

ENVIRONMENTAL ASSESSMENT OF FINANCIAL INTERMEDIATION LOANS AND EQUITY INVESTMENTS

Recommended Contents¹

Description of the Financial Intermediary

This section should include an overall description of the organization, its owners, its Board of Directors, its senior management, its business activities and its track record.

Description of the Proposed Project

This section should outline the main elements of the financial intermediation loan or equity investment including a description of the nature of the projects or activities (if known) that may be funded.

Overview of the Environmental Management System (EMS)

This section should provide an overview description of the EMS.²

1. Assessment of Capability of Environmental Management Officers and Staff

The section should identify key officers and staff responsible for environmental management. It should provide a summary of their training and experience.

2. Overview of Financial Intermediary's Environmental Policy

This section should provide the main elements of the environmental policy.

3. Description of Environmental Performance Monitoring and Reporting System

This section should describe procedures used to monitor and review of the implementation of the EMS.

Proposed Environmental Assessment and Review Procedures for Subprojects

This section is required whenever the financial intermediary will onlend ADB funds for subprojects. See "Environmental Assessment and Review Procedures" (appendix 6).

¹ These recommended contents are to serve as a guide for reporting. The level of effort, analysis, comprehensiveness, and detail are to be guided by nature of the project and the significance of potential impacts.

² Here the term "environmental management system" is defined as a system for planning, implementing, reviewing and improving the processes and actions that an organization undertakes to meet its business and environmental goals. The major components of an EMS are (i) policy, (ii) planning, (iii) implementation and operation, (iv) checking and corrective action, and (v) management review. Many EMSs are built on the "Plan, Do, Check, Act" model. This model leads to continual improvement based upon

- planning, including identifying environmental aspects and establishing goals [plan];
- implementing, including training and operational controls [do];
- checking, including monitoring and corrective action [check]; and
- reviewing, including progress reviews and acting to make needed changes to EMS [act].

Environmental Management System - Recommendations on needed improvements to meet ADB Safeguard Policies

. This section should evaluate the adequacy of the environmental assessment and review procedures in the context of ADB's environmental assessment requirements. It is to recommend needed improvements to the EMS to ensure that the requirements of ADB's Safeguard Policies are met.