



**Enabel Sustainability and Environmental and Social  
Management Framework**

*ESMS - Environmental and Social Management System*

*Version 1.0 – December 2025*

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# 1 Document management

Type	Owner	Version	Drafting date	Author	Adaptations
Policy		0.1	23/12/2025	Core Group	First version

## 2 Introduction & purpose of the Sustainability Framework

### 2.1 Introduction

Enabel, the Belgian agency for international cooperation, is committed to promoting sustainable and inclusive development through all its actions, in response to global challenges such as climate change, the protection of natural resources and the reduction of social inequalities.

Enabel adopts a comprehensive approach through a **Sustainability Framework** that structures the organisation's actions around **Environmental, Social and Governance (ESG) dimensions** and aims to meet stakeholder expectations **in a coherent and proportionate manner**, while ensuring compliance with international standards. The Sustainability Framework is not limited to external actions in partner countries, but also includes Enabel's internal practices at the Brussels office and the country offices. This includes reducing the carbon footprint of operations, including ESG criteria in purchasing, and promoting diversity and inclusion within the organisation.

An **Environmental and Social Management System (ESMS)** is essential to organise and systematise the proactive management of environmental and social risks associated with Enabel's projects, while maximising opportunities for local populations. The **ESMS is the main operational feature of Enabel's Sustainability Framework for projects**. Its specific aim is to provide a framework for managing the environmental and social aspects of our operations, incorporating them into an overall approach to responsible governance.

This document aims to make **a system, which is for the most part already in place**, better understood. The existing system is dispersed across various policies, processes and tools. The Sustainability Framework aims to **centralise and align and harmonise** these practices within a coherent, operational and proportionate vision.

It enables:

- to have a common, structuring framework internally,
- to meet the expectations of institutional and financial partners in terms of transparency and accountability,
- to fully align our activities with **Enabel's 2030 Strategy**.

### 2.2 External reference framework

The **external framework** comprises all the laws, regulations and international commitments that apply to Enabel's actions. These elements structure the **Sustainability Framework** and ensure its alignment with global priorities in terms of sustainability, social inclusion and governance.

- The **Belgian Law of 19 March 2013** on development cooperation promotes sustainable human development through a comprehensive approach to human rights, gender equality, social protection and the environment. It aims to eradicate poverty, inequality and social exclusion, while building local capacity and strengthening institutions as well as communities. On the environmental front, the law emphasises the protection of natural resources and the fight against climate change, deforestation and drought. It also encourages a participatory and equitable approach, with particular attention to vulnerable populations.

Enabel's overall strategies and internal policies (see below) are in line with the law. Enabel's Sustainability Framework is a comprehensive and proactive response to the external priorities defined by this legislation. In addition, Enabel incorporates three transversal priorities into all its actions: innovation, climate and gender.

- The **17 SDGs** are a roadmap for sustainable development, to which Enabel contributes through its actions. The **Sustainability Framework** incorporates these goals by translating the principles of the SDGs into concrete actions in Enabel's projects.
- **European and international sustainability frameworks**, including the European Corporate Sustainability Reporting Directive (CSRD), reflect a general change in expectations in terms of transparency, responsible governance and management of environmental and social matters. Although Enabel is not formally obliged to comply with these schemes, it draws inspiration from these standards to structure its Sustainability Framework in a coherent way and to make its practices clearer to its partners.

Enabel aligns itself also with **other relevant external reference frameworks** for its activities, including:

- the **Paris Climate Agreement**, through support for low-carbon and resilient initiatives
- **international environmental and social risk management standards**, in particular those of the World Bank and the International Finance Corporation (IFC)
- **specific requirements of Enabel's partners and donors (European Union, DGD, Green Climate Fund, AWAC, etc.)**, which demand robust systems for assessing, managing and monitoring environmental and social impacts.

These **external standards** provide a framework of inspiration and alignment for Enabel, enabling it to **strengthen the credibility, consistency and quality of its actions**, while respecting its mandate, its public service mission and the principle of proportionality.

## 2.3 Internal reference framework

Enabel has chosen to model its internal framework (= its global management system) on four levels that feed from top to bottom.

1. **Strategies**: Strategies define the overall vision and objectives pursued over a given timeframe. Enabel's overarching strategy is the **2030 Strategy**, which defines Enabel's global ambitions and sets the organisation's priorities in terms of sustainable development, environmental protection and the fight against climate change, gender equality and respect for human rights. The **Business Plan** is its implementation for a given year. There are also various **specific strategies** for certain areas, such as the gender strategy, the CO2 emissions reduction strategy, etc. The **Sustainability**

**Framework structures these strategic ambitions and facilitates coherence and operational alignment between them**, without replacing existing strategic documents.

2. **Policies:** Policies translate strategies by defining principles and guidelines that apply to everyone (= the rules of the game). Policies translate strategies by defining principles and guidelines applicable throughout the organisation. The Sustainability Framework **does not replace existing policies**, but aims to **enhance their coherence by explicitly including ESG requirements**, with a view to harmonisation.
3. **Processes:** The processes describe in practical terms how to apply the principles of the policies in order to achieve the objectives of the strategies. These processes define the steps, responsibilities and tools needed to ensure effective and aligned sustainability implementation. They also point to the various tools to be used to implement the processes. Certain key processes are directly associated with the framework, such as the E&S screening processes, but also the more transversal processes, such as project cycle management.
4. **Tools:** The tools are all the practical means for implementing the processes, such as IT applications, methodologies, templates and so on. These tools include environmental and social screening checklists, performance indicators, environmental and social management plans, .... They help translate Enabel's strategic ambitions and policies into concrete action on the ground, ensuring that each project meets the criteria of sustainability and inclusion. In the context of sustainability responsibility, these tools will be **progressively strengthened and harmonised** to cover all ESG dimensions and **facilitate consistent and proportionate reporting**.

## 3 Vision, scope and field of application

### 3.1 Enabel's vision and ambition for sustainability

The Sustainability Framework is fully in line with Enabel's **2030 Strategy**, which places sustainable development, social inclusion and responsible governance at the heart of the organisation's action. The aim is to ensure that every action:

- proactively identifies its environmental, social and governance impacts,
- prevents or mitigates potential negative risks,
- reinforces, where relevant, positive opportunities for people and ecosystems.

The Sustainability Framework is therefore **a lever for implementing** the 2030 Strategy and the annual Business Plans, both for operations in partner countries and for Enabel's internal practices.

- **The environment:** The 2030 Strategy commits Enabel to being a "role model" for the climate within the scope of its mandate, and to reducing its CO2 emissions. Enabel is therefore committed to promoting sustainable development practices in all its projects. This includes environmental protection, the fight against climate change and the sustainable management of natural resources. The Sustainability Framework, particularly through the ESMS, supports these environmental ambitions by providing an operational framework for identifying and managing environmental risks right from the project design phase.
- **Social:** The inclusion of vulnerable groups, gender equality and respect for human rights are fundamental pillars of the 2030 Strategy. The Sustainability Framework covers these

dimensions by ensuring that each project actively contributes to reducing social inequalities and empowering marginalised populations in a proportionate way and adapted to context. (Leave No One Behind)

- **Governance:** The 2030 Strategy also focuses on improving governance in partner countries. This means greater involvement of local stakeholders in the planning and implementation of projects. The Sustainability Framework supports this approach by promoting mechanisms for transparency, accountability and participatory consultation, in line with the principles of good governance.

The annual Business Plan is in line with these strategic ambitions. In addition to projects in partner countries, Enabel applies these principles at head office. This includes actions to reduce its carbon footprint, promote diversity in its teams and improve organisational transparency.

***Linkages:** The Sustainability Framework is a **lever for implementing** the 2030 Strategy and the Business Plans. It encompasses both Enabel's project in partner countries and internal practices in Brussels, **ensuring a coherent and progressive coverage** of ESG dimensions at all levels of the organisation.*

## **3.2 Organisational scope**

Enabel's Sustainability Framework applies to **all levels of the agency's activities**, using a differentiated but coherent approach that takes account of specific functional, geographical and institutional characteristics.

### **3.2.1 Brussels office (Corporate level)**

At central level, the Sustainability Framework applies to internal organisational functions:

- **strategic governance** (Corporate Board, management, internal controls),
- **internal policies** (responsible purchasing, HR management, IT, sustainable mobility, etc.),
- **environmental management of the head office building** (energy consumption, waste, travel),
- **accountability, reporting and auditing systems**, in line with the requirements of institutional partners and donors,
- **organisational culture:** inclusion, diversity, ethical behaviour, etc.

The Brussels office is also responsible for the **structuring, standardisation and harmonisation of the Sustainability Framework, as well as the quality assurance of ESG processes and data, in support of country offices and projects.**

### **3.2.2 Country offices**

The country offices are responsible for:

- adapting the principles of the Sustainability/ESG Framework to the local context, taking into account national challenges and the expectations of partners (e.g. donor requirements, local regulatory frameworks),
- implement ESMS tools in the project portfolio, in particular screenings, assessments, ESMPs, consultations, etc., **depending on the level of risk of the projects,**

- ensure that reliable ESG data is fed back into Impala for global reporting,
- leading local discussions on ESG issues (human mobility, climate, gender, etc.) in line with the TOCs and Enabel's strategic objectives.

**Portfolio Managers**, as **ESG focal points**, are trained to coordinate the integration of the Sustainability Framework into country portfolios, liaise with head office and support project teams.

### 3.2.3 Project

As early as the project identification phase, an indicative environmental and social categorisation is established based on the type of activities envisaged. This categorisation is then confirmed and refined by environmental and social screening at the formulation stage. It helps to determine the level of analysis required at the formulation stage, as well as the environmental and social management measures to be implemented.

Projects are the **operational anchorage point** of the Sustainability Framework. They apply ESMS principles and tools throughout the project cycle (formulation, implementation, closure), **proportionate to the level of risk**, including:

- Project categorisation
- mandatory **E&S screening** during the formulation phase,
- carrying out **ESIAs or specific assessments** (gender, health, governance, etc.), **depending on the project's categorisation, regulatory requirements and donor requirements**,
- implementation of a **structured ESMP with a dedicated budget**,
- **monitoring ESG indicators** as part of planning and reporting,
- **stakeholder consultation** and the handling of complaints or incidents.

Project Managers, technical experts, implementing partners and consultancies are all involved in applying the ESG Framework, with specific responsibilities defined in internal processes.

## 3.3 Scope of the Sustainability Framework, double materiality approach and ESG reporting

### 3.3.1 Double materiality approach

Enabel adopts a **double materiality approach** for strategic steering and ESG reporting purposes, so as to assess:

- the impact of its organisational practices on the environment and society
- ESG risks and opportunities likely to affect the organisation itself.

**Impact materiality:** It aims to identify the impacts of Enabel's projects and activities on:

- **The environment:** greenhouse gas emissions, use of natural resources, degradation of ecosystems.
- **People and society:** working conditions, equality and diversity, impacts on communities in relation to organisational practices and partnerships.

This analysis enables us to identify and prioritise the most relevant ESG issues **at corporate level**, in order to guide ESG reporting and related improvement actions.

**Financial materiality:** It aims to assess how ESG matters can have a direct impact on the organisation itself, in particular:

- **Operational and financial risks:** for example, penalties for non-compliance with environmental standards or increased costs for managing social risks.
- **Strategic opportunities:** development of competitive advantages through sustainable and innovative practices, greater attractiveness to international donors and partners.

The double materiality approach enables Enabel **not only to manage risks**, but also to seize **positive opportunities**, thereby strengthening the sustainability and overall impact of its operations.

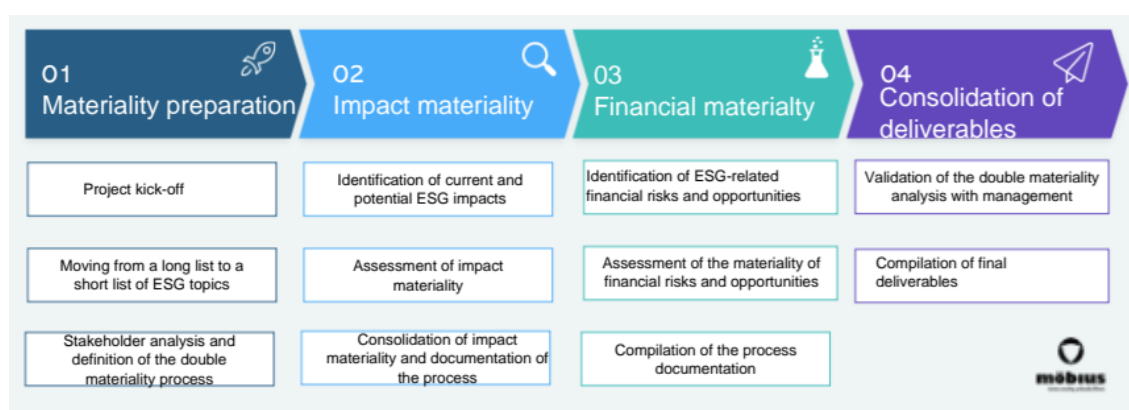


Figure 1 Enabel double materiality assessment stages

### 3.3.2 Scope of ESG reporting

Enabel has a broad geographical presence and works on a wide range of themes, including education, climate adaptation, public health, governance and digitisation. Although it purchases goods, services and works to fulfil its mission, Enabel does not operate in a traditional value chain. Rather, it is part of a complex and dynamic ecosystem involving a wide range of stakeholders, including public and private donors, implementing partners, government institutions, local recipients and so on.

Assessing and reporting on all the potential impacts, risks and opportunities across this entire ecosystem would be a resource-intensive and methodologically complex task. **To remain proportionate**, Enabel is focusing its double materiality assessment **for ESG reporting purposes** on its own operations, namely:

- (1) the environmental footprint of its own operations
- (2) its own staff
- (3) its systems of governance and business conduct

Although the impacts, risks and opportunities (IROs) associated with projects, suppliers or partnerships **do not fall directly within the scope of ESG reporting or double materiality assessment**, the **organisational mechanisms** put in place by Enabel to manage these IROs - in particular via procurement processes, partnership management and the ESMS applied to projects -

are taken into account at the level of the governance framework and described in the Sustainability Framework.

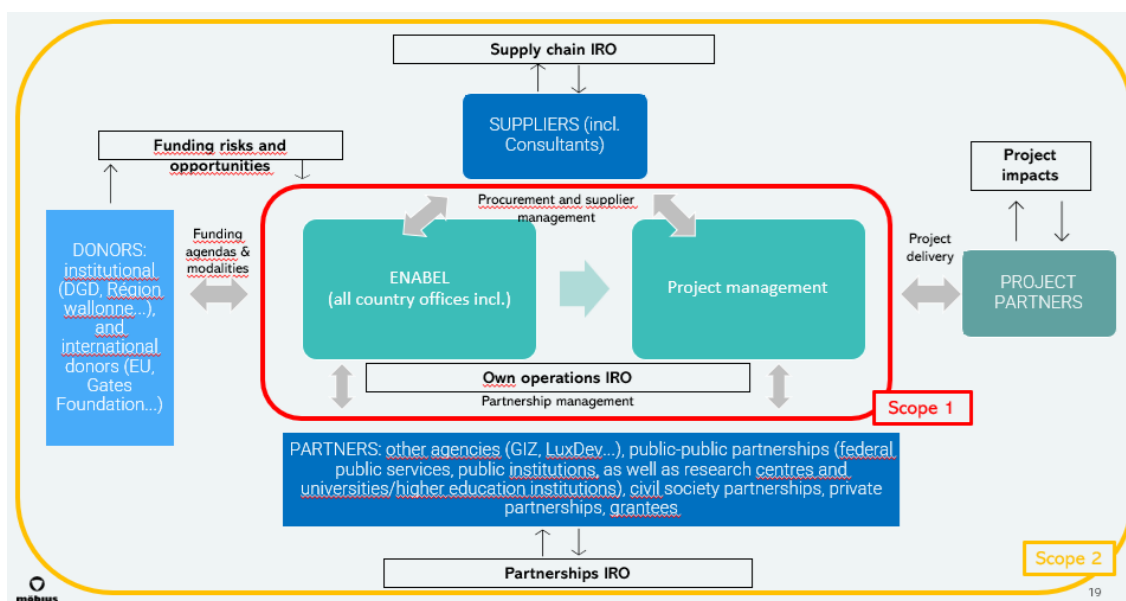


Figure 2 Enabel ESG reporting scope

### 3.3.3 Reporting framework

On the basis of the double materiality assessment and as part of voluntary ESG reporting, Enabel has identified the priority ESG themes on which it is committed to reporting. **Enabel's ESG reporting is based on the VSME standard as a reference framework**, while taking account of the specific features of its mandate and operating model.

ESG dimension	ESG themes covered by reporting
<b>The Environment</b>	Climate change (GHG emissions); Adapting to climate change
<b>Governance</b>	Business conduct; Culture and ethical behaviour; Anti-corruption and conflict of interest; Supplier management; Partnership management; Project management
<b>Social - Workforce</b>	Working conditions (adequate remuneration, work/life balance, job security); Health and safety at work; Inclusion and diversity; Training and competence development

## 4 ESG pillar: reference frameworks and integration principles

**Goal:** To present the **reference frameworks** (policies, position papers, TOCs) that underpin Enabel's ESG commitments and **guide the integration** of sustainability into organisational activities and practices. These frameworks constitute the **foundation** on which the Sustainability Framework and the SGES are based, **without replacing** existing strategic documents and without being exhaustive.

## 4.1 References for the Environment pillar (E)

Enabel integrates environmental and climate challenges across the board in its operations, based on a limited set of structuring frameworks. These references guide the identification of environmental risks and impacts and the associated requirements **via the ESMS processes** (screening, assessments, ESMP, monitoring):

Reference framework	Areas of application / key actions
<b>Plan to reduce CO<sub>2</sub> emissions – Enabel corporate level</b>	Reduction of the carbon footprint of Enabel's internal operations (offices and travel); prioritisation of the main sources of emissions (business travel, mobility, energy); definition of a reduction trajectory to 2030 and monitoring of associated indicators; reference for internal practices and corporate environmental reporting
<b>Position Paper - Ecological and resilient infrastructure</b>	Reducing the environmental footprint of infrastructure projects; applying the principles of eco-construction, energy efficiency, sober use of resources and renewable energies right from the design stage; providing a benchmark for analysing the environmental risks associated with infrastructure
<b>Position Paper – Equitable access to water in times of climate change</b>	Sustainable and equitable management of water resources in projects; inclusion of water resilience, territorial governance (IWRM), the Water-Energy-Food-Ecosystems nexus and gender in the analysis of environmental impacts
<b>TOC – Climate change and Environment</b>	Strategic orientation of projects towards low-carbon and resilient trajectories; consideration of impacts on ecosystems, natural resources and the climate vulnerability of communities
<b>TOC – Energy</b>	Inclusion of energy transition and energy poverty challenges; promoting decentralised renewable energies and energy efficiency in projects
<b>TOC – Water</b>	Securing sustainable access to drinking water; protecting aquatic ecosystems; reducing water vulnerability through infrastructure and solutions adapted to the climatic context

## 4.2 References for the Social pillar (S)

Enabel places social inclusion, the reduction of inequalities and respect for human rights at the heart of its work, with a particular focus on vulnerable groups (women, young people, marginalised populations). The social frameworks below list the identification of social risks and impacts, as well as the requirements applicable to projects and organisational practices, **in conjunction with the ESMS**.

Reference framework	Areas of application / key actions

<b>Gender, diversity and inclusion policy</b>	Systematic mainstreaming of gender equality and inclusion into projects; identification of gender-differentiated risks and other factors of discrimination; definition of targeted measures to strengthen the empowerment of women and vulnerable groups
<b>Human and social rights policy</b>	Taking account of fundamental human rights in projects; analysis of risks linked to decent work, health, social protection and inequalities; integration of measures to prevent and mitigate negative social impacts
<b>TOC – Human Mobility</b>	Analysis of the social impact of migration dynamics; taking account of migrant populations and host territories; strengthening migration governance and access to rights and services
<b>TOC – Circular Economy</b>	Inclusion of the social dimensions of economic transition (decent jobs, inclusion in value chains, working conditions); identification of the social risks associated with circular supply chains and waste management activities

### 4.3 References for the Governance & accountability pillar (G)

Enabel considers governance to be an essential transversal lever for guaranteeing the sustainability, credibility and effectiveness of its actions. It is based on the principles of transparency, participation, integrity and accountability, applied both within the organisation and at the level of projects and partnerships.

#### 4.3.1 Enabel internal governance: structuring principles

Enabel's internal governance aims to ensure that decision-making is informed, accountable and consistent with the agency's sustainability objectives, while ensuring rigorous use of public resources. **It forms the basis of the Governance pillar of the Sustainability Framework**, by structuring the responsibilities, control mechanisms and accountability arrangements applicable to the entire organisation.

##### Structuring principles of internal governance:

- **Clear roles and accountabilities:** Enabel has a well-defined organisational structure, structured around an office based in Brussels, country offices and cross-functional technical units. Each level of governance (Corporate Board, Country Management Committees, Project Boards) has specific responsibilities in terms of steering, ESG compliance and risk management.
- **Upward and downward accountability:** The agency puts in place monitoring and control mechanisms (annual plans, audits, scorecards, indicators) that enable management, as well as partners and donors, to assess environmental, social and governance performance. Decisions are documented, monitored and assessed on a regular basis.
- **Transparency and access to information:** Enabel publishes its policies, results and evaluation reports. Internal mechanisms ensure that decisions are traceable (minutes, audit reports, indicators). Voluntary ESG reporting makes Enabel's practices and progress more transparent.

- **Culture of integrity and ethics:** A Code of Conduct, anti-corruption procedures, whistleblowing channels and in-house training help to prevent conflicts of interest, abuse and fraud. Ethics are seen as a lever for institutional confidence.
- **Mainstreaming of diversity and inclusion:** Internal governance actively promotes diversity in decision-making bodies, particularly in terms of gender, professional and cultural backgrounds, and geographical balance. Efforts are made to ensure equitable participation at all hierarchical levels.
- **Feedback and continuous improvement:** Enabel incorporates feedback loops through its internal evaluations, learning loops, field feedback and quality audits. This data is used to adjust strategic orientations and governance procedures.

#### 4.3.2 References for Governance pillar applicable to projects

In addition to internal governance, Enabel relies on a number of Theories of Change (TOCs) to structure its approach to governance at project and local level. **These frameworks are key references** for identifying and managing governance risks under the ESMS (in particular through screening and contextual analysis).

Reference framework	Areas of application / key actions
<b>Governance and human rights</b>	Applying the principles of participation, accountability and the fight against inequality into projects; identifying the risks associated with exclusion, discrimination and access to rights; building the capacity of institutions and communities to exercise their rights
<b>TOC – Urbanisation</b>	Taking account of territorial governance issues in urban contexts; analysing risks linked to inequitable access to services, urban planning and social cohesion; integrating young people and women into urban economic and social dynamics
<b>TOC – Peace and Security</b>	Analysis of the risks of conflict, instability and exclusion in fragile contexts; application of mechanisms to encourage dialogue, citizen participation and inclusive governance; consideration of institutional and security issues in project design
<b>Internal and organisational governance</b>	Consistent application, at project level, of the principles of transparency, integrity and accountability embodied in Enabel's internal governance; alignment of institutional requirements and practices in the field

#### 4.3.3 Accountability and transparency mechanisms

Accountability and transparency are fundamental pillars of Enabel's work as a public cooperation agency. They ensure that resources are used efficiently and ethically, strengthen stakeholder confidence and support the integrity of operations. These measures apply at all levels of the organisation (head office, country offices, projects) and cover administrative, financial, environmental, social and ethical aspects. **They are implemented in a proportionate manner** and are based on internal processes and tools, including those of the ESMS for the E&S dimension.

##### 1. Internal and external accountability

- **Monitoring and evaluation:** Enabel has a comprehensive monitoring and evaluation (M&E) system to track the achievement of results, the quality of projects and the extent to which ESG commitments are taken into account. Consolidated dashboards enable regular reporting on organisational performance **at corporate and project level** (via Impala).
- **Internal and external audit** The Internal Audit department carries out regular audits, particularly on high-risk projects. External audits are carried out by independent firms or donors to ensure compliance, integrity and quality of practices.

For projects with substantial or high environmental and social risks, more stringent requirements may apply.

- **Risk management plans:** Each portfolio or project draws up a risk register, including ESG risks, which feeds into the steering tools and is regularly reviewed. The key elements linked to the ESMS (screening, assessments, ESMP, monitoring) are traced in Impala and contribute to risk management at project level.

## 2. Organisational and environmental transparency

- **Publication of key information:** Enabel makes its annual reports, evaluations, policy documents, programme budgets and Sustainability Reports public, in accordance with Belgian and donor transparency standards.
- **Traceability and accessibility of ESG documentation:** The relevant ESG information and deliverables are centralised in Impala, which is the reference tool for traceability, monitoring and quality assurance. **External disclosure of E&S documents is carried out in a targeted and proportionate manner**, depending on the level of risk and the requirements of the donors.
- **Proactive disclosure for high-stakes projects:** For projects classified as high risk (category A or B+), Enabel distributes a non-technical summary of the ESIA report and the ESMP before the final consultation meeting. These documents are published via appropriate local channels, in accessible formats and languages, and within deadlines in line with donor standards (e.g. GCF, IFC).

## 3. Participatory accountability and stakeholders

- **Structured and proportionate consultation:** Enabel ensures that local communities are involved at every stage of the project cycle. The engagement strategy is adapted to the level of risk and formalised at the formulation phase **adapted to the level of environmental and social risk of the project**. It may include meetings, interviews, written consultations or public workshops. The approach is proportionate to the issues identified.
- **Complaints and appeal mechanisms: Enabel relies on a hybrid complaint mechanism**, in which:
  - Project-related complaints may be received by partners, project teams or country offices;
  - If the complaint is not resolved, or depending on the nature of the complaint, it is forwarded to the **Integrity desk**, in conjunction with the relevant functions (projects, countries, Expertise & Think).

A complaint form is available on the Enabel website. ESG complaints are handled in a structured way, with acknowledgement, follow-up, response within indicative timeframes, the possibility of escalation and full traceability in internal systems.

- **Feedback mechanism and traceability:** A system for collecting and processing **comments and objections** allows stakeholders to voice their concerns before final decisions are made. All contributions (opinions, adjustments made, responses) are documented and archived via the Enabel Integrity desk, ensuring adequate and verifiable traceability.
- **Local ownership of results:** Enabel through its projects regularly organises **feedback workshops** and **community dialogues** to share results, discuss impacts and incorporate feedback into a continuous improvement process, particularly for projects with substantial or high environmental and social risks.

## 5 Environmental and social management system (ESMS)

### 5.1 Purpose, principles and scope of the ESMS

Enabel's Environmental and Social Management System (ESMS) is the operational reference system for identifying, assessing, managing and monitoring the environmental and social risks and impacts associated with the organisation's activities.

The ESMS aims to ensure **consistent, proportionate and traceable management** of environmental and social matters, in line with Enabel's mandate, the expectations of its partners and the international reference standards applicable to development projects.

Whatever their level of environmental and social risk, **all Enabel projects** are appraised and **implemented in compliance with the national environmental and social regulations in force in the country of operation** as well as with the required administrative authorisations.

The ESMS applies to all Enabel projects according to a **logic of proportionality based on the level of environmental and social risk**, and covers all phases of the project cycle, from identification to closure. For projects with substantial or high environmental and social risks, additional requirements apply in accordance with the ESMS and relevant international standards.

### 5.2 Architecture and key processes of the ESMS

*The ESMS is integrated in the Enabel project cycle and relies on a set of interdependent processes to ensure that environmental and social risks and impacts are identified, analysed, managed and monitored in a coherent and proportionate manner.*

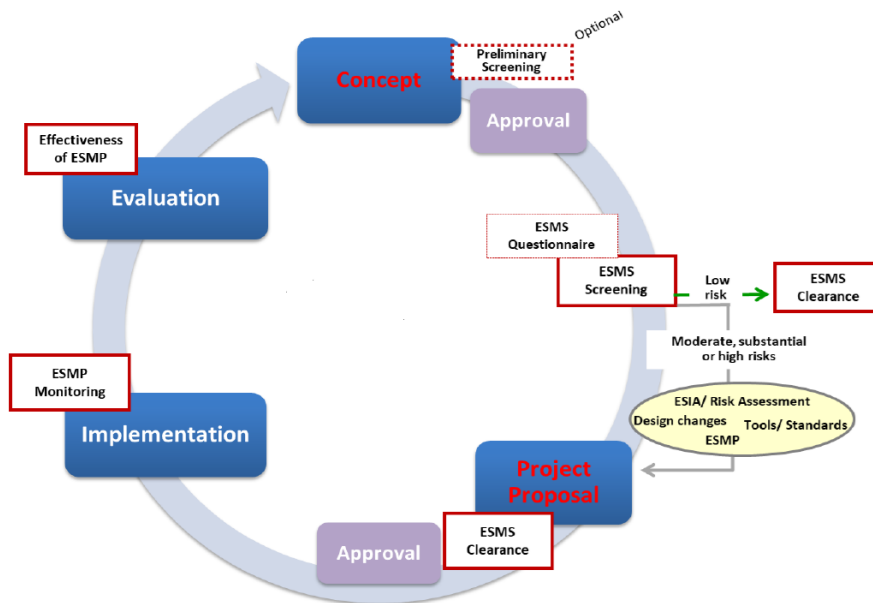


Figure 3 ESMS processes in the project cycle

### 5.2.1 Applicable environmental and social standards

Enabel's Environmental and Social Management System (ESMS) is based on a set of recognised standards, which combines:

- the **8 Performance Standards (PS)** of the International Finance Corporation (IFC), internationally recognised as a framework for E&S risk management in development projects,
- an additional Enabel standard on gender and climate change mainstreaming, in line with its strategic priorities,
- as well as the relevant internal policies and guidelines presented in Part 3 - Environmental, Social and Governance (ESG) pillar.

Performance standard	Purpose and key requirements
<b>PS1 – Assessment and Management of E&amp;S Risks</b>	A proportionate system for identifying, assessing, managing and monitoring E&S risks and impacts.
<b>PS2 – Labour and Working Conditions</b>	Guarantee safe and fair working conditions in compliance with ILO standards, including complaint mechanisms.
<b>PS3 – Resources and Pollution</b>	Promote resource efficiency, energy efficiency and waste management and prevent pollution.
<b>PS4 – Community Health, Safety, and Security</b>	Preventing health, security and technological risks affecting communities.
<b>PS5 – Land Acquisition and Involuntary Resettlement</b>	Avoid or fairly compensate for the impacts of land acquisition and economic or physical displacement.
<b>PS6 – Biodiversity and Natural Resources</b>	Avoid or mitigate impacts on biodiversity and ensure the sustainable use of natural resources.
<b>PS7 – Indigenous Peoples</b>	Respect collective rights, including free, prior and informed consent (FPIC), and ensure effective participation.

<b>PS8 – Cultural Heritage</b>	Protect tangible and intangible cultural heritage and prevent any unintended damage.
<b>PS9 – Gender and Climate Change</b>	Mainstreaming gender and climate issues into the analysis of risks and impacts and management measures.

These standards are fully integrated into the environmental and social screening tool, which enables:

- **categorise projects according to the level of environmental and social risk (categories A - high risk, B - moderate risk or C - low risk)**, in line with World Bank Group practices
- **assess the level of residual risk** (low, moderate, substantial or high) on the basis of the context, the nature of the activities and the measures envisaged
- **steer, in a proportionate manner, additional analyses, management plans, stakeholder consultations and monitoring systems.**

### 5.2.2 Identification and analysis of environmental and social risks (E&S screening)

Environmental and social screening is the **entry point to the ESMS**.

It is carried out at the identification stage and enables:

- identify environmental and social risks and opportunities at an early stage,
- determine the level of analysis required for formulation.

Screening focuses primarily on **environmental and social** aspects.

Governance matters are **analysed on a contextual basis**, in particular with regard to institutional capacities and existing systems, **without constituting an autonomous axis of categorisation at this stage**.

Screening produces two distinct and complementary results:

1. **An environmental and social categorisation of the project (categories A, B or C)**, established on the basis of the type of activities, their location and the action context, in accordance with World Bank Group practices.
2. An **assessment of the level of environmental and social risk** (low, moderate, substantial or high), taking into account potential impacts, their extent, reversibility and existing management capabilities.

This double reading allows to:

- **determine the level of analysis required at the formulation stage** (in-depth screening, targeted assessments or full ESIA),
- **identify the first mitigation and improvement measures to be incorporated into the formulation,**
- **guide the planning of subsequent analyses, consultations and follow-up arrangements.**

### 5.2.3 Environmental and Social Assessment

The environmental and social assessment takes a more in-depth look at the risks identified during the screening, **in a manner proportionate to the level of risk associated with the project**. This may include:

- **Specific assessments:** detailed thematic analyses (gender, community health, biodiversity, use of natural resources, governance, etc.),
- **Environmental and Social Impact Assessment (ESIA):** mandatory for projects classified as **high risk** (Category A); this assessment provides a comprehensive overview of potential negative impacts as well as positive opportunities.

The assessment makes it possible to **prioritise mitigation measures** for the risks identified and to exploit the **environmental and social benefits**. Particular emphasis is placed on:

- **Environmental sustainability:** using solutions to reduce negative impacts (e.g. reducing GHG emissions, preserving biodiversity),
- **Social and economic resilience:** inclusion of vulnerable groups, promotion of gender equality and improvement of living conditions for the populations.

#### 5.2.4 Environmental and social risk management

On the basis of the assessments, the ESMS provides for the formalisation and implementation of **Environmental and Social Management Plans (ESMPs)** commensurate with the project's level of risk. The ESMP is the **central operational tool** for E&S management at project level.

It specifies in particular:

- mitigation measures,
- actions to capitalise on positive opportunities,
- the associated responsibilities, deadlines and resources,
- monitoring indicators.

#### 5.2.5 Consultation, public disclosure and stakeholders engagement

Enabel guarantees meaningful stakeholder participation and transparency throughout the project cycle, in accordance with international environmental and social due diligence standards, applicable donor requirements and national regulatory frameworks.

- **Stakeholders engagement plan**  
Each project is subject to a stakeholder engagement plan commensurate with the project's level of risk (category A, B or C) and applied from the formulation phase. This plan specifies in particular:
  - the **stakeholders to be involved**, including the competent authorities, direct and indirect recipients, and potentially affected or vulnerable groups,
  - the **planned consultation methods** (targeted interviews, community meetings, workshops, written or digital consultations, depending on the context),
  - the **key stages of the project cycle concerned**, as well as an indicative timetable,
  - **institutional responsibilities**, particularly those of project teams and environmental and social focal points.
- **Meaningful and contextual consultation:**

Enabel ensures that consultations are **effective, inclusive and tailored to the local context**. Particular attention is paid to the involvement of marginalised or vulnerable groups (in particular women, young people, people with disabilities or populations with poor access to information). Consultation is seen as a **continuous process**, which can take place:

- during project formulation,
  - during implementation,
  - and, where appropriate, at the end of the project, in particular through feedback activities.
- **Proactive disclosure of E&S information:** For projects with **substantial or high** environmental and social risks, Enabel provides **proactive disclosure of key information**, including a **non-technical summary** of the environmental and social impact assessment (ESIA) and the environmental and social management plan (ESMP).

This information is made public in time to allow effective consultation, and disseminated:

- via **accessible and appropriate channels** (decentralised services, local media, Enabel or partner websites),
  - in **formats and languages adapted** to the audience concerned (simplified media, visuals, summaries).
- **Traceability, response and archiving:** Comments, observations and concerns expressed by stakeholders are **recorded, analysed and taken into account in a documented manner**. Formal responses are provided where relevant, and any adjustments made to the project following consultations are explicitly identified. The entire process (consultations, responses, adjustments) is documented in the project's technical deliverables and recorded in internal monitoring tools, in particular Impala or dedicated SharePoint, to ensure the traceability and accountability of the system.
  - **Participatory accountability:** Enabel provides a **publicly accessible mechanism for managing comments, complaints and appeals**, enabling affected individuals or groups to report environmental, social or ethical concerns.

This mechanism:

- is **proportionate to the context and risk level of the project**
  - includes clear procedures for reception, processing and follow-up
  - is linked to internal environmental and social monitoring systems and to existing institutional mechanisms, in particular the Integrity desk.
- **Linkage with Enabel's overall risk management system:** Information from consultation, disclosure and participatory accountability processes is an essential source for identifying and monitoring environmental and social risks at project level.

In accordance with Enabel's risk management policy, the environmental and social risks identified through the ESMS are **incorporated into the risk management systems at project level**. When these risks are systemic, recurring or likely to have a wider impact,

particularly in terms of reputation, compliance or relations with partners, they **can be escalated to country or corporate level**, depending on existing governance mechanisms.

This ensures **consistency between the ESMS and Enabel's overall risk management system**, while preserving the specific nature of the ESMS as an operational mechanism dedicated to the environmental and social challenges of projects.

### **5.2.6 Monitoring, reporting and continuous improvement**

Enabel regularly and in a proportionate manner monitors the environmental and social performance of its projects to ensure internal and external accountability and to support continuous improvement of the Environmental and Social Management System.

Environmental and social monitoring is incorporated into existing project monitoring systems. It is based on the measures defined in the Environmental and Social Management Plans, on indicators adapted to the level of risk of the project and on clearly assigned responsibilities within the project teams and the implementing partners. Such monitoring enables us to check that the planned measures are actually being implemented, to detect any deviations, incidents or emerging risks at an early stage and, if necessary, to adjust the measures in response to changes in the context or feedback from stakeholders. Monitoring information is documented in a structured way in Enabel's internal tools.

The ESMS feeds into Enabel's internal and institutional reporting systems by providing reliable and traceable information on environmental and social risks and impacts, management measures implemented, incidents and complaints, as well as results obtained and difficulties encountered. This information contributes to the operational steering of projects and portfolios, to accountability to management, partners and donors, and to institutional ESG reporting, particularly in the context of voluntary reporting based on the VSME standard. The level of detail, frequency and scope of reporting are adapted to the level of risk and applicable requirements.

Any environmental or social incident, non-compliance or breach identified is the subject of a documented analysis, the definition of proportionate corrective actions and monitoring of their implementation. Significant or recurring incidents may be escalated to the appropriate levels of governance, in accordance with internal risk management and escalation mechanisms.

Enabel takes up the lessons learned from project monitoring, audits, evaluations, complaints and feedback from stakeholders, as well as feedback from teams in the field, as part of a process of organisational learning and continuous improvement of the ESMS. This dynamic is reflected in the updating of tools and procedures, targeted capacity building and the gradual adaptation of the ESMS framework in line with changes in practices, international standards and partners' expectations.

The ESMS is periodically reviewed to assess its operational effectiveness, its consistency with Enabel's internal policies and its alignment with international reference standards. These reviews help to maintain an evolving, robust system that is adapted to the contexts in which Enabel operates.

## **5.3 ESMS tools**

Enabel's Environmental and Social Management System (ESMS) is based on a coherent set of tools to operationalise the identification, assessment, management and monitoring of environmental and social risks and impacts throughout the project cycle.

These tools are designed to be **proportionate to the level of risk, adaptable to the project contexts, and integrated into Enabel's existing systems**, in particular Impala. They are formalised in separate operational documents (guidelines, templates, manuals), to which this framework refers without reproducing their detailed content.

### 5.3.1 ESMS tool families

The ESMS tools are structured around the system's main functions:

**a) Tools for identifying and categorising E&S risks:** Right from the identification and formulation phases, they make it possible to identify environmental and social risks and opportunities, to assess their materiality and to inform the level of analysis required. They in particular comprise:

- the environmental and social screening tool,
- categorisation grids by type of activity,
- decision-making tools to determine the level of assessment required.

**B) Environmental and social assessment tools:** They make it possible to make a more in-depth analysis of the risks identified where necessary, in a way that is proportionate to the level of risk. They in particular cover:

- standard terms of reference for ESAs and specific assessments,
- thematic assessment methodologies (gender, biodiversity, community health, etc.).

**c) Risk management and mitigation tools:** They translate the results of the assessments into operational measures that are included into the design and implementation of projects. They include:

- Environmental and Social Management Plans (ESMP) templates,
- matrices of measures, responsibilities, timetables and indicators,
- budgeting tools for E&S measures.

**d) Monitoring, reporting and knowledge-building tools** that ensure that environmental and social commitments are monitored, that decisions can be traced and that corporate reporting is fed into. They in particular comprise:

- monitoring dashboards,
- internal and external reporting tools.

**e) Stakeholders engagement and accountability tools** that ensure participation, transparency and access to appeal mechanisms. They include:

- consultation and public disclosure guides,
- complaint and incident management mechanisms,
- tools for documenting and monitoring feedback from stakeholders.

### 5.3.2 Incorporating the tools into Enabel systems

The ESMS tools are incorporated as far as possible into Enabel's existing systems to ensure:

- consistency with project management processes,
- traceability of decisions and measures,
- the reliability of ESG data,
- and the links with risk management, monitoring and institutional reporting systems.

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General info **Thematic** Agreements Events & Documents Results framework Quality criteria

**Sector**


**DAC** 140 - Water Supply & Sanitation  
 ↳ 14015 - Water resources conservation (including data collection) (50%)  
 410 - General Environment Protection  
 ↳ 41010 - Environmental policy and administrative management (50%)

**Sustainable Development Goals**

6 CLEAN WATER AND SANITATION



15 LIFE ON LAND



**Global Challenge**

- Climate - Environment
- Demographic transitions

**Categorisation**

**Offer**

- Social protection
- Food systems

**Approaches**

- Private sector engagement

**Transversal themes**

- Environment

**Environmental and Social Risk Classification** A

**Markers**

- Climate ↘ 2
- Gender ↘ 1
- Inequality ↘ 0

**Analysis**

	Study	Management Plan	Risk
Gender and Inclusion Analysis	Yes		Low
Fragility Assessment	No		
Conflict Sensitivity Analysis	Yes	Yes	Critical
Environmental and Social Screening	Yes	No	High
Inequality Study	Yes	Yes	Medium
Decent Work	Yes		
Political Economy Analysis	No		
Innovation Mapping	Yes	Yes	

Figure 4 Thematic data in Impala, including E&S analyses, global risk level and associated ESMPs

Impala is the central tool for consolidating ESMS-related information throughout the project cycle.

### 5.3.3 Related operational documents

Detailed descriptions of the tools, their methods of use and their specific requirements are set out in separate operational documents (guidelines, manuals, templates), which are regularly updated under the responsibility of the departments concerned.

## 6 Governance, roles, resources and capacity building

### 6.1 Governance of the Sustainability Framework

The governance of the Sustainability Framework and the ESMS is part of Enabel's existing steering mechanisms and is linked to the **overall risk management system**. It aims to guarantee: (i) informed

decision-making, (ii) proportionate implementation, (iii) quality assurance, and (iv) internal and external accountability.

At corporate level, governance is based in particular on the bodies and roles already defined in the Risk Management Policy (e.g. Audit Committee, Corporate Risk Committee, etc.), which provide a framework for the supervision and continuous improvement of risk management systems at Enabel level.

For each priority risk, structuring roles are assigned (Risk Owner, Risk Advisor, Action Owner, etc.), and these same assignment principles are applied, in a proportionate manner, to the environmental and social risks identified via the ESMS.

## 6.2 Roles and accountabilities

In line with the "macro breakdown of roles and accountabilities" approach in Enabel policies, responsibilities for sustainability and the ESMS are divided between three levels: **corporate, country and project**.

### 6.2.1 Corporate level (Brussels)

Corporate responsibilities include:

- the **framework** (standards, minimum requirements, principles of proportionality)
- **quality assurance** of ESMS processes and deliverables (screening, assessments, ESMPs, reporting)
- **animation** and harmonisation of tools (Impala in particular)
- **incorporating** the ESMS into overall systems (risk management, monitoring, audit, accountability).

Key roles are assigned according to existing risk management principles:

- **Risk Owner:** accountable for risk supervision and management
- **Risk Advisor:** technical/methodological support for the Risk Owner
- **Action Owner:** the person accountable for putting in place a mitigating action
- **Action Supporters:** support for implementation.

### 6.2.2 Country level (Country offices)

At country level, ESMS governance is based on existing portfolio supervision mechanisms (portfolio reviews, management team, etc.) and on the organisation of risk management at country level (e.g. country risk supervision bodies). Responsibilities include:

- **application** of the ESMS in the portfolio (screenings, categorisation, assessment, ESMPs, consultations)
- **coordinating** support and capacity-building needs
- the **quality and completeness** of ESMS data in Impala
- the **escalation** of significant risks based on governance mechanisms.

### 6.2.3 Project level (operational)

Each project is responsible for the effective application of the ESMS, according to the categorisation and level of risk, and **explicitly designates**:

- one **Risk Owner** for each priority E&S risk (supervision and monitoring)
- one **Action Owner** for each mitigation measure (implementation)
- and, if necessary, a **Risk Advisor** to provide support (advice on complex risks).

These assignments are integrated into the project deliverables (ESMPs, action plans, reporting) and ensure traceability of accountabilities, deadlines and necessary resources. **Implementing partners and contractors** are required to **comply with the applicable ESMS** requirements, as defined contractually.

## 6.3 Necessary resources

Implementing the Sustainability Framework and the SEMS requires appropriate resources, integrated as far as possible into existing systems, and **planned in a proportionate manner** to the risk profile of the projects.

Resource requirements include:

- **Workforce:** E&S expertise available (head office/countries), project team time, and recourse to external expertise when required (e.g. ESIA, specific studies)
- **Financial resources:** budgeting for E&S measures (mitigation, monitoring, consultation, disclosure), and assessment services where necessary
- **Tools & systems:** maintaining/upgrading ESMS tools (particularly Impala), templates, guidelines and traceability and communication systems.

The operational principle is that **the resources needed to implement E&S measures are identified and allocated** in the action plans/ESMPs (measures, timetable, people responsible, resources). The level of human, financial and technical resources mobilised is proportionate to the level of environmental and social risk involved, as identified in the ESMS.

## 6.4 Capacity development and training

Enabel is putting in place a capacity-building system to ensure a common understanding of ESMS requirements and consistent application, while remaining proportionate to the level of risk and functions. The scheme covers:

- **Basic training** (mandatory) for key roles involved in the ESMS (PMs, project teams, E&S focal points): principles, categorisation, screening, minimum requirements, traceability and complaints management mechanisms
- **Targeted training courses** according to needs: consultation and inclusion, complaints management, biodiversity, community health and safety, working conditions, property risks, etc.
- **Coaching/technical support** on substantial/high-risk projects and when introducing new tools
- **Capitalising on experience:** feedback, lessons learned, improving templates/guidelines.

The detailed procedures (catalogue, target audience, frequency, media) are described in the associated operational documents (guidelines/training plan).

## **6.5 Implementation, quality control and periodic review**

The implementation of this Framework is progressive and is based on:

- incorporation of ESMS requirements into the various stages of the project cycle
- consolidating data in Impala
- quality assurance mechanisms (reviews, controls, audits)
- consistency with the overall risk management system.

ESMS quality is **jointly assured** by:

- project teams (1st line)
- country offices (2nd line)
- corporate level (3rd line).

The system is **reviewed periodically** to assess its effectiveness, applicability and alignment with standards (in particular donor requirements and E&S standards) and to adjust the tools and deployment methods, in line with the continuous improvement approach pursued through Enabel's policies.