FAST-INFRA SUSTAINABLE INFRASTRUCTURE LABEL: DIMENSIONS AND CRITERIA INDICATORS

FOR CONSULTATION

EXPLANATORY NOTE: Below is a simplified reference guide on the **14** sustainability criteria across four dimensions of sustainability that underpin the FAST-Infra Sustainable Infrastructure Label (SI Label).

Baseline: It is proposed that the 'baseline' requirements will comprise: i) the IFC Performance Standards (IFC PS), as well as; ii) 'gaps filled' in the IFC PS (please refer to Annex [1] for detailed guidance). The 'baseline' requirements refer to the minimum standards that all SI Label infrastructure [projects/assets] **are required to adhere to / meet in full for each criterion, as appropriate.**

Positive Contribution: the 'positive contribution factor' refers to the measurable, positive contribution to a criterion (sustainability objective), significantly *over and above* the 'baseline'. Projects/assets are required to demonstrate adherence to **at least one** of these 'positive contribution factors' to satisfy that aspect of the SI Label (the Framework also includes other requirements).

Methods and Metrics: The table also includes examples of methods to measure each criterion and recommended indicators as guidance to measure positive contribution, which should be quantified where possible. The recommended methods of measurements and indicators are **indicative**, providing users the flexibility to provide rationale for the use of best available techniques as practices evolve. However, projects/assets need to provide rationale if other methods / metrics are used.

ENVIRONMENTAL DIMENSION			
Promotion and Enhancement of Biodiversity & the Natural Environment			
Baseline Requirement (IFC PS + Gaps Filled)	**Positive Contribution Factor**	**Example Methodology**	**Example Metric***
The project will meet the baseline requirements for this criterion by achieving overall net gain* for natural and modified habitats, as well as critical habitats. At the same time, the project shall not lead to adverse impacts on biodiversity and ecosystem services and shall not significantly convert or degrade natural or critical habitats. **Net gain is defined as biodiversity gains that significantly exceed the loss (with potential for offsets) (IUCN Protocol for Biodiversity Net Gain)*	The project will contribute positively to this criterion by enhancing biodiversity and the natural environment to achieve a positive gain* across natural and modified habitats, as well as critical habitats. Offsets shall not be permitted in calculation of any positive gain claim. In addition, project site selection and design shall ensure maximum ecological connectivity. **Positive gain is defined as biodiversity gains that significantly exceed the loss with no possibility for offsets.*	Project demonstrates significant contribution to the protection and restoration of biodiversity *[EU Taxonomy]* Using strategic environmental assessments and environmental impact assessments to determine baseline and positive impact. This could include maintenance/ safeguarding/ increase of natural landscape area, including natural habitat and ecosystem services in km^2 and in % for increase *[ICMA - GBP]* This could also include absolute number and trend of threatened species in project area and its surroundings before and after project development and throughout operations, according to the IUCN Red List of Threatened Species. 'Threatened' species here would include all species listed as Critically Endangered, Endangered or Vulnerable [ICMA - GBP]	Key outputs from Environmental (and Social) Impact Assessment # Critically Endangered # Endangered # Vulnerable Species, % natural habitat increase km2 of natural habitat [etc. from SEA and EIA surveys and ongoing monitoring] **In order to claim actual positive contribution against this criterion, the project would have to be operational to compare before and after / ex-ante and ex-post*

Climate Change Mitigation/GHG Emissions Reduction			
Baseline Requirement (IFC PS + Gaps Filled)	**Positive Contribution Factor**	**Example Methodology**	**Example Metric**
The project will meet the baseline requirements for this criterion by having a minimised and managed carbon footprint*, measured on a whole project lifecycle basis, where appropriate and possible. ** If footprint is > 25,000 tonnes CO_2e annually then an alternatives analysis should be presented. Direct emissions must be less than 100g CO_2e/kWh (lifecycle emissions, applicable to electricity and heating/cooling generation). For electricity and heating/cooling generation projects with >100g CO_2e/kWh (lifecycle emissions), carbon offsets cannot be used to reduce lifecycle emission to below minimum threshold requirements. Project must also: avoid lock-in to unabated fossil fuels consumption; not hamper the development and deployment of lower-carbon alternatives; not substantially increase GHG emissions, measured against an appropriate baseline. Project may use carbon removal offsets to reduce its reported carbon footprint.*	The project will contribute positively to this criterion by demonstrating a positive GHG emissions avoidance* as compared to an appropriate baseline. ** Positive GHG emissions avoidance must not include any purchased carbon offsets*	Project demonstrates significant contribution to climate mitigation *[EU Taxonomy]* The Carbon Management Standard for Infrastructure PAS 2080 which can be adopted and independently third-party certified, recommends measuring carbon emissions across 5 different stages: ● Pre-construction ● Product stage ● Construction ● Use ● End of Life And measuring: Capital (embodied) emissions; Operational (scope 1 and 2) emissions; user (scope 3) emissions To calculate emissions avoided, reference can be made to the IFI Framework for a Harmonised approach to GHG Accounting, expressed in tonnes of CO_2 equivalent, using the global warming potential of GHG as defined by the UNFCCC. Carbon offsetting guidance: Oxford Principles for Net-Zero Aligned Carbon Offsetting Carbon Credit guidance for Buyers Other project types may consider carbon offsets for Scope 1, 2, 3 and and/or lifecycle emissions provided global best practice for carbon offsets is applied (e.g. using global best in class, high quality, credible offsetting with robust and transparent monitoring and verification).	Key outputs from Environmental (and Social) Impact Assessment tCO_2e per year (profile or average annual figure) tCO_2e lifecycle emissions GHG avoided (tCO_2e) over the lifetime of the asset as compared to a defined baseline.

Promotion of the Efficient Use of Natural Resources/Waste Reduction & Supporting the Transition to a Circular Economy			
Baseline Requirement (IFC PS + Gaps Filled)	**Positive Contribution Factor**	**Example Methodology**	**Example Metric**
The project will meet the baseline requirements for this criterion by using a lifecycle approach (in its design, construction, operation, and decommissioning) and avoiding, minimising, recycling/up-cycling, and re-using waste generated.	The project will contribute positively to this criterion by demonstrating a positive natural resource saving vs local baseline. This may include integrating sustainable sourcing and use of resources* throughout the full lifecycle** to the extent applicable, and recycling/up-cycling or re-using 100% of waste generated. . **Resources include recycled materials, improved efficiency in consumption of water, energy, and other resources/material inputs.* *** Infrastructure lifecycle refers to design, build, operations and maintenance, and decommissioning phases of the asset.*	Project demonstrates significant contribution to the sustainable use and protection of water and marine resources and/or the transition to a circular economy *[EU Taxonomy]* An established and internationally recognised life cycle assessment (LCA) methodology Reference to the waste management hierarchy that emphasises recovery, recycling, removal, and final disposal of wastes [IDB Sustainable Infrastructure Platform] Zero Waste design methodology	Key outputs from the LCA Key outputs from Environmental (and Social) Impact Assessment % of renewable content or % non-virgin content; % water circularity; % renewable energy [WBCD Circular Economy Indicators] Project implements at least one circular economy business model (e.g., circular use of construction products). [CEEQLUAL] Energy efficiency via decreased avg. energy consumption of system by at least 20% measured in kWh per cubic meter billed/unbilled authorized water supply (water treatment) [EU Taxonomy]

Embedding Pollution Prevention and Control			
Baseline Requirement (IFC PS + Gaps Filled)	**Positive Contribution Factor**	**Example Methodology**	**Example Metric**
The project will meet the baseline requirements for this criteria by applying pollution prevention principles and techniques to avoid (or if avoidance is not feasible, minimise) impacts on receptors (e.g., air, soil, water, land, fauna and flora, and the human environment) and impacts related to excessive noise, light, vibrations, and heat.	The project will contribute positively to this criterion by having zero negative impact/pollution on air, soil, and water quality, as well as land, fauna and flora, and the human environment during its whole lifecycle*. The project will also demonstrate that noise, light, vibration, and heat levels are reduced as compared to an appropriate baseline. When establishing the impact an assessment shall be made against pre-project baseline conditions and levels as considered within an Environmental (and Social) Impact Assessment. ** Infrastructure lifecycle refers to design, build, operations and maintenance, and decommissioning phases of the asset.*	Project demonstrates significant contribution to pollution prevention and control considerations *[EU Taxonomy]* IFC Performance Standards for Environmental (and Social) Impact Assessment Reference to the World Bank Group Environmental, Health, and Safety (EHS) Guidelines for industry best practice on noise, light, vibration, and heat levels for daytime and night-time project activities. Reference to the Food and Agriculture Organization (FAO's) Charter and Sustainable Soil Management Criteria for guidance on sustainable soil management techniques. Reference to Directive 2009/128/EC on targeted application of nutrients (fertilizers) and plant protection products to reduce risk and impacts of pesticide use on human health and the environment (e.g., water and air pollution, loss of excess nutrients).	Key outputs from Environmental (and Social) Impact Assessment The water quality discharge is at least 20% better than industry water discharge requirements [SuRe] Fine particulate matter emissions, measured using mean PM_{25} and PM_{10} emissions (#) [ASSI]

ADAPTATION & RESILIENCE DIMENSION			
Evaluating Risks and Building Resilience and Adaptive Capacity at the Project and System Scales			
Baseline Requirement (IFC PS + Gaps Filled)	**Positive Contribution Factor**	**Example Methodology**	**Example Metric**
The project will meet the baseline requirements for this criteria by i) identifying all relevant material natural hazard, climate, and human-made risks and possible sources of stress/shock throughout its lifecycle; ii) incorporating suitable short- and long-term adaptation and disaster risk reduction measures* to reduce vulnerability, build resilience, and prevent maladaptation over its lifetime in response to these risks, including actual or expected changes in climate conditions; and iii) demonstrating consistency with policies/strategies/plans for climate resilience at national/sector/landscape/city level. The project should also consider alignment with the "*G20 Principles for Quality Infrastructure Investment*" Principle 4: "Building Resilience against Natural Disasters and Other Risks" (including human-made risks) i.e. *4.1 Sound disaster risk management should be factored in when designing infrastructure. A comprehensive disaster risk management plan should influence the design of infrastructure, the ongoing maintenance and consider the re-establishment of essential services.* *4.2 Well-designed disaster risk finance and insurance mechanisms may also help incentivize resilient infrastructure through the financing of preventive measures."* **Measures in terms of the project's design, use of resources, consideration of nature-based solutions, and location vis-a-vis species, ecosystems, and local communities.*	The project will contribute positively to this criteria by: i) enhancing the resilience of the targeted sector, beneficiaries, and/or wider ecosystem beyond direct project outputs; ii) including resilience-building activities that reduce identified vulnerabilities (adaptation co-benefits), including through nature-based solutions; and/or iii) providing transformational impacts beyond direct outputs through improved institutions, policies, incentives, technologies, or capacities, maximizing co-benefits with national and subnational long-term conservation, climate resilience, and sustainable development strategies.	Project demonstrates significant contribution to promoting climate change adaptation *[EU Taxonomy]* Project encompasses a context- and location-specific approach that adheres to a three-step process: 1) Set out the project's context of vulnerability to the risks including climate change; 2) Make an explicit statement of intent to address this vulnerability as part of the project; and 3) Articulate a clear and direct link between the vulnerability and the specific project activities, e.g. Harmonized MDB Frameworks on Climate Finance Tracking Systematic assessment of risks, including climate change physical risks through one of the following options: 1. a risk screening, provision of a qualitative estimate of residual risks as well as a justification for the level of risk 2. a multi-model risk assessment, including natural hazards and human-made risks and considered adaptation options of identified risks 3. a quantitative stress test to ensure that plausible risks do not make it economically unviable (e.g. WB RRS)	Key outputs from Environmental (and Social) Impact Assessment # people and / or enterprises (e.g. companies or farms) benefitting from measures to mitigate the consequences of floods or droughts [ICMA - GBP, Sendai Framework] # hectares of lands under improved management to deliver nature-based solutions for resilience [IUCN Global Standard for NBS] Others to be developed for the other risks Y/N responses to key questions: 1. Project has a comprehensive risk/resilience assessment to disasters and climate hazards? [e.g. GEF – RAPTA/WB RRS] 3. Project considers solutions with respect to the identified risks, including nature-based solutions to identified climate impacts and risks [IUCN Global Standard for NBS/FEBA EbA Guidelines/ADB Eco-based Resilience] 4. Project demonstrates resilience in alignment with Paris Agreement NDCs/NAPs, Sendai Framework DRR plans and meets international best practice thresholds (e.g., EU Taxonomy, CBI Climate Bond Taxonomy, etc.) (Y/N) [ADB Framework, IDB Sustainable Infrastructure Framework, G20 QII Principles]

SOCIAL DIMENSION			
Promoting Gender & Ability Inclusivity			
Baseline Requirement (IFC PS + Gaps Filled)	**Positive Contribution Factor**	**Example Methodology**	**Example Metric**
The project will meet the baseline requirements for this criterion by analysing the implications of the project with respect to gender equality and vulnerable groups, and implementing an action plan to address the negative effects and amplify the positive ones.	The project will contribute positively to this criterion by adapting infrastructure design and services to eliminate the negative effects of the project on women and other vulnerable groups, and empowering these groups as part of the project's activities.	On impact mitigation, the World Bank Gender Primer recommends establishing a mechanism to ensure gender analyses and stakeholder consultations are reflected at multiple stages of the project. The Primer also suggests incorporating a gender action plan, laying out the goals and activities of the project related to closing gaps between men and women in design, building and operation phases. This can be applied to both project staff and affected communities.	Gender and board pay gap (%) [GRESB] Number of women represented on decision-making bodies (#) [MDB ICP indicators] Direct permanent female jobs created (#) [MDB ICP indicators] Provision of a gender & ability inclusivity (or similar) policy supporting an embedded associated framework or management system.
Promoting Health & Safety			
Baseline Requirement (IFC PS + Gaps Filled)	**Positive Contribution Factor**	**Example Methodology**	**Example Metric**
The project will meet the baseline requirements for this criterion by proactively monitoring and evaluating its impact on public health and safety of local communities.	N/A	The UNDP Social and Environmental Standards (Standard 3) recommend evaluating risks to the safety of affected communities during the design, construction, operation and decommissioning phases and establishing preventative measures. Additionally, the project could consider measures that make positive contributions to community health and well-being. ISO 45001 for Health and Safety	Number of fatalities and total recordable injuries (affected communities) [GRESB] Project avoids or minimizes impacts to health and safety of affected communities (Y/N) [IFC Performance Standards] Provision of a health and safety (or similar) policy supporting an embedded associated management system. Project certified to ISO 45001 for Health and Safety

Protection and Enhancement of Human & Labour Rights			
Baseline Requirement (IFC PS + Gaps Filled)	**Positive Contribution Factor**	**Example Methodology**	**Example Metric**
The project will meet the baseline requirements for this criterion by identifying and disclosing human and labour rights issues across the supply chain, promoting local employment opportunities during construction and operation, implementing plans and policies promoting ethical labour practices and monitoring performance throughout construction.	N/A	The CEEQUAL standard recommends adopting plans and policies regarding ethical labour practices and regularly monitoring performance against these. Plans and policies should cover all workers on project construction site(s), and be applied in the selection process for: ● the design team ● the principal contractor ● sub-contractor(s)	Project ensures compliance with national employment and labour laws, and occupational health and safety laws (Y/N) [UNDP Social and Environmental Standards – Standard 3] Project adheres to the Universal Declaration of Human Rights and the 8 Fundamental ILO Conventions (Y/N) [ILO Conventions] Provision of a human and labour rights (or similar) policy supporting an embedded associated management system. Evidence of a whistle-blower and grievance policy Project adheres to the UN Global Compact Principles
Land Acquisition & Resettlement Mitigation			
Baseline Requirement (IFC PS + Gaps Filled)	**Positive Contribution Factor**	**Example Methodology**	**Example Metric**
The project will meet the baseline requirements for this criterion by avoiding involuntary resettlement of affected communities. Where this is not possible, the project shall minimize physical and economic displacement by considering alternative project designs and engaging with affected communities on the development of a resettlement action plan.	N/A	The UNDP Social and Environmental Standards recommend demonstrating minimization of adverse social and economic impacts from land or resource acquisitions, or restrictions on land or resource use. On impact mitigation, EBRD Resettlement Guidance and Good Practice recommends developing appropriate compensation, resettlement, and livelihood restoration action plans where displacement is unavoidable.	Key outputs from Environmental (and Social) Impact Assessment Number of formal and informal households that have to be/have been physically displaced [EBRD Resettlement Guidance and Good Practice] Number (and percentage) of land [EBRD Resettlement Guidance and Good Practice] plots / houses / businesses for which compensation agreements were signed Evidence of a whistle-blower and grievance policy

Promoting Stakeholder Engagement			
Baseline Requirement (IFC PS + Gaps Filled)	**Positive Contribution Factor**	**Example Methodology**	**Example Metric**
The project will meet the baseline requirements for this criterion by effectively engaging with all affected stakeholders and communities, both ahead of the project and throughout the project lifecycle, and implementing a stakeholder engagement plan to address issues identified.	N/A	The IDB Sustainable Infrastructure Framework recommends establishing a stakeholder engagement plan to identify and engage with affected stakeholders throughout the project. It also recommends designing projects to provide fair and adequate benefits to affected communities, as specified through a community social development plan implemented in consultation with affected communities. AA1000 Stakeholder Engagement Standard (AA1000SES).	Key outputs from Environmental (and Social) Impact Assessment Project incorporates a stakeholder engagement process, and a social sustainability plan for maximum benefit inclusion for disadvantaged groups (women, the poor, among others) [IDB Sustainable Infrastructure Framework] Evidence of alignment with AA1000 Stakeholder Engagement Standard (AA1000SES).

GOVERNANCE DIMENSION			
Embedding Anticorruption Policies & Procedures			
Baseline Requirement (IFC PS + Gaps Filled)	**Positive Contribution Factor**	**Example Methodology**	**Example Metric**
The project will meet the baseline requirements for this criterion by developing and implementing an anti-corruption and anti-bribery management system throughout the project lifecycle	N/A	[for consultation: suggested indicators / feedback on whether specific criteria are needed]	Provision on an anti-bribery anti-corruption policy (or similar) supporting an embedded associated framework. [IDB Sustainable Infrastructure Framework]
Embedding Transparency & Accountability Policies & Procedures			
Baseline Requirement (IFC PS + Gaps Filled)	**Positive Contribution Factor**	**Example Methodology**	**Example Metric**
The project will meet the baseline requirements for this criterion by implementing measures that promote ethics, accountability, integrity, and transparency throughout the project lifecycle .	N/A	[for consultation: suggested indicators / feedback on whether specific criteria are needed]	Provision of an ethics, accountability, integrity, and transparency policy (or similar) supporting an embedded associated framework. [IDB Sustainable Infrastructure Framework] [for consultation: suggested indicators / feedback on whether specific criteria are needed]
Embedding Government Policies for Project Fiscal Transparency & Procedures			
Baseline Requirement (IFC PS + Gaps Filled)	**Positive Contribution Factor**	**Example Methodology**	**Example Metric**
When the project benefits from a direct or contingent government financial obligation, it will meet the baseline requirements for this criterion by implementing measures that provide transparency on the direct and contingent impact of the project on the country's sovereign debt, such as reporting the off-balance sheet liabilities. . Criterion in line with the "*G20 Principles for Quality Infrastructure Investment*" and with the G20 endorsed Institute of International Finance (IIF), "*Voluntary Principles for Debt Transparency*"	N/A	(i) IMF, PPP Fiscal Risks Assessment Model (PFRAM) (ii) Public-Private Partnership (Chapter 6), Manual on Government Deficit and Debt, Implementation of ESA 2010	Provision of a project by project transparency policy and mechanism for reporting the impact on the country's sovereign debt, including quantitative assessment of the off-balance sheet and contingent liabilities for the government. Y/N responses to key questions: 1. Has the project been assessed using the IMF-World Bank PFRAM to estimate the quantitative impact on the

			country's sovereign debt and liabilities? [IMF-World Bank, PPP Fiscal Risks Assessment Model (PFRAM)] 2. Has there been a quantitative assessment of the impact of the project on the country's sovereign debt and liabilities of the government using another methodology approved by the IMF?
Embedding Sustainability & Compliance Policies & Procedures			
Baseline Requirement (IFC PS + Gaps Filled)	**Positive Contribution Factor**	**Example Methodology**	**Example Metric**
The project will meet the baseline requirements for this criterion by implementing an environmental and social management system (ESMS) in adherence with national corporate governance regulations, and ensuring that sustainability performance targets are tracked with time bound milestones.	N/A	Environmental and social management systems should be modelled after PS1 from the IFC Performance Standards and associated guidance. The CEEQUAL standard recommends incorporating environmental and social performance considerations within the overall management of the project, throughout the planning, design, tender and construction stages. Environmental Management System (ISO 14001) (see Health and Safety Management)	Provision of an Environmental / Sustainability (or similar) policy supporting an embedded associated management system. Project certified to ISO14001 for environmental management [GRESB] Project has performed a social risk assessment within the last three years [GRESB]

ANNEX [1]: IFC Performance Standards Linkage to SI Dimensions & Criteria

ENVIRONMENTAL DIMENSION	
IFC Performance Standard	**SI Label Criteria**
As a matter of priority, the client should seek to avoid impacts on biodiversity and ecosystem services. When avoidance of impacts is not possible, measures to minimize impacts and restore biodiversity and ecosystem services should be implemented. Given the complexity in predicting project impacts on biodiversity and ecosystem services over the long term, the client should adopt a practice of adaptive management in which the implementation of mitigation and management measures are responsive to changing conditions and the results of monitoring throughout the project's lifecycle **(PS 6).** For the protection and conservation of biodiversity, the mitigation hierarchy includes biodiversity offsets, which may be considered only after appropriate avoidance, minimization, and restoration measures have been applied. A biodiversity offset should be designed and implemented to achieve measurable conservation outcomes that can reasonably be expected to result in **no net loss** and preferably **net gain** of biodiversity; **however, a net gain is required in critical habitats**. The design of a biodiversity offset must adhere to the "like-for-like or better" principle and must be carried out in alignment with best available information and current practices. When a client is considering the development of an offset as part of the mitigation strategy, external experts with knowledge in offset design and implementation must be involved **(PS 6).** **Modified Habitat** o The client should minimize impacts on such biodiversity and implement mitigation measures as appropriate. **Natural Habitat** The client will not significantly convert or degrade natural habitats, unless all of the following are demonstrated: o No other viable alternatives within the region exist for development of the project on modified habitat. o Consultation has established the views of stakeholders, including Affected Communities, with respect to the extent of conversion and degradation; and o Any conversion or degradation is mitigated according to the mitigation hierarchy In areas of natural habitat, mitigation measures will be designed to achieve no net loss of biodiversity where feasible. **Critical Habitat** The client will not implement any project activities unless all of the following are demonstrated: o No other viable alternatives within the region exist for development of the project on modified or natural habitats that are not critical. o The project does not lead to measurable adverse impacts on those biodiversity values for which the critical habitat was designated, and on the ecological processes supporting those biodiversity values. o The project does not lead to a net reduction in the global and/or national/regional population of any Critically Endangered or Endangered species over a reasonable period of time; and o A robust, appropriate designed, and long-term biodiversity monitoring and evaluation program is integrated into the client's management program. In such cases where a client is able to meet the requirements defined above, a project's mitigation strategy will be described in a Biodiversity Action Plan and will be designed to achieve **net gains** of those biodiversity values for which the critical habitat was designated. **Legally Protected and Internationally Recognized Areas** In addition to requirements under natural habitat, the client will: o Demonstrate that the proposed development in such areas is legally permitted. o Act in a manner consistent with any government recognized management plans for such areas. o Consult protected area sponsors and managers, Affected Communities, Indigenous Peoples, and other stakeholders on the proposed project, as appropriate; and o Implement additional programs, as appropriate, to promote and enhance the conservation aims and effective management of the area.	**Promotion and Enhancement of Biodiversity & the Natural Environment**

Invasive Alien Species o The client will not intentionally introduce any new alien species (not currently established in the country or region of the project) unless this is carried out in accordance with the existing regulatory framework for such introduction. o Where alien species are already established in the country or region of the proposed project, the client will exercise diligence in not spreading them into areas in which they have not already been established. **Management of Ecosystem Services** Where the client has direct management control or significant influence over priority ecosystem services, adverse impacts should be avoided. If these impacts are unavoidable, the client will minimize them and implement mitigation measures that aim to maintain the value and functionality of priority services. With respect to impacts on priority ecosystem services on which the project depends, clients should minimize impacts on ecosystem services and implement measures that increase resource efficiency of their operations. **Sustainable Management of Living Natural Resources** The client will locate land-based agribusiness and forestry projects on unforested land or land already converted. Clients who are engaged in such industries will manage living natural resources in a sustainable manner, through the application of industry-specific good management practices and available technologies. **Supply Chain** Where a client is purchasing primary production (especially but not exclusively food and fibre commodities) that is known to be produced in regions where there is a risk of significant conversion of natural and/or critical habitats, systems and verification practices will be adopted as part of the client's ESMS to evaluate its primary suppliers.	
The client will **consider alternatives and implement technically and financially feasible and cost-effective options to reduce project-related GHG emissions during the design and operation of the project**. These options may include, but are not limited to: alternative project locations; adoption of renewable or low carbon energy sources; sustainable agricultural; forestry, and; livestock management practices, etc (PS3). For projects that are expected to or currently produce more than 25,000 tonnes of CO2-equivalent annually, **the client will quantify direct emissions from the facilities owned or controlled within the physical project boundary, as well as indirect emissions associated with the off-site production of energy used by the project**. Quantification of GHG emissions will be conducted by the client annually in accordance with internationally recognized methodologies and good practice (PS3).	**Climate Change Mitigation/GHG Emissions Reduction**
The client will **implement technically and financially feasible and cost-effective measures for improving efficiency in its consumption of energy, water, as well as other resources and material inputs,** with a focus on areas that are considered core business activities. Such measures will integrate the principles of cleaner production into product design and production processes with the objective of conserving raw materials, energy, and water. Where benchmarking data are available, the client will make a comparison to establish the relative level of efficiency (PS 3). When the project is a potentially significant consumer of water, in addition to applying the resource efficiency requirements of this PS, the client shall **adopt measures that avoid or reduce water usage so that the project's water consumption** does not have significant adverse impacts on others. These measures include, but are not limited to, the use of additional technically feasible water conservation measures within the client's operations, the use of alternative water supplies, water consumption offsets to reduce total demand for water resources to within the available supply, and evaluation of alternative project locations. The client will **avoid the generation of hazardous and non-hazardous waste materials**. Where waste generation cannot be avoided, the client will reduce the generation of waste, and recover and reuse waste in a manner that is safe for human health and the environment. Where waste cannot be recovered or reused, the client will treat, destroy, or dispose of it in an environmentally sound manner that includes the appropriate control of emissions and residues resulting from the handling and processing of the waste material. If the generated waste is considered hazardous, the client will adopt GIIP alternatives for its environmentally sound disposal while adhering to the limitations applicable to its transboundary movement	**Promotion of the Efficient Use of Natural Resources/Waste Reduction & Supporting the Transition to a Circular Economy**
The client **will avoid the release of pollutants or, when avoidance is not feasible, minimize and/or control the intensity and mass flow of their release**. This applies to the release of pollutants to air, water, and land due to routine, non-routine, and accidental circumstances with the potential for local, regional, and transboundary impacts. **Where historical pollution** such as land or ground water contamination exists, **the client will seek to determine whether it is responsible for mitigation measures**. If it is determined that the client is legally responsible, then these liabilities will be resolved in accordance with national law, or where this is silent, with GIIP.	**Embedding Pollution Prevention and Control**

To address potential adverse project impacts on existing ambient conditions, the client will consider relevant factors, including, for example (i) existing ambient conditions; (ii) the finite assimilative capacity of the environment; (iii) existing and future land use; (iv) the project's proximity to areas of importance to biodiversity; and (v) the potential for cumulative impacts with uncertain and/or irreversible consequences. **Hazardous Materials Management** The client will avoid or, when avoidance is not possible, minimize and control the release of hazardous materials. In this context, the production, transportation, handling, storage, and use of hazardous materials for project activities should be assessed. The client will consider less hazardous substitutes where hazardous materials are intended to be used in manufacturing processes or other operations. The client will avoid the manufacture, trade, and use of chemicals and hazardous materials subject to international bans or phase-outs due to their high toxicity to living organisms, environmental persistence, potential for bioaccumulation, or potential for depletion of the ozone layer.	
ADAPTATION & RESILIENCE DIMENSION	
IFC Performance Standard	**SI Label Criteria**
The client will establish and maintain a **process for identifying the environmental and social risks and impacts of the project**. The scope of the risks and impacts identification process will be consistent with good international industry practice and will determine the appropriate and relevant methods and assessment tools. **The risks and impacts identification process** will be based on recent environmental and social baseline data at an appropriate level of detail. The process will also **consider relevant risks associated with a changing climate and the adaptation opportunities, and potential transboundary effects.** The project shall contribute to social resilience (e.g., the capacity of a community or society to prepare, absorb, and recover from external hazards and shocks).	**Evaluating Risks and Building Resilience and Adaptive Capacity at the Project and System Scales**
SOCIAL DIMENSION	
IFC Performance Standard	**SI Label Criteria**
The client will not make employment decisions on the basis of personal characteristics such as Such as gender, race, nationality, ethnic, social and indigenous origin, religion or belief, disability, age, or sexual orientation. unrelated to inherent job requirements. The client will take measures to prevent and address harassment, intimidation, and/or exploitation, especially regarding women. The principles of non-discrimination apply to migrant workers (IFC PS2).	**Promoting Gender & Ability Inclusivity**
The client will **evaluate** the risks and impacts to the health and safety of the Affected Communities during the project life-cycle and will establish preventive and control measures consistent with good international industry practice (GIIP),1 such as in the World Bank Group Environmental, Health and Safety Guidelines (EHS Guidelines) or other internationally recognized sources. The client will identify risks and impacts and propose mitigation measures that are commensurate with their nature and magnitude. These measures will favour the avoidance of risks and impacts over minimization.	**Promoting Health & Safety**
• The client will adopt and implement human resources policies and procedures appropriate to its size and workforce that set out its approach to managing workers consistent with the requirements of this Performance Standard and national law • The client will provide workers with documented information that is clear and understandable, regarding their rights under national labour and employment law and any applicable collective agreements, including their rights related to hours of work, wages, overtime, compensation, and benefits upon beginning the working relationship and when any material changes occur. • The client will provide reasonable working conditions and terms of employment • The client will identify migrant workers and ensure that they are engaged on substantially equivalent terms and conditions to non-migrant workers carrying out similar work • In countries where national law recognizes workers' rights to form and to join workers' organizations of their choosing without interference and to bargain collectively, the client will comply with national law. • The client will not make employment decisions on the basis of personal characteristics unrelated to inherent job requirements. The client will base the employment relationship on the principle of equal opportunity and fair treatment and will not discriminate with respect to any aspects of the employment relationship, such as recruitment and hiring, compensation (including wages and benefits), working conditions and terms of employment, access to training, job assignment, promotion,	**Protection and Enhancement of Human & Labour Rights**

termination of employment or retirement, and disciplinary practices. The client will take measures to prevent and address harassment, intimidation, and/or exploitation, especially in regard to women. The principles of non-discrimination apply to migrant workers. ● The client will provide a grievance mechanism for workers (and their organizations, where they exist) to raise workplace concerns. The client will inform the workers of the grievance mechanism at the time of recruitment and make it easily accessible to them. The mechanism should involve an appropriate level of management and address concerns promptly, using an understandable and transparent process that provides timely feedback to those concerned, without any retribution ● The client will not employ children in any manner that is economically exploitative, or is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral, or social development ● The client will not employ forced labour, which consists of any work or service not voluntarily performed that is exacted from an individual under threat of force or penalty ● The client will provide a safe and healthy work environment, taking into account inherent risks in its particular sector and specific classes of hazards in the client's work areas, including physical, chemical, biological, and radiological hazards, and specific threats to women.	
The client will consider feasible alternative project designs to avoid the relocation of Indigenous Peoples from communally held lands and natural resources subject to traditional ownership or under customary use. If such relocation is unavoidable the client will not proceed with the project unless FPIC has been obtained as described above. Any relocation of Indigenous Peoples will be consistent with the requirements of PS 5. Where feasible, the relocated Indigenous Peoples should be able to return to their traditional or customary lands, should the cause of their relocation cease to exist.	**Land Acquisition & Resettlement Mitigation**
The client will identify, through an environmental and social risks and impacts assessment process, all communities of Indigenous Peoples within the project area of influence who may be affected by the project, as well as the nature and degree of the expected direct and indirect economic, social, cultural (including cultural heritage), and environmental impacts on them. Adverse impacts on Affected Communities of Indigenous Peoples should be avoided where possible. Where alternatives have been explored and adverse impacts are unavoidable, the client will minimize, restore, and/or compensate for these impacts in a culturally appropriate manner commensurate with the nature and scale of such impacts and the vulnerability of the Affected Communities of Indigenous Peoples. The client's proposed actions will be developed with the ICP of the Affected Communities of Indigenous Peoples and contained in a time-bound plan, such as an Indigenous Peoples Plan, or a broader community development plan with separate components for Indigenous Peoples (PS 7)#	**Promoting Stakeholder Engagement**