



Luxembourg, 11 December 2024

Environmental and Social Data Sheet

Overview

Project Name:	ASPIRE-AT
Project Number:	2021-0682
Country:	Cambodia
Project Description:	The EIB financing will support Cambodia's green recovery and climate change adaptation, by strengthening selected agricultural value chains.
EIA required:	Multi-scheme Framework Loan (FL) operation. Some of the sub-projects/schemes may require an EIA.
Project included in Carbon Footprint Exercise ¹ :	No.

Environmental and Social Assessment

Environmental Assessment

EIB's loan will complement IFAD's financing for the Agriculture Services Programme for an Inclusive Rural Economy and Agricultural Trade (ASPIRE-AT) project. The EIB's project consists of three components: (i) improving access for producer organizations (PO) and SMEs through the construction of post-harvest and logistic infrastructure, including the Kaoh Khsach Tonlea bridge; (ii) enhancing the country's national laboratory and the sanitary and phytosanitary facilities; and (iii) support for the creation of centres of excellence focused on the validation, demonstration and dissemination of agricultural and post-harvest techniques and practices. The sub-projects/schemes under the operation may be located across Cambodia and are to be implemented by the Ministry of Agriculture, Forestry and Fisheries (MAFF) and the Ministry of Public Works and Transport (MPWT).

An Environmental, Social and Climate Management Framework (ESCMF) has been prepared for ASPIRE-AT, setting-up the requirements for the Environmental, Social and Climate Management Plan (ESCMP), Cultural Heritage Plan, Indigenous People's Plan and Free, Prior and Informed Consent Implementation Plan. The project will enforce a zero-deforestation policy. The ESCMF will be updated to ensure compliance with the Bank's environmental and social framework.

The project aims to contribute to the implementation of the country's Nationally Determined Contribution and a climate risk analysis has been prepared. The screening checklist provided in the ESCMF will guide sub-projects to incorporate adequate climate change adaptation and mitigation measures in identified climate vulnerable areas.

For each allocation under this framework, sub-project fiches will be reviewed to ensure alignment with the EIB's environmental and social standards. The allocation letter will specify the applicable environmental, social, climate and/or management requirements in accordance with the EIB's environmental and social requirements for the sub-project, including the potential need for an environmental and social impact assessment (ESIA).

¹ Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO₂e/year absolute (gross) or 20,000 tonnes CO₂e/year relative (net) – both increases and savings.



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The project has been assessed for Paris alignment and is considered to align with both low carbon and resilience criteria outlined in the EIB's Paris alignment Framework – low carbon.

Social Assessment

The overall, project aims to create a positive socio-economic impact. Better connectivity and increased accessibility, improved access to markets, and social and economic services for rural communities.

Land acquisition and displacement, being physical and / or economic, are not expected for the project intervention involving producers' organisations, investments in laboratories, nor technical centres. However they may be necessary for construction on rural roads (widening or side-drainage works) and the bridge abutment and road connection areas.

Modernization of rural infrastructure associated with civil works may lead to some temporary negative social impacts on land users, which are to be assessed as part of the sub-projects/schemes' documentation including the feasibility study and relevant ESIA, that will be submitted to EIB, where applicable.

Negative social impacts may arise from civil works requiring land acquisition from project-affected people, temporary loss of livelihood and/or limited physical resettlement of homes, and businesses or other income-generating activities. As per EIB's environmental and social standards, a resettlement Policy Framework, Ethnic Group Engagement Framework, and resettlement action plan will be prepared prior to disbursement linked to the related sub-projects.

The contracts for works will comply with International Labor Organisation (ILO) core labour standards, in accordance with national law on labour standards and ILO obligations ratified by Cambodia. Contractors shall ensure occupational and community health and safety as part of their works contracts.

Given that certain value chains are sensitive to child labour in Cambodia, the Promoter and the Project Implementation Unit shall perform a labour audit of the producer organisations before their selection for an allocation of funds.

By supporting the development of the producers' organisations, the project is expected to increase women's access to agricultural services and productive resources and enhance women's representation in the leadership teams in these organisations.

A Gender Action Plan has been developed for this operation, but the Gender and Social Inclusion Strategy shall be updated in line with EIB requirements.

Public Consultation and Stakeholder Engagement

The public consultation and stakeholder engagement plan is to be part of ESCMPs. Additional stakeholder engagement may take place as required by national legislation and EIB's Environmental and Social standards.

Other Environmental and Social Aspects

The Project Implementation Manual (PIM) shall be revised before disbursement to ensure compliance with EIB's E&S standards.

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Conclusions and Recommendations

Given the type of the operation (FL), the environmental and social impacts and mitigants of the specific sub-investments will be evaluated at allocation stage. The Bank will require the Promoter to implement the subprojects in compliance with the EIB Environmental and Social standards.

The implementation of this project is expected to improve rural livelihoods, contribute to an enabling environment for economic activities in the sub-project areas, and support the country's adaptation to climate change.

Overall, the project is expected to yield positive net social and environmental benefits.

The following conditions and undertakings shall be included for the promoter(s) and its project implementation unit:

- Condition to first disbursement:
 - Revised project implementation manual, including revised Environmental, Social and Climate Management Framework - for compliance with EIB's Environmental and Social Sustainability Framework.
- Undertakings:
 - Labour audit at producer organisations before their selection for the support to their business plan implementation.
 - Climate change risk and vulnerability assessment to be undertaken for sub-projects as part of the sub-project allocation requirement for producers' organisations.
 - Resettlement Policy Framework, Ethnic Group Engagement Framework, and resettlement action plan are conducted for sub-projects as required by EIB's Environmental and Social Sustainability Framework.

Subject to the above conditions, the project is deemed to be acceptable for EIB financing in E&S terms.