



TÜRKİYE ODALAR VE BORSALAR BİRLİĞİ

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Sayı : E-34221550-100-5361

Tarih: 28.05.2024

Konu : Mavi Nokta Ağlı

TÜM ODA VE BORSALARA
(Genel Sekreterlik)

İlgi : Ticaret Bakanlığı'ndan alınan 22.05.2024 tarihli ve 97019110 sayılı yazı.

Ekte bir örneği sunulan ilgi yazıda, Çin Halk Cumhuriyeti'nin küresel ölçekte altyapı yatırımlarının artması karşısında; ABD, Japonya, Avustralya ve Birleşik Krallık hükümetleri tarafından kurulan, şu anda İsviçre, İspanya ve son olarak ülkemizin de katılımıyla, Yönlendirme Komitesini oluşturan üye sayısını yediye çıkaran Mavi Nokta Ağı (MNA)-(Blue Dot Network-BDN) girişimine dair bilgi verilmektedir.

Yazıda, MNA girişiminin hayata geçirilmesi süreci ve söz konusu girişim kapsamındaki projelerin sertifikasyonu prosedürüne ilişkin açıklamalar yer almaktadır.

Bilgilerini ve konu hakkında üyelerinize duyuru yapılmasını rica ederim.

Saygılarımla,

e-inza

Mustafa SARAÇÖZ
Genel Sekreter

EK:

- 1- Ticaret Bakanlığı'ndan alınan yazı
- 2- Basın Bildirisi (2 sayfa)
- 3- Sertifikasyon Çerçevesi Hakkında Bilgi Notu (53 sayfa)



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T.C.

TİCARET BAKANLIĞI

Uluslararası Hizmet Ticareti Genel Müdürlüğü



Sayı : E-52507459-724.01.01-00097019110

Konu : Mavi Nokta Ağı'na Üyeliğimiz Hakkında

DAĞITIM YERLERİNE

Ulaştırma ve Altyapı Bakanlığından alınan bir yazıda;

- Çin Halk Cumhuriyeti'nin küresel ölçekte altyapı yatırımlarının artması karşısında; ABD, Japonya, Avustralya ve Birleşik Krallık hükümetleri tarafından kurulan, şu anda İsviçre, İspanya ve son olarak Türkiye'nin de katılımıyla, mali katkıda bulunmak suretiyle Yönlendirme Komitesini oluşturan üye sayısını yediye çıkaran Mavi Nokta Ağı (MNA)-(Blue Dot Network-BDN) girişiminin, sürdürülebilir altyapı projelerini teşvik etmeyi ve dünya genelinde çevre dostu, dayanıklı, şeffaf ve ekonomik olarak verimli olan altyapı yatırımlarını desteklemeyi hedeflediği,
- Söz konusu girişimin, yatırımcı veya destekçi ülkelerin destek verdikleri projelerin etkilerini (özellikle ekonomi, çevre ve kamu yönetimi alanlarında) ve uluslararası mevzuata uygunluğunu kolay yoldan değerlendirebilmeyi amaçladığı,
- Bu amaçla da, G20 Nitelikli Altyapı Yatırım Prensipleri, Uluslararası Finans Kurumu (IFC) Performans Standartları, Çok Taraflı Şirketler için OECD Rehberi gibi geniş çapta kabul görmüş ve tanınmış uluslararası standartları bir uluslararası sertifikasyon şeması altında toplayarak, yatırımcıların proje geliştirmelerine yardımcı olacağı,
- MNA Üst Düzey Liderler Diyalogunun 8 Nisan 2024 tarihinde; MNA Sekreterya'sının OECD ev sahipliğinde faaliyetlerine başlaması vesilesiyle resmi açılış töreni ise 9 Nisan 2024 tarihinde OECD Genel Merkezinde gerçekleştirildiği,
- Ayrıca, MNA pilot aşamasında beş projeyle çalışılmış (Brezilya (2), Palau, Türkiye (Avrasya Tüneli) ve Endonezya); "MNA Sertifikası" kapsamında pilot uygulama sürecini başarıyla tamamlayan dünyada ulaştırma alanındaki ilk projenin Avrasya Tüneli projesi olduğu,
- MNA sertifikasyonunun, hem mevcut projeler hem gelecekte hazırlanacak projelere yönelik olarak uygulanabileceği,
- Söz konusu proje ve sertifikasyon başvurusu hakkında daha detaylı bilgiye <https://www.bluedot-network.org/> adresinden erişilebileceği belirtilerek

Bu belge güvenli elektronik imza ile imzalanmıştır.

Belge Doğrulama Kodu: 8C7BE19E-FFEB-4C4C-AA04-CF0F7E2E8785

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MNA hakkındaki basın bildirisi (EK-1) ve sertifikasyon çerçevesi hakkında bilgi notu (EK-2) yazıları ekinde iletilmiştir.

Bilgilerini ve söz konusu bilgilendirmenin üyeleriniz nezdinde yapılması hususunda gereğini rica ederim.

Hasan Murat NESİMOĞLU
Bakan a.
Daire Başkanı

Ek:

- 1- Basın Bildirisi
- 2- Sertifikasyon Çerçevesi Hakkında Bilgi Notu

Dağıtım:

Hizmet İhracatçıları Birliği (HİB)
Dış Ekonomik İlişkiler Kuruluna (DEİK)
Türkiye Odalar Borsalar Birliğine (TOBB)
Türkiye Müteahhitler Birliğine (TMB)
Türk Müşavir Mühendisler ve Mimarlar Birliğine (TMMMB)

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The Blue Dot Network begins global certification framework for quality infrastructure, hosted by the OECD

09/04/2024 - The Blue Dot Network (BDN), the first global certification framework for quality infrastructure projects, will begin certifying projects and be hosted at the OECD. The BDN will now oversee the global roll-out of a certification framework which aims to help mobilise investment into projects that maximise the positive economic, social, environmental and development impact of infrastructure. Certifications will be awarded by independent, third-party certification bodies, which will be responsible for ensuring the credibility of sustainability commitments through evidence and data.

While hosted at the OECD, the BDN will be an independent entity overseen by the initiative's member governments: Australia, Japan, Spain, Switzerland, Türkiye, the United Kingdom, and the United States. In addition to the governing members, the BDN is supported by the governments of Canada and Czechia.

"Infrastructure investment is a key enabler of growth, facilitating business opportunities, opening up new markets for trade, and enhancing productivity. To fully realise these significant potential benefits, we need to scale up both the quality and quantity of investment," **OECD Secretary-General Mathias Cormann** said. "Today marks a key milestone for the Blue Dot Network. The Network will work together with independent, third-party certification bodies, to make the Blue Dot Network certification available to quality projects worldwide – with Blue Dot Network certifications providing a powerful tool to attract critical infrastructure finance."

BDN certification sends a clear signal to investors and other stakeholders of the robustness, resilience, and positive impact of infrastructure projects. This mark of quality is aligned with 10 elements, based on existing international standards:

1. Promote sustainable and inclusive economic growth and development.
2. Promote market-driven and private sector-led investment, supported by judicious use of public funds.
3. Support sound public financial management, debt transparency, and project-level and country-level debt sustainability.
4. Build projects that are resilient to climate change, disasters, and other risks, and aligned with the pathways towards 2050 net-zero emissions needed to keep global temperature change of 1.5 degrees Celsius within reach.
5. Ensure value-for-money over an asset's full life-cycle cost.
6. Build local capacity, with a focus on local skills transfer and local capital markets.
7. Promote protections against corruption, while encouraging transparent procurement and consultation processes.
8. Uphold international best practices of environmental and social safeguards, including respect for labour and human rights.
9. Promote the non-discriminatory use of infrastructure services.
10. Advance inclusion for women, people with disabilities, and underrepresented and marginalised groups.

The Executive Consultation Group, a global community of executives and leaders across the infrastructure sector, including financing institutions, developers, civil society and trade unions, have supported the development of the BDN to ensure the certification responds to global demand with credibility and efficiency. The Group has provided extensive feedback on the certification framework and put forward pilot projects that have demonstrated the operability of the certification in promoting sustainable and responsible infrastructure development.

For more information about the Blue Dot Network and its certification framework, please visit the [BDN website](#) or contact [Edwin Lay](#), Head of the Blue Dot Network (ai) and [Juan Garin](#), Policy Advisor for Sustainable Finance and Infrastructure.

Working with over 100 countries, the OECD is a global policy forum that promotes policies to preserve individual liberty and improve the economic and social well-being of people around the world.



BLUE DOT
network

Blue Dot Network Certification Framework

List of criteria and requirements

Introduction

Established to help tackle the USD 2.5-3.5 trillion investment gap by strengthening the role of private sector investment in developing quality infrastructure, the Blue Dot Network is designed to provide an internationally-recognised certification framework to assist countries in pursuing investments that maximise the positive economic, social, environmental and development impact of infrastructure. The Blue Dot Network certification is the first global framework to operationalise the [G20 Principles for Quality Infrastructure Investment](#). A Blue Dot Network certification indicates that a project is aligned with a number of commonly-applied international standards covering environmental, social, economic and governance dimensions, and that it has identified and addressed key risks in these areas

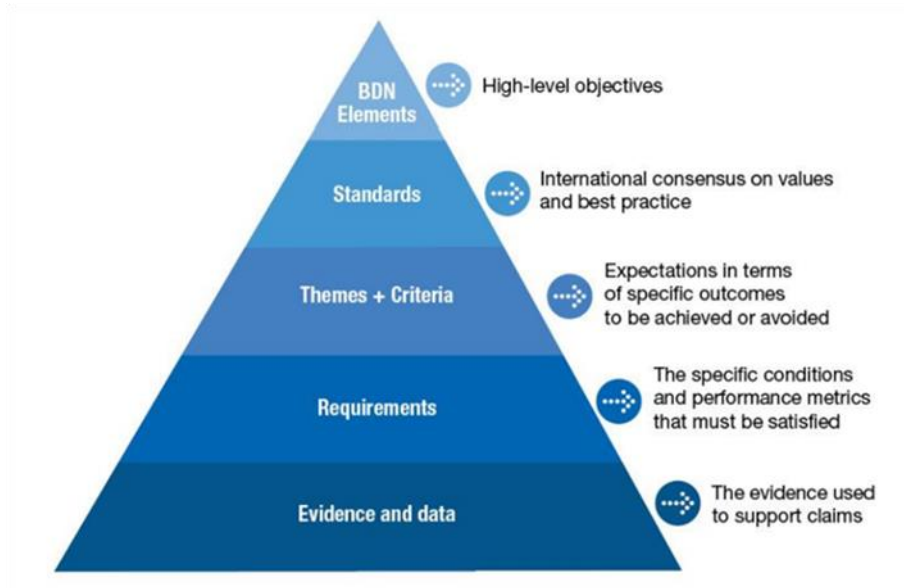
The certification is intended as a general framework, which can be applied across all major infrastructure sectors, and by projects at different stages of the life cycle. Applicants for certification are most likely to be project developers, owners or contracting authorities. A certification will provide a trusted signal to investors and other stakeholders that will assist them in identifying investable projects that merit consideration. It will also contribute to harmonising ESG criteria for infrastructure projects, aligning expectations across the different actors in the infrastructure ecosystem, and increasing the quality and availability of project data.

The framework was developed over a three-year period by the OECD with extensive input from the private sector, civil society, trade unions and BDN member governments through a variety of mechanisms including surveys, online consultations, bilateral consultations, and written consultations.¹ In 2022-2023, the OECD tested and refined the framework with eight pilot projects.

¹ Engagement with private sector and civil society takes place through the Blue Dot Network Executive Consultation Group composed of over 200 senior leaders from the private sector and civil society, and includes representatives from across the infrastructure value chain (i.e. investors, asset managers, banks, project developers, operators, contractors, engineers, etc).

Architecture of the certification framework

Figure 1. Architecture of the Blue Dot Network certification framework



Blue Dot Network elements

At the core of the Blue Dot Network framework are the 10 BDN elements. The elements operationalise relevant international standards, including the G20 Quality Infrastructure Investment Principles, reflecting a broad international consensus on areas that a quality project should take into consideration. The Blue Dot Network consolidates and synthesises over 80 international standards and frameworks that are relevant for quality infrastructure investment into a unified framework. Each element incorporates a range of themes (Table 1).

Table 1. Blue Dot Network elements and themes

| BDN element | Themes covered by the BDN element |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Promote sustainable and inclusive economic growth and development. | Alignment with Sustainable Development Goals (SDG) Alignment with national and local development strategies Job creation Access to infrastructure services |
| 2. Promote market-driven and private sector-led investment, supported by judicious use of public funds. | Private sector participation Sustainable funding Competitive environment Risk allocation and mitigation Catalytic finance |
| 3. Support sound public financial management, debt transparency, and project-level and country-level debt sustainability. | Disclosure of liabilities Public financial sustainability |
| 4. Build projects that are resilient to climate change, disasters, and other risks, and aligned with the pathways towards 2050 net-zero emissions needed to keep global temperature change of 1.5 degrees Celsius within reach. | Greenhouse gas emissions Climate risk Climate disclosure Disaster risk assessment Resilient plans and designs Emergency preparedness and response |
| 5. Ensure value-for-money over an asset's full life-cycle cost. | Project appraisal and selection based on life cycle assessment Choice of delivery model (public-private partnerships vs. traditional procurement) Competitive procurement based on life cycle costs Effective project management, monitoring and oversight Efficient maintenance Technology and innovation |
| 6. Build local capacity, with a focus on local skills transfer and local capital markets. | Capacity development Skills transfer Local capital markets |
| 7. Promote protections against corruption, while encouraging transparent procurement and consultation processes. | Anti-corruption Transparent procurement |
| 8. Uphold international best practices of environmental and social safeguards, including respect for labour and human rights. | Management of environmental and social risks Meaningful stakeholder engagement with affected communities Biodiversity Pollution Resource efficiency Waste and hazardous materials Human rights Labour and working conditions Community health and well-being Indigenous peoples Involuntary resettlement and land use restrictions Cultural heritage |

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|-----------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| 9. Promote the non-discriminatory use of infrastructure services. | Non-discriminatory contracts Inclusive regulatory frameworks Sustainable and affordable pricing |
| 10. Advance inclusion for women, people with disabilities, and underrepresented and marginalised groups. | Addressing needs of women and marginalised groups Employment opportunities Safety and well-being for women and vulnerable users |

Criteria

Each Blue Dot Network element and theme contain a number of criteria, which represent the specific expectations that projects should meet to gain certification. They include both actions and outcomes that the project needs to actively pursue (e.g. measures to protect the safety of its workers) and avoid (e.g. the emission of greenhouse gases). These criteria are derived from widely-recognised and agreed international standards. For example, *BDN element 8, Uphold international best practices of environmental and social safeguards, including respect for labour and human rights*, which represents a significant proportion of all the criteria, is largely derived from the IFC Performance Standards and other MDB safeguards.

Requirements

Each criterion has one or more requirements. Requirements set out the specific performance metrics for determining whether a criterion has been met.

Requirements fall into three performance levels that reflect different levels of ambition (Table 2). Depending on the project's sector, location, ownership structure, delivery model, risk profile or stage in the life-cycle, only a portion of the requirements will be "applicable" to each project.² For a project to be certified, it must satisfy all *applicable* Essential requirements. A Blue Dot certified project therefore represents a robust project that has been developed and is being managed in a manner consistent with key international standards.

Superior and Best-in-class requirements contribute towards achieving two or three Blue Dots, but they do not substitute for Essential requirements.

² Projects are expected to fulfil only those requirements that are applicable to the nature and context of the project. For instance, a fully-privatised project will not be required to fulfil Essential requirements that relate to public procurement. Similarly, a project that does not include Indigenous Peoples among its affected communities will not be concerned with requirements relating to the presence of Indigenous groups. In such cases, those requirements are considered as "Not applicable". Screening questions and guidance will assist applicants and verifiers to determine which requirements are applicable to the project.

Table 2. Performance levels of certification requirements

1. **Essential:** requirements that reflect key international standards for quality infrastructure investment, and which are required for the single-dot level of certification. Projects that meet the essential requirements provide reassurance to stakeholders that they are robust and aligned with key international standards.
2. **Superior:** requirements that reflect the expectations conveyed by more ambitious or new standards that have received strong international endorsement. Superior projects exceed the essential requirements in a number of areas, and offer additional comfort to stakeholders that projects will deliver their expected outcomes.
3. **Best-in-class:** requirements that reflect innovative practices or outcomes that generate a strong positive impact.

Project performance

Overall project performance will be reflected in the number of Blue Dots obtained. A certified project that fulfils (or is committed to fulfilling) the Essential requirements that are applicable to the project will be awarded a minimum of one Blue Dot. Projects outperforming in certain areas will be awarded two or three Blue Dots.

Superior and Best-in-class requirements contribute towards achieving two or three Blue Dots, but they do not substitute for Essential requirements. Projects will receive points for each Superior (1 point) and Best-in-class (3 points) requirement they satisfy. The total number of points obtained by the project will determine whether they receive one, two or three Blue Dots.³

³ The specific thresholds for determining whether a project receives two or three Blue Dots are being tested and refined with the pilot projects.

List of criteria and requirements

BDN element 1. Promote sustainable and inclusive economic growth and development

| Theme | Criteria | Essential | Superior | Best in class |
|----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SDG alignment | 1.1. Project contributes directly to one or more SDGs | <p>Demonstration, based on a recognised methodology, that, as part of its core activity, the project will contribute to improving the performance of one or more SDG targets or indicators compared to the pre-project baseline.</p> <p>Notes: A list of SDG indicators and targets can be found here: https://unstats.un.org/sdgs/indicators/indicators-list/</p> <p>Examples of methodologies for assessing SDG impact: Gold Standard SDG Impact Tool: https://www.goldstandard.org/project-developers/standard-documents</p> <p>SDG Compass: https://sdgcompass.org/</p> | | Demonstrate on the basis of actual data collected that the project has contributed directly to improving the performance of one or more SDG targets or indicators compared to the pre-project baseline. |
| Alignment with national and local development strategies | <p>1.2. Project is aligned with national and/or local development strategies</p> <p>Guidance: To qualify, a national or local development strategy or plan must have the official endorsement of the government or relevant local authority.</p> | | The project features in a national and/or local development plan | The project contributes to achieving one or more development goals outlined in either national or local development strategies |
| Consultation | 1.3. Project definition, planning and design was informed by consultation with public, private, and civil society stakeholders in order to maximise the positive impact of infrastructure | Broad consultations took place early in the project definition, planning and design stages that involved different levels of government (including local officials), users, civil society stakeholders, and relevant | | |

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| investment | | private sector actors (e.g. potential financiers). | | |
| Job creation | 1.4. The project generates quality long-term employment | The project creates or supports direct employment during the construction and operation phases <i>Notes:</i> Estimates are acceptable during project planning and preparation phases. During construction and operation phases, actual data of jobs generated should be provided. Where necessary and depending upon the nature of the project, data should distinguish between jobs created and jobs supported. For guidance on reporting jobs data, refer to the Harmonized Indicators for Private Sector Operations (HIPSOP) Jobs: TA-08 — Direct Jobs Supported (Operations and Maintenance) TA-09 — Construction Jobs (Temporary Construction) TA-10 — Direct Jobs Created by the Investment (Operations and Maintenance) | The project generates indirect long-term growth in employment through supporting economic activity <i>Notes:</i> An example of a relevant methodology is the IFC's Economic Impact Estimation Framework which considers direct, indirect and induced effects from investments. | The project creates quality direct employment during the construction and operation phases <i>Notes:</i> Estimates are acceptable during project planning and preparation phases. During construction and operation phases, actual data of jobs generated should be provided. Data and evidence of job quality can vary between construction and operation, accounting for the time-limited nature of construction |
| Access to infrastructure services | 1.5. Project increases and/or improves access to essential services, in particular for disadvantaged and underserved groups | | The project expands or enhances access to an essential service <i>Notes:</i> Estimates are acceptable during project planning and preparation phases. During operation phase, actual data based on user or client numbers should be provided. | The project demonstrates that it provides equitable access to the service for disadvantaged and underserved groups |

BDN element 2. Promote market-driven and private sector led investment, supported by judicious use of public funds

| Theme | Criteria | Essential | Superior | Best in class |
|------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| Private sector participation | <p>2.1. The private sector has the capacity and interest to participate in the project</p> <p><i>Guidance:</i> This criteria applies primarily to projects being delivered as PPPs, concessions or large EPCs where private sector appetite is crucial for the success of the approach.</p> | | <p>A market capacity and/or market sounding assessment has been performed to gauge capability and interest of private sector to participate in project</p> <p><i>Notes:</i> Requirement is not applicable for privately-owned/operated projects that are operational.</p> | |
| Sustainable funding | <p>2.2. The project benefits from a stable and reliable cash flow derived from users fees</p> <p><i>Guidance:</i> This criteria applies to projects procured as PPPs or concessions that can be supported by user fees. Projects where availability payments consist of the sole funding option would not be required to satisfy this criteria. It does not apply to privatised or regulated infrastructure markets where private delivery and ownership is the default.</p> | | <p>Project costs are covered primarily by user fees and other complementary private sources (e.g. retail)</p> | |
| Sustainable funding | <p>2.3. Regulatory and/or contractual framework provides for stable funding basis</p> <p><i>Guidance:</i> Applies to contracted or regulated infrastructure projects.</p> | | <p>Regulations and/or contract ensure secure and stable long-term cash-flows for the project over its lifecycle</p> | |

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| Competitive environment | 2.4. Oversight of competition in the market by a competent, independent, and empowered authority <i>Guidance:</i> This criteria applies to privatised sectors where competition in the market is feasible | | Competition in the sector is overseen by a competent, independent and well-resourced competition authority or a regulator with an explicit mandate to enforce competition | |
| Risk allocation and mitigation | 2.5. Risks allocated transparently between public and private partners | Projects risks have been identified and assessed, and a recommended allocation has been established prior to procurement decision | Project contract defines a transparent and balanced allocation of project risks between public and private partners <i>Notes:</i> As part of the transparent allocation of risks, contracts should include clear language and balanced approach to determination of compensation or penalties. | |
| Catalytic finance | 2.6. Use of public finance to mobilise larger amounts of private finance | | Public finance (from local or national governments, national development banks or DFIs) consists of a limited proportion of the total financing for the project and is used strategically as a means of crowding-in private financing, particularly from long-term investors (e.g. pension funds and insurance companies) <i>Notes:</i> The use of public finances for infrastructure projects relates to the financial and non-financial resources provided by government entities, DFIs or MDBs to support the planning, development, construction, operation, or maintenance of infrastructure projects. To meet this requirement, public finance from all sources (government, DFIs, MDBs, etc), must represent less than 50% of the total financing. Private finance can consist of both debt and equity. | |

BDN element 3. Support sound public financial management, debt transparency, and project-level and country-level debt sustainability

| Theme | Criteria | Essential | Superior | Best in class |
|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Disclosure of liabilities | 3.1. Project assets, costs and liabilities are recorded in public sector accounts and disclosed | <p>All costs and liabilities, including contingent liabilities (e.g. sovereign guarantees), associated with the project are included in budget documentation</p> <p><i>Notes:</i> Presentation of data in budget documentation can be on an aggregate basis.</p> <p>This requirement applies to projects that are owned and/or granted by the state, and where the costs are borne by the state or where the state is ultimately liable for those costs.</p> <p>For projects delivered by state-owned enterprises (SOEs), all costs (e.g. grants, subsidies), loans and contingent liabilities (e.g. guarantees) from the state to the SOEs should be disclosed in budget documentation or the SOE accounts.</p> | <p>Project assets and associated liabilities are recorded in publicly available accounts (including balance sheet)</p> <p><i>Notes:</i> PPP assets and liabilities should be recorded on the basis of international accounting standards such as the International Public Sector Accounting Standards (IPSAS 32).</p> <p>For PPP projects delivered by SOEs, PPP assets and associated liabilities should be recorded in the SOE financial statement (including balance sheet).</p> | Contingent liabilities explicitly include contingencies for possible harm to local people and the environment, so there are resources available in the event of a grievance requiring funds to address. |
| Disclosure of liabilities | <p>3.2. Disclosure of relevant information on the transaction and financing conditions</p> <p><i>Guidance:</i> This criteria is based on the requirements of the Institute of International Finance (IIF) Voluntary Principles for Debt Transparency which have to designate a reporting host. Relevant financial information is defined in the IIF Principle 5. Scope of disclosure.</p> | | Relevant information on the transaction and financing conditions has been disclosed by the private sector investor and/or lender to the project | |

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|---------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| Public financial sustainability | <p>3.3. Assessment of impact of project on fiscal sustainability over the medium- to long-term</p> <p><i>Guidance:</i> This criteria applies to projects that generate medium- to long-term fiscal costs and risks (such as those delivered as PPPs).</p> | | <p>The fiscal risks resulting from the project have been evaluated using a recognised framework such as the IMF's PFRAM</p> <p><i>Note:</i> The PPP FISCAL RISK ASSESSMENT MODEL (PFRAM) is an analytical tool by the IMF and the World Bank to assess the potential fiscal costs and risks arising from public-private partnership projects.</p> | |
|---------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|

BDN element 4. Build projects that are resilient to climate change, disasters, and other risks, and aligned with the pathways towards 2050 net-zero emissions needed to keep global temperature change of 1.5 degrees Celsius within reach

| Theme | Criteria | Essential | Superior | Best in class |
|---------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|---------------|
| GHG emissions | <p>4.1. Project is consistent with a country's Nationally Determined Contribution (NDC)</p> <p><i>Guidance:</i> This criteria is substitutable with others in this theme (criteria 4.2, 4.3 and 4.4). <u>Projects therefore only need to demonstrate alignment with one of these four criteria.</u> The choice of criteria should take into account the circumstances of the host country, sector and project.</p> <p>This criteria should only be applied for projects in least-developed countries that do not have a net-zero strategy but have a credible NDC.</p> <p>Climate Watch, developed by the World Resources Institute (WRI) provides indicators on the scope and targets of NDCs and tracks countries' NDC enhancements. They also compile and summarise countries' long-term strategies. https://www.climatewatchdata.org/</p> | The Project is reflected in a sufficiently detailed national/sectoral investment plan or long-term strategy that is fully aligned with a country's NDC | | |
| GHG emissions | <p>4.2. Project is aligned with a net-zero pathway for 2050 or earlier</p> <p><i>Guidance:</i> This criteria is substitutable with others in this theme (criteria 4.1, 4.3 and 4.4). <u>Projects therefore only need to demonstrate alignment with one of these four criteria.</u> The choice of criteria should</p> | <p>The Project is reflected in a sufficiently detailed national/sectoral investment plan that is fully aligned with a country's net-zero by 2050 pathway or strategy</p> <p><i>Notes:</i> This essential requirement is substitutable with others in this criteria.</p> | | |

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| | take into account the circumstances of the host country, sector and project. | <p>The Project is consistent with a credible sector net-zero by 2050 or earlier pathway (e.g. the IEA net-zero by 2050 roadmap)</p> <p><i>Notes:</i> This essential requirement is substitutable with others in this criteria.</p> <p>The sponsor company has established a net-zero by 2050 or earlier target that has been validated/verified by a credible third-party (e.g. Science-based Targets Initiative (SBTi))</p> <p><i>Notes:</i> This essential requirement is substitutable with others in this criteria.</p> <p>Project CAPEX should be consolidated on sponsor company's balance sheet</p> | | |
| GHG emissions | <p>4.3. Greenhouse emissions from the project are net zero</p> <p><i>Guidance:</i> This criteria is substitutable with others in this theme (criteria 4.1, 4.2 and 4.4). <u>Projects therefore only need to demonstrate alignment with one of these four criteria.</u> The choice of criteria should take into account the circumstances of the host country, sector and project.</p> | <p>The project can demonstrate it leads to a meaningful reduction in emissions compared to a pre-project baseline or an industry average.</p> <p><i>Notes:</i> Applies to sectors such as wastewater treatment that generate scope 1 emissions and where no net zero alternative exists. Reduction in emissions intensity could be considered for cases of new infrastructure or capacity expansions that mechanically result in an increase in absolute emissions.</p> <p>For calculating emissions baselines in the wastewater treatment sector, projects may consider the UNFCCC DDM Guidance III.Y.</p> | <p>The Project can demonstrate that it is responsible for zero net Greenhouse Gas emissions during the operation phase of The Project, considering Scope 1 and Scope 2 emissions, quantified in accordance with an approved methodology (e.g. GHG Protocol)</p> <p><i>Notes:</i> Projects that satisfy this requirement will automatically meet the essential requirement. Projects in their operational phase should be reporting actual measured emissions</p> | <p>The Project can demonstrate that it is responsible for zero net Greenhouse Gas emissions during the operation phase of The Project, considering Scope 1, Scope 2 and Scope 3 emissions, quantified in accordance with an approved methodology (e.g. GHG Protocol)</p> <p><i>Notes:</i> Projects that satisfy this requirement will automatically meet the essential requirement. Projects in their operational phase should be reporting actual measured emissions</p> |

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| GHG emissions | <p>4.4. Emissions below a certain level</p> <p><i>Guidance:</i> This criteria is substitutable with others in this theme (criteria 4.1, 4.2 and 4.3). <u>Projects therefore only need to demonstrate alignment with one of these four criteria.</u> The choice of criteria should take into account the circumstances of the host country, sector and project. Specific requirements for this criteria may vary depending on the sector/sub-sector. These requirements may evolve over time with changes to international standards and regulations.</p> | <p>Total emissions from project are less than 25,000 tonnes of CO₂-equivalent emissions (Scope 1 and 2) annually.</p> <p><i>Notes:</i> 25,000 tonnes of CO₂e represents the threshold used in the IFC PS for designating projects required to disclose GHGs. .</p> <p>Projects in their operational phase should be reporting actual measured emissions.</p> <p>If a sector or sub-sector has a specific requirement, the sector or sub-sector requirement will apply.</p> <p>Direct emissions from power plant do not exceed 100 gCO₂/kWh</p> <p><i>Notes:</i> Applies to electricity generation. 100 gCO₂/kWh represents the threshold used for energy production projects by the Climate Bonds Standard and the EU Sustainable Taxonomy. Projects in their operational phase should be reporting actual measured emissions.</p> | | |
| GHG emissions | <p>4.5. The Project achieves a reduction in embodied carbon over its life cycle</p> <p><i>Guidance:</i> Embodied carbon refers to the carbon emissions released during the extraction, manufacturing, transportation, construction and end-of-life phases of buildings. Embodied carbon may refer to the embodied carbon of a whole building or the embodied carbon of a single building material (International Code Council).</p> | | | <p>The Project can demonstrate it achieves a reduction in embodied carbon as calculated across the lifecycle of the project, including construction phase emissions, compared to the industry standard.</p> <p><i>Notes:</i> This requirement will be updated when new methodologies, benchmarks and standards in calculating embodied carbon emerge.</p> |
| Climate risk | <p>4.6. Assessment of climate risks and vulnerabilities</p> <p><i>Guidance:</i> Required for projects facing material climate risks as determined in an ESIA or other appropriate assessment.</p> | <p>The project has identified and assessed risks resulting from climate change over its expected lifetime.</p> | <p>An assessment of vulnerabilities and risks to the project over its expected lifetime resulting from climate change has been performed using a forecast based on plausible future conditions at an appropriate scale derived from a recognised climate model and plausible climate scenarios.</p> | <p>The climate risk assessment is updated periodically to reflect changes in emissions pathways, evolution in modelling technologies and availability of new data.</p> |

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| | The Physical Climate Risk Assessment Methodology (PCRAM) provides guidance on performing climate risks assessments for infrastructure projects. | | | |
| Climate disclosure | <p>4.7. Disclosure of greenhouse emissions caused by the Project</p> <p><i>Guidance:</i> Required for projects that are expected to exceed or currently produce more than 25,000 tonnes (Scope 1 and 2) of CO₂ -equivalent annually which represents the threshold used in the IFC Performance Standards for disclosing GHG emissions.</p> | <p>The Project discloses greenhouse gas emissions for Scope 1 and Scope 2 emissions according to a recognised methodology (e.g; GHG Protocol)</p> <p><i>Notes:</i> Projects in their operational phase should be disclosing actual measured emissions.</p> | <p>The Project discloses greenhouse gas emissions for Scope 1, Scope 2 and Scope 3 emissions according to a recognised methodology (e.g. GHG Protocol) and verified by an independent third-party</p> <p><i>Notes:</i> Projects in their operational phase should be disclosing actual measured emissions.</p> | |
| Climate disclosure | 4.8. Disclosure of climate risks | | <p>The Project discloses physical and transition climate risks in a manner that is accessible to all stakeholders and consistent with good practice (e.g. TCFD recommendations).</p> | |
| Disaster risk assessment | 4.9. Disaster risk and vulnerability assessment | | <p>Relevant disaster risks, including natural catastrophes and human-caused threats (such as cyber-threats, terrorism and industrial accidents) have been identified, prioritised and assessed based on their likelihood and their potential impact on the asset</p> | |
| Resilient plans and designs | <p>4.10. Adaptation plan for physical climate risks</p> <p><i>Guidance:</i> Applies to projects facing material climate risks as determined in an ESIA or other appropriate assessment.</p> | | <p>An adaption plan has been developed that includes measures to avoid, mitigate or minimise physical climate risks identified and prioritised in the climate risk assessment</p> | |
| Resilient plans and designs | <p>4.11. Service continuity and recovery plan</p> <p><i>Guidance:</i> Required for critical infrastructure. Critical infrastructure are</p> | <p>A service continuity and recovery plan to minimise disruptions resulting from hazards caused by natural or human-made disasters has been developed.</p> | | |

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| | systems, assets, facilities and networks that provide essential services for the functioning of the economy and the security, safety and well-being of the population. | | | |
| Resilient plans and designs | <p>4.12. Resilient project planning, siting and design</p> <p><i>Guidance:</i> The requirement relating to project siting should not apply to brownfield projects or projects where the owner/operator has no scope to influence the siting. However, project owners/operators may be able to influence the planning or design with a view to strengthening resilience. Even though it is highly recommended, projects that have been operational for more than 10 years are not required to meet this requirement.</p> | The project site has been chosen to reduce exposure to hazards and the design incorporates measures to avoid or mitigate climate and disasters risks identified in the risk assessments | | The project contributes to improving the resilience of infrastructure systems through creating redundancy or enhancing system responsiveness or flexibility. |
| Resilient plans and designs | <p>4.13. Nature-based solutions (NbS)</p> <p><i>Guidance:</i> Projects seeking to implement NbS should consider the IUCN Global Standards on NbS: https://www.iucn.org/theme/nature-based-solutions/resources/iucn-global-standard-nbs and can take into consideration the ILO-UNEP-IUCN joint reports on Decent Work in Nature-based Solutions: https://www.ilo.org/global/topics/employment-intensive-investment/publications/WCMS_863035/lang-en/index.htm; https://www.ilo.org/global/topics/employment-intensive-investment/publications/WCMS_863035/lang-en/index.htm</p> <p>For examples of nature-based and nature-positive solutions see report A Playbook for Nature-Positive Infrastructure Development (FIDIC, AECOM)</p> | | | The Project incorporates Nature-Based Solutions that increase climate resilience, and benefit biodiversity and people to deliver key services |

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| Resilient plans and designs | 4.14. Operation and maintenance enhance resilience | | The project's operation and maintenance programmes have been developed taking into account climate risks and other threats with a view to extend the life of the asset | |
| Resilient plans and designs | 4.15. Ongoing monitoring of climate and disaster risks as well as mitigation measures | | Data on the priority hazards and the implementation of mitigation measures is regularly collected and monitored, and reported to management | |
| Emergency preparedness and response | 4.16. Emergency preparedness and response plan <i>Guidance:</i> Applies to projects that involve specifically identified physical elements, aspects and facilities that may be the source of major accidents. | An Emergency Preparedness and Response Plan has been developed, with involvement of workers and their organisations, and the local community as appropriate, that specifies actions and measures in response to major accidents and hazards, and serves to avoid and mitigate harm to people and the environment | | |
| Emergency preparedness and response | 4.17. Cooperation and information sharing mechanisms in the management of critical risks | | Formal cooperation and information sharing mechanisms for the management of critical risks have been established between the project operator and local authorities, workers and their organisations, and affected communities have been established | |

BDN element 5. Ensure value-for-money over its full life-cycle

| Theme | Criteria | Essential | Superior | Best in class |
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| Project appraisal and selection based on life cycle assessment | 5.1. Project appraisal and selection based on a robust methodology that takes into consideration all relevant economic, environmental and social costs and benefits over the life cycle | A comprehensive analysis of the project's costs and benefits has been performed that includes all relevant economic, environmental and social costs and benefits accruing over the life of the project. | The project appraisal has been reviewed and approved by an independent expert | Project appraisal formally incorporates non-monetisable benefits and costs through a consistent methodology (e.g. multi-criteria analysis). |
| Project appraisal and selection based on life cycle assessment | 5.2. Project aligned with national and/or local policy priorities | | Project appraisal process considers project alignment with national and/or local policy priorities and long-term goals | |
| Project appraisal and selection based on life cycle assessment | 5.3. Project delivers positive net benefits over the entire life-cycle taking into consideration all relevant economic, environmental and social costs and benefits | | Ex ante benefit-cost ratio (BCR) above 1 | An ex post cost-benefit analysis conducted during the operational phase of the project yields a BCR>1 |
| Choice of delivery mode (PPP vs traditional procurement) | 5.4. Project delivery mode choice considers value for money | | A pre-procurement test has been performed to compare various project delivery options (traditional procurement versus PPP/concession) | |
| Competitive procurement based on life cycle costs | 5.5. Procurement method designed to attract multiple qualified bidders <i>Guidance:</i> Does not apply to infrastructure developed in privatised markets. In such cases, refer to the theme on "Competitive environment" in BDN 2. Recourse to non-competitive procurement processes can only be justified on the basis of the following exceptional circumstances: Minor work cannot be separated without disadvantage from larger work already awarded. If a non-competitive process is used it should nevertheless be transparent (e.g. open | Procurement applies a competitive tendering process (e.g. open, selective, competitive dialogue) | Three or more bids received Procurement procedures ensure qualified bidders (e.g. using a multi-stage process) <i>Notes:</i> The FIDIC Procurement Guide provides guidance on conducting a bidder pre-qualification | |

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| Competitive procurement based on life cycle costs | 5.6. Tender award based on life cycle costs <i>Guidance:</i> Does not apply to infrastructure developed in privatised markets. In such cases, refer to the theme on "Competitive environment" in BDN 2. | | Tender award criteria includes both financial and quality elements, and takes into consideration life cycle costs including maintenance costs. | |
| Competitive procurement based on life cycle costs | 5.7. Tender specifications specify performance and service levels <i>Guidance:</i> Does not apply to infrastructure developed in privatised markets. In such cases, refer to the theme on "Competitive environment" in BDN 2. | | Tender specifications specify KPIs for performance and service levels | |
| Effective project management, monitoring and oversight | 5.8. Project delivered on time and on budget <i>Guidance:</i> This criteria applies to greenfield projects or brownfield projects that involve a capital expenditure (e.g. major rehabilitation, modernisation or expansion). | | Cost and time overruns less than 20% | Project is delivered below budget and within deadline |
| Effective project management, monitoring and oversight | 5.9. Projects meets its performance and service delivery targets during operations | | Project meets its KPIs for performance and service levels set out in contract documents | |

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| Effective project management, monitoring and oversight | 5.10. Limiting recourse to re-negotiations, and if unavoidable, establishing predictable frameworks and strategies for handling them | | <p>Contract modifications are strictly regulated by procurement regulations and/or contract and responsibility for approval of contract modifications lies with an appropriate authority (other than the contracting authority)</p> <p><i>Notes: Modifications, if allowed, should be limited to expressly designated circumstances and/or contract elements. Contract modifications that impact public sector revenues or expenditures should be approved by an authority with budgetary responsibility.</i></p> | |
| Effective project management, monitoring and oversight | 5.11. Alternative dispute resolution mechanisms, such as international arbitration, are available | | Procurement regulations and/or contract documents specify recourse to international arbitration or international mediation to resolve contractual disputes | |
| Efficient maintenance | 5.12. Contract incentivises efficient maintenance through specifying clear service levels or applying performance-based payments | | <p>Contract specifies service levels</p> <p>Contract includes performance based-payments for achieving pre-determined service levels</p> | |
| Efficient maintenance | 5.13. Preventive or predictive maintenance approaches | | | Project implements preventive or predictive maintenance approach based on data and analytics |
| Technology and innovation | 5.14. Enhancing efficiency through technology | | Project uses technologies and/or innovative techniques that enhance efficiency during the planning, design, construction, operation or maintenance phases | |

BDN element 6. Build local capacity, with a focus on local skills transfer and local capital markets

| Theme | Criteria | Essential | Superior | Best in class |
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| Skills transfer | 6.1. Local workers employed at all stages of the project | <p>The project has made a concerted effort to employ local workers at each stage of the project life cycle</p> <p><i>Notes:</i> Local workers are workers that are recruited from within the country where the project is located.</p> <p>Projects in their operational phase may have difficulty in obtaining employment data/evidence for the construction phase. In such cases, a statement and explanation is satisfactory.</p> | <p>The project has made a concerted effort to employ workers from within local communities</p> <p><i>Notes:</i> Local communities are communities within the influence area of the project</p> | |
| Skills transfer | 6.2. Training programmes for local workers | Training programmes are provided to the project workforce | Training programmes are provided to local workforce to develop local capacity | Training programmes are provided to the local workforce that prioritise disadvantaged and underserved groups |
| Skills transfer | 6.3. Use of local suppliers for equipment, materials and services | A concerted effort has been made to involve local contractors and suppliers in providing equipment and services | | |
| Local capital markets | 6.4. Financing package includes local financing sources | | Part of the financing provided by local financial institutions in local currency (banks, institutional investors) | Part of the financing raised from local capital markets in local currency (local currency bonds, local equity markets) |

BDN element 7. Prevent corruption while promoting transparent procurement and consultation processes

| Theme | Criteria | Essential | Superior | Best in class |
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| Anti-corruption | 7.1. Anti-corruption policy and procedures with management involvement | <p>Clear, accessible and well-publicised policies and procedures on bribery, bribe solicitation, extortion, fraud and conflicts of interest that apply to the project. Anti-corruption policies and procedures include pre-approval requirements for the provision of gifts, hospitality, entertainment, charitable donations, and political contributions. The policies and procedures also specify appropriate disciplinary procedures to address, among other things, violations, at all levels of the company, of laws against foreign bribery, and of the company's own policies.</p> <p><i>Notes: Sponsor company or corporate (in the context of corporate investments) policies and procedures may be considered in lieu of project-level policies if the former apply to the project.</i></p> | | Project company board has oversight of the anti-corruption programme |
| | | A senior manager in the project/company structure has been appointed to monitor the implementation of anti-corruption programme | | Anti-corruption policies and procedures are extended to contractors and suppliers |
| Anti-corruption | 7.2. Identification and assessment of corruption risks | | A comprehensive assessment of corruption risks over the project life cycle has been performed including risks resulting from business relationships, conflicts of interests, links to politically exposed persons and funding sources. | Project has an internal audited Risk-Control Matrix that covers corruption which is reviewed and updated at least annually and is approved at board of director level. |

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| Anti-corruption | 7.3. Maintenance of fair and accurate books, records, and accounts | The sponsor and project companies' books, records, and accounts, have been subject an annual external financial audit, which has not identified any irregularities. | | |
| Anti-corruption | 7.4. Independent monitoring and auditing of project | | <p>An independent monitor has been appointed to monitor the procurement, management and performance of the contract/project for indications of corruption, fraud, and breach of regulations.</p> <p>An independent external auditor to the project has been appointed to undertake financial, technical and performance audits in order to verify that the Project was carried out in accordance with applicable laws, regulations and procedures, and without corruption and fraud.</p> | The project has been reviewed by an independent external auditor, and the results of the audit are made publicly available and have not identified any breaches of laws or regulations nor any instances of corruption or fraud |
| Anti-corruption | 7.5. Adoption of project integrity code of conduct supported by training programmes | | Personnel employed by the project company and major contractors are required to follow a project code of conduct that outlines their obligations and prohibits corruption and fraud, and makes clear that personnel will be held accountable for violations of the code or of laws and regulations applicable to the project's jurisdiction. | Personnel of sponsor and/or project company and major contractors have received anti-corruption training which provides instruction on the implementation of anti-corruption policies, procedures and the code of conduct. |
| Anti-corruption4 | <p>7.6. Adoption of functional whistleblowing mechanisms that protect identity of reporting persons</p> <p>Guidance: Resource Guide on Good Practices in the Protection of Reporting Persons (unodc.org)</p> | Mechanisms for personnel, officials or members of the public to report concerns of bribery, fraud, misuse or diversion of funds, cartels, or breaches of the law, anti-corruption policies, procedures or codes of conduct in relation to the project are in place. Mechanisms include safe and anonymous reporting, investigation, and resolution. | | A non-judicial multistakeholder mechanism for reporting and rapidly resolving complaints related to suspected bribery and unfair business practices has been established (for example, Integrity Pact or High-Level Reporting Mechanism) |

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| Anti-corruption | 7.7. Disclosure of financial information on contract and associated payments <i>Guidance:</i> Does not apply to infrastructure developed in privatised markets | | Public disclosure of contract documents that include information on price and scope of project. Documents include initial contracts, and any variation to the original contract and reasons for the variation. | Public disclosure of payments made by/to the government under the contract. |
| Transparent procurement | 7.8. Procurement information made publicly available <i>Guidance:</i> Does not apply to infrastructure developed in privatised markets. | Information on the procurement process and the project is made public through an online portal. | Information on the project and the contract is disclosed in an open data format. <i>Notes:</i> The recommendations of the CoST Infrastructure Data Standard, the Open Contracting for Infrastructure Data Standard and the Open Contracting Data Standard for PPPs are relevant | |
| Transparent procurement | 7.9. Procurement process ensures fair and equal treatment of all bidders <i>Guidance:</i> Does not apply to infrastructure developed in privatised markets. | The tender process uses sealed bids, and confidentiality is ensured throughout the bid evaluation and award process. | Potential bidders can submit questions to clarify the public procurement notice and/or the request for proposals (RFP) and the answers are disclosed to all potential bidders without disclosing their names. | |
| Transparent procurement | 7.10. Prohibitions against corruption in procurement <i>Guidance:</i> Does not apply to infrastructure developed in privatised markets. | Procurement and contract documents include provisions on fraud, corruption and other prohibited practices | Bidders required to issue a self-declaration assuring that they have not engaged in any prohibited practices and have not been prosecuted or convicted of fraud, corruption or other prohibited practices. | Participants in the procurement process (members of contracting team, bidding team) required to answer a conflicts question sheet designed for the specific procurement, ideally administered by an independent probity officer <i>Notes:</i> See for example public procurement practices used in Australia |
| Transparent procurement | 7.11. Procurement process includes protections against bid-rigging <i>Guidance:</i> Does not apply to infrastructure developed in privatised markets. | | Bidders required to sign a Certificate of Independent Bid Determination or equivalent attestation | |
| Transparent procurement | 7.12. Award criteria for contract publicly disclosed <i>Guidance:</i> Does not apply to infrastructure developed in privatised markets. | Bidding documents explicitly state the award criteria The outcome of the bid evaluation is made public and it explains the decision in relation to the award criteria | | |

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| Transparent procurement | 7.13. Participation of independent observers in the procurement process and contract oversight <i>Guidance:</i> Does not apply to infrastructure developed in privatised markets. | | Independent observers have been given access to bidding documentation and opened bids and have been invited to observe bid opening process and negotiations with bidders. | |
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BDN element 8a. Uphold international best practices of environmental safeguards

| Theme | Criteria | Essential | Superior | Best in class |
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| Management of environmental and social risks | 8.1. Policy on responsible business conduct | <p>The project organisation has established and communicated a policy and principles on the management of social and environmental risks and has assigned responsibility for their implementation and oversight.</p> <p><i>Notes:</i> Policies and principles should be extended to contractors through contracts.</p> <p>Sponsor company or corporate (in the context of corporate investments) policies and procedures may be considered in lieu of project-level policies if the latter apply to the project.</p> | <p>Training on environmental and social management policies and procedures is provided to project company and contractor staff.</p> <p><i>Notes:</i> Sponsor company or corporate (in the context of corporate investments) training programmes that are provided to project staff can be considered.</p> | |
| Management of environmental and social risks | 8.2. Identification, assessment and assessment of significant risks and impacts | <p>A process is being implemented for identifying, assessing and prioritising environmental and social impacts and risks, including cumulative impacts, if relevant, that takes into account baseline conditions and seasonal variations.</p> <p><i>Notes:</i></p> <ul style="list-style-type: none"> For greenfield developments or large expansions with specifically identified physical elements, aspects, and facilities that are likely to generate potential significant environmental or social impacts, the project owner, developer or contracting authority should conduct a comprehensive Environmental and Social Impact Assessment with input from subject-matter experts, including an examination of alternatives, where appropriate. The environmental and social risk assessment | | |

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| | | <p>process, should be informed by stakeholder perspectives, and the analysis and results should be made available to stakeholders.</p> <ul style="list-style-type: none"> Relevant stakeholders are persons or groups, or their legitimate representatives, who have rights or interests related to the project or could be affected by adverse impacts associated with the project or enterprise's operations, products or services. These include but are not limited to, affected communities, relevant local and national authorities, relevant workers' organisations, including local, national, and global trade union bodies in the relevant sector, that represent workers at other operations of the Sponsor, or represent workers who will be affected by the project. | | |
| Management of environmental and social risks | 8.3. Environmental and social management plan based on mitigation hierarchy | <p>An Environmental and Social Management Plan (ESMP) or equivalent developed by competent professionals with input from stakeholders which proposes measures to address the identified risks and impacts and follows the mitigation hierarchy has been adopted.</p> <p><i>Notes: This may take the form of separate plans for different risk/impact areas.</i></p> | | |
| Management of environmental and social risks | 8.4. Regular monitoring and reporting of priority risks and implementation of plan and measures | <p>A monitoring and reporting plan has been developed for both the construction and operation phases, which assigns clear responsibilities.</p> | <p>Periodic internal audits are performed of the implementation of measures to address identified risks and impacts.</p> <p>The results of the monitoring are communicated periodically to senior management and stakeholders</p> | <p>Periodic external audits are performed of the monitoring and implementation of measures to address identified risks and impacts.</p> <p>Affected communities and workers and their organisations are involved as part of the monitoring activities (participatory monitoring).</p> <p><i>Notes: Participatory monitoring (also known as collaborative monitoring, community-based monitoring, locally based monitoring, or volunteer monitoring) is the regular collection of measurements or other kinds of data (monitoring), usually of natural resources and biodiversity, undertaken by local</i></p> |

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| | | | | residents of the monitored area, who rely on local natural resources and thus have more local knowledge of those resources. Such monitoring should be designed with consideration to terms and conditions, including whether remuneration should be provided or an employment relationship recognised, and to the risks that monitors may encounter. |
| Biodiversity | 8.5. Risk and impacts to biodiversity and ecosystem services are identified, prioritised and assessed | <p>The potential direct, indirect and cumulative impacts on biodiversity and ecosystem services at land/seascape levels are identified, assessed and prioritised, and, where relevant, lower impact alternatives are considered.</p> <p><i>Notes:</i> Risks and impacts to biodiversity can be considered as part of an EIA, ESIA or a focused biodiversity assessment.</p> | | <p>An integrated, biodiversity-sensitive land use (BSLUP) plan has been prepared, and the project conforms to it.</p> <p><i>Notes:</i> This requirement is relevant if a biodiversity-sensitive land use (BSLUP) plans has been developed by a government authority with responsibility for land-use planning.</p> |
| Biodiversity | <p>8.6. Risk and impacts to biodiversity and ecosystem services are addressed following the mitigation hierarchy, with an emphasis on avoidance (with the use of use of biodiversity offsets strictly limited to address unavoidable residual impacts after all other steps in the mitigation hierarchy have been considered and no alternatives are available).</p> <p><i>Guidance:</i> Applies to projects where risks and impacts to biodiversity exist. The IUCN Policy on Biodiversity Offsets serves as guidance for the use of offsets.</p> | <p>The Environmental and Social Management Plan (or a dedicated Biodiversity Management Plan), specifies measures, developed or approved by a recognised expert, for addressing biodiversity impacts and risks following the mitigation hierarchy.</p> <p>The ESMP or Biodiversity Management Plan includes evaluation of avoidance, minimisation and restoration measures prior to recommending the use of offsets.</p> <p><i>Notes:</i> Only applies to projects that involve the use of biodiversity offsets.</p> | The project siting avoids sensitive sites from a biodiversity perspective. | |
| Biodiversity | <p>8.7. Impacts on biodiversity are monitored and reported throughout the project lifecycle</p> <p><i>Guidance:</i> Applies to projects where risks and impacts to biodiversity exist.</p> | A biodiversity monitoring plan has been developed with input from recognised experts along with regular reporting requirements. | Results of biodiversity monitoring are made available to stakeholders, and, where necessary, measures are taken in response to insights from monitoring and reporting activities. | <p>Information from biodiversity monitoring is based on the GBIF standard and is published and freely accessible.</p> <p><i>Notes:</i> Refer to the Global Biodiversity Information Facility (https://www.gbif.org) for information on the reporting standards</p> |

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| Biodiversity | <p>8.8. Project impacts on biodiversity result in no net loss or a net gain to biodiversity (net gain for critical habitats)</p> <p><i>Guidance:</i> Applies to projects where risks and impacts to biodiversity exist.</p> | <p>Project (1) does not have an adverse impact on critical habitat or achieves net gains in biodiversity values in any impacted areas of critical habitat AND (2) results in no net loss of natural habitat (hectares of natural habitat impacted/restored)</p> <p><i>Notes:</i> Critical habitats are areas with high biodiversity value, including (i) habitat of significant importance to Critically Endangered and/or Endangered species; (ii) habitat of significant importance to endemic and/or restricted-range species; (iii) habitat supporting globally significant concentrations of migratory species and/or congregatory species; (iv) highly threatened and/or unique ecosystems; and/or (v) areas associated with key evolutionary processes.</p> <p>Natural habitats are areas composed of viable assemblages of plant and/or animal species of largely native origin, and/or where human activity has not essentially modified an area's primary ecological functions and species composition.</p> | | Project achieves net gains in biodiversity values (for areas not designated as critical habitats) |
| Biodiversity | <p>8.9. Design of biodiversity offset achieves measurable biodiversity outcomes</p> <p><i>Guidance:</i> Applies if project uses biodiversity offsets.</p> | <p>The design of a biodiversity offset adheres to the “like-for-like or better” principle, involves external experts and is aligned with best available information and current practices, including assurances of long-term funding to sustain the offset</p> <p><i>Notes:</i> The IUCN Policy on Biodiversity Offsets provides key elements for the design of biodiversity offsets.</p> | <p>Biodiversity offset ratio is greater than 3:1</p> <p><i>Notes:</i> Based on ADB Safeguards</p> | |

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| Pollution | 8.10. Project avoids, and when avoidance isn't possible, minimises adverse impacts on air, soil and water quality as well as disturbances from noise, vibrations and odors. | Air, soil or water pollution as well as sources of noise, vibration and odors do not exceed levels specified by local legislation or the World Bank Group EHS Guidelines, whichever is more stringent. <i>Notes:</i> Sponsor company or corporate (in the context of corporate investments) EH&S systems may be considered if they apply to the project. | The Project has zero net negative impact on air, soil or water quality during its operations. <i>Notes:</i> Projects must also satisfy essential requirements. | The project contributes to improving surrounding air, soil or water quality. <i>Notes:</i> Projects must also satisfy essential requirements. |
| Resource efficiency | 8.11. The project minimises the consumption of water, prioritises water recycling, and avoids reducing the availability of water for communities, other users and the environment. | The project incorporates measures to reduce water consumption and recycle water and does not adversely affect access to water for third-parties. | A detailed water balance is developed, maintained, and reported on an annual basis <i>Notes:</i> This requirement is required by the World Bank ESF and EBRD Environmental and Social Policy for projects with a high water demand (exceeding 5000m3/day). | The project has a net zero impact on the quantity and availability of freshwater supplies. |
| Resource efficiency | 8.12. The project optimises the use of recycled materials and privileges materials sourced responsibly. | Suppliers of primary products produced in regions where there is a risk of significant conversion of natural and/or critical habitats are evaluated, and supply is shifted to sustainable sources over time. <i>Notes:</i> Applies to projects using primary goods (e.g. natural fibres or minerals) sourced from regions containing natural or critical habitat. | Project focused on reducing raw material by design, and/or includes use of recycled and/or sustainably sourced materials in its construction or operation. | Project includes a Life-cycle Assessment and adopts circular economy principles in its design, operation and maintenance, and decommissioning. <i>Notes:</i> Projects can demonstrate alignment with this requirement through complying with an established circular economy standard such as Cradle2Cradle (https://cradle2cradle.org). Materials used to produce main equipment are traceable from mining to main equipment completion. |
| Resource efficiency | 8.13. The project applies technology to reduce energy consumption and maximise energy efficiency. | | The project incorporates measures (such as those specified in the World Bank Group EHS Guidelines) to optimize energy usage, to the extent technically and financially feasible. | The project demonstrates year-on-year improvements in energy consumption per unit of output |

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| | | | The project's energy consumption is measured and dedicated plans for its improvement are established. | The project generates its own energy from renewable resources for its own consumption or recycles heat. <i>Notes:</i> This requirement isn't applicable to projects whose primary function is energy production. | |
| Waste hazardous materials | and | 8.14. The project avoids and minimises the generation of waste, and where waste cannot be recovered or reused, it is treated, destroyed or disposed of in an environmentally sound manner. | Existence of a waste management plan that identifies, classifies and prioritises sources of waste, and sets out methods for addressing the waste streams according to a waste management hierarchy that considers prevention, reduction, reuse, recovery, recycling, removal and finally disposal of wastes. <i>Notes:</i> Sponsor company or corporate (in the context of corporate investments) waste management plan or procedures may be considered if they apply to the project. | Waste management performance of the project is measured and publicly reported <i>Notes:</i> In the case of corporate investments, company-level data on waste management performance is admissible. | Project has achieved an average 90% or greater overall diversion from landfill, incineration (WTE), and the environment for solid, non-hazardous wastes for the most recent 12 months. Diverted materials are reduced, reused, recycled, composted and/or recovered for productive use in nature or the economy. |
| Waste hazardous materials | and | 8.15. Hazardous materials are avoided and minimised and treated and disposed of in a manner consistent with good international industry practice (GIIP). | Any hazardous waste generated is disposed of in a manner consistent with GIIP (such as the World Bank Group EHS Guidelines), using licensed disposal sites, and a chain of custody documentation to the final destination is obtained. <i>Notes:</i> Sponsor company or corporate (in the context of corporate investments) hazardous waste management plan or procedures may be considered if they apply to the project. | Hazardous waste management performance of the project is measured and publicly reported. | Project achieves reduction in hazardous waste sent to disposal sites for the most recent 12 months through reducing, reusing, recycling and/or recovering hazardous waste for productive use through applying the best available technologies for the materials in question. |
| Sustainable procurement | | 8.16. Procurement and tender documents include environmental and/or social performance as competing factors. | | Requirements and desired outcomes related to environmental and/or social sustainability are clearly defined in the tender documents, and reflected in the selection and award criteria. | |

BDN element 8b. Uphold international best practices of social safeguards, including respect for labour and human rights

| Theme | Criteria | Essential | Superior | Best in class |
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| Meaningful stakeholder engagement with affected communities | 8.17. Identification and analysis of stakeholders | <p>A comprehensive mapping of both affected and interested stakeholders that assesses their interests and vulnerabilities with regard to adverse project impacts and risks over the project life cycle has been performed.</p> <p><i>Notes:</i> Relevant stakeholders are persons or groups, or their legitimate representatives, who have rights or interests related to the project or could be affected by adverse impacts associated with the project or enterprise's operations, products or services. These include but are not limited to, affected communities, relevant local and national authorities, relevant workers' organisations, including local, national, and global trade union bodies in the relevant sector, that represent workers at other operations of the Sponsor, or represent workers who will be affected by the project.</p> | | Stakeholder mapping and assessment of vulnerabilities includes sexual orientation and gender identity. |
| Meaningful stakeholder engagement with affected communities | 8.18. Adoption of a stakeholder engagement plan | A stakeholder engagement plan has been developed that starts early in the project cycle and includes, if applicable, differentiated measures to allow the effective participation of those identified as disadvantaged or vulnerable. | | |
| Meaningful stakeholder engagement with affected communities | 8.19. Communication with stakeholders | Full information about the project is disclosed to stakeholders in a timely manner including risks to and potential impacts (including environmental impacts) on communities and ecosystems and relevant mitigation measures, planned stakeholder engagement, and the availability of grievance mechanisms. | | |

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| Meaningful stakeholder engagement with affected communities | 8.20. Inclusive consultation processes including mechanisms for processing communications with stakeholders | An ongoing two-way engagement process is being conducted that prioritises affected communities, is accessible to vulnerable and marginalised groups, is safe, free from manipulation and intimidation, and includes appropriate feedback mechanisms from the project to stakeholders. | | |
| | | An Informed Consultation and Participation process has/is being conducted that ensures that the project decision-making process incorporates the views of affected communities on matters that affect them directly. <i>Notes: For projects with potentially significant adverse impacts on affected communities</i> | | |
| Meaningful stakeholder engagement with affected communities | 8.21. Effective grievance mechanisms for affected communities | A grievance mechanism that is easily accessible for affected communities and responsive to their grievances and concerns while protecting those submitting grievances from retribution has been established and is operational. | | The project has communicated the existence of alternative grievance mechanisms to the affected communities and provided information on how to engage with them (such as National Contact Points (NCP) for Responsible Business Conduct). <i>Notes: Applies to projects located in countries with NCPs or in cases where the investor's host country has an NCP. For information on the NCPs consult: https://www.undp.org/rbc/ncps</i> |
| Human rights | 8.22. Human rights policy | A policy commitment (which may be stand-alone or included in a broader RBC policy) to meet the responsibility to respect human rights sets out the expectations of personnel, contractors and suppliers has been established and widely communicated. <i>Notes: Sponsor company or corporate (in the context of corporate investments) policies may be considered if they apply to the project.</i> | | |

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| Human rights | <p>8.23. As part of due diligence process, adverse impacts and risks to human rights are identified, prioritised, assessed and addressed, including in the supply chain</p> <p><i>Guidance:</i> for good practice, see Managing Human Rights Risks in IDB Projects and Managing social and environmental risks in supply chains for IDB-financed projects Inter-American Development Bank</p> | | <p>Impacts and risks to human rights, including within the primary supply chain, are identified, named as “human rights” risks, assessed, and prioritized, and adverse impacts are addressed in project plans.</p> <p><i>Notes:</i> A primary supplier is a supplier who on an ongoing basis forms part of the supply chain of goods or materials essential for the core business processes of the project. A primary supplier may supply its goods or materials directly to the project (a Tier I primary supplier), to the Tier I primary supplier (a Tier II primary supplier) or may be at a deeper tier of the primary supply chain.</p> | Human rights risks relating to the full supply chain have been identified, prioritised and assessed as part of an ESIA or during the procurement process, and are regularly monitored. |
| Human rights | <p>8.24. Human rights impacts are monitored and subject to regular reporting, and incidents are disclosed</p> | | <p>Project plans and procedures (e.g. ESMP) includes measures to monitor and regularly report “human rights impacts and risks,” along with procedures for disclosing incidents.</p> <p><i>Notes:</i> Sponsor company or corporate (in the context of corporate investments) systems may be considered if they apply to the project.</p> | |
| Human rights | <p>8.25. Alleged human rights violations are investigated promptly, and remediated</p> | <p>Claims of human rights violations have been investigated promptly, and, when justified, corrective and/or remedial actions have been taken.</p> <p><i>Notes:</i> Applies to projects where a case of a serious human rights violation has been brought to the attention of local or national authorities, or to a non-judicial grievance mechanism (e.g. National Contact Point).</p> | <p>A policy and procedures for investigating and addressing claims of human rights violations have been established</p> <p><i>Notes:</i> Sponsor company or corporate (in the context of corporate investments) procedures may be considered if they apply to the project.</p> | |

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| Human rights | <p>8.26. Analysis of conflict dynamics</p> <p><i>Guidance:</i> Applies to projects located in countries designated as fragile and conflict-affected based on the World Bank classification. Notwithstanding this classification, it is recommended that this analysis be performed in the case of any project located in a country or region with a history of social unrest or violent conflict.</p> | | <p>A conflict analysis has been performed by a credible expert applying a recognised methodology which takes into consideration the potential impacts of the project on the conflict dynamics.</p> <p><i>Notes:</i> See for example the UN Conflict Analysis Practice Note for guidance</p> | |
| Labour and working conditions | <p>8.27. Establish clear employment policies and procedures</p> | <p>Employment policies and procedures have been established that clearly state the rights of workers in a manner consistent with the International Labour Organisation (ILO) Conventions.</p> <p><i>Notes:</i> Sponsor company or corporate (in the context of corporate investments) policies and procedures may be considered if they apply to the project.</p> <p>As specified by IFC PS 2, where the client is a party to a collective bargaining agreement with a workers' organization, such agreement will be respected. Where such agreements do not exist, or do not address working conditions and terms of employment [5], the client will provide reasonable working conditions and terms of employment [6].</p> <p>Reasonable working conditions and terms of employment could be assessed by reference to (i) conditions established for work of the same character in the trade or industry concerned in the area/region where the work is carried out; (ii) collective agreement or other recognized negotiation between other organizations of employers and workers' representatives in the trade or industry concerned; (iii) arbitration award; or (iv) conditions established by national law.</p> | | <p>Employment policies and procedures have been established by collective bargaining agreements that meet or exceed minimum statutory requirements in a manner consistent with ILO conventions.</p> |

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| Labour and working conditions | 8.28. Provide workers with information on their rights that is clear and understandable | Project workers are provided with information on their legal rights and benefits when they begin employment, and this information is easily accessible to workers that seek it. | Project workers and managers are provided with regular training on legal rights and company policies, including on anti-retaliation policies. <i>Notes: Training should be differentiated for managers and instruct them on proper respect for labour rights, including non-interference in worker organizing, and fostering an inclusive workplace.</i> | |
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| Labour and working conditions | 8.29. Respect the rights of workers involved in project to organise and engage in collective bargaining | <p>The rights of workers to associate and to elect representatives are expressed in the employment policies and procedures, at the time of hiring, and employment contracts. In countries that restrict workers' organisations, project organisations shall allow workers to choose their own representatives for dialogue and negotiation. Where the law is silent, the project company shall respect freedom of association and engage in collective bargaining</p> <p><i>Notes:</i> This requirement applies to all project workers. The project company should ensure that contractors implement this requirement through incorporating its provisions into bidding and contracts, verifying that contractors have policies and procedures in place to operate in a manner consistent with its provisions, and monitoring contractors on freedom of association and collective bargaining.</p> <p>Respect for freedom of association and collective bargaining includes:</p> <ul style="list-style-type: none"> • As specified by the IFC Performance Standard Guidance Note 38 and the MNE Guidelines Chapter V, providing reasonable access and facilities for representatives of workers' organizations and for workers to meet on Project premises and carry out other organizing activities in a manner that does not disrupt productivity. • As specified IFC Performance Standard 2 GN 37 not discouraging workers from forming or joining a workers' organization or discriminate or retaliate against workers who attempt to form or join workers' organizations. Refusing to hire workers who have been members or leaders of workers' organizations at other firms (for reasons unrelated to qualifications or job performance) would constitute discrimination. Other forms of discrimination or retaliation would include demoting or re-assigning workers, as well as outsourcing or shifting work among facilities, in | <p>Project reaches agreements with workers' organisations with relevant expertise and representation on neutrality toward organising and voluntary recognition, a Global Framework Agreement, or other forms of binding agreements such as Enforceable Brand Agreements, on labour rights with a plan for project implementation</p> <p><i>Notes:</i> Projects satisfying this requirement have these agreements through contractors or by incorporating these requirements into the bidding process and contractual provisions to require contractors to reach such agreements.</p> | <p>Project has a collective bargaining agreement with workers' organisations, or works jointly with a workers' organisation on application of a sectoral agreement to project worksites, and engages in ongoing social dialogue on implementation of the collective bargaining agreement and other workplace issues</p> <p><i>Notes:</i> Projects satisfying this requirement have these agreements through contractors or by incorporating these requirements into the bidding process and contractual provisions to require contractors to reach such agreements.</p> |
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response to union activities.

- As specified in IFC Performance Standard 2 and the MNE Guidelines: The Project Sponsor and contractors will engage in good faith negotiations and provide information, including a true and fair view of the entity, to workers and their organisations to enable meaningful negotiations.

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| Labour and working conditions | <p>8.30. Promote health and safety of workers through training and procedures that are in line with international OHS standards</p> <p><i>Guidance:</i> The ILO Code of Good Practice on Safety and Health in Construction and ISO 45001 constitutes a reference international standard.</p> | <p>Occupational health and safety (OHS) policies and procedures have been established, responsibility for overseeing OSH has been assigned to an adequate number of staff, training is provided to workers.</p> <p><i>Notes:</i> Sponsor company or corporate (in the context of corporate investments) policies and procedures may be considered if they apply to the project.</p> <p>In addressing workplace hazards, OHS procedures should adopt a hierarchy of controls, and prioritise the most effective controls, beginning with elimination of the hazard. For an explanation of the hierarchy of controls approach, please see: https://www.ccohs.ca/oshanswers/hsprograms/hazard/hierarchy_controls.html</p> <p>The project company has a policy that allows any worker (parent company and/or contractor) have the right and incentives to stop working and demand the stop of any surrounding activity in case they identify safety risks with a protection mechanism that prevents any sort of penalisation to the requesting.</p> <p>Cooperative arrangements are established to ensure consultation and involvement of workers and their representatives in the implementation of OHS policies and procedures.</p> <p><i>Notes:</i> Such cooperative mechanisms may include: joint labour-management OHS committees established with workers and their organisations; the appointment and training of frontline worker health and safety representatives (selected by other workers) for all work areas/departments.</p> | <p>Project company tracks standardized OHS statistics, and through negotiation and consultation with workers and their organisations sets reduction targets and regularly updates improvement plans.</p> | <p>Occupational health and safety (OHS) policies and procedures have been established with the participation and/or received the approval of trade unions or workers' representatives.</p> <p>Combined Safety KPIs (employees and contractors) are included in the Executive's and Senior Executives' annual objectives.</p> |
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| Labour and working conditions | <p>8.31. Ensure that the project and its main contractors and suppliers do not employ child labour or forced labour</p> <p><i>Guidance:</i> For guidance on identifying incidences of forced labour consult ILO Indicators of Forced Labour</p> | <p>The Project, including its contractors and primary suppliers, has policies and procedures in place to prohibit forced labour and the employment of children below the age of 15 or the legal working age of the country, whichever is higher.</p> <p><i>Notes:</i> Primary suppliers are those suppliers who, on an ongoing basis, provide goods or materials essential for the core business processes of the project.</p> <p>Sponsor company or corporate (in the context of corporate investments) policies and procedures may be considered if they apply to the project.</p> | <p>The full supply chain has been subject to due diligence with risk-based auditing to ensure it does not employ any form of forced labour, or children below the age of 15 or the legal working age of the country, whichever is higher. For high-risk supply chains, raise traceability and leverage to effectively identify and address violations.</p> | <p>Independent verification of the supply chain audit and compliance with involvement of trade union or workers' representative.</p> |
| Labour and working conditions | <p>8.32. Ensure that workers employed by the project are subject to fair wages, working conditions and benefits</p> | <p>The project follows, as a minimum, national laws in terms of compensation, working hours, and overtime, is consistent with ILO standards on working time, and provides reasonable working conditions and terms including pay and benefits determined with reference to comparable benchmarks and the basic needs of workers and their families.</p> <p><i>Notes:</i> In jurisdictions where legal frameworks do not reflect the prevailing market conditions for the industry, sector, or geography of the client's business, pay and benefits should be determined with reference to comparable benchmarks including: i) conditions established for work of the same character in the trade or industry concerned in the area/region where the work is carried out; (ii) collective agreement or other recognized negotiation between other organizations of employers and workers' representatives in the trade or industry concerned; and (iii) arbitration award.</p> | <p>The project sets terms and conditions including pay and benefits with full consideration of benchmarks and the cost of living.</p> | <p>Wages and working conditions are secured by collective bargaining agreements.</p> |

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| Labour and working conditions | 8.33. Effective grievance mechanism for workers | A grievance mechanism that is easily accessible for workers, including in an anonymised manner and with protection against retaliation, and is responsive to their grievances and concerns has been established and is operational, and utilises or does not impinge upon collectively bargained grievance procedures if ones exist. | The grievance mechanism is gender-sensitive, has strong confidentiality procedures, guarantees the right for the complainant to be accompanied by a representative or coworker, contains an appeals process, and, in the absence of a collectively bargained process, grievances are primarily handled by a joint labour-management grievance committee. | <p>The project has communicated the existence of alternative grievance mechanisms to the workers and provided information on how to engage with them (such as National Contact Points (NCP) for Responsible Business Conduct).</p> <p><i>Notes:</i> Applies to projects located in countries with NCPs or in cases where the investor's host country has an NCP.</p> <p>Information on the National Contact Points for Responsible Business Conduct can be found here: https://mneguidelines.oecd.org/ncps/</p> |
| Labour and working conditions | 8.34. Protection against retaliation <i>Guidance:</i> For good practice, see: Good Practice Note for the Private Sector: Addressing the Risks of Retaliation Against Project Stakeholders , IFC and IDB Reprisal Risk Management, IADB | | The Project has policies and procedures to prevent, identify, and remedy instances of retaliation for exercising labour rights, including freedom of association and the right to stop work in situations of imminent danger, and to avoid collective retaliation such as outsourcing or severing contracts. | Policies and procedures to prevent, identify, and remedy instances of retaliation for exercising labour rights are set in collectively bargained agreements. |
| Community health and well-being | 8.35. As part of due diligence process, adverse impacts and risks to community health and well-being, included those to ecosystem services, are identified, prioritised and assessed. | Adverse impacts and risks to community health and well-being, including to ecosystem services, are identified, prioritised and assessed. | | |
| Community health and well-being | 8.36. Measures to avoid and mitigate adverse impacts to communities are adopted in accordance with the mitigation hierarchy | The Environmental and Social Management Plan (or equivalent plan), specifies measures, developed or approved by a recognised expert, for addressing adverse impacts and risks to community health and well-being following the mitigation hierarchy. | | |

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| Community health and well-being | <p>8.37. Measures are put in place to avoid risks to communities as a result of the employment of security personnel</p> <p><i>Guidance:</i> Applies to projects that require the use of security personnel</p> <p>Consider as guidance the Voluntary Principles on Security and Human Rights (https://www.voluntaryprinciples.org)</p> | <p>Adverse impacts on workers and the surrounding communities, such as the potential for increased communal tensions, due to the presence of security personnel or the risk of theft and circulation of firearms used by security personnel, are identified and assessed.</p> <p>Security personnel are provided with clear instructions on the objectives of their work and permissible actions.</p> | | |
| Community health and well-being | 8.38. Impacts and risks to communities are monitored throughout the project life cycle | A community health and safety monitoring plan has been developed with input from recognised experts and from local communities along with regular reporting requirements. | | |
| Community health and well-being | 8.39. The project contributes to improving the health, safety and well-being of local communities | | | The project can demonstrate an improvement to the health and well-being of local communities as a direct result of the project (e.g. improved access to medical services, access to clean water, educational facilities, fewer road accidents, etc.) |
| Indigenous Peoples | 8.40. As part of due diligence process, adverse impacts and risks specific to Indigenous Peoples are identified and assessed. | The ESIA identifies, prioritises and assesses adverse impacts and risks to Indigenous Peoples, and has been developed with their input. | | |
| Indigenous Peoples | <p>8.41. A dedicated and ongoing informed consultation and engagement process is conducted with Indigenous Peoples affected by the project with a view to obtaining their Free, Prior and Informed Consent (FPIC).</p> <p><i>Guidance:</i> Applies when adverse impacts to indigenous communities have been identified.</p> | <p>A culturally-appropriate Informed Consultation and Participation process is conducted with the affected indigenous communities, and obtains their Free, Prior and Informed Consent (FPIC) when required by circumstances.</p> <p><i>Notes:</i> Circumstances requiring FPIC are set out in IFC Performance Standard 7 and include (1) Indigenous Peoples lands and natural resources are</p> | | |

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| | | being impacted; (2) there is a possibility of Indigenous Peoples being relocated from their lands and territories; and/or (3) their cultural heritage may be used | | |
| Indigenous Peoples | 8.42. Measures to avoid and mitigate adverse impacts on Indigenous Peoples are adopted based on the mitigation hierarchy after obtaining their Free, Prior and Informed Consent (FPIC). <i>Guidance:</i> Applies when adverse impacts to indigenous communities have been identified. | A plan outlining the actions to avoid, minimize and/or compensate for adverse impacts on Indigenous Peoples in a culturally appropriate manner has been developed and is fully consistent with the substance of a negotiated agreement with the indigenous communities. | | |
| Indigenous Peoples | 8.43. The project promotes sustainable development benefits and opportunities for Indigenous Peoples in a manner that is accessible, culturally appropriate and inclusive. | | A plan describes measures that contribute to the development of Indigenous Peoples communities that are affected by the project. | |

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| Involuntary Resettlement and Land Use Restrictions | 8.44. As part of the due diligence process, persons whose land and/or livelihoods will be affected by the project and are thus eligible for compensation and/or assistance are identified. | <p>The due diligence process draws on appropriate socioeconomic baseline data to identify persons whose livelihoods will be affected and/or who will be physically or economically displaced by the project, and to determine who will be eligible for compensation and assistance.</p> <p><i>Notes:</i> In practice, those who suffer negative social and economic impacts as a result of the acquisition of land for a project and/or restrictions on land use, may include those having legally recognized rights or claims to the land; those with customary claims to land; and those with no legally recognized claims, as well as seasonal natural resource users such as herders, fishing families, hunters and gatherers who may have interdependent economic relations with communities located within the project area (IFC PS 8 GN 5). Impacts on ecosystems can also affect livelihoods when these depend on provisioning services such as crops, livestock, capture fisheries, aquaculture, wild foods, timber and wood fiber products, other fibers, biomass fuel, fresh water, genetic resources and natural medicines (IFC PS 5 GN 61).</p> | | <p>The due diligence process accounts for gender and social inclusion considerations and related methodologies to produce socio-economic baseline data on livelihoods that are gender-inclusive and represent the situation and needs of diverse groups in the community.</p> <p><i>Notes:</i> For guidance on assessing gender-specific risks, including in relation to resettlement, refer to the PPP Gender Toolkit.</p> |
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| Involuntary Resettlement and Land Use Restrictions | 8.45. The project demonstrates that resettlement is unavoidable and that all options have been considered <i>Guidance:</i> Applies to projects involving physical and/or economic displacement. | The ESIA considers, analyses and compares a range of alternatives for the project before determining that resettlement is unavoidable. | | |
| Involuntary Resettlement and Land Use Restrictions | 8.46. Plans for resettlement, compensation and livelihood restoration are developed in consultation with affected communities, and avoid forced eviction. <i>Guidance:</i> Applies to projects involving physical and/or economic displacement. | An ongoing and iterative consultation process is conducted throughout the process of resettlement planning, implementation and monitoring, and documented in a Resettlement Action Plan and/or Livelihood Restoration Plan that avoids forced eviction. <i>Notes:</i> Measures taken should be proportionate to the scale of resettlement. | | |
| Involuntary Resettlement and Land Use Restrictions | 8.47. The project provides compensation and adopts measures that, as a minimum, restore the livelihoods and living standards of physically or economically displaced persons to levels prevailing before the project or pre-displacement, whichever is higher. <i>Guidance:</i> Applies to projects involving physical and/or economic displacement. | A Resettlement Action Plan and/or Livelihood Restoration Plan provides compensation at full replacement cost for land and other assets lost and is designed to mitigate the negative impacts of displacement and/or loss of livelihood; identify development opportunities; develop a resettlement budget and schedule; and establish the entitlements of all categories of affected persons (including host communities). <i>Notes:</i> Resettlement strategies and compensation should be grounded in the following principles: <ul style="list-style-type: none"> Land for equivalent land is preferred (in terms of productive potential, location, security of tenure, title, etc.) Livelihoods are improved or, at the very least, maintained. Key steps need to be taken <i>before</i> resettlement, including payment of any financial compensation. | | |

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| Involuntary Resettlement and Land Use Restrictions | 8.48. The implementation of resettlement plans, compensation and measures to restore livelihoods is monitored and evaluated. <i>Guidance:</i> Applies to projects involving physical and/or economic displacement. | The Resettlement Action Plan and/or Livelihood Restoration Plan outlines monitoring and evaluation activities to track the implementation of the plan. <i>Notes:</i> Measures taken should be proportionate to the scale of resettlement or displacement. | | |
| | | A Resettlement Completion Audit has been performed by competent independent professionals once mitigation measures have been substantially completed. <i>Notes:</i> Applies where resettlement is deemed to pose the risk of significant adverse social impacts, i.e., generally in projects which have been categorized "A" (according to the IFC categorization) solely or partially on the basis of anticipated resettlement impacts. | | |
| Cultural heritage | 8.49. As part of the due diligence process, risks to cultural heritage are identified and assessed. | Adverse impacts and risks to cultural heritage, including intangible cultural heritage, are identified and assessed. | | |
| | | Competent professionals are retained to assist in the identification and protection of cultural heritage using international recognised practices. <i>Notes:</i> Applies where the risk identification process determines that there is a chance of impacts to cultural heritage | | |
| Cultural heritage | 8.50. In areas where cultural heritage is likely to exist, the project has procedures in place to deal with chance finds. <i>Guidance:</i> For projects located in areas where cultural heritage is expected to be found based on the results of an environmental and social risks and impacts identification process | A chance find procedure has been established (and is observed) that outlines the actions to be taken if previously unknown cultural heritage is encountered. | | |

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| Cultural heritage | <p>8.51. Consult with Affected Communities within the host country who use, or have used within living memory, the cultural heritage for long-standing cultural purposes.</p> <p><i>Guidance:</i> For projects that may affect cultural heritage based on the results of the assessment of environmental and social impacts and risks.</p> | The stakeholder engagement process has involved consultation with historical or traditional users or owners of tangible cultural heritage. | | |
| Cultural heritage | <p>8.52. Ongoing access to cultural heritage located within project site is preserved for Affected Communities.</p> <p><i>Guidance:</i> Applies when the project site contains cultural heritage or prevents access to previously accessible cultural heritage sites being used by, or that have been used by, Affected Communities within living memory for long-standing cultural purposes.</p> | The project enables ongoing access to cultural heritage located on the construction or operating site, based on consultations and agreement with the affected community. | | |
| Cultural heritage | <p>8.53. Measures are taken to protect critical cultural heritage on the project site to ensure that it isn't removed, significantly altered, or damaged.</p> <p><i>Guidance:</i> Applies when the project site contains cultural heritage.</p> | Cultural heritage on the project site is protected following the mitigation hierarchy, prioritising non-removal from the site. | | |

BDN element 9. Promote the non-discriminatory use of infrastructure services

| Theme | Criteria | Essential | Superior | Best in class |
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| Non-discriminatory contracts | <p>9.1. Contracts do not privilege certain end-users or suppliers</p> <p><i>Guidance:</i> This criteria applies to essential public network infrastructure such as electricity transmission and distribution, broadband networks, water supply, ports, etc.</p> | Contract does not allow operators to arbitrarily or on the basis of unfair discrimination restrict access to infrastructure to certain end-users or suppliers | | |
| Inclusive regulatory frameworks | <p>9.2. Regulatory framework that ensures non-discriminatory access, while taking into account social considerations</p> <p><i>Guidance:</i> This criteria applies to operators and owners of essential regulated network infrastructure (e.g. electricity transmission and distribution, broadband networks, water supply, ports, etc.), and may need to be adapted to different types of infrastructure assets. The criteria does not rule out the provision of targeted concessional pricing or preferential access for financially vulnerable people and holders of native title.</p> | The regulatory framework ensures equal access to network infrastructure and does not allow discrimination between different end-users or operators on the basis of price for equivalent access and service conditions | | |
| Sustainable and affordable pricing | <p>9.3. Pricing for accessing infrastructure service does not discriminate against certain groups</p> <p><i>Guidance:</i> This criteria may need to be adapted to different types of network infrastructure (e.g. electricity transmission and distribution, broadband, water supply, ports, etc.)</p> | | End-user price-setting informed by open consultation process which includes marginalised and low-income groups | An end-user affordability assessment has been undertaken that considers the ability to pay of low-income groups |

BDN element 10. Advance inclusion for women, people with disability, and underrepresented and marginalised groups

| Theme | Criteria | Essential | Superior | Best in class |
|---------------------------------------------------|-------------------------------------------------------------------------------------|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Addressing needs of women and marginalised groups | 10.1. Engagement with women and marginalised groups as part of consultation process | | <p>Consultation processes enable participation of women, people of all ages, disabled people, disadvantaged groups and people from different socio-economic backgrounds</p> <p><i>Notes:</i> This disadvantaged or vulnerable status may stem from an individual's or group's race, colour, sex, sexual orientation, gender identity, language, religion, political or other opinion, national or social origin, property, birth, or other status. The client should also consider factors such as gender, age, ethnicity, culture, literacy, sickness, physical or mental disability, poverty or economic disadvantage, and dependence on unique natural resources.</p> <p>For guidance on conducting gender-sensitive stakeholder consultations, refer to the PPP Gender Toolkit.</p> | |
| Addressing needs of women and marginalised groups | 10.2. Gender-sensitive social impact assessment | | <p>The social impact assessment identifies and assesses impacts on and benefits for women</p> <p><i>Notes:</i> For guidance on conducting gender impact assessments, refer to the PPP Gender Toolkit.</p> | |
| Addressing needs of women and marginalised groups | 10.3. Gender equality action plan | | | <p>A gender equality action plan develops measures for mitigating adverse impacts on women and proposes opportunities for ensuring the project positively benefits women</p> <p><i>Notes:</i> For guidance on developing gender action plans, refer to the PPP Gender Toolkit.</p> |

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| Addressing needs of women and marginalised groups | 10.4 Procurement processes support women and marginalised groups | | | Procurement practices promote participation of qualified women-owned businesses, or businesses owned by marginalised groups (e.g. Indigenous Peoples) |
| Addressing needs of women and marginalised groups | 10.5. Universal design principles | | | Infrastructure design applies universal design principles <i>Notes:</i> Information on universal design principles is available here: https://universaldesign.ie/about-universal-design/the-7-principles |
| Employment opportunities | 10.6. Participation of women in senior roles in infrastructure planning, design and management | | Women are represented in senior managerial and technical roles | At least 50% of senior management and technical roles are occupied by women. |
| Employment opportunities | 10.7. Project employs women during construction and operations phases | | Women are employed in construction and operation phases | Projects set targets to increase the share of women employed in construction and operation, exceeding prevailing country sector rates and/or current Project company levels |
| Employment opportunities | 10.8. Non-discriminatory employment policies and procedures | Employment policies and procedures, including in relation to recruitment, prohibit all forms of discrimination, and promote equal opportunity. | The project applies the principle of equal remuneration for men and women workers for work of equal value. | The project effectively realises terms and conditions of employment, including hiring and pay, consistent with international standards on equal opportunity and non-discrimination |
| Employment opportunities | 10.9. Efforts made to employ people with disabilities | | The project's employment policies include quotas and/or guidelines for the employment of disabled persons | |

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| Safety and well-being for women and vulnerable users | 10.10. Zero tolerance policy with regard to sexual and any other type of harassment, discrimination, violence and/or abuse <i>Guidance:</i> For good practices refer to Violence and harassment at work: a practical guide for employers (ilo.org) | The employment policy clearly states that any abuse, whether of sexual or other nature, will not be tolerated | Through social dialogue including collective bargaining and guided by ILO Convention 190, design and implement a comprehensive strategy in order to implement measures to prevent and combat violence and harassment | The project has established a clear and dedicated protocol to prevent, address, and report cases of sexual and any other type of harassment, discrimination, violence and/or abuse |
| Safety and well-being for women and vulnerable users | 10.11. Promoting awareness and understanding of gender issues | | | The project company engages in activities to create awareness and promote understanding around gender issues (e.g. provision of diversity training) |
| Safety and well-being for women and vulnerable users | 10.12. Project design addresses safety and protection of women and children users and other vulnerable users <i>Guidance:</i> This disadvantaged or vulnerable status may stem from an individual's or group's race, color, sex, sexual orientation, gender identity, language, religion, political or other opinion, national or social origin, property, birth, or other status. The client should also consider factors such as gender, age, ethnicity, culture, literacy, sickness, physical or mental disability, poverty or economic disadvantage, and dependence on unique natural resources. | | Project design addresses safety and protection of women, children, and other vulnerable users | |
| Safety and well-being for women and vulnerable users | 10.13 Dedicated facilities and services provided for female workers and other vulnerable workers | | The project provides dedicated facilities (e.g. sanitation) for female and other vulnerable workers during the construction and operation phases | |

