

# SUSTAINABILITY IN HYDROPOWER DEVELOPMENT

IFC's Sustainability Framework and Performance Standards



**IFC**

**International  
Finance Corporation**  
WORLD BANK GROUP

# CHALLENGES TO ADDRESSING E&S RISKS AND IMPACTS HYDROPOWER PROJECT IN MYANMAR

- Untapped resources located in:
  - pristine or underdeveloped watershed / natural habitats
    - Approximately 132 Key Biodiversity Areas (KBA) have been identified in Myanmar.
  - remote areas, generally located near rural communities, with diverse levels of vulnerabilities, ethnicities and languages; and land tenure uncertainties;
  - difficult access, limited services including transmission to evacuate energy generated or electric distribution to communities in the area of impact.
- E&S institutional and regulatory capacity is still emerging;
- Streamlined stakeholder engagement and consultation process is not standard practice;
- Concession process is not linked to an environmental and social assessment / criteria.
  - Limited watershed level / strategic resources management / cumulative impact assessment.

# SUSTAINABILITY POLICY



## IFC Sustainability Framework

POLICY AND PERFORMANCE STANDARDS ON  
ENVIRONMENTAL AND SOCIAL SUSTAINABILITY

ACCESS TO INFORMATION POLICY

Effective January 1, 2012

## Defines IFC's commitments toward sustainability

- **Manage risk**
- **Hierarchy:**
  - **Anticipate, avoid**
  - **Minimize**
  - **Compensate or offset**
- **Identify opportunities**

# SUSTAINABILITY POLICY

## Articulates IFC commitments to

- Low carbon growth and climate change
- Business and Human Rights
- Corporate Governance
- Gender
- Ecosystems

## Defines roles, responsibilities of IFC and clients



# IFC's Performance Standards



**PS1: Assessment and Management of E&S Risks and Impacts**



**PS2: Labor and Working Conditions**



**PS3: Resource Efficiency and Pollution Prevention**



**PS4: Community Health, Safety and Security**



**PS5: Land Acquisition and Involuntary Resettlement**



**PS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources**



**PS7: Indigenous Peoples**



**PS8: Cultural Heritage**

# STAKEHOLDER ENGAGEMENT

## Affected Communities:

- **Informed Consultation and Participation (ICP)**
- **Broad Community Support (BCS)**

