



Concept Environmental and Social Review Summary

Concept Stage

(ESRS Concept Stage)

Date Prepared/Updated: 01/27/2022 | Report No: ESRSC02537



BASIC INFORMATION

A. Basic Project Data

Country	Region	Project ID	Parent Project ID (if any)
World	OTHER	P175329	
Project Name	Gap Fund partnership with GCOM		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Urban, Resilience and Land	Investment Project Financing		3/16/2022
Borrower(s)	Implementing Agency(ies)		
C40	C40		

Proposed Development Objective

The project's objectives are to a) raise awareness of cities and city networks about the City Climate Gap Fund, its activities, the types of support available and the process for making an application to the Fund b) provide support to city governments to identify and seek to overcome the challenges they face in evolving Sustainable Energy and Climate Action Plans into projects that can contribute to climate change mitigation and adaptation outcomes, and c) provide direct assistance in identifying appropriate programs and projects and formulating Expressions of Interest for support from the Gap Fund.

Financing (in USD Million)	Amount
Total Project Cost	2.35

B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?

No

C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]

The project's objectives are to a) raise awareness of cities and city networks about the City Climate Gap Fund, its activities, the types of support available and the process for making an application to the Fund b) provide support to city governments to identify and seek to overcome the challenges they face in evolving Sustainable Energy and Climate Action Plans into projects that can contribute to climate change mitigation and adaptation outcomes, and c)



provide direct assistance in identifying appropriate programs and projects and formulating Expressions of Interest for support from the Gap Fund.

D. Environmental and Social Overview

D.1. Detailed project location(s) and salient physical characteristics relevant to the E&S assessment [geographic, environmental, social]

C40 Cities Climate Leadership Group, Inc (C40) is a non-profit organization located in the USA. Since July 1st, 2021, C40 has assumed the fiscal sponsorship of the Global Secretariat of the Global Covenant of Mayors for Climate and Energy (GCOM). C40 is incorporated as a non-stock, non-profit corporation in the State of Delaware in the United States of America. C40 US is headquartered in New York State.

The project is global and its potential beneficiaries could be any city governments or organizations in any countries or regions globally. The cities and countries receiving capacity building and technical assistance will only be determined during project implementation. The activities under this project are entirely focused on capacity building. Specific support to cities is limited to awareness-raising of the GAP Fund and the development of Expressions of Interest (EOIs) for submission to the Gap Fund. The activities have no material dimensions and will not exert any physical footprint. C40 will carry out awareness-raising activities through their different regional chapters and will offer demand-based capacity building and technical assistance. Component-wise activities with environmental and social implications are described below,

Component 1 – Awareness Raising. The proposed awareness-raising activities in support of the Gap Fund include a mix of centralized and in-region support. Activities include development and dissemination of a core awareness raising toolkit and materials, training sessions across regions on city climate finance, webinars to decision-makers in submitting and delivering high-quality EOIs to GAP Fund.

Component 2 – Support for Expressions of Interest. Activities will include advisory support on a one-to-one basis to cities to support EOI development, refinement, and submission through Gap Fund website, development and provision of tools and data to support EOIs development for GAP Fund, and surveys and virtual workshops for information gathering and analysis of challenges they face in developing climate-smart Projects.

D. 2. Borrower's Institutional Capacity

C40 Cities Climate Leadership Group (C40) has robust institutional capacity to manage the risks identified, which include (i) low environmental and social risks (ESS1) associated with project activities (ESS1), (ii) labor risks (ESS2) in the delivery of the project activities involving workshops and potential on-site technical assistance, (iii) health and safety risks (ESS4) related for participants in possible face-to-face training events. C40 had experiences before implementing activities under World Bank project grants.

C40 employees are provided with C40's Dignity at Work policy during their induction. The policy commits C40 to provide a working environment that is free from all forms of bullying and harassment, and in which everyone is treated with respect. The policy describes what bullying, harassment, and victimization mean and look like, reporting procedures, and manager responsibilities, and provides that all complaints of bullying, harassment or victimization will be dealt with promptly, fairly, and sensitively.



C40 has a Code of Conduct. It requires its employees to openly communicate with their colleagues, line managers, and team members and that employees should be supportive and collaborative, building and promoting a collegial work environment, and that they should act honestly, truthfully and trustworthy, should treat everyone, including their colleagues, fairly and with respect. C40 employees are encouraged to report any negative behavior towards them or towards other colleagues or partners/ stakeholders they may have witnessed.

C40 also has an Ethical Business Conduct Policy, which brings together various stand-alone policies into one, the overarching guide for staff. These include: (1) Anti-fraud, (2) Gift and Anti-Bribery, (3) Payment to Government Officials, (4) Conflict of Interest, and (5) Doing Business With Responsible Entities (which specifically addresses terrorist financing and related risks). Training is done regularly with staff which includes explaining the policies, compliance and reporting procedures.

C40 has various health and safety policies in place. C40 provides its employees whilst working on the premises or elsewhere: safe machinery and equipment; information, instruction, training, and supervision to enable employees to work safely without risk to their health; premises and places of work that are well maintained, have safe access for all.

C40 publishes its Complaints Procedures on C40.org for beneficiaries. C40 is committed to being open and responsive to complaints and suggestions on how we can improve. Should someone feel unhappy about any aspect of their engagement with C40, they are asked to speak with their normal C40 contact person in the first instance. If this does not resolve the complaint, the document describes the procedures to file a complaint with C40. Beneficiaries can also view C40's Whistleblowing policy on C40.org. The policy describes how to make a report and the investigation process.

C40 suppliers contractually agree to comply with all applicable local, city, state, federal, and international laws, rules, and regulations including, all environmental, safety and health and labor and employment (including those addressing discrimination, harassment, and retaliation) laws, rules and regulations, and will remain in compliance during their engagement with C40. Suppliers also agree to C40's Safeguarding policies and anti-corruption and bribery policies.

II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

A. Environmental and Social Risk Classification (ESRC)

Low

Environmental Risk Rating

Low

The Environmental Risk Rating is deemed low as the project has no physical footprint from construction activities or procuring electronic devices. The types of activities that the project will support are "upstream" in nature and will include the development of expressions of interest (EOIs) for Gap Fund Support. The activities to be proposed in the EOIs would include climate strategy development/enabling environment (e.g. formulation or expansion of existing city climate strategies or action plans, in-depth climate analytics, climate-related institutional/policy/stakeholder mapping, etc.) and project concept definition (e.g. investment planning and prioritization and analysis of alternatives, the definition of a project concept based on global good practices, etc.). The intellectual outputs of the project are likely to have positive environmental effects by management of (global) environmental issues such as climate change, pollution, Green House Gas (GHG) reduction, and enhancement of adaptation in climate change strategy and investment in future of countries.



Social Risk Rating

Low

The overall project social risk is rated low. The project activities are entirely focused on capacity building. They have no material dimensions and will not exert any physical footprint. The project activities are not expected to incur significant adverse social impacts and risks given the range and nature of activities anticipated under the grant. However, there could be risks associated with the employment conditions of staff by C40 for carrying out project activities, potential sexual harassment, and gender discrimination among the project delivery team and beneficiary participants in the potential face to face project activities as a result of people's interactions in an office environment. However, these risks are considered low as they are largely confined to an office environment and will be reduced with the current COVID-19 context, as training interactions are anticipated to remain largely virtual at least for the early phase of the grant implementation. The key stakeholders involved in the project are the staff of C40 and potential consultants to deliver the project TA activities, the potential beneficiaries of the TA activities, particularly the participating city governments and their staff who will be responsible for drafting the EOIs for the GAP fund. The project is not expected to incur major stakeholder risks.

B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered

B.1. General Assessment

ESS1 Assessment and Management of Environmental and Social Risks and Impacts

Overview of the relevance of the Standard for the Project:

The standard is relevant. The project is focusing on raising awareness and building capacity in participating city governments in drafting EOIs for GAP fund application. Its activities are limited to the development of toolkits, delivery of training (on-line and on-site training) to individuals and public agencies, organization of workshops and webinars, and one to one technical assistance in the EOI development process. EOIs developed by cities with support from the Project would be submitted to the Gap Fund. All EOIs are screened for eligibility. If an EOI is determined to be eligible for Gap Fund support, a World Bank regional team will work with the applicant to develop a detailed proposal and will further assess the risk classification of the activities. Neither civil works nor equipment will be financed with grant activities. Project activities are not expected to have any significant adverse environmental and social impacts and risks. Considering the low environmental and social risk, and the fact that project design would stay unchanged through appraisal, an appraisal stage ESRS will not be prepared.

The project will be implemented by staff members of the C40 and contracted short-term consultant experts where deemed necessary. There may be potential for labor-related issues for the project staff and participants in face-to-face TA engagement such as sexual harassment, abuse, and gender discrimination. But the risks are considered low. They are largely confined to an office environment and will be reduced with the current COVID-19 context, as training interactions are anticipated to remain largely virtual and C40 has a strong policy in place to address those issues. These risks are addressed in ESS2.

Since no significant environmental social impacts and risks are expected from the grant activities, the recipient is not expected to conduct further analyses than the one carried out in this ESRS, or prepare any free-standing instruments to manage the environmental social impacts and risks. An appraisal stage ESRS is also not required. The ESCP will reflect all necessary actions and measures to address any project-related environmental and social risks.



Areas where “Use of Borrower Framework” is being considered:

Use of Borrower Framework is not being considered

ESS10 Stakeholder Engagement and Information Disclosure

The standard is relevant. The key stakeholders involved in this project include staff members of C40 who will implement the project activities, the potential beneficiary city governments, and their staff in developing EOIs for GAP funding as well as the citizens who will benefit in the long run from these capacity-building efforts. The stakeholder engagement activities will include broad dissemination of information on the Gap Fund to facilitate beneficiary participation as well as beneficiary feedback to continuously optimize their TA activity design and delivery. The project will continue the past efforts of C40 in stakeholder engagement in the proposed project. Such engagement includes feedback surveys from participants and internal engagement with the C40 delivery team, such as after-action reviews with workshop instructors and facilitators.

The project activities will incorporate stakeholder engagement in the following ways, to be aligned with ESS10 requirements:

1. C40 will engage with stakeholders throughout the project life cycle, commencing such engagement as early as possible in the project development process and in a timeframe that enables meaningful consultations with stakeholders on project design. The nature, scope, and frequency of stakeholder engagement will be proportionate to the nature and scale of the project and its potential risks and impacts.
2. C40 will engage in meaningful consultations with all stakeholders. C40 will provide stakeholders with timely, relevant, understandable, and accessible information, and consult with them in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation.
3. The process of stakeholder engagement will involve the following, as set out in further detail in this ESS: (i) stakeholder identification and analysis, particularly the disadvantaged and vulnerable groups; (ii) planning how the engagement with stakeholders will take place; (iii) disclosure of information; (iv) consultation with stakeholders; (v) addressing and responding to grievances; and (vi) reporting to stakeholders.
4. C40 and GCOM will maintain, and disclose a documented record of stakeholder engagement, including a description of the stakeholders consulted, a summary of the feedback received and a brief explanation of how the feedback was taken into account, or the reasons why it was not.

In addition to the existing grievance redress mechanism in place at C40, the project will establish the following mechanisms, to be aligned with ESS10 requirements, to address any grievances under the project:

- One member of the project management team will be assigned the responsibility to lead and manage grievance resolution under the project.
- All grievances will be registered, classified and the project will keep a grievance log for the record.
- Maintain an updated list of SEA/SH service providers, which can be used to refer SEA/SH related complaints



- All grievances will be deliberated and addressed in a transparent and timely fashion. The complainants will be informed of the resolution response in a timely fashion.
- If the complainant is not satisfied with the resolutions under the project, he or she can continue, at their own liberty, to appeal their cases under legal channels and means available under the laws of the beneficiary country where face-to-face interactions take place.
- The project will maintain the GRM users' identities as confidential and will accept anonymous complaints.

The above-planned actions will be reflected in the ESCP and a description of the GRM and its processes will also be uploaded and disclosed at C40's website following clearance from the World Bank. Given the nature and scale of the risks and impacts of the project, the elements of a SEP will be included in the ESCP and the preparation of a stand-alone SEP is not necessary.

B.2. Specific Risks and Impacts

A brief description of the potential environmental and social risks and impacts relevant to the Project.

ESS2 Labor and Working Conditions

The standard is relevant. The capacity-building activities will be provided through the existing staff of C40 and possibly short-term consultant experts if necessary and will be conducted in accordance with ESS1-10. A dedicated team will be mobilized to develop and deliver the TA activities under the project. This team will consist of existing C40 staff (direct workers), but there's a possibility that short-term consultant experts may be engaged. The size and composition of the team are to be determined later, during the grant's initial execution stage. However, due to the size of the grant and the nature of the project, this team is expected to be small. There could be labor risks in the delivery of the project activities, including sexual harassment and abuse in the office environment. These could happen within the project delivery team as well as among participants in possible face-to-face TA engagement.

C40 will implement its capacity-building activities in accordance with the local labor-related policies and procedures of the USA and any beneficiary countries as well as ESS2. C40 will contractually ensure any third parties follow the local policies for the beneficiary countries. The project workers will be subject to a code of conduct with provisions to prevent SEA/H and discrimination. The project team will assign one team member to take up the responsibility to manage all labor-related issues within the timeframe specified in the ESCP. C40 also conducts regular training for all its project staff to raise their awareness on possible labor risks, their governing policies, rules, and ESS2 requirements.

C40 will follow its existing grievance redress and recruitment policy, which are in line with the national requirements of the USA and will be supplemented by local requirements based on ESF provisions, as needed, particularly those in ESS2 and ESS10. Additionally, C40 will establish specific mechanisms to address any grievances under the project in total alignment with relevant ESS 2 and 10 requirements and they will be classified as labor grievances to treat them in their own specificity. Labor-related grievances will be classified as such and addressed under the same project GRM. A separate free-standing GRM for labor is considered unnecessary. . The project GRM mechanism will be reflected in the ESCP. Similarly, a free-standing labor-management procedure will not be prepared and its requirements will be reflected in the ESCP.

ESS3 Resource Efficiency and Pollution Prevention and Management



This standard is not relevant.

ESS4 Community Health and Safety

This standard is relevant. There could be SEA/H risks among project staff members and beneficiary participants in possible face-to-face training events. The project will follow relevant laws of the USA, and the beneficiary countries where project activities will be conducted to address such issues, complemented by any necessary measures to be consistent with the ESF. Most of the project activities will be conducted virtually through online means which will reduce SEA/SH risks during the current COVID-19 context, which is expected to coincide largely with the grant's implementation period. Where face-to-face interactions are planned and necessary, C40 will follow advisory and guidelines issued by World Health Organization in the current COVID-19 pandemic situation. C40 will designate a qualified person to monitor that the above provisions are implemented during project execution, in accordance with the timeframe specified in the ESCP.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

This standard is not relevant.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

Not relevant at this stage of the project as per available information regarding project design. Relevancy of this standard will be revisited during implementation.

ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities

This standard is not relevant.

ESS8 Cultural Heritage

This standard is not relevant.

ESS9 Financial Intermediaries

This standard is not relevant.

C. Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways	No
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OP 7.60 Projects in Disputed Areas	No
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III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE

A. Is a common approach being considered?

No

Financing Partners

None

B. Proposed Measures, Actions and Timing (Borrower's commitments)

Actions to be completed prior to Bank Board Approval:

None

Possible issues to be addressed in the Borrower Environmental and Social Commitment Plan (ESCP):

The project will include in the ESCP agreed actions and commitments in compliance with ESS2 on Labor, ESS4 on Community Health and Safety, and ESS10 on stakeholder engagement and grievance redress mechanism.

IV. CONTACT POINTS

World Bank

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Borrower/Client/Recipient

Borrower: C40

Implementing Agency(ies)

Implementing Agency: C40

V. FOR MORE INFORMATION CONTACT

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VI. APPROVAL

Task Team Leader(s): Isabel Margarita De Leon Cantada

Practice Manager (ENR/Social) Aly Zulficar Rahim Recommended on 05-Jan-2022 at 12:14:41 GMT-05:00

