

CEE Bankwatch Network's Comments on the draft EBRD Environmental and Social Policy

April 2008

We appreciate the opportunity to provide input into EBRD's development of the new environmental and social standards. Bankwatch believes that the Environmental and Social Policy (ESP) should be based on a rights-based approach rather than the proposed performance requirements. In our view, the performance requirements backed system is based on too large discretion of the client and thus it does not provide adequate commitment to sustainable development and safeguarding of the affected communities. Despite our prioritising of a different systemic approach, the comments will focus on a few of the most significant issues related to the performance standards as laid down in the draft ESP.

We warmly welcome the explicit prioritising of sustainable development within the EBRD's proposed new ESP, as in **paragraph 1**: "...the Bank recognises that financing sustainable development must rank among the highest priorities of the EBRD's activities."

The clear message inherent in **paragraph 4** of the ESP is a major positive, we believe - "the systemic sustainable development dimension of transition" is a very much needed aspect of the EBRD's transition mandate, one that has been explicitly missing for too long in the bank's transition impact assessment methodology.

Paragraph 2 expands on the social dimension of sustainable development. We note, however, that while it is listed within **paragraph 2**, "gender equality" does not feature explicitly within the PRs, nor does the achieving of - or even the ensuring of - gender equality appear to feature as a proactive goal within the new ESP. As the pursuit of gender equality is a central plank of sustainable development, we find its absence from the ESP extremely disappointing, and would argue that its absence from the bullet list in paragraph 3 is striking. The absence of the gender-specific PR is particularly disturbing in the light of the Management's previously declared efforts to introduce gender mainstreaming into EBRD's operations and in the view of our earlier detailed comments on gender submitted during the first stage of the ESP review.

To summarize, the ESP should at the minimum:

- Outline the concrete guidance for clients to incorporate gender into the project appraisal and implementation, focusing particularly on social impact assessment, gender-balanced information disclosure and consultations.
- Provide well-defined criteria for assessment of gender performance on the country level in order to enable that Country Strategy reviews lead to redress of gender imbalance and pro-gender project investments and technical assistance programmes.
- Set up concrete commitments for involvement of gender civil society groups in the EBRD's policies and strategies reviews and in their engagement on the project level.
- Consider formation of a gender advisory body in the Bank with the involvement of representatives of the relevant gender groups.
- Expand the social capacities in the Environmental and Sustainability department for a full-time gender expert.

Paragraph 5 is also welcomed by Bankwatch, especially with the itemising of "priority environmental and social issues facing the region". Notably, "gender equality" is mentioned in this context, which, because of the non-specificity given to this area (as noted above) in subsequent

parts of the ESP, adds to our disappointment.

Paragraph 6 is a necessary and highly welcome declaration of intent from the EBRD when it comes to climate change. We are pleased to see “the reduction of greenhouse gases” receiving due prominence and would find it difficult to reconcile such a commitment with any future EBRD investments in the extractives sector and the aviation sector (whether that be loans to support new airports or airline companies).

Paragraph 7 is another highly encouraging statement concerning the emphasis that the EBRD intends to place on “meaningful dialogue with the Bank's community of stakeholders”.

Paragraphs 10 and 12 again, with their close attention to the promotion of sustainable development are noted and welcomed by Bankwatch.

In **Paragraph 10**, we welcome the examination of environmental issues within the sectoral and country strategies, however given the undeveloped environmental assessment and public consultation legislation and practice in many of the EBRD's countries of operation, more emphasis needs to be put on how the EBRD intends to overcome the gaps between national practice and its own standards. Most EBRD projects are not part of programmes or plans that have been subject to Strategic Environmental Assessments and many of the EBRD's countries of operations have legislation on Environmental Impact Assessment that falls far short of EU standards. Country Strategies should include clear messages to governments on the need to improve their environmental and public participation legislation and on the exact legislation requiring changes. Such recommendations are often given in Country Strategies on creating a more private-sector friendly investment climate, but environmental legislation has so far not received the same attention.

Paragraph 14 notes that it is “the responsibility of the client to ensure that the required due diligence studies, information disclosure and stakeholder engagement are carried out in accordance with PRs 1 through 10...” (own emphasis). In general, there is an over-reliance on client-based disclosure, consultations and monitoring, and a lack of requirements for EBRD's proactive release of information and effective project supervision.

Our concerns on this point appear to be backed up by comments available in the **Summary of common lessons learned on environment in the EBRD lessons learned database** (from the Evaluation Department's 2003 Environmental Policy Review: Achieving the Bank's environmental mandate through direct investments, January 2008), namely: “There were several cases in the EBRD lessons-learned database related to the need for the EBRD to have sufficient leverage on clients to ensure that they implement agreed environmental actions. Agreements should have binding commitments for clients to environmental improvements. For example, the EBRD should consider more often including incentives and sanctions in the agreements related to achieving environmental obligations.”

The point being made is that “to ensure” implementation from clients, the EBRD needs to have sufficient leverage, and “binding commitments” are suggested as the way to achieve this. We believe that a certain “burden of proof” is required of the client when it comes to its conformity with PRs 1 through 10.

In **Paragraph 15** Bankwatch welcomes the clear delineation of the responsibility for defining project boundaries and the list of potential area to be included in the project appraisal. However we consider that it is essential for other stakeholders, not only the EBRD and client, to be involved in the definition of project boundaries. Most EBRD-financed projects are not part of plans and

strategies that have been subject to a Strategic Environmental Assessment, and in many EBRD countries there is no scoping procedure for Environmental Impact Assessments. This leaves stakeholders unable to raise issues related to project boundaries until a very late stage, which can result in delays for the project.

We would also welcome clarification on whether the project boundaries include induced impacts such as the combustion of oil carried through oil pipelines and additional flights as a result of airport expansions, and believe that it is essential for such impacts to be included as they constitute the *raison d'être* of the project.

Paragraph 16 notes that “The EBRD may refrain from financing...” (own emphasis). In keeping with the objectives and tenor of the new ESP, Bankwatch believes that this language should be tightened thus: “The EBRD will refrain from financing...”. In a similar vein, the wording of **paragraph 27** would be improved by the replacement of “are expected” with “must”.

In **Paragraph 17** Bankwatch welcomes the outlining of the terms of reference for an audit of a company’s past and current performance against the EBRD’s Performance Requirements, however it is unclear whether the audit would apply to the whole company, as suggested in the sentence “The audit will assess the client’s ability to manage and address all relevant social and environmental risks and impacts of its business and operations, in particular the issues identified in the PRs (including this document)”, or whether it applies only to a company’s operations in the country where a project is planned, as suggested by “assess the client’s compliance record with applicable laws and regulations of the jurisdictions in which the project operates”, or whether this is part of the scope that “will be agreed with EBRD on a case-by-case basis”. Given that companies receiving EBRD financing are not always well established in the project country - and that there is therefore no track record to be assessed - and that EBRD financing contributes to improving a company’s reputation overall rather than in a specific country, that the audit should cover the whole company.

It is also unclear in regard to the audit whether stakeholders will be contacted and consulted as part of the process, or whether they will merely be identified. We believe it is essential for stakeholders to be contacted, as civil society groups for example are much more free than officials to voice concerns about company activities which may not have resulted in a prosecution but nevertheless appear to contradict national law or the EBRD’s Environmental and Social Policy.

Additionally, with the current wording of the ESP, the EBRD performance requirements apply only to a project where general corporate finance, working capital or equity financing is concerned not the whole-company. The PRs must apply to the whole company.

Paragraph 23 introduces Initial Environmental and Social Examination (IESE) as a crucial part of the preliminary assessment used to determine the appropriate category and scope of due diligence. The stakeholders however often learn about the EBRD’s consideration of a project only when the EIA is released to public comment or PSD appears at the EBRD’s website. Often, the project awaits the Final review at the EBRD at this stage so it is quite late for the affected public to have a say about the project design and impacts. Bankwatch is of an opinion that the public ought to be informed about bank’s interest in project’s financing in the earliest stage possible to be able to engage effectively in the process. Thus, we recommend that the EBRD informs the public through its website about the beginning of an IESE process for any project. IESEs should be disclosed after their completion to public.

Paragraph 30, in the view of Bankwatch, is in danger of undercutting the objectives and tenor of the new ESP altogether, and we would suggest its removal. If sustainable development is to truly

play a much more integral role in the EBRD's determination of what it can and cannot finance (“EBRD's mandate to foster transition to market-based economies and promote private entrepreneurship, and its commitment to sustainable development are inextricably linked”, paragraph 1), it is inconceivable for a “business case” to be advanced that seeks to justify EBRD financing for a project that is unable to live up to the environmental and social measures that lie at the heart of the new ESP.

We welcome the fact that EBRD acknowledges the role of the local communities and third parties in monitoring in the **Paragraph 36**. We however believe that this provision should be incorporated more robustly into Performance Requirements 1 and 10. To ensure independence of the monitoring process, increase overall transparency of the project and strengthen cooperation between the client and local communities, public monitoring conducted both by independent experts and local communities should be an obligatory part of the project monitoring plans, at the minimum for A level projects. The ESP should ensure that the project monitoring plan forms a part of EIA. It is also crucial that all the project monitoring reports are disclosed by the EBRD, including those produced by the client, bank and third parties.

Paragraph 41 mentions that the „environmental and social issues relating to EBRD investments will be summarised in the EBRD's Project Summary Documents (PSDs) as required by the Bank's Public Information Policy.“ As mentioned below the varying quality of EBRD PSDs suggests that the bank should introduce standardisation of PSD formats, particularly of their environmental and social components. With regard to this, the Bank should introduce a PSD format which would be attached to the ESP.

Paragraph 43 is warmly welcomed by Bankwatch. We see a “proactive and innovative approach” being strongly linked to the due allocation of “appropriate resources” that is stressed in paragraph 48. We regard the resource issue within the EBRD's Environment and Sustainability Department as being paramount to the effective implementation of the new ESP, and strongly encourage the EBRD to increase its environmental and social expertise. Without improvements in this area, we are sceptical that the EBRD can deliver on its very clearly stated readiness to fulfil its sustainable development aspirations.

Bankwatch welcomes the EBRD's clearly stated commitment to maintain regular dialogue on environmental and social issues with a range of stakeholders, in particular with civil society in central and eastern Europe.

With concern to **Paragraph 47** Bankwatch would like to highlight that the Country Strategies grant the opportunity for engagement of civil society groups - including trade unions, NGOs, interest-oriented and professional organizations and other stakeholders - in the process of determining strategic direction of the EBRD's operations. Formulating Country Strategy has shown that the civil society can be effectively included in all phases and provide highly efficient input. Additionally, this type of consultation promotes ownership of EBRD programs and policies by local groups and ultimately leads to a higher interest in the final implementation of programs. It is therefore crucial that EBRD keeps actively promoting the consultations over the Country Strategies among the national stakeholders via mailing lists and post.

Exclusion list

Similarly to the Exclusion List for Financial Intermediaries, the Policy and Performance Requirements should have their own overall Exclusion list for all Bank operations. As highlighted below, we recommend that the EBRD creates a joint Environmental and Social Exclusion List valid both for the bank as well as FIs. The joint exclusion list would combine the proposed Environmental Exclusion List for Financial Intermediaries with the exclusion list included in the

Guide to EBRD financing according to which „the EBRD will not provide financing for defence-related activities, the tobacco industry, selected alcoholic products, substances banned by international law and stand-alone gambling facilities.”

Performance Requirement 1- Environmental and Social Appraisal and Management

Feasibility study

The draft ESP contains no provisions for preparation of feasibility studies. When a feasibility study is prepared to determine project's viability, the EBRD should oblige the client to disclose this to public in the full text. The bank should release the document in parallel at its own website. If a feasibility study is undertaken on transport, municipal environmental infrastructure and other projects where increased tariffs might be foreseen, the feasibility study needs to contain the affordability analysis.

Strategic Environmental Assessment

Similarly as above, the draft ESP lacks requirements concerning the strategic environmental assessment (SEA). The policy should explicitly require that the bank ensures that a SEA is prepared on complex programmes and plans which are likely to have significant effects on the environment. The SEA must be prepared on whole projects regardless if the bank finances only a part of the project. Preparation of separate EIAs on each project's segments is unacceptable.

In **Paragraph 10** the EBRD should set up specific guidelines for clients to conduct environmental and social assessment for category 'B' projects. This way there is a risk of lowering EBRD's standards in selected cases. This is the case of category B projects that are connected with major social impacts such as the environmental and municipal infrastructure projects.

In addition, the EBRD should put forward through **Paragraph 10** or PR 10 specific disclosure and consultations requirements on category B projects for the project sponsors. The EBRD should go beyond the minimum standards laid down in the 2003 Environmental Policy - which stated that the client „must notify the affected public about the relevant environmental issues associated with the project and summarise the mitigation measures, action plans and other initiatives agreed, in an appropriate language. This summary must be released locally by the time of the final management review of the project, prior to Board consideration.” - and insist that the environmental assessment and the public consultations be conducted for category B projects. The client and the EBRD should release the full text environmental assessment and record of consultations in line with the timing requirements applicable for category A projects.

Performance Requirement 2 - Labour and Working Conditions

Paragraph 6

At a minimum the client should collect data on the wage differences between male and female employees.

Performance Requirement 3 - Pollution Prevention and Abatement

Greenhouse gas emissions

Induced emissions should be also part of project assessment and included in Board documents. This is essential as some projects with relatively low GHG emissions from direct sources e.g. operation of oil pipelines can induce significant emissions on other sectors of the economy or even other countries.

Paragraph 6

The EBRD should require clients to make comparative assessment of the proposed project with the best available technologies.

Paragraph 11

The EBRD should introduce a system of incentives to motivate the clients to apply EE and RES usage in projects and programs.

Paragraph 12

The EBRD should deem incineration and mobile incineration dangerous to be non-sustainable forms of waste management and place projects involving these types of waste management on the exclusion list. Special incentives should be provided for zero-waste practices.

Paragraph 19

Projects that involve gas flaring should not be financed by the bank unless the aim of the project is to change immediately this practice.

Paragraph 20

The EBRD should mandate strict adherence to non-pesticide use in agriculture, particularly in forms such as organic agriculture, alternative targeting of weed cultures and insects. The EBRD should explore opportunities for massive investment in organic agriculture through the use of 'organic' funds as one of possible incentives for the client.

Performance Requirement 5 - Involuntary Resettlement and Displacement

Although the Bank recommends in **Paragraph 4** „the direct involvement of the client in resettlement activities and an assessment at the earliest stage possible in the project design” it does not require explicitly that resettlement be covered in environmental and social assessment of a project.

As a part of the assessment, the client should be obliged to provide a detailed overview of people living within the project boundaries, including the people at the project site as well as in the areas directly impacted by project construction or operation. The overview should also include information about people resettled voluntarily (whether by the client or national authorities) as the definition of voluntary resettlement might not be fully in line with this policy.

The consultations requirements as laid down in the **Paragraph 12** are vague and do not provide any concrete time or procedural framework. The draft states that „following disclosure of all relevant information, the client will consult with, and facilitate, the early and informed participation of affected persons and communities, including host communities, in decision-making processes related to resettlement.” Resettlement should be highly transparent, inclusive and widespread process. Stakeholders' early and well informed involvement is a cornerstone to the successful planning and implementation. The Policy therefore needs to specify what relevant information the client needs to disclose, how he should organise the consultations, what stakeholders he should engage and at what stage of the project preparation process these consultations should happen.

As mentioned below, Bankwatch recommends that the ESP requires that the resettlement planning runs in parallel to the screening and scoping of the project and that the Resettlement Action Plan is disclosed for public comment together with the EIA, at the latest.

The resettlement project can have positive impact only if it generates a feeling of ownership of the affected population. The consultations with the affected people, their organisations and political representation are therefore primordial to the process. Improvement of the livelihoods of the resettled people cannot occur without proper and timely involvement of the host community. Host community should be therefore included in the resettlement planning process since the outset and it should have the right to influence the decision-making. The **Paragraph 12** should explicitly require that the client ensures that the host communities are consulted about the resettlement and they are able to participate in the implementation directly and/or through their elected representatives.

The EBRD should also ensure that the client draws on expertise of the community-based organizations, NGOs, local authorities and where applicable the institutions representing the minorities during the preparation and implementation of the resettlement plan.

The **Paragraph 14** rightly requires that a socio-economic analysis of the to-be-displaced people is conducted within the resettlement planning. However, the EBRD uses confusing terminology, calling the approach a census. Mere census would not provide the desired data on productive base of affected people, their dependence on the property and resources, etc. The Policy should mandate that the client conducts a baseline socio-economic survey.

The **Paragraph 15** states that „the client will, based on the environmental and social impact assessment, develop a Resettlement Action Plan”. To ensure early and participatory consideration of the Resettlement Action Plan (RAP), the EBRD should ensure that the plan is formulated during the project appraisal, forms an integral part of the Environmental Impact Assessment report and is submitted together with the EIA to public consultations.

In either case, the EBRD should ensure the disclosure of the RAP through the own and clients' websites and through the other relevant official channels. The RAP should come included in the EIA report; alternately it could be attached to the PSD.

Performance Requirement 9 - Financial Intermediaries

The PR 9 does not mention whether all the EBRD's performance requirements apply also to Financial Intermediaries. Considered that lending through financial intermediaries constitutes a substantial part of the Bank project portfolio, Bankwatch is of the opinion that this should be the basic requirement of the PR9.

The **introduction** to PR 9 lays out the relationship between the Financial Intermediary (FI) and the EBRD, with the burden of responsibility clearly lying with the FI “for the application of the requirements of EBRD's Environmental and Social Policy to activities financed by them, as set out in this PR.”

The objectives of PR 9 have positive intentions. There is, notably, mention of “best international practice in the commercial financial sector”, and enabling “FIs to manage environmental and social risks associated with their business activities and to promote good environmental and social business practices amongst their clients.”

Bankwatch is concerned, though, about what on paper looks to be a small but crucial **disconnect** between stated objectives and more concrete practical advice to clients later in the PR. Under **Best Practice** (paragraph 21), “EBRD encourages all its FIs to follow best practices...”, FIs are further “encouraged” to carry out a range of laudable other activities. The issue relates to earlier wording in paragraph 3, where it is clearly stated: “...in line with best international practice in the commercial financial sector” (own emphasis).

Bankwatch's interpretation of "in line with best international practice" is: "meets best international practice", and as such we would hope to see language incorporated into paragraph 21 that clarifies for clients that they must "follow best practices in sustainability management in their entire lending and investment operations".

We note that this kind of sentiment is echoed in the **Summary of common lessons learned on environment in the EBRD lessons learned database** (from the Evaluation Department's 2003 Environmental Policy Review: Achieving the Bank's environmental mandate through direct investments, January 2008), where it is stated that there are: "several recommendations on methods to increase leverage on clients for strengthening their environmental performance, often relevant to cases where the EBRD has equity projects with a client."

We are concerned about the lack of provisions for disclosure of the subprojects financed through FIs and of their likely environmental impacts at the EBRD PSDs. This is quite disturbing with regard to the fact that some of the subprojects are investments that have significant environmental impacts. The Bank's Policy should mandate that a list of subprojects be disclosed in the FI project PSDs and the PSD includes an overview of the subprojects' expected environmental and social impacts. The EBRD should also ensure regular (at least annual) updates of the PSD.

Paragraph 9 states that „the FI will adopt and implement environmental and social due diligence and monitoring procedures commensurate with the level of environmental and social risks associated with its business activities and type of project with EBRD.“ Although the appraisal also involves the risk categorisation of proposed subprojects, the EBRD does not disclose the results of the classification as it normally does with direct-lending projects. As a result, the public does not get to learn about EBRD-financed subprojects' impacts. The EBRD should be obliged to disclose the classification of the environmental and social risks associated with the FI subprojects, at the minimum for the category A subprojects.

Paragraph 14 discusses "a number of business activities with particularly high social and environmental risks" and makes reference to a list of such activities provided in Annex 2.

Bankwatch notes also in **paragraph 15**: "EBRD may set additional or alternative environmental and social performance standards, depending on the nature of the FI and its portfolio." In the interests of clarity, we believe it would be helpful to cite some examples of the kinds of circumstances where such additional or alternative standards may be deployed.

Paragraph 19 gives out provisions for FIs' reporting to EBRD under which the clients should report to the bank on the project's implementation on the annual basis. In light of this, the EBRD should be obliged to update the PSDs and attach to them the summary annual reports.

Paragraph 20 states that „the FI will put in place a system for dealing with external communication on environmental and social matters, e.g. a point of contact for dealing with public enquiries and concerns related to environmental and social matters. The FI will respond to such enquiries and concerns in a timely manner.“ The EBRD should ensure that the FI abides by the EBRD's procedural provisions for information requests with the possibility that the claimant appeals to the EBRD in case he is refused information by the FI client.

In **Annex 1 of PR 9**, the EBRD presents an Environmental Exclusion List for Financial Intermediaries. We recommend that the EBRD creates a joint Environmental and Social Exclusion List valid both for the bank as well as FIs which would combine the proposed Environmental Exclusion List for Financial Intermediaries with the exclusion list included in the Guide to EBRD

financing according to which „the EBRD will not provide financing for defence-related activities, the tobacco industry, selected alcoholic products, substances banned by international law and stand-alone gambling facilities.”

In **Annex 2 of PR 9** there is a suggested list of "environmentally or socially sensitive business activities" that could be financed by FIs. The activities include "nuclear fuel production cycle" and "energy generation using nuclear fuels". These are both qualified by a footnote which refers to the Energy Policy remit on nuclear, i.e. EBRD funding only for safety, waste management and decommissioning. The ESP should respect the nuclear remit laid out by the EBRD's Energy strategy and ban the FI from financing the "nuclear fuel production cycle" and "energy generation using nuclear fuels" by placing the activities on the Environmental Exclusion List.

Due to the potentially major impacts of these activities listed in Annex 2, Bankwatch would like to see the cautionary note "EBRD strongly encourages FIs to discuss these cases early in their due diligence process" moved up in this paragraph to the third sentence, in order to more clearly signal to clients the importance of such an undertaking.

Performance Requirement 10 - Information Disclosure and Stakeholder Engagement

In general, there is an over-reliance on client-generated information and client-generated opportunities for public participation. The EBRD should be obliged to disclose client documentation on environmental and social issues as part of this Performance Requirement. Any project stakeholder should have a chance to comment on this environmental documentation and report any inconsistencies in information if found. It would help EBRD with further reviewing and insuring that its decision on project financing is based on relevant facts and data.

The EBRD should require that all information related to environmental or social aspects of project (EIAs, ESAPs, monitoring reports and other relevant documents) is also available in full text in electronic format (through clients' and bank's websites). This enables easier communication in cases when the public concerned seeks expert advice.

Project Summary Documents

Project Summary Documents should be restructured so that PSDs explicitly state client's commitments for information disclosure, public participation, environmental and social management and mitigation, monitoring and evaluation measures. This is particularly needed for category B projects where full ESAPs are not available.

The varying quality of EBRD PSD suggests that the bank should introduce standardisation of PSD formats, particularly of their environmental and social components. With regard to this, the Bank should introduce a PSD format which would be publicly available and come as an attachment to the Policy.

The **Paragraph 8** on Stakeholder Identification and Analysis distinguishes between the terms "affected parties" and "other interested parties". Bankwatch believes that such distinction of stakeholders' identification is not in line with the Aarhus Convention which the EBRD refers to throughout the ESP. The Aarhus convention uses the definition: "The public concerned" means the public affected or likely to be affected by, or having an interest in, the environmental decision-making; for the purposes of this definition, non-governmental organizations promoting environmental protection and meeting any requirements under national law shall be deemed to have an interest." (Article 2.2) The separation of stakeholders could lead (as it has been the case in the

Independent Recourse Mechanism's guidelines and practice) to restrictions on access to justice, access to information and public participation for "other interested parties". For example environmental NGOs are currently restricted in using the compliance mechanism due to a provision requiring complainants to prove material harm.

Bankwatch is of an opinion that the Stakeholder Identification and Analysis (SIA) is a precondition to successful social assessment as it determines the people potentially affected by the project. As such, the SIA ought to be disclosed to the affected communities. The EBRD should require that the client releases the Stakeholder Identification and Analysis together with the Stakeholder Engagement Plan. The SIA should also be released as an annex to the environmental assessment studies.

The EBRD should require through **Paragraph 10** that the Stakeholder Engagement Plan is disclosed and consulted with the public as a part of the scoping process on category A projects because it helps stakeholders understand what the opportunities for access to information and participation are. The current wording of the draft ESP is a step back from the 2003 Environmental Policy which ruled that: „As part of the scoping process, the project sponsor is required to prepare a draft Public Consultation and Disclosure Plan (draft PCDP) describing the public who may be affected by the project, how communication will work throughout the Environmental Impact Assessment process, and what information will be disclosed in relevant languages and by what means (e.g., Web site, libraries, etc.). The public should be able to provide comments and recommendations on the PCDP as well as the other scoping documents. The EBRD will provide input on draft PCDPs where requested and ensure that the final plan meets the Bank's requirements.” The Stakeholder Engagement Plan should be released by the client and the EBRD during the scoping process. It should later appear as an annex to the EIA.

In **Paragraph 14** the EBRD fails to provide legitimate reasons for disclosing only a summary of the ESAP for Category B projects. The client and the EBRD should release the document in the full text.

In **Paragraph 18** a format EIA/SIA as well as standardised formats for PSDs and other project-level documents should come as an annex to the ESP.

In **Paragraph 18**, the EBRD should commit to disclosure of the full text EIA on its website and follow the good practice of i.e. the World Bank.

Disclosure and consultation on Category B Projects

The PR 10 does not set specific disclosure and consultation requirements for category B projects. Again, the EBRD should clearly spell out in its PSD for Category B projects the agreed-upon commitments with its client that are covered by legal documentation with the Bank. Such disclosure and clarity on the client's responsibility will promote accountability of the client to external stakeholders.