoring.
- Reduce fire risks by limiting fuel build-up, managing weeds, and ensuring controlled burns do not harm air quality.
- Use low-emission energy sources, maintain combustion equipment, and replace or retrofit older units to cut emissions.
- Adjust field operations and timing to reduce machinery passes, travel distances, and pollution under unfavorable weather.

Environmental and Social Management Framework

- Prevent dust and erosion with cover crops, residue retention, water application, and natural wind barriers.

4.

ESS 3

CLIMATE CHANGE AND DISASTER RISK REDUCTION

4.1 Introduction

Agriculture faces growing risks from natural hazards and increasingly severe weather, which damage lives, infrastructure, and food systems. Addressing these challenges requires both mitigation-cutting greenhouse gas emissions-and adaptation-strengthening resilience to reduce harm and seize opportunities. Low-carbon, regenerative practices often achieve both goals at once. ESS 3 provides guidance to manage climate and disaster risks, helping communities and agrifood systems build resilience and adaptive capacity.

4.2 Objectives

- Cut emissions in VCM projects while protecting and enhancing carbon sinks.
- Integrate climate and disaster risk considerations into all project planning and implementation.
- Promote resilient, low-carbon agrifood systems that support mitigation, adaptation, and safeguard livelihoods and food security.

4.3 Scope of Application

The use of ESS 3 is established through environmental and social screening, guided by evaluations of climate and disaster risks along with the mitigation capacity of the VCM project.

4.4 Requirements

Climate Change and Disaster Risk Screening C Management

- Conduct climate and disaster risk screening to embed resilience measures across projects.
- Identify short- and long-term hazards that could affect project outcomes.
- Assess vulnerability, exposure, and adaptive capacity of communities, agrifood systems, and ecosystems, with attention to gender.

- Map potential hazards-climatic, geological, chemical, and biological-and evaluate risks to infrastructure and value chains.
- Analyze social, economic, policy, and environmental factors that heighten risks, focusing on marginalized and vulnerable groups.
- Assess project outcomes, sensitivity, and risks to avoid maladaptation and increased vulnerability.
- Align with existing initiatives to generate climate mitigation co-benefits and strengthen resilience.
- Establish risk management plans covering preparedness, response, recovery, monitoring, and corrective actions.
- Promote climate-resilient practices, integrate “build back better” measures, and ensure inclusive participation of all groups.



5. ESS 4 DECENT WORK

5.1 Introduction

The agricultural sector is a source of livelihoods of rural people. However, the sector is characterized by significant decent work deficits. ESS 4 recognizes protection of labour rights and ensuring safe and secure working environments for all workers, including women and migrant workers, and workers in precarious employment, and will be founded on international standards and national legislation.



5.2 Objectives

- Foster decent employment while upholding labour rights, including freedom of association, fair treatment, and equal opportunity.
- Safeguard worker health and safety, ensure compliance with labour laws, and prepare for emergencies.
- Provide targeted support to vulnerable groups such as women, youth, migrants, informal workers, and persons with disabilities.

5.3 Scope of Application

ESS 4 applies to all forms of work across genders and age groups, with its scope defined by the employment relationship between the project and its workers. Project workers include:

- Direct workers hired by the project proponent or partners for project-specific tasks.
- Contracted workers engaged through third parties to perform essential project functions.
- Primary supply workers employed by suppliers providing goods or services to the project.

5.4 Requirements

- Apply international labour standards and national laws throughout the project cycle to safeguard workers' rights.

- Prioritize decent job creation for vulnerable groups, and where risks to employment or safety cannot be avoided, minimize impacts with targeted mitigation measures.

Employment Creation

- Expand employment by promoting job-creating technologies, value addition, and partnerships with local enterprises.
- Help rural workers transition to organized, market-oriented livelihoods through inclusive, sustainable business models.
- Strengthen human capital via skills training, entrepreneurship support, and growth of small and medium enterprises.

Terms and conditions of employment

- Establish clear HR policies aligned with national labour laws to govern worker employment and management.
- Provide workers with understandable documentation on rights, conditions, pay, benefits, safety, and leave entitlements.
- Ensure timely and fair payment, lawful deductions, adequate rest, and non-discriminatory termination with proper notice and severance.

Non-discrimination and equal opportunity

- Ensure equal opportunity and fair treatment in all employment practices, with no discrimination based on personal characteristics.
- Prioritize and support vulnerable groups-including women, youth, migrants, persons with disabilities, and small-scale producers-while guaranteeing equal pay for equal work.
- Implement HR policies to prevent violence, harassment, and exploitation, and provide safeguards for at-risk workers.

Workers' organizations and participation

- Uphold freedom of association and collective bargaining, supporting workers to join unions, producer groups, or rural organizations.
- Strengthen representative bodies-especially in rural areas-while empowering women and youth to participate or form groups.
- Respect legally recognized organizations, ensure timely access to information for negotiations, and promote inclusive worker engagement in decision-making and leadership.

Forced labour

- Projects must prohibit all forms of forced labour, including coercion, debt bondage, or trafficking, and act promptly to address any cases found.
- In supply chains with known or potential risks, continuous monitoring should be carried out, with corrective measures taken in collaboration with suppliers and partners.

Child labour prevention and reduction

- Child labour is defined as work harmful to children's health, education, or development and is strictly prohibited, with minimum age requirements set by national law and ILO standards.
- No child under 18 may perform hazardous tasks; projects must monitor conditions, conduct risk assessments, and ensure safe employment practices.
- Supply chains with child labour risks require ongoing monitoring, corrective action, and measures to address root causes, with special protection for vulnerable groups such as girls.

Occupational Health and Safety

Physical Hazards

- Workplace risks include slips, falls, ergonomic strain, sharp objects, noise, vibration, and extreme weather exposure.



Environmental and Social Management Framework

- Machinery and vehicle use can cause collisions, roll-overs, crushing, entrapment, or tool-related injuries, especially in farming and logging.
- Additional hazards involve confined spaces (risk of asphyxiation, explosions, entrapment) and fire from stored materials, requiring strict safety standards.

Biological Hazards

- Agricultural work may expose workers to venomous animals, disease vectors, and wild mammals.
- Mitigation includes protective clothing, insect repellent, clearing vegetation/debris, controlling water, and checking gear before use.
- Ensure first-aid, evacuation plans, hazard mapping, fencing, and spotters to safeguard against dangerous animals.

Chemical Hazards

- Pesticide risks include skin contact, inhalation during use, and accidental ingestion, with exposure worsened by wind, heat, or humidity.
- Reduce hazards by using safer products or methods, training workers on handling and application, and ensuring proper certification.
- Monitor storage, use, and disposal, respect safety intervals, maintain hygiene, and enforce withholding periods to protect workers and value chains.

Workplace Grievance Mechanism

- Provide an accessible grievance mechanism for all workers, explained at recruitment and free from retaliation.
- Ensure it complements legal, administrative, or collective agreement remedies without restricting access.
- Guarantee workers' rights to participate, be present, and choose representation in grievance proceedings.

Contracted Workers

- Ensure third parties hiring workers are legitimate, with HR and safety systems aligned to ESS 4.
- Provide contracted workers access to grievance mechanisms.
- Monitor third-party compliance through contractual obligations, extending requirements to subcontractors.

Primary Supply Workers

- VCM projects must assess risks to workers' rights and safety in primary supply chains, including preventing exploitation and abuse.
- If child or forced labour, or other rights violations are found, suppliers must take immediate corrective action.
- Suppliers must also implement measures to reduce serious health and safety hazards for their workers.



6.

ESS 5 COMMUNITY HEALTH, SAFETY AND SECURITY

6.1 Introduction

Projects may expose beneficiaries to health, safety, and security risks through activities such as construction, increased traffic, water and sanitation works, hazardous material use, resource management, labour influx, and potential misconduct by security personnel, with climate change further intensifying these impacts on communities.

6.2 Objectives

- Prevent adverse impacts on community health, safety, and livelihoods across all project stages.
- Ensure safe design and construction, while minimizing exposure to disasters, disease, and hazardous materials.
- Protect people and property responsibly, following international human rights standards.

6.3 Scope of Application

ESS 5 is determined through environmental and social screening and applied at the community level to VCM projects with potential positive or negative impacts.

6.4 Requirements

General health and safety risk management

- Assess direct and indirect health and safety risks linked to project activities.
- Apply prevention, minimization, and mitigation measures based on international best practices, tailored to sector needs, and sensitive to vulnerable groups.
- Record and address accidents, prepare for emergencies, and consider risks from hazards, conflicts, or post-conflict settings throughout the project cycle.

Community exposure to health issues

- Projects should limit community exposure to pollution, contamination, disease, injuries, and mental health risks.
- Prevent communicable disease spread from labour influx and address endemic illnesses by improving local conditions.
- Where health services are provided, ensure responsible antimicrobial use to improve outcomes and reduce resistance.

Infrastructure design and safety

- Projects must design, build, operate, and decommission structures in line with national laws, international standards, and best practices, with safety risks assessed for communities.
- High risk infrastructure should be engineered by qualified professionals, independently certified, supervised for quality, maintained with emergency plans, and subject to regular inspections.
- Designs must consider climate, disaster, and geological hazards, with expert reviews in high-risk areas, applying universal access where feasible. Dams and reservoirs must meet the highest safety standards appropriate to their scale and hazard potential.

Construction safety

- Projects must control site access with fencing, security, PPE, safe platforms, barriers, and signage.
- Public access areas should account for added risks of accidents or natural hazards.
- Assess and monitor traffic safety during construction and ensure proper sanitation facilities at camps and worksites.

Hazardous materials management and safety

- Projects must prevent or reduce community exposure to hazardous substances by eliminating or substituting risks where possible.
- Special care should be taken during construction, operation, and decommissioning of infrastructure containing hazardous materials, including risks from natural hazards.
- Ensure safe handling, transport, storage, and disposal of hazardous materials and wastes through strict due diligence.

Emergency preparedness and response

- Projects must establish emergency response plans, reviewed regularly and shared with communities.

- Plans should be developed with stakeholders, covering risk areas, impacted groups, procedures, equipment, responsibilities, communication, and training.
- Emergency planning must be inclusive, gender-sensitive, and participatory, ensuring diverse community needs are addressed and information is openly disclosed.

Risks associated with influx of project workers

- Projects must manage health and safety risks from worker influx, including disease, crime, harassment, disasters, and resource strain.
- Protective measures should include worker training, awareness programs, and codes of conduct.
- Identify alternatives to ease pressure on limited natural resources caused by increased population.

Impacts on ecosystem services

- Projects should prevent or reduce ecosystem service impacts that pose health and safety risks to communities.
- Safeguard the value and function of ecosystems, with special attention to vulnerable and marginalized groups.

Environmental and Social Management Framework

- Identify and address risks to ecosystem services that may be worsened by climate change.

Security-related issues and personnel

- Projects must assess security risks, ensuring personnel are vetted, trained, and arrangements comply with laws and human rights standards.
- Investigate past misconduct, review allegations, and act to prevent abuses or reprisals against communities.
- Report unlawful or abusive acts to relevant authorities when required.

7.

ESS 6

GENDER EQUALITY AND PREVENTION OF GENDER-BASED VIOLENCE

7.1 Introduction

Gender inequality remains a barrier to sustainable agriculture and rural development, as discriminatory norms restrict women's rights, decision-making, and access to resources, leaving them more vulnerable to project impacts. Gender-based violence (GBV), intensified by poverty, food insecurity, and crises, includes physical and sexual abuse, denial of opportunities, harmful practices, exploitation, and psychological harm. While women and girls are most at risk, men and boys may also be affected, with GBV undermining health, resilience, and productivity, ultimately harming food security and agricultural outcomes.

7.2 Objectives

- To prevent or reduce harmful impacts of VCM projects on groups vulnerable to gender discrimination and violence.
- Ensure women and men have equal access to agricultural resources and support services, closing the gender gap.
- Minimize risks that increase exposure to GBV, promote gender equity, and ensure timely referral of abuse cases.

7.3 Scope of Application

ESS 6 applies to all VCM projects. The application of ESS 6 is determined during the environmental and social screening.

7.4 Requirements

General

- Ensure women and men have equal opportunities to participate in decision-making across all project stages.
- Conduct gender analysis to understand roles, needs, risks, and impacts, including GBV, and establish baselines with sex-disaggregated data.
- Use findings to design and implement projects that minimize discrimination, prevent GBV, and respond

effectively to harassment or abuse, while respecting local socio-cultural contexts.

Gender-based violence

- GBV concerns must be integrated across the project cycle to reduce risks for aid recipients, partners, and local communities, recognizing links with food insecurity and opportunities to protect vulnerable groups.
- Key principles for mainstreaming GBV protection include:
 - (a) Context and strengths: Build on local knowledge, capacities, and respect cultural practices.
 - (b) Safety and dignity: Prevent harm and reduce exposure to GBV or related abuse.
 - (c) Inclusive access: Address barriers such as stigma or discrimination that limit participation.
 - (d) Participation and empowerment: Engage women and men meaningfully, tailoring communication to local contexts.
 - (e) Coordination: Collaborate with GBV experts, sub-clusters, and relevant bodies during crises.
 - (f) Accountability: Ensure transparency, monitor effectiveness, and respond to concerns of affected populations.



8.

ESS 7

LAND TENURE, DISPLACEMENT AND RESETTLEMENT

8.1 Introduction

Projects involving land acquisition or restrictions must be carefully managed to prevent harmful impacts on communities, particularly involuntary resettlement that forces physical or economic displacement. Such projects should prioritize avoiding resettlement wherever possible, and when unavoidable, ensure timely compensation, support, and benefits are provided before any activities commence on the acquired land.

8.2 Objectives

- Prevent negative impacts from land or resource acquisition; where unavoidable, reduce and manage them, and strictly prohibit forced evictions.
- Plan resettlement with active participation of affected people, ensuring their rights and tenure claims, including customary or informal ones, are respected.
- Support displaced and vulnerable groups by restoring livelihoods, improving living standards, and addressing socio-economic inequalities.
- Establish accessible grievance mechanisms to record, resolve, and communicate concerns of impacted communities.

8.3 Scope of Application

ESS 7 is applied during environmental and social screening and covers both temporary and permanent physical or economic displacement linked to VCM projects. It applies when land or resource acquisition, restrictions on use, or tenure interventions cause adverse impacts, including:

- Expropriation or negotiated settlements that extinguish land rights.
- Limits on access to natural resources for those with customary or legitimate tenure.
- Displacement of people occupying or using land before the project's cut-off date.

- Impacts from project-related externalities such as pollution, biodiversity loss, or safety risks.
- Displacement tied to associated facilities or activities, including those anticipated before project implementation.

ESS 7 is applied during environmental and social screening and covers both temporary and permanent displacement caused by VCM projects. It applies where land or resource acquisition, restrictions on use, or tenure interventions lead to impacts such as:

- Loss or restriction of land rights through expropriation or settlements tied to expropriation.
- Limits on access to resources for those with customary or legitimate tenure.
- Displacement of people occupying or using land before the project's cut-off date.
- Externalities like pollution, biodiversity loss, or safety risks that render land unusable.
- Displacement linked to associated facilities or activities, including those anticipated before project implementation.

ESS 7 does not cover voluntary, legally documented land sales where the seller freely chooses to retain or sell. However, if such transactions displace others with land use or tenure claims, the requirements apply. They also do not apply when communities voluntarily restrict resource access through participatory, consensus-based management that considers neighboring groups. Any activity causing displacement of Indigenous Peoples falls under ESS 8.

Eligibility classification

Affected individuals may include:

- Those with formal legal rights to land, resources, or assets.
- Those without formal rights but holding legitimate tenure claims to land or resources.
- Those lacking statutory rights yet occupying or using land or resources before the project's cut-off date.

8.4 Requirements

- Agriculture, climate, emergency, and resource projects often alter land use or create new infrastructure, requiring adjustments to tenure rights.
- Tenure defines access and security over land and resources, influencing investment, productivity gains, and potential losses from changes in use.
- Projects must address tenure and governance issues, ensuring fair access, compensation, and proper administration of land and resources.

Consent of landowners

- Consent will be taken from the respective landowners for implementation of VCM projects on their land throughout the project lifecycle. It should be appropri-

ately incorporated in the contracts made between Project proponent and respective landowners.

Prohibit forced evictions, allowing evictions only in exceptional circumstances

- Forced evictions, defined as involuntary displacement without adequate legal protection, are strictly prohibited under UN principles.
- Such actions violate fundamental human rights and may only occur lawfully in rare cases for public welfare, with clear justification.
- Evictions must be proportionate, follow due process, ensure fair compensation and rehabilitation, and comply with international human rights and humanitarian law.
- Project proponents must conduct due diligence, including reviewing national resettlement regulations, before undertaking any such activities.

Avoid and minimize physical and economic displacement

- Physical and economic displacement occurs when communities lose access to land or resources due to restrictions, affecting traditional, cultural, or livelihood rights.
- Projects should avoid displacement; if unavoidable, limit it to essential needs and minimize its scale.

- Where displacement cannot be prevented, impacts must be mitigated through negotiated solutions, alternative designs, and action plans developed with affected groups.
- Resettlement or livelihood plans should follow global best practice, ensure timely handling of tenure issues, and aim to restore or improve living conditions, assets, and security of tenure.

Physical Displacement Actions

- Respect displaced persons' choices for resettlement, prioritizing relocation within existing communities and documenting all agreements.
- Offer replacement property with secure tenure, better value, and characteristics, especially where livelihoods depend on land.
- Ensure resettlement sites provide adequate housing and essential infrastructure, meeting standards of tenure security, habitability, affordability, accessibility, and cultural relevance.
- For those without formal land rights, provide compensation for non-land assets, resettlement assistance, and secure housing to prevent forced eviction.
- No compensation is required for encroachers after the publicized cut-off date; absentee owners' claims after this date will be reviewed individually.

Economic Displacement Actions

- Compensation must cover commercial losses, including relocation costs, lost income, wages, and affected assets like crops or infrastructure.
- Provide replacement property of higher value where tenure rights are restricted; if land is unavailable, offer full cash compensation with agreed livelihood alternatives.
- Economically displaced persons with legitimate tenure but no formal claims should be compensated for non-land assets at replacement cost.
- Where livelihoods depend on natural resources, ensure access to suitable replacement land or resources, or provide alternative income opportunities if land cannot be secured.
- For restrictions in parks or protected areas, work collaboratively with communities to agree on measures that safeguard both livelihoods and sustainability.

Prior Displacement

- If displacement occurred before project involvement, an audit must identify gaps and corrective actions.
- For unoccupied sites where residents were displaced for other reasons, due diligence is required to assess feasibility of corrective measures and integrate them into project activities.

Redress and grievance mechanism

- Provide displaced persons with access to legal counsel and available judicial or administrative remedies before any decision is made.
- Establish a grievance mechanism to address concerns throughout resettlement, covering planning, consultation, compensation, relocation, and livelihood restoration.

9.

ESS 8

INDIGENOUS PEOPLES

9.1 Introduction

Indigenous Peoples often safeguard world's cultural and biological diversity yet remain among the most vulnerable communities. They hold collective rights essential to their survival, dignity, and development, including freedom from discrimination. Their deep ties to lands, territories, resources, and heritage are vital to their physical, spiritual, and cultural identity. Protecting these rights—especially over land, livelihoods, and cultural heritage—is fundamental to sustaining their well-being and preserving their unique identities.

9.2 Objectives

- Uphold Indigenous Peoples' rights, dignity, identity, and aspirations, ensuring respect for their lands, resources, and cultural heritage.
- Prevent or minimize negative impacts from VCM projects, and guarantee fair benefits through inclusive, gender-sensitive approaches.
- Support self-determination and culturally appropriate development, with interventions designed and implemented in partnership with Indigenous communities, including women and youth.
- Safeguard and preserve Indigenous knowledge, traditions, and heritage, ensuring meaningful consultation and equitable sharing of benefits.

9.3 Scope of Application

ESS 8 is applied during environmental and social screening and covers VCM projects that may impact Indigenous Peoples' rights, lands, resources, livelihoods, governance, traditions, social structures, and both tangible and intangible cultural heritage.

9.4 Requirements

Identification of Indigenous Peoples

The international community has no single definition of Indigenous Peoples, and the UN emphasizes that a universal definition

is not required for protecting their rights. Self-identification as a distinct people is the core criterion. Common features include:

- Continuation of cultural distinctiveness through language, customs, institutions, and traditions.
- Collective ties to lands, territories, and resources traditionally owned or used.
- Livelihoods and heritage linked to those lands and resources.
- Historical precedence in occupying specific territories, alongside experiences of marginalization or dispossession.

Indigenous Peoples also include groups who have lost access to their lands due to conflict, resettlement, disasters, or urban expansion but still maintain collective attachment. Recognition and legal title may vary across countries.

Free, prior and informed consent

Free, Prior and Informed Consent (FPIC) is a right recognized under the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) for Indigenous Peoples. It requires that:

- Consent is obtained before any project begins (prior), made without pressure (free), and based on clear, timely, and culturally appropriate information (informed).
- Indigenous communities can approve, reject, or withdraw consent at any stage, and negotiate project terms including design, implementation, monitoring, and evaluation.



Environmental and Social Management Framework

- The process ensures meaningful participation of women and youth, prevents or mitigates harm, and delivers benefits in ways that respect culture and gender equity.
- Engagement must start early, continue throughout the project cycle, respect Indigenous decision-making timelines, and be free from coercion. Information on impacts must be disclosed in accessible formats, languages, and settings aligned with Indigenous customs.

Prior assessment, impact avoidance

- Projects must conduct environmental and social analysis to determine if Indigenous Peoples are present in or affected by project areas. Their perspectives should guide the assessment and early participation is essential in shaping avoidance and mitigation measures.
- Indigenous and traditional knowledge should be integrated throughout the project cycle to identify risks, including environmental and disaster-related hazards.
- The analysis must cover direct and indirect social, cultural, gender, spiritual, and environmental impacts, including effects on rights, lands, territories, and resources. Reviews of tenure, property interests, and traditional resource use may be required.
- VCM projects should prioritize avoiding harm; if unavoidable, impacts must be minimized and mitigated through culturally appropriate strategies. Compensation and mitigation plans should be developed in con-

sultation with Indigenous Peoples, exploring alternative designs or locations where necessary.

Culturally appropriate benefits

- VCM projects must deliver benefits to Indigenous Peoples in ways that respect culture and inclusivity.
- Compensation and benefits should reflect Indigenous institutions, customs, and preferences, with attention to gender needs.
- Collective mechanisms may be used to ensure fair distribution among all affected members.
- Any benefits from commercial use of Indigenous lands, resources, or heritage must be shared equitably, including with women and youth.

Support rights to lands, territories, and resources

- Indigenous Peoples hold collective rights over lands, waters, and resources they traditionally own or use.
- VCM projects must not undermine these rights or worsen existing vulnerabilities.
- Where relevant, projects should promote legal recognition of customary tenure, traditional management systems, and collective rights.

People living in voluntary isolation or initial contact

- For Indigenous Peoples in voluntary isolation or initial contact, projects must prevent unwanted contact and safeguard their lands, environment, health, and culture.
- The wishes of isolated groups must be respected, and projects should support national authorities in securing their land rights.

Cultural heritage

- If project activities may affect Indigenous cultural heritage, proponents must consult in good faith and seek FPIC before approval.
- Where heritage sites or practices are kept confidential, measures must be adopted to protect secrecy and respect Indigenous Peoples' wishes.

Indigenous Peoples' Plan

- An Indigenous Peoples' Plan will be prepared after FPIC if significant impacts are expected or required by partners.
- The plan will be developed in full consultation with affected communities, including women and youth.
- It will ensure ongoing engagement during implementation and monitoring, address adverse impacts through

avoidance, mitigation, or compensation, and secure benefits deemed appropriate by Indigenous Peoples.

Feedback and grievance mechanism

- VCM projects must establish culturally appropriate, inclusive grievance and feedback channels with Indigenous Peoples from the outset.
- These mechanisms should respect customary dispute resolution practices and remain active throughout the project cycle.
- Conflict resolution systems must be agreed early, forming part of FPIC and ensuring the right to consent or refusal.
- Grievance procedures should be embedded in meaningful consultation and participation processes, and clearly documented.



10.

ESS 9

CULTURAL HERITAGE

10.1 Introduction

ESS 9 highlights the value of cultural heritage for present and future generations. In line with the World Heritage Convention, it requires VCM projects to safeguard cultural heritage throughout their activities..

10.2 Objectives

- Protect cultural heritage, including food heritage from damage, inappropriate alteration, disruption, removal or misuse, and support its preservation, safeguarding and protection.

- Ensure equitable sharing of benefits generated from integration and utilization of cultural heritage in VCM projects.
- Promote meaningful consultation with stakeholders, including women and youth, on the preservation, protection, utilization and management of cultural heritage.

10.3 Scope of Application

ESS 9 applies to VCM projects that may impact tangible or intangible cultural heritage, determined during environmental and social screening.

Cultural heritage includes:

- Tangible assets such as sites, structures, objects, and properties of archaeological, historical, artistic, or religious value.
- Natural features with cultural significance, like sacred groves, rocks, lakes, or waterfalls.
- Intangible elements proposed for commercial use, including traditional knowledge, practices, and innovations of communities.

10.4 Requirements

Avoidance of adverse impacts

- Projects must assess direct, indirect, irreversible, and cumulative impacts on cultural heritage.
- Adverse impacts should be avoided; if unavoidable, explore all feasible alternatives.
- Where avoidance is not possible, impacts must be minimized and mitigated following the risk mitigation hierarchy.

Chance finds procedures

- Screening must identify if project sites overlap with areas of potential cultural heritage.
- Procedures should guide the management of chance finds during construction or operations.
- This includes notifying authorities and stakeholders, halting further disturbance, and ensuring expert protection, documentation, and assessment of discovered artefacts or sites.

Community participation, stakeholder consultations and use of experts

- For projects with possible cultural heritage impacts, independent experts must assess risks and propose alternatives or mitigation plans.
- Checklists and mechanisms should be integrated to ensure effective stakeholder consultations.
- If Indigenous Peoples' heritage is affected, ESS 8 requirements must also be applied.

Continued access

- VCM projects must not restrict community access to cultural heritage sites or spaces vital for intangible heritage.
- If access cannot be maintained, alternative routes should be provided after consultation, subject to safety and security requirements.

Confidentiality and restricted access by communities

- VCM projects, in consultation with stakeholders, must assess whether sharing cultural heritage information could threaten its safety, integrity, or sources.
- If disclosure poses risks, sensitive details may be withheld.

- Where communities wish to keep heritage sites, uses, or practices confidential, projects must adopt measures to protect secrecy.

Intangible cultural heritage

- When projects may affect intangible cultural heritage, meaningful participation of concerned communities is required.
- Risks such as de-contextualization, commodification, and misrepresentation must be identified.
- Appropriate safeguarding and mitigation measures should be developed in collaboration with the communities.

Integration and utilization of cultural heritage

- When projects seek to use cultural heritage, including community knowledge, practices, or innovations, meaningful consultations with affected groups must be carried out.
- Communities should be informed of their rights and the possible implications of such proposals.
- If activities involve commercial use of cultural heritage, communities must be made aware of available rights and options.
- For Indigenous Peoples' heritage, ESS 8 requirements must be strictly observed.

Legally protected cultural heritage areas

- Projects must avoid harm to legally protected cultural heritage areas.
- They must comply with national or local heritage laws, protected area management plans, and conservation strategies.
- Consultation should involve sponsors, managers, communities, governments, and heritage authorities.
- Additional programs may be implemented to strengthen conservation objectives of protected areas.

ANNEX 1

ENVIRONMENTAL AND SOCIAL (E&S) SCREENING CHECKLIST

For each question only 1 of 4 boxes must be checked: Not Applicable (N/A), No, Yes or Unknown.

Would the project, if implemented	Not Applicable	No	Yes	Unknown
ESS1: Biodiversity Conservation and Sustainable management of Living Natural Resources				
Has the project taken measures to avoid or minimize negative impacts on biodiversity and ecosystem services?				
Is the project located outside protected areas, critical habitats, or areas essential for ecosystem functions?				

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Are sustainable practices for managing living natural resources incorporated into project design and implementation?				
Does the project comply with national regulations and international standards on biodiversity conservation and resource use?				
Have affected communities and stakeholders been consulted regarding biodiversity impacts and resource management practices?				
ESS2: Resources Efficiency and Pollution Prevention and Management				
Has the project adopted practices to reduce excessive use of water in irrigation systems?				
Are measures in place to minimize fertilizer and pesticide runoff into soil and water bodies?				
Has the project implemented energy-efficient technologies for farming operations (e.g., pumps, machinery)?				
Are waste products from agricultural activities (e.g., crop residues, packaging) managed and reused responsibly?				

Does the project include strategies to reduce greenhouse gas emissions from farming practices (e.g., methane from livestock, burning of residues)?				
Are biosafety measures established for handling genetically modified organisms or hazardous agricultural inputs?				
Has the project ensured proper storage and disposal of agrochemicals to prevent pollution?				
Are monitoring systems in place to track resource use (water, energy, inputs) and pollution levels?				
Does the project promote soil conservation and prevent degradation through sustainable land management practices?				
Have farmers and local communities been consulted on pollution risks and resource efficiency measures?				
ESS3: Climate Change and Disaster Risk Reduction				
Has the project assessed how climate change (e.g., droughts, floods, heat stress) could affect agricultural productivity and resilience?				

Environmental and Social Management Framework

Are climate-smart agricultural practices (such as crop diversification, soil conservation, or water-efficient irrigation) integrated into project design?				
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Would the project, if implemented	Not Applicable	No	Yes	Un-known
Has the project developed disaster risk reduction measures to minimize losses from extreme weather events (e.g., cyclones, heavy rainfall)?				
Were farmers and local communities consulted on climate risks and disaster preparedness strategies linked to agricultural activities?				
ESS4: Decent Work				
Does the project ensure fair wages, safe working conditions, and equal treatment for agricultural workers, including seasonal and migrant labor?				
Are occupational health and safety measures in place to protect farm workers from risks such as pesticide exposure, machinery use, and extreme weather?				

Has the project prohibited child labor and forced labor in farming operations and supply chains?				
Were agricultural workers and local communities consulted on labor rights, working conditions, and grievance mechanisms?				
ESS5: Community Health, Safety and Security				
Has the project assessed potential health risks to nearby communities from agricultural inputs such as pesticides, fertilizers, or waste by-products?				
Are measures in place to prevent accidents and ensure safety around project sites, including storage and transport of agrochemicals?				
Has the project evaluated risks of water contamination or reduced water quality affecting community health?				
Are security arrangements designed to protect communities without causing undue restrictions or conflicts?				
Were local communities consulted on health, safety, and security concerns related to agricultural project activities?				

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ESS6: Gender Equality and Prevention of Gender based Violence				
Has the project ensured equal access for women and men to agricultural resources, training, and decision-making opportunities?				
Are measures in place to prevent, monitor, and respond to risks of gender-based violence linked to project activities?				
Has the project adopted policies to prohibit discrimination and promote fair treatment of women, including seasonal and migrant agricultural workers?				
Were women and vulnerable groups meaningfully consulted in project design, implementation, and grievance mechanisms?				
Does the project provide awareness, training, or support systems to strengthen gender equality and safeguard against GBV in farming communities?				
ESS7: Land Tenure, Displacement and Resettlement				
Has the project verified land ownership and tenure rights of farmers and local communities before implementation?				

Annex 1

Were customary and traditional land use practices recognized and respected in project planning?				
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Environmental and Social Management Framework

Would the project, if implemented	Not Applicable	No	Yes	U n- known
Has the project avoided involuntary displacement of farmers, sharecroppers, or landless laborers?				
Are measures in place to provide fair compensation or livelihood restoration if land acquisition or displacement occurs?				
Has the project ensured that vulnerable groups (e.g., women, Scheduled Tribes, smallholders) are not disproportionately affected by land use changes?				
Were local communities consulted on land tenure arrangements and potential resettlement impacts?				
Has the project aligned with national and state laws on land acquisition, tenancy, and agricultural land use?				
Are grievance mechanisms available for communities to raise concerns about land rights or resettlement?				
Has the project assessed risks of conflict over land access between farmers, communities, and project developers?				
Are monitoring systems in place to track long-term impacts of land tenure changes and resettlement on community livelihoods?				

ESS8: Indigenous Peoples				
Has the project identified whether Indigenous Peoples (Scheduled Tribes or other recognized groups) are present in the project area?				
Were Indigenous communities meaningfully consulted on potential impacts of agricultural activities and carbon market interventions?				
Does the project respect traditional knowledge, cultural practices, and land use systems of Indigenous Peoples?				
Are measures in place to safeguard Indigenous Peoples' rights to land, resources, and livelihoods under national laws and ESS 7 requirements?				
Has the project established grievance mechanisms accessible to Indigenous communities to address concerns or disputes?				
Has the project identified whether it operates within Schedule V or VI areas and ensured compliance with constitutional protections, customary land rights, and consultation requirements of Indigenous Peoples in those regions?				

Environmental and Social Management Framework

ESS9: Cultural Heritage				
Has the project identified agricultural practices, rituals, or traditions that form part of local cultural heritage?				
Were farming communities consulted to ensure project activities do not restrict access to cultural heritage sites or practices?				
Does the project safeguard traditional knowledge, innovations, and practices linked to agriculture and biodiversity?				
Are measures in place to prevent misrepresentation, commodification, or loss of context of intangible cultural heritage?				
Has the project aligned with national and local cultural heritage regulations and engaged relevant authorities or custodians?				

ANNEX 2

RISK CLASSIFICATION FORM

Once the E&S screening checklist is finalized, the Project Proponent fills out and formally certifies this form Project Title: ____

Risk Classification

- ☐ Low
☐ Moderate
☐ High

Provide key risks and impacts as per administration of E&S screening checklist

- a. c.
b. d.

Was the project site and nearby area inspected by the individual completing this form? Yes ☐ No ☐



ANNEX 3 ENVIRONMENTAL AND SOCIAL ANALYSIS FOR MODERATE RISK PROJECTS²

Outline

Executive summary

- Brief overview of the project and its objectives
- Summary of key environmental and social risks identified
- Major mitigation measures proposed
- Key stakeholder concerns and responses
- Overall recommendations and conclusion

² The scope and content of an Environmental and Social Analysis (ESA) will differ based on the unique characteristics of each project. The outline below proposes key elements to be included. Where applicable, regulatory requirements should also inform and guide the structure of the analysis.

Introduction

- Purpose and scope of the E&S analysis
- Applicable national regulations and policies
- Relevant international standards (e.g., World Bank ESS, IFC Performance Standards)
- Methodology used for screening and assessment
- Limitations of the study

1. Project description

- Project objectives and rationale
- Location and geographic context
- Main components and activities
- Project timeline and phases
- Associated facilities and supply chain considerations

2. E&S baseline

- Environmental baseline:
 - » Climate, air quality, water resources, soil, biodiversity, land use
- Social baseline:
 - » Demographics, livelihoods, vulnerable groups, Indigenous Peoples (if applicable)
 - » Land tenure and resource use patterns
 - » Cultural heritage and community assets
- Existing infrastructure and services
- Current environmental pressures and risks.

3. Impact assessment

- Identification of potential environmental impacts (air, water, soil, biodiversity)
- Identification of potential social impacts (livelihoods, health, safety, land tenure)
- Cumulative impacts and indirect effects
- Climate change and disaster risk considerations
- Gender and inclusion aspects.

4. Mitigation

- Environmental mitigation measures (pollution prevention, resource efficiency, biodiversity safeguards)
- Social mitigation measures (livelihood restoration, health & safety, gender equality, labor standards)
- Climate adaptation and resilience measures
- Monitoring and reporting framework
- Institutional responsibilities for implementation

5. Stakeholder consultation/engagement

- Identification of stakeholders (communities, government, NGOs, private sector)
- Consultation process and methods used
- Key issues raised by stakeholders
- Responses and integration of feedback into project design
- Grievance redress mechanisms

6. Recommendations

- Summary of priority actions for risk management
- Capacity building and institutional strengthening needs
- Monitoring and evaluation plan
- Next steps for project approval and implementation
- Conclusion on project's environmental and social acceptability.

ANNEX 4

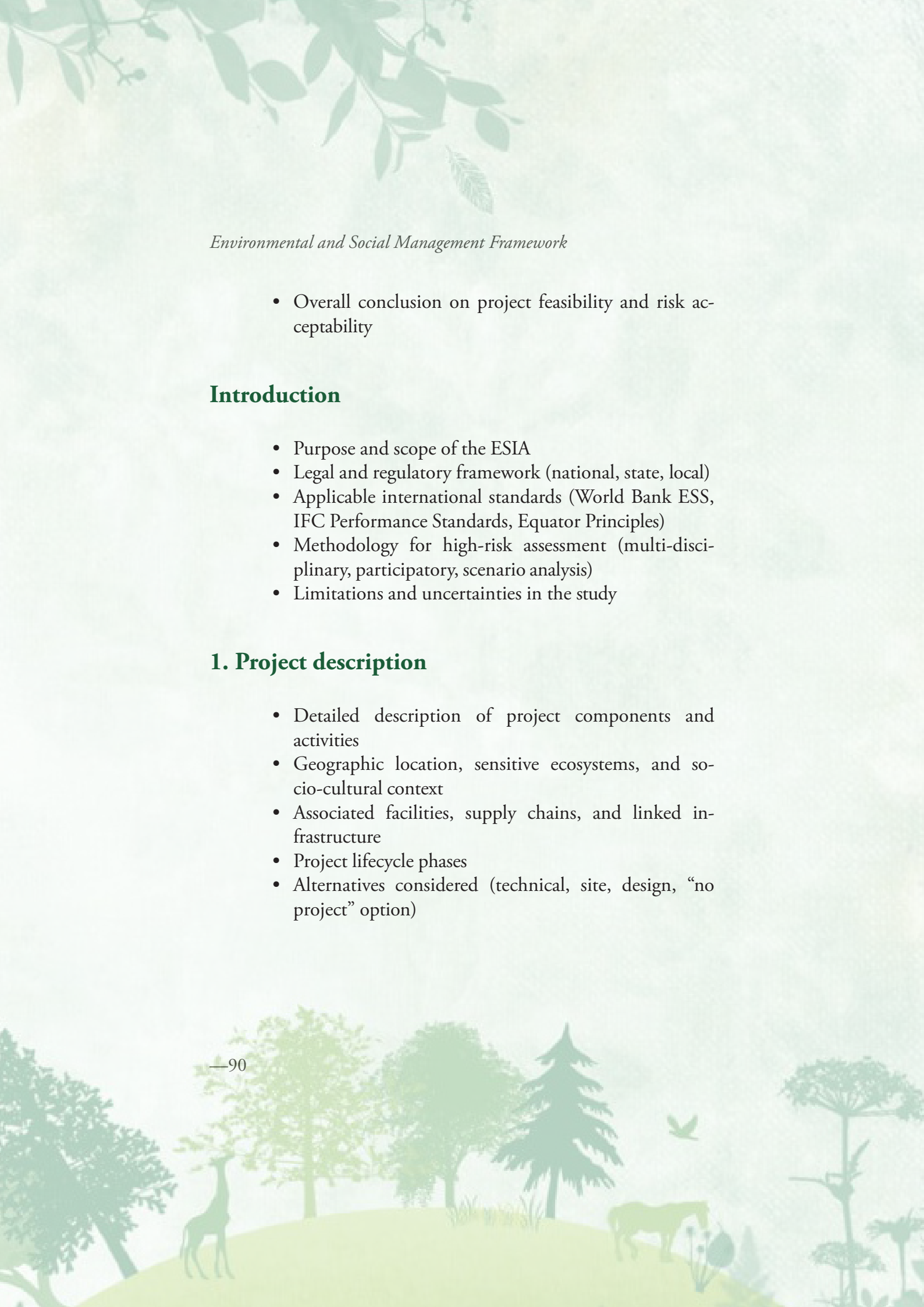
ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENT FOR HIGH-RISK PROJECTS³

Outline

Executive summary

- Overview of project objectives and scope
- Summary of key environmental and social risks (high risk emphasis)
- Major anticipated impacts (direct, indirect, cumulative, transboundary)
- Critical mitigation and management measures
- Summary of stakeholder concerns and commitments

³ The scope of an Environmental and Social Impact Assessment (ESIA) will differ according to the specific characteristics of each project. The outline below presents the key elements in schematic form. Where projects involve Indigenous Peoples, a separate Indigenous Peoples Plan should be prepared, including relevant triggers and indicative content.



Environmental and Social Management Framework

- Overall conclusion on project feasibility and risk acceptability

Introduction

- Purpose and scope of the ESIA
- Legal and regulatory framework (national, state, local)
- Applicable international standards (World Bank ESS, IFC Performance Standards, Equator Principles)
- Methodology for high-risk assessment (multi-disciplinary, participatory, scenario analysis)
- Limitations and uncertainties in the study

1. Project description

- Detailed description of project components and activities
- Geographic location, sensitive ecosystems, and socio-cultural context
- Associated facilities, supply chains, and linked infrastructure
- Project lifecycle phases
- Alternatives considered (technical, site, design, “no project” option)

2. E&S baseline

- Environmental baseline:
 - » Climate, air quality, hydrology, soil, biodiversity, protected areas, ecosystem services
- Social baseline:
 - » Demographics, livelihoods, vulnerable groups, Indigenous Peoples, land tenure, cultural heritage
 - » Public health, safety, and community services
- Cumulative pressures and existing environmental/social stressors
- Climate change vulnerability and disaster risk profile.

3. Impact assessment

- Identification of potential high-risk environmental impacts (pollution, biodiversity loss, resource depletion)
- Identification of potential high-risk social impacts (displacement, labor rights, community health and safety)
- Cumulative, indirect, and transboundary impacts
- Climate change implications (GHG emissions, resilience gaps)
- Gender, equity, and inclusion considerations
- Significance assessment (magnitude, duration, reversibility, likelihood).



4. Mitigation and Management

- Hierarchy of mitigation: avoidance, minimization, restoration, offset
- Environmental mitigation (pollution control, biodiversity offsets, resource efficiency)
- Social mitigation (resettlement action plans, livelihood restoration, labor standards, GBV prevention)
- Climate adaptation and resilience strategies
- Emergency preparedness and disaster risk reduction measures
- Environmental and Social Management Plan (ESMP) with monitoring indicators
- Institutional responsibilities and capacity requirements.

5. Stakeholder consultation / Engagement

- Stakeholder identification and mapping (including vulnerable and marginalized groups)
- Consultation process (multi-stage, inclusive, culturally appropriate)
- Documentation of concerns, expectations, and commitments
- Integration of stakeholder feedback into project design and mitigation measures
- Grievance redress mechanisms (accessible, transparent, responsive).

6. Recommendations

- Summary of critical risk management actions
- Institutional strengthening and capacity building needs
- Long-term monitoring and evaluation framework
- Policy and regulatory alignment recommendations
- Conclusion on project's environmental and social acceptability under high-risk conditions.



ANNEX 5 ENVIRONMENTAL AND SOCIAL COMMITMENTS PLAN (ESCP)

Outline

1. Introduction

- Purpose of the ESCP
- Linkage to Environmental and Social Impact Assessment (ESIA) findings
- Applicable national regulations and international standards
- Scope of commitments (project lifecycle: design, construction, operation, decommissioning)

2. Project Overview

- Brief description of the project and its objectives
- Location and context (environmental and social sensitivities)
- Summary of identified risks and impacts (from ESIA/ESA)

3. Environmental Commitments

- Resource efficiency: energy, water, raw materials
- Pollution prevention: air emissions, wastewater, solid waste, hazardous materials
- Biodiversity protection: habitat conservation, off-set measures
- Climate change mitigation/adaptation: GHG reduction, resilience strategies
- Monitoring and reporting: indicators, frequency, responsibilities

4. Social Commitments

- Labor and working conditions: fair wages, occupational health & safety, prohibition of child/forced labor
- Community health, safety, and security: accident prevention, emergency preparedness, safe handling of agrochemicals

- Land tenure and resettlement: fair compensation, livelihood restoration, grievance mechanisms
- Indigenous Peoples: recognition of rights, culturally appropriate engagement, benefit-sharing
- Gender equality and GBV prevention: inclusion measures, awareness programs, safe grievance channels
- Cultural heritage: safeguarding tangible and intangible heritage, consultation with custodians

5. Stakeholder Engagement Commitments

- Stakeholder consultation / Engagement
- Stakeholder identification and mapping (including vulnerable and marginalized groups)
- Consultation processes (frequency, methods, inclusivity)
- Consultation process (multi-stage, inclusive, culturally appropriate)
- Disclosure of information (language, accessibility, transparency)
- Grievance redress mechanism (structure, accessibility, monitoring)

6. Institutional Arrangements

- Roles and responsibilities (project proponent, contractors, government agencies)
- Capacity building and training needs
- Budget allocation for E&S commitments
- Reporting lines and accountability mechanisms

7. Monitoring, Evaluation, and Reporting

- Key performance indicators (KPIs) for environmental and social commitments
- Monitoring schedule and responsibilities
- Independent audits and third-party verification (if applicable)
- Reporting to regulators, financiers, and communities

8. Timeline and Milestones

- Phased implementation plan (short-term, medium-term, long-term commitments)
- Critical milestones for compliance
- Review and update mechanism for adaptive management

9. Recommendations and Next Steps

- Priority actions for immediate implementation
- Long-term sustainability measures
- Continuous improvement and adaptive management strategies

Drafting Environmental And Social Commitment Plan - Template And Guidance

Safeguard	Sample Commitment	[Priority Low, Medium, High]	Responsible Party	Completion Deadline	Monitoring Indicator	Reporting Time Frame	Budget	Deliverable/Completion indicator
Resource Efficiency	Implement water-efficient irrigation systems to reduce consumption		Project Proponent / Contractor	Within first year of operations	% reduction in water use compared to baseline			
Pollution Prevention	Establish safe storage and disposal facilities for agrochemicals		Project Proponent	Prior to commencement of agricultural activities	Number of incidents of improper disposal reported			
Biodiversity Protection	Avoid clearing of natural habitats and implement buffer zones		Project Proponent / Local Authorities	During site preparation	Area of natural habitat conserved (hectares)			
Community Health & Safety	Provide training on safe handling of pesticides and machinery		Project Proponent / Extension Workers	Quarterly	Number of trainings conducted ; % of workers trained			
Labor & Working Conditions	Ensure fair wages and prohibit child/forced labor		Project Proponent	Continuous	Worker contracts reviewed; compliance audits			
Gender Equality & GBV Prevention	Establish grievance mechanism accessible to women and vulnerable groups		Project Proponent / Community Liaison	Within 6 months	Number of grievances received and resolved			
Indigenous Peoples	Conduct culturally appropriate consultations in Schedule V/VI areas		Project Proponent / Tribal Affairs Dept.	Prior to project approval	Records of consultations and agreements			

Environmental and Social Management Framework

Land Tenure & Resettlement	Provide fair compensation and livelihood restoration if land acquisition occurs		Project Proponent / Govt. Agencies	Before displacement	% of affected households compensated and restored			
Stakeholder Engagement	Maintain regular consultations with farmers and local communities		Project Proponent	Bi-annual	Meeting records; stakeholder feedback reports			
Monitoring & Reporting	Submit annual E&S compliance reports to regulators and financiers		Project Proponent	Annually	Reports submitted and disclosed			

ANNEX 6 ENVIRONMENTAL AND SOCIAL KPIS

Some of the environmental and social key performance indicators (KPIs) identified during the analysis are provided below:

- Water quality
- Water resource efficiency
- Soil erosion
- Nutrient management
- Pesticide management
- Biodiversity management
- Energy use
- Jobs created

Environmental and Social Management Framework

- Reduction in Occupational Health and safety incidents
- Project GHG emissions
- Stakeholder engagement, etc.

Relevant E&S KPIs will be identified at the E&S screening and analysis stage which is then periodically monitored throughout the project.

ANNEX 7 STAKEHOLDER ENGAGEMENT/ CONSULTATION

Project Title _____

Project risk classification _____

Table 1: Stakeholder consultations

Records of Stakeholder consultation	Date	Participants	Location

Add page if necessary

Table 2: Project Stakeholders, Roles and Responsibilities

Main Stakeholder Institution/ Group	Relevant Roles and Respon- sibilities

Summarize key risks and impacts identified from the stakeholder engagement

- a.
- b.
- c.

Have the applicable documents adequately addressed the key risks and impacts in #1? ☐ No ☐ Yes

What tools or approaches have been used, e.g. focus groups, rapid rural appraisals, etc?

Has there been a free, prior and informed consent (FPIC) agreement on the process and the decision made? (i.e. an indigenous peoples' plan)

Do the directly-affected communities feel that their concerns are responded to in a timely and appropriate manner?

Have any of the stakeholders raised any concerns about the project?

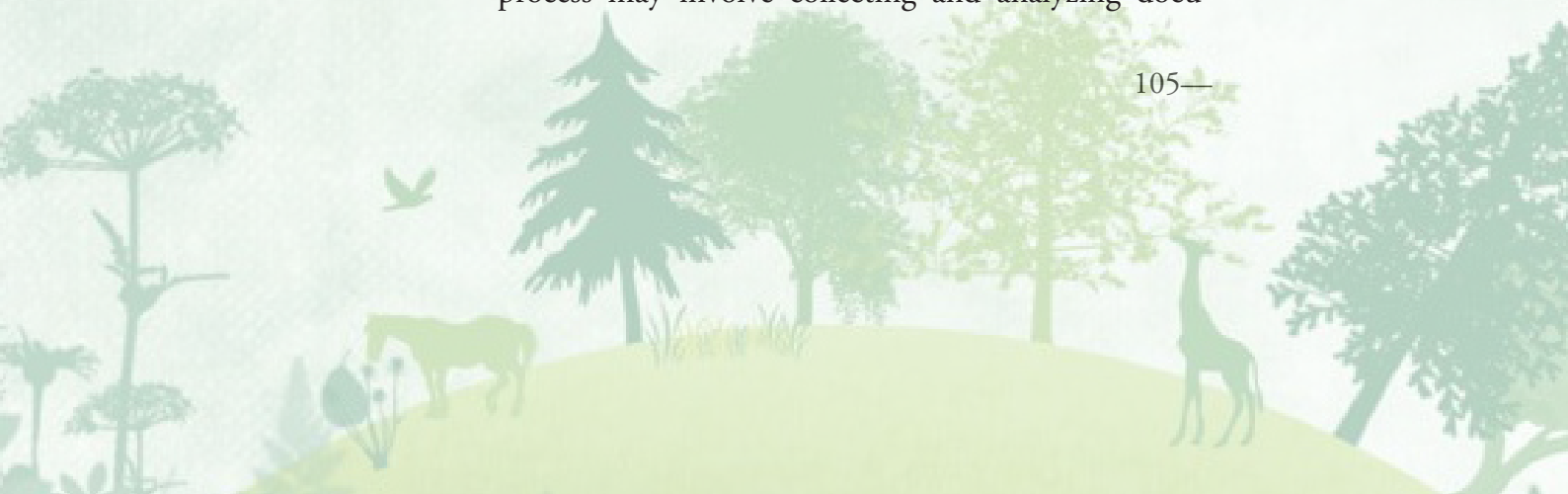
ANNEX 8

GRIEVANCE

ASSESSMENT PROCEDURE

Definitions

- Grievance: Any report, allegation, or concern brought to the attention of MoAFW that suggests potential non compliance with the Environmental and Social Management Framework (ESMF).
- Complainant: An individual, group, or organization submitting a complaint to MoAFW.
- Duplicative: Refers to information that repeats or overlaps with details already provided by other participants in the process, or that is otherwise accessible to the MoAFW team responsible for reviewing grievances.
- Inspection: A systematic investigation undertaken to establish facts following receipt of a complaint. This process may involve collecting and analyzing docu-



ments, videos, audio recordings, photographs, electronic data, or other relevant materials in line with ESMF procedures. It can also include interviews, direct observations, and other investigative methods necessary to carry out the review.

Admissibility

These provisions govern the handling of complaints submitted by beneficiaries of VCM projects (as defined above) in relation to alleged breaches of the Ministry of Agriculture and Farmers Welfare's (MoAFW) Environmental and Social Management Framework (ESMF), with particular reference to Environmental and Social Safeguards.:

- ESS 1: Biodiversity Conservation and Sustainable Management of Living Natural Resources
- ESS 2: Resource Efficiency and Pollution Prevention and Management
- ESS 3: Climate Change and Disaster Risk Reduction
- ESS 4: Decent Work
- ESS 5: Community Health, Safety and Security
- ESS 6: Gender Equality and Prevention of Gender Based Violence
- ESS 7: Land Tenure, Displacement and Resettlement
- ESS 8: Indigenous Peoples
- ESS 9: Cultural Heritage

Grievances must show efforts made to resolve issues with project management and their outcomes. Complaints without good-

faith attempts, or without valid reasons for not approaching management (e.g., safety concerns), will not be admissible.

The Compliance Review Process Submission

- Any individual, group, or representative directly affected by a VCM project may submit a grievance. Submissions are accepted in person, by mail, email, or telephone.
- Anonymous complaints are not admissible; however, the identity of the complainant will remain confidential upon request.
- Grievances may be amended with additional information or new allegations of non-compliance until eligibility is determined and communicated.
- Complaints must be specific, describing actual or potential adverse impacts with a credible link to the project.
- All grievances will be acknowledged within 7 days of receipt.
- MoAFW will notify complainants of inadmissible filings within 20 days.
- If MoAFW determines that imminent, irreversible harm may occur, interim measures may be recommended before completion of the compliance review. Such measures may include suspension of project activities or financial disbursements, or other corrective actions. Where feasible, affected communities will be consulted on these measures.

Grievance Eligibility and Participation

- Grievances not excluded will be referred to the relevant technical unit for preliminary review. The unit will advise MoAFW on eligibility.
- Only grievances showing a plausible link between project activities and alleged harm due to non-compliance with the ESMF will be considered. If no specific non-compliance is cited, the unit will assess whether the grievance implies or raises potential non-compliance.
- Based on the unit's response, MoAFW may consult the complainant, project staff, and other parties, and review documents before making a final eligibility determination.
- If deemed ineligible, MoAFW will provide the complainant with written reasons.
- External parties may request to participate within 15 days of grievance publication. Admission is at MoAFW's discretion and limited to those directly affected or able to contribute substantively (factual, scientific, or legal). Duplicative applications will be declined. Applicants will be notified of decisions within 10 days after the application deadline.
- Admitted participants will have 10 days from notification to submit initial comments on the grievance.

Grievance Inspection and Compliance Review

- Once a grievance is deemed eligible and the application/comment periods close, MoAFW will initiate an inspection.
- All participants, including the complainant, will be notified. Inspections may involve:
 - (a) Interviews with relevant witnesses
 - (b) Review and analysis of documentation
 - (c) On-site visits
- Following the inspection, MoAFW will prepare a draft compliance review report and share it with complainants and admitted participants. Comments must be submitted within 20 days of issuance. The draft report will include:
 - (a) Steps taken to address the grievance
 - (b) Factual findings, including any non-compliance
 - (c) Recommendations for corrective action or harm mitigation
 - (d) A proposed monitoring plan for implementation of recommended measures
- Within 25 days of the close of the comment period, MoAFW will issue a final compliance review report, incorporating findings, recommendations, and participant input. Copies will be provided to complainants

and participants, and notice of completion will be posted publicly.

- If delays occur due to unforeseen circumstances, MoAFW will inform complainants and participants accordingly.

Grievance Submission Requirements

- Allegations of ESMF breaches must be submitted in writing to MoAFW by post, courier, email, or fax, either directly or through any MoAFW office.
- Each grievance should, at minimum, include:
 - (a) What happened – description of events with relevant detail
 - (b) When it occurred – dates, times, frequency
 - (c) Where it occurred – location details
 - (d) Who was involved – persons or entities implicated
- Filing Addresses:
 - (a) Courier or post: Ministry of Environment Forest and Climate Change Indira Paryavaran Bhawan,
 - (b) Jorbagh Road, New Delhi – 110 003, India
 - (c) Confidential fax: 011XXXXXX
 - (d) Email: grievances_vcm@gov.in.

Responsibilities of MoAFW

- Receive grievances and assess eligibility for compliance review.
- Gather and verify information through inspections, interviews with affected persons, and review of documentation.
- Prepare draft compliance reports and share them with complainants and participants for comment.
- Collect feedback and, where appropriate, consult with project staff, NGOs, contractors, and government entities implicated in the grievance.
- Issue final reports with findings and recommendations.
- Communicate the grievance process clearly to potentially affected stakeholders through appropriate channels.

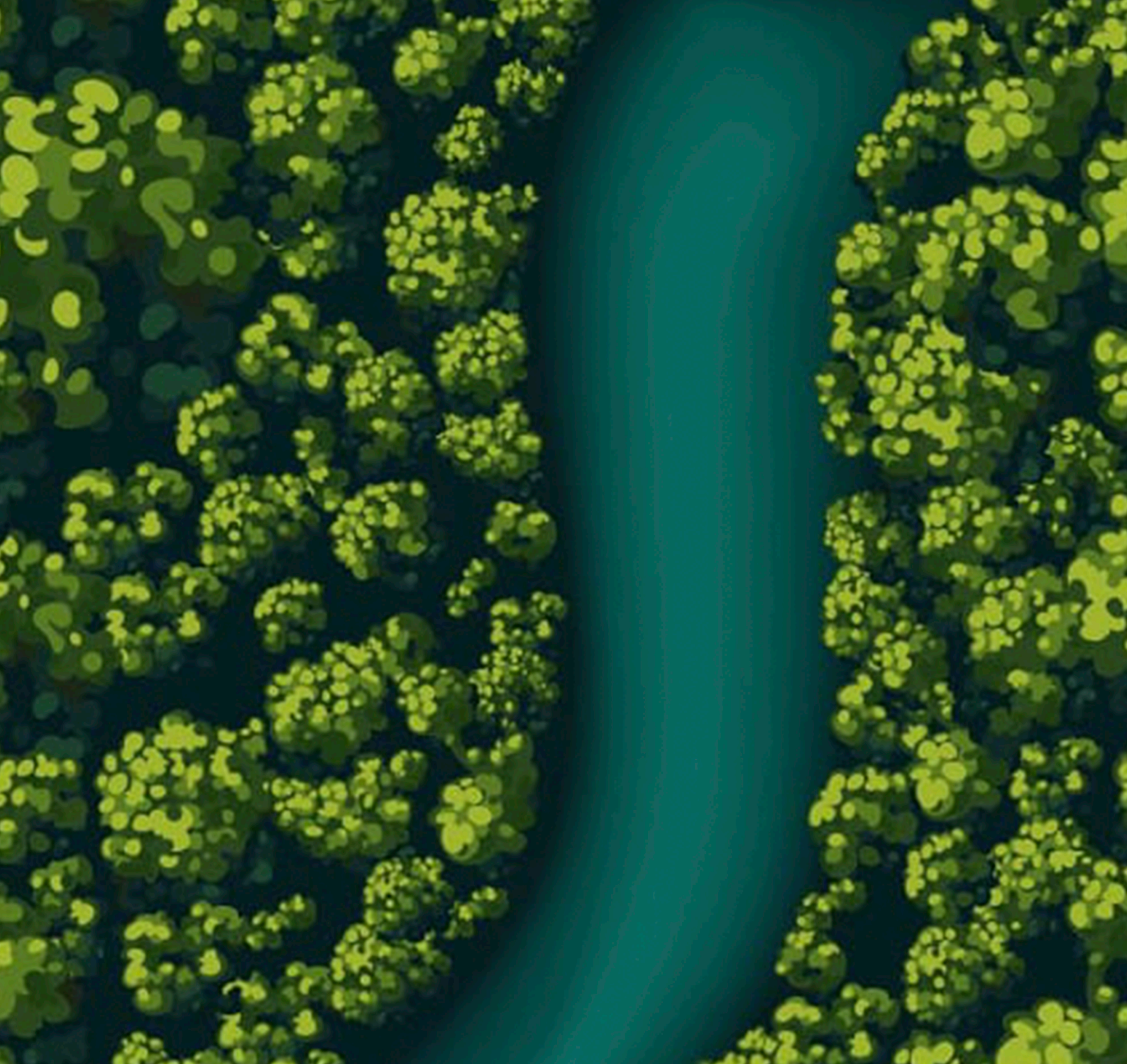
Environmental and Social Management Framework

IIED is a policy and action research organisation. We promote sustainable development to improve livelihoods and protect the environments on which these livelihoods are built. We specialise in linking local priorities to global challenges. IIED is based in London and works in Africa, Asia, Latin America, the Middle East and the Pacific, with some of the world's most vulnerable people. We work with them to strengthen their voice in the decision-making arenas that affect them - from village councils to international conventions.



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About Book

This framework offers a practical, risk-based guide for designing and implementing socially and environmentally responsible agricultural carbon projects in India. It sets out nine Environmental and Social Safeguards covering biodiversity, pollution prevention, climate resilience, decent work, community health and safety, gender equality, land tenure, Indigenous Peoples' rights, and cultural heritage. Grounded in the ICVCM's Core Carbon Principles and international good practice, the framework equips project developers, policymakers, and researchers with practical tools screening checklists, risk classification forms, impact assessment templates, and grievance mechanisms to anticipate and manage risks while strengthening farmer livelihoods and ecosystem health. An essential reference for building high-integrity, inclusive, and climate-resilient agricultural carbon markets.

Developed by IIED, VCMI, and SKUAST-K, with the support of India's Ministry of Agriculture and Farmers' Welfare.

