

## PRELIMINARY DRAFT

### GLOSSARY OF TERMS

**Affected People:** Those who may be impacted by a project financed by ADB. Such impacts may be positive or negative.

**Affected Persons (Involuntary Resettlement):** Any persons, households, firms, or private institutions affected by a project financed by ADB.

**Anthropogenic Greenhouse Gases (GHGs):** Greenhouse gases emitted in the atmosphere as a result of human activities. They include the six greenhouse gases that form the Kyoto Protocol to the United Nations Framework Convention on Climate Change: Carbon Dioxide (CO<sub>2</sub>), Methane (CH<sub>4</sub>), Nitrous oxide (N<sub>2</sub>O), Hydro fluorocarbons (HFCs), Perfluorocarbons (PFCs), Sulphur hexafluoride (SF<sub>6</sub>), and the chlorofluorocarbons (CFCs), which are covered under the Montreal Protocol".

**Appraisal:** An overall assessment of the relevance, feasibility and potential sustainability of a project prior to its approval.

**Assets:** Physical property and/or rights that have monetary, cultural or religious value to a person or household or a community. Assets can comprise personal property or common property.

**Baseline Data:** Data gathered during social and environmental assessment to describe the relevant existing conditions of the project, such as physical, biological, and socio-economic conditions, including any changes before the project commences.

**Biodiversity:** Includes the ecosystems within which the people of the world live, as well as the multitude of species that are used by humankind for food, fiber, medicines, clothing and shelter. Biodiversity is the variety of life in all its forms, including genetic, species and ecosystem diversity.

**Board:** Refers to the ADB's Board of Directors

**Chance Find Procedure:** Chance find procedure is a project-specific procedure that outlines what will happen if previously unknown physical resources are encountered during project construction or operation. The procedure includes record keeping and expert verification procedures, chain of custody instructions for movable finds, and clear criteria for potential temporary work stoppages that could be required for rapid disposition of issues related to the finds.

**Cleaner Production:** (1) The concept of integrating pollution reduction into the production process and the design of a product. This involves continuous application of an integrated preventive environmental strategy to processes, products, and services in order to increase overall efficiency and reduce risks to humans and the environment through the conservation of raw materials, water and energy, and through the reduction or elimination of the use of toxic and hazardous raw materials. (2) Taking advantage of renewable energy sources such as solar energy and geothermal resources.

**Cofinancing:** The shared financing with a third party (other than the project sponsors) on a transaction-specific basis for a project or program associated with ADB funds, risk taking or administrative involvement. It can be with or without a formal coordination agreement among the financing partners.

**Collective Attachment:** “Collective attachment” means that for generations there has been a physical presence in and economic ties to lands and territories traditionally owned, or customarily used or occupied, by the group concerned, including areas that hold special significance for it, such as sacred sites. “Collective attachment” also refers to the attachment of transhumant/nomadic groups (“mobile Indigenous Peoples”) to the territory they use on a seasonal or cyclical basis.

**Compensation:** Cash or in kind payment to which an affected person is entitled.

**Consent:** For the purposes of policy application, consent refers to a collective expression by the affected Indigenous Peoples communities, through individuals and/or their recognized representatives, of broad community support for the project activities involving (i) commercial development of the cultural resources and knowledge of Indigenous Peoples, (ii) physical relocation from traditional or customary lands, and (iii) commercial development of natural resources on lands used with impacts on the livelihood, or cultural, ceremonial, or spiritual uses that define the identify and community of Indigenous Peoples. Such broad community support may exist even if some individuals or groups were to object to the project activities.

**Consultation:** Consultation involves two-way communication between the borrower/client and the affected people. The consultation process should be undertaken in a manner that is inclusive and culturally appropriate and allows affected people to express their views on projects risks, impacts, mitigations measures, implementation and monitoring, which the borrower/client will consider and address in project planning and implementation.

**Country Safeguard System:** A country’s legal and institutional framework, consisting of its national, sub-national, or sectoral implementing institutions and relevant laws, regulations, rules, and procedures, which pertain to the policy areas of environmental and social safeguards.

**Critical Habitat:** Includes areas with high biodiversity value, including habitat required for the survival of critically endangered or endangered species; areas having special significance for endemic or restricted-range species; sites that are critical for the survival of migratory species; areas supporting globally significant concentrations or numbers of individuals of congregatory species; areas with unique assemblages of species or which are associated with key evolutionary processes or provide key ecosystem services; and areas having biodiversity of significant social, economic or cultural importance to local communities. It also include those areas either legally protected or officially proposed for protection, such as areas that meet the criteria of the Word Conservation Union (IUCN) classification, the Ramsar List of Wetlands of International Importance, and UNESCO’s World Natural Heritage Sites.

**Cumulative Impacts:** The combination of multiple impacts from further planned development of the project or other sources of similar impacts in the geographical area, any existing project and condition, and other project-related developments that are realistically defined at the time due diligence is undertaken.

**Customary Rights:** Customary rights to lands and resources refers to patterns of long-standing community land and resource usage in accordance with Indigenous Peoples’ customary laws,

values, customs, and traditions, including seasonal or cyclical use, rather than formal legal title to land and resources issued by the State.

**Cut-off Date:** Date of completion of the census of project-affected persons. Any person who purchases or occupies land in the demarcated project area after this date is not eligible for cash compensation or resettlement assistance or both. Similarly, fixed assets (such as built structures, crops, fruit trees, and woodlots) established after the date of completion of the assets inventory, or an alternative mutually agreed on date, will not be compensated.

**Displaced Persons:** Persons who lost their shelter or livelihood or income source or both because of a project.

**Emergency Response Plans:** Plan to address contingencies associated with process upset and accidental circumstances. They include clearly assigned responsibilities for the assessment of the degree of risk to life and property with procedures on whom to communicate different types of emergencies with and how.

**Eminent Domain:** The right of a Government to take private property for public purposes with the payment of compensation.

**Environmental and Social Management System (ESMS):** In the context of ADB's Safeguard Policy Statement, ESMS refers to part of the financial intermediary (FI) client's overall management system that include organizational structure and procedures for screening, assessing and managing social and environmental risks associated with its business activities. Such ESMS will be commensurate with the level of environmental and social risks associated with its business activities.

**Environmental Assessment:** An ongoing process of environmental analysis and planning to address environmental impacts and risks associated with a project.

**Environmental Audit:** An instrument to determine the nature and extent of all environmental areas of concern at an existing facility. The audit identifies and justifies appropriate measures to mitigate the areas of concern, estimates the cost of the measures, and recommends a schedule for implementation. For certain projects, the environmental assessment report may consist of an environmental audit alone; in other cases, the audit is part of the environmental assessment documentation.

**Environmental Management Plan (EMP):** A planning instrument that contains the following key elements: mitigation measures, monitoring program, cost estimates, budget and institutional arrangements for implementation.

**Expropriation:** The taking by the state of private property for public purpose. The right to expropriate is also known as the right of eminent domain of the state.

**External Experts:** Experts not involved in day-to-day project implementation or supervision.

**Financial Feasibility:** Based on commercial considerations, including the relative magnitude of the incremental cost of adopting such measures and actions compared to the project's investment, operating and maintenance costs and whether this incremental cost could make the project nonviable.

**Financial Intermediary:** Financial institutions that provide finance as their principal or subsidiary function.

**Forced Severance:** Refers to loss of collective attachment to geographically distinct habitats or ancestral territories occurring within the concerned group members' lifetime because of conflict, government resettlement programs, dispossession from their lands, natural calamities, or incorporation of such territories into an urban area. For purposes of this policy, "urban area" normally means a city or a large town, and takes into account all of the following characteristics, no single one of which is definitive: (a) the legal designation of the area as urban under domestic law; (b) high population density; and (c) high proportion of nonagricultural economic activities relative to agricultural activities.

**Free, Prior, and Informed Consultation:** A consultation process free of intimidation or coercion and provides timely disclosure of information which is relevant, understandable and accessible to affected people and other concerned stakeholders.

**General Corporate Finance:** Loans and/or investments to a corporate entity that are not earmarked for implementation of specific subprojects.

**Global Impacts:** Environmental impacts that may not be significant specific to the project, but when taken together with impacts created by other human activities, can become nationally, regionally or globally significant.

**Good Faith Negotiation:** Documented process of engagement and outcomes of such engagement with the intention to amicably and mutually solve major differences and disagreements. It generally involves (i) willingness to engage in a process and availability to meet at reasonable times and frequency; (ii) provision of information necessary for informed negotiation; (iii) exploration of key issues of importance; (iv) mutual acceptable procedures for the negotiation; (v) willingness to change initial position and modify offers where possible; and (vi) provision for sufficient time for decision making.

**Grievance Mechanism:** Mechanism to receive and facilitate resolution of concerns and grievances about (1) the borrower/client's environmental and social performance, and (2) specific concerns such as compensation and relocation that are raised by displaced persons or members of host communities.

**Hazardous Waste:** Substances classified as hazardous wastes possess at least one of four characteristics- ignitability, corrosivity, reactivity, or toxicity - or appear on special lists.

**Highly Complex and Sensitive Projects:** Projects deemed by ADB to be highly risky, or contentious or involve serious and multidimensional and generally inter-related potential social and/or environmental impacts.

**Host Communities:** A community that accommodates physically displaced persons of a project as resettlers. Such accommodation could be temporary or permanent; project-supported or voluntary.

**Indigenous Peoples:** A distinct, vulnerable, social and cultural group possessing the following characteristics in varying degrees: (i) self identification and recognition of this identity by others, (ii) collective attachment to geographically distinct habitats or ancestral territories and to the natural resources in these habitats and territories, (iii) presence of distinct customary cultural,

economic, social or political institutions, and (iv) a distinct language, often different from the official language of the country or region.

**Informed Participation:** Structured and iterative consultation processes that enable the incorporating the views of the affected people into decision-making on matters that affect them directly, such as proposed mitigation measures, the sharing of development benefits and opportunities, and implementation issues.

**International Good Practice:** Internationally established procedures regarded by experienced professionals as the most appropriate, prudent and skillful practices that can be applied in the same or similar circumstances globally.

**Invasive Alien Species:** Non-native species of flora and fauna that are a significant threat to biodiversity due to their ability to spread rapidly and out-compete native species.

**Involuntary Restriction of Access to the legally designated park or protected area:** Restrictions on the use of resources imposed on people living outside the legally designated park or protected area, or on those who continue living inside the park or protected area during and after project implementation. This includes (i) cases where new parks and protected areas are created as part of the project; and (ii) persons who lose shelter, land, or other assets in the existing parks.

**Legal Agreement:** A generic term covering loan agreement and legal agreement (private sector).

**Legally Protected Areas:** Areas legally designated to protect or conserve biodiversity, including areas proposed by governments for such designation.

**Natural Habitat:** Areas which are land and water areas where the biological communities are formed largely by native plant and animal species, and where human activity has not essentially modified the area's primary ecological functions

**Occupational Health and Safety:** Refers to the range of endeavors aimed at protecting workers from injury or illness associated with exposure to hazards encountered in the workplace or while working.

**Pesticides:** A pesticide is any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any pest. Pests can be insects, mice and other animals, unwanted plants (weeds), fungi, or microorganisms like bacteria and viruses. Though often misunderstood to refer only to *insecticides*, the term pesticide also applies to herbicides, fungicides, and various other substances used to control pests.

**Pest Management:** (Integrated) Pest management refers to a mix of farmer-driven, ecologically based pest control practices that seeks to reduce reliance on synthetic chemical pesticides. It involves (a) managing pests (keeping them below economically damaging levels) rather than seeking to eradicate them; (b) relying, to the extent possible, on nonchemical measures to keep pest populations low; and (c) selecting and applying pesticides, when they have to be used, in a way that minimizes adverse effects on beneficial organisms, humans, and the environment.

**Physical Cultural Resources:** Movable or immovable objects, sites, structures, groups of structures, and natural features and landscapes that have archaeological, paleontological,

historical, architectural, religious, aesthetic, or other cultural significance. Physical cultural resources may be located in urban or rural settings, and may be above or below ground, or under water. Their cultural interest may be at the local, provincial or national level, or within the international community.

**Pollution:** The term is used to refer to both hazardous and nonhazardous pollutants in the solid, liquid, or gaseous forms, and is intended to include other forms such as nuisance odors, noise, vibration, radiation, electromagnetic energy, and the creation of potential visual impacts including light.

**Precautionary approach:** Where there are threats of serious or irreversible environmental damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation.

**Project's Area of Influence:** This area of influence encompasses (i) the primary project site(s) and related facilities that the borrower/client (including its contractors) develops or controls, such as power transmission corridors, pipelines, canals, tunnels, relocation and access roads, borrow and disposal areas, construction camps; (ii) associated facilities that are not funded as part of the project (funding may be provided separately by the borrower/client or by third parties), and whose viability and existence depend exclusively on the project and whose goods or services are essential for the successful operation of the project; (iii) areas and communities potentially impacted by cumulative impacts from further planned development of the project, or other sources of similar impacts in the geographical area, any existing project or condition, and other project-related developments that are realistically defined at the time the assessment is undertaken; and (iv) areas and communities potentially affected by impacts from unplanned but predictable developments caused by the project that may occur later or at a different location. The area of influence does not include potential impacts that would occur without the project or independently of the project.

**Rehabilitation (Involuntary Resettlement):** Rehabilitation includes the restoration of access to public facilities, infrastructure, and services; and to cultural property and common property resources in addition to income improvement or at least restoration. Such measures are determined in consultation with affected persons.

**Relocation/Resettlement Assistance:** Assistance provided to physically displaced persons and households by the project to re-establish their houses and other amenities such as schooling, transportation, social services, and income sources.

**Resettlement Information:** Information provided to affected persons regarding the project, land acquisition, compensation, relocation and rehabilitation programs. Such information also includes measurement of losses, detailed asset valuations, entitlements and special provisions, grievance resolution procedures, timing of compensation payments and relocation schedule.

**Safeguard Framework:** Refers to environmental assessment and review framework, resettlement framework, indigenous peoples planning framework.

**Safeguard Plan:** Refers to environmental management plan, resettlement plan, or indigenous peoples plan.

**Security of Tenure:** Protection of resettled persons from forced evictions at resettlement sites.

**Significant Conversion or Degradation:** (i) The elimination or severe diminution of the integrity of a habitat caused by a major, long-term change in land or water use; or (ii) modification of a habitat that substantially reduces the habitat's ability to maintain viable population of its native species. Significant conversion may include, for example, land clearing; replacement of natural vegetation (e.g., by crops or tree plantations); permanent flooding (e.g., by a reservoir); drainage, dredging, filling, or canalization of wetlands; or surface mining.

**Social Impacts:** A generic term covering involuntary resettlement impacts and impacts on the Indigenous Peoples.

**Social Safeguards:** A generic term covering involuntary resettlement and Indigenous Peoples safeguards

**Social Preparation:** Process of consultations with affected persons undertaken before key resettlement decisions are made, to build their capacity to deal with resettlement.

**Stakeholders:** Stakeholders are persons or groups who are directly or indirectly affected by a project, and those who have interests in the project and/or the ability to influence its outcome, either positively or negatively. Stakeholders may include project-affected people or their representatives, national or local government authorities, politicians, religious leaders, civil society organizations, the academic community, or businesses.

**Strategic Environmental Assessment (SEA):** Assess environmental impacts and risks associated with a particular policy, plan, or program.

**Technical Feasibility:** Based on whether the proposed measures and actions can be implemented with commercially available skills, equipment and materials, taking into consideration prevailing local factors such as climate, geography, demography, infrastructure, security, governance, capacity and operational reliability.

**Third Party:** A third party may be, inter alia, a public agency, a contractor, a supplier whose involvement is necessary for the effective implementation of safeguard plans to address potential impacts on the environment, involuntary resettlement, and Indigenous Peoples.

**Trans-boundary Impacts:** Project impacts that extend beyond the host country, but are not global in nature. Examples of environmental and associated social impacts are operations affecting another country's use of waterways, watersheds, coastal marine resources, biological corridors, and regional air sheds and aquifers.

**Urban area:** For purposes of this policy, "urban area" normally means a city or a large town, and takes into account all of the following characteristics, no single one of which is definitive: (a) the legal designation of the area as urban under domestic law; (b) high population density; and (c) high proportion of nonagricultural economic activities relative to agricultural activities.

**Vulnerable Groups:** Individuals or groups within the project area of influence who may experience adverse impacts from the proposed project more severely than others based on their vulnerable or disadvantaged status. This status may stem from an individual's or group's race, color, sex, language, health, marital status, religion, poverty or economic disadvantage, or national or social origin.