



Glossary of Terms

As part of the Environmental & Social Management System (ESMS)

Version 1.0
March 2022



Glossary of Terms

The following terms have been assembled from the list of references provided in the [Environmental & Social Management System \(ESMS\)](#) of the Foundation Development and Climate Alliance.

Term	Definition
Area of Influence	The area within which a project's activities has the potential to create environmental and social changes, including the: a) Zone of Direct Impact, an area, often demarcated by a protected area boundary, where access restrictions will be in place and enforced; and b) Zone or Zones of Indirect Impact, areas where stakeholders affected by project impacts reside, work or farm, including areas that experience economic growth, or influx as a result of a project's activities.
Affected Communities	Communities directly affected by the project. Local communities are those villages and communities located in the project area. Most often the term Project Affected People is used but Affected Communities might be useful when referring to a broader landscape and not the specific social groups, households, or individuals.
Asset Survey	A detailed survey of all buildings, farms, and crops within a project area, recording various data such as ownership, constructional and crop details, measurements, photographs, and geographic position.
Associated Facilities	Facilities or activities that are not funded as part of the project and are: a) Directly and significantly related to the project; b) Carried out, or planned to be carried out, contemporaneously with the project; and c) Necessary for the project to be viable and would not have been constructed, expanded or conducted if the project did not exist. For facilities or activities to be Associated Facilities, they must meet all three criteria.
Chance Find (procedure)	A chance find is archaeological material encountered unexpectedly during project construction or operation. A chance find procedure is a project-specific procedure which will be followed if previously unknown cultural heritage is encountered during project activities. The chance finds procedure will set out how chance finds associated with the project will be managed. The procedure will include a requirement to notify relevant authorities of found objects or sites by cultural heritage experts; to fence off the area of finds or sites to avoid further disturbance; to conduct an assessment of found objects or sites by cultural heritage experts; to identify and implement actions consistent with the requirements of ESS8 and national law; and to train project personnel and project workers on chance find procedures.
Common Property Resources	Common property resources are those resources which are defined by law or by traditional practice as available to a broader community or village and to which no individual has exclusive ownership or property rights. In the context of nature conservation and restoration, common property resources may include, adjacent to or within a protected area, forests, grazing areas, marine harvesting beds, fishing areas rivers and riverbeds, where well-defined property regime either may not exist or may not be enforced.
Community	Usually defined as a group of individuals broader than the household, who identify themselves as a common unit due to recognised social, religious, economic, or traditional government ties, or through a shared locality.

<p>Consequence</p>	<p>Determination of the consequence of an event occurring takes into account several components, which often include:</p> <ul style="list-style-type: none"> i. the sensitivity of receptors (e.g., people affected by social impacts, or environmental receptor for environmental impacts) refers to the degree to which an impact affects someone or something when it actually occurs, which can vary depending on the vulnerability of the receptor ii. the type and characteristics of the change, including: <ul style="list-style-type: none"> o the scale or extent of impacts, for example the number of people affected o the severity of impacts (sometimes referred to as magnitude), the actual result of the incident or the event occurring o the duration of the impact o the reversibility of the impact iii. the degree of stakeholder concern: the degree to which the potential impact is of concern to stakeholders (see also <i>environmental and social issues</i>).
<p>Consultation (also referred to as meaningful consultation)</p>	<p>Consultation provides stakeholders with opportunities to express their views on project risks, impacts, and mitigation measures, and allows the projects to consider and respond to them. Meaningful consultation should be carried out on an ongoing basis as the nature of issues, impacts and opportunities evolves. It is a two way process that: a) Begins early in the project planning process to gather initial views on the project proposal and inform project design; b) Encourages stakeholder feedback, particularly as a way of informing project design and engagement by stakeholders in the identification and mitigation of environmental and social risks and impacts; c) Continues on an ongoing basis, as risks and impacts arise; d) Is based on the prior disclosure and dissemination of relevant, transparent, objective, meaningful and easily accessible information in a timeframe that enables meaningful consultations with stakeholders in a culturally appropriate format, in relevant local language(s) and is understandable to stakeholders; e) Considers and responds to feedback; f) Supports active and inclusive engagement with project-affected parties; g) Is free of external manipulation, interference, coercion, discrimination, and intimidation; and h) Is documented and disclosed by the project.</p>
<p>Compensation</p>	<p>Payment in cash or kind for an asset to be acquired or affected by a project at replacement value.</p>
<p>Cultural Heritage</p>	<p>Cultural heritage is defined as resources with which people identify as a reflection and expression of their constantly evolving values, beliefs, knowledge and traditions. Cultural heritage encompasses tangible and intangible heritage, which may be recognized and valued at a local, regional, national or global level, as follows: a) Tangible cultural heritage, which includes 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. Tangible cultural heritage may be located in urban or rural settings, and may be above or below land or under the water; and b) Intangible cultural heritage, which includes practices, representations, expressions, knowledge, skills—as well as the instruments, objects, artifacts and cultural spaces associated therewith— that communities and groups recognize as part of their cultural heritage, as transmitted from generation to generation and constantly</p>

	recreated by them in response to their environment, their interaction with nature and their history.
Cumulative Impact	The cumulative impact of the project is the incremental impact of the project when added to impacts from other relevant past, present and reasonably foreseeable developments as well as unplanned but predictable activities enabled by the project that may occur later or at a different location. Cumulative impacts can result from individually minor but collectively significant activities taking place over a period of time.
Cut-off-Date	The date after which people will not be considered eligible for compensation, also known as a Moratorium Date.
Direct Impact	A direct impact is an impact which is caused by the project, and occurs contemporaneously in the location of the project.
Disadvantaged or Vulnerable	Those individuals those who may be more likely to be adversely affected by the project impacts and/or more limited than others in their ability to take advantage of a project's benefits. Such an individual/group is also more likely to be excluded from/unable to participate fully in the mainstream consultation process and as such may require specific measures and/or assistance to do so. This will take into account considerations relating to age, including the elderly and minors, and including in circumstances where they may be separated from their family, the community or other individuals upon which they depend.
Displaced Persons	All the people economically or physically displaced by a project's temporary or permanent land access restrictions or land acquisition.
Displacement Assistance	Support provided to people who are physically displaced by a project. Assistance may include transportation, shelter, and services that are provided to affected people during their move. Assistance may also include cash allowances that compensate affected people for the inconvenience associated with displacement and defray the expenses of a transition to a new locale, such as moving expenses.
Economic Displacement	Loss of land, assets, or access to assets, as a result of project-related land acquisition or restrictions on land use, leading to loss of income sources or other means of livelihood.
Emergency Response Plan	An Emergency Response Plan (ERP) will include, as appropriate: a) Engineering controls (such as containment, automatic alarms, and shutoff systems) proportionate to the nature and scale of the hazard; b) Identification of and secure access to emergency equipment available on-site and nearby; c) Notification procedures for designated emergency responders; d) Diverse media channels for notification of the affected community and other stakeholders; e) A training program for emergency responders including drills at regular intervals; f) Public evacuation procedures; g) Designated coordinator for ERP implementation; and h) Measures for restoration and clean-up of the environment following any major accident.
Encroachers	Those people who move into a Protected Area, either permanently or periodically, to utilize resources or establish settlements.
Environmental, Health, and Safety Guidelines (EHSGs)	Technical reference documents with general and industry-specific statements of Good International Industry Practice. The EHSGs contain the performance levels and measures that are generally considered to be achievable in new facilities by existing technology at reasonable cost.
Environmental and Social Assessment (ESA)	The assessment of environmental and social risks, impacts and opportunities including, where appropriate assessment of potential transboundary risks and impacts undertaken by the project in a manner that follows good international

	industry practices, identifies best alternatives and allows for an integrated and balanced view of the environmental and social risks and impacts. This type of assessments may include specific impacts assessment, audits, and due diligence studies, among others. The ESA is a flexible process and will be proportionate to the potential risks and impacts of the project. In Foundation Development and Climate Alliance projects, the ESA refers to the assessment that is conducted after screening, and prior to full project design, and includes the development of framework-level safeguard instruments. An ESA is required for moderate and substantial risk projects.
Environmental and Social Impact Assessment (ESIA)	A process or tool based on an integrated assessment where the scale and type of potential biophysical and social, including, where appropriate transboundary risks and impacts of projects, programs and/or policy initiatives, are predicted, acknowledged and evaluated. It also involves evaluating alternatives and designing appropriate mitigation, management and monitoring measures to manage the predicted potential impacts. In Foundation Development and Climate Alliance projects, the ESIA refers to the impact assessment that is required for high-risk projects, and occurs prior to project design, and includes the assessment of alternative project designs, and the development of framework-level safeguard instruments. Impact Assessment is defined as the process of identifying the future consequences of a current or proposed action. The “impact” is the difference between what would happen with the action and what would happen without it.
Environmental and Social Impacts	Impacts are defined as economic, social, environmental, and other consequences that can be reasonably foreseen and measured in advance if a proposed action is implemented. Potential impacts are those impacts that are predicted, while actual impacts have already occurred.
Environmental and Social Impact Significance	Using the Foundation Development and Climate Alliance risk assessment framework, the same components of risk significance (<i>likelihood</i> and <i>consequence</i>) can be used to assess the significance of impacts. In this case, the difference between <i>risk significance</i> and <i>impact significance</i> is simply that risk significance is more applicable when conducting an initial screening and scoping (particularly when the potential impacts are still unsure), but during the environmental and social assessment planning and implementation, impact significance is more suitable terminology, as information on actual and potential impacts comes to light.
Environmental and Social Issues	Environmental and social issues are those perceived potential impacts that are of stakeholder concern. Level of stakeholder concern regarding these issues might not always conform with an objective assessment of the significance of a risk or impact (based on <i>likelihood</i> and <i>consequence</i> , as detailed below), but it is important that these stakeholder concerns are considered as legitimate social impacts.
Environmental and Social Management Plan (ESMP)	An instrument that details (a) the measures to be taken during the implementation and operation of a project to eliminate or offset adverse environmental and social impacts, or to reduce them to acceptable levels; and (b) the actions needed to implement these measures. This document is usually the main output of the E&S assessment or ESIA process.
Environmental & Social Management System (ESMS)	A set of management processes and procedures that allow an organization to identify, assess, manage, and monitor the environmental and social risks and impacts of its activities, including transboundary risks and impacts, in a consistent way and to improve performance in this regard over time.
Environmental and Social Risks	Environmental and social risk is a combination of the probability of certain hazard occurrences and the severity of impacts resulting

	<p>from such an occurrence. Therefore, risks are composed of two components: <i>likelihood</i> of occurrence, and the <i>consequence</i> of the resulting <i>impact</i>. This goes beyond some definitions of risk which focus solely on the probability of an event occurring, or to refer to an uncertain event of unknown probability that, if it occurs, could affect the achievement of one or more objectives. Reference to risks here does not refer to non-technical risks, such as managerial, legal, social, and political issues of a project, nor does it refer to the risks to the lead NGO, such as reputational risks, risks of additional costs, and changes in project schedule. The significance of a risk can therefore be determined by understanding more about the two key components of risk – <i>likelihood</i> and <i>consequence</i>.</p>
Environmental and Social Risk Significance	<p>Risk significance can be determined by understanding both the likelihood, and the consequence of the risk. As per the definition of <i>environmental and social risks</i> above, this does not include risks to the lead-NGO or Foundation Development and Climate Alliance such as reputational risks, risks of additional costs, and changes in project schedule, but focuses on potential for adverse impacts on project stakeholders.</p>
Entitlement	<p>In-cash or in-kind compensation for a project’s impacts, usually including a combination of displacement allowances, eligibility to participate in livelihood or community development programs, and replacement assets.</p>
Expropriation	<p>Process whereby a public authority, usually in return for compensation, requires a person, household, or community to relinquish rights to land that it occupies or otherwise uses.</p>
Forced Eviction	<p>The permanent or temporary removal against the will of individuals, families, and/or communities from the homes and/or land which they occupy without the provision of, and access to, appropriate forms of legal and other protection, stipulated by the World Bank ESS5 and national laws.</p>
Free, Prior and Informed Consent (FPIC)	<p>There is no universally accepted definition of FPIC. For the purposes of the Foundation Development and Climate Alliance ESMS, the World Bank ESF (2017) definition is used, and as such, FPIC is established as follows: a) The scope of FPIC applies to project design, implementation arrangements and expected outcomes related to risks and impacts on the affected Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities; b) FPIC builds on and expands the process of meaningful consultation described in WB ESF ESS10, and will be established through good faith negotiation between the lead NGO and affected Indigenous Peoples/ Sub-Saharan African Historically Underserved Traditional Local Communities; c) The lead NGO (project) will document: (i) the mutually accepted process to carry out good faith negotiations that has been agreed by the lead NGO and Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities; and (ii) the outcome of the good faith negotiations between the lead NGO and Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities, including all agreements reached as well as dissenting views; and d) FPIC does not require unanimity and may be achieved even when individuals or groups within or among affected Indigenous Peoples/ Sub-Saharan African Historically Underserved Traditional Local Communities explicitly disagree. In the World Bank ESF, consent refers to the collective support of affected Indigenous Peoples communities/Sub-Saharan African Historically Underserved Traditional Local Communities for the project activities that affect them, reached through a culturally appropriate process. It may exist even if some individuals or groups object to such project activities. FPIC exists</p>

	to promote, protect, and safeguard the full enjoyment and exercise of numerous underlying, fundamental human rights, including the rights to property, culture, and self-determination
Grievance Mechanism	A process for receiving and resolving project-affected parties' concerns and grievances about the project's environmental and social performance. The grievance mechanism should be proportionate to the potential risks and impacts of the project and should be accessible and inclusive. Where feasible and suitable for the project, the grievance mechanism will utilize existing formal or informal grievance mechanisms, supplemented as needed with project-specific arrangements. It should seek to resolve concerns promptly and effectively, using an understandable and transparent consultative process that is culturally appropriate and readily accessible, and at no cost and without retribution to the party that originated the issue or concern. The mechanism should not impede access to judicial or administrative remedies. Handling of grievances will be done in a culturally appropriate manner and be discreet, objective, sensitive and responsive to the needs and concerns of the project-affected parties. The mechanism will also allow for anonymous complaints to be raised and addressed.
Host Community	People living in or around areas to which people physically displaced by a project will be resettled who, in turn, may be affected by the resettlement and must be compensated for any resettlement-related impacts.
Indigenous Peoples/ Sub-Saharan African Historically Underserved Traditional Local Communities	The term "Indigenous Peoples/ Sub-Saharan African Historically Underserved Traditional Local Communities" (or as they may be referred to in the national context using an alternative terminology) is used in a generic sense to refer exclusively to a distinct social and cultural group possessing the following characteristics in varying degrees: a) Self-identification as members of a distinct indigenous social and cultural group and recognition of this identity by others; b) Collective attachment to geographically distinct habitats, ancestral territories, or areas of seasonal use or occupation, as well as to the natural resources in these areas; c) Customary cultural, economic, social, or political institutions that are distinct or separate from those of the mainstream society or culture; and d) A distinct language or dialect, often different from the official language or languages of the country or region in which they reside.
Indirect Impact	An indirect impact is an impact which is caused by the project and is later in time or farther removed in distance than a direct impact, but is still reasonably foreseeable, and will not include induced impacts.
Informed Consultation and Participation (ICP)	Informed consultation and participation (ICP) involves a more in-depth exchange of views and information, and an organized and iterative consultation, leading to the client's incorporating into their decision-making process the views of the Affected Communities on matters that affect them directly, such as the proposed mitigation measures, the sharing of development benefits and opportunities, and implementation issues. The consultation process should: a) Capture both men's and women's views, if necessary through separate forums or engagements, and b) Reflect men's and women's different concerns and priorities about impacts, mitigation mechanisms, and benefits, where appropriate. The client will document the process, in particular the measures taken to avoid or minimize risks to and adverse impacts on the Affected Communities, and will inform those affected about how their concerns have been considered.
Involuntary Resettlement	Refers to the impacts of both physical and economic displacement. Resettlement is considered involuntary when affected persons or communities do not have the

	right to refuse land acquisition or restrictions on land use that result in displacement. This occurs in cases of a lawful expropriation or restrictions on land use based on eminent domain; and b) Negotiated settlements in which the buyer can resort to expropriation or impose legal restrictions on land use if negotiations with the seller fail.
Land Acquisition	Land acquisition refers to all methods of obtaining land from affected individuals or households for project purposes which may include outright purchase, expropriation of property and acquisition of access rights, such as easements or rights of way.
Lead NGO	The non-governmental organization that is leading on the design and implementation of the project (sometimes referred to as project proponent).
Likelihood	Likelihood is the probability on an event occurring. Determination of likelihood can be assessed by both looking at past incidents when similar activities are undertaken in similar contexts and generating points of view from stakeholders with a knowledge of the local context.
Livelihood	Livelihood refers to the full range of means that individuals, families and communities utilize to make a living, such as wage-based income, agriculture, fishing, foraging, other natural resource-based livelihoods, petty trade and bartering.
Livelihood Restoration	The measures required to ensure that project-affected persons have the resources to at least restore, if not improve, their livelihoods and quality of life to pre-project levels.
Management Measures	The measures, including activities, protocols, plans, that have been designed to avoid, minimize, or compensate for identified social or environmental risks and impacts caused by the project.
Physical Displacement	Relocation, loss of residential land or loss of shelter resulting from the acquisition of land associated with a project that requires the affected person(s) to move to another location.
Primary Suppliers	Those suppliers who, on an ongoing basis, provide directly to the project goods or materials essential for the core functions of the project.
Project Affected People	The term Project Affected People, Project Affected Parties, Project Affected Person or Affected People includes those likely to be affected by the project because of the actual impacts or potential risks to their physical environment, health, security, well-being or livelihoods. These stakeholders may include individuals or groups, including local communities. <i>Stakeholders</i> , defined below, are sometimes referred to separately from <i>Protect Affected People</i> , to make a distinction between the broad set of stakeholders who might have an interest in the project (<i>interested parties</i>), and those who might be affected (positively or negatively) by the project (<i>Protect Affected People</i> or <i>Project Affected Parties</i>).
Project Area	The geographical area covered by a project.
Project Workers	Project worker refers to: a) People employed or engaged directly by the lead NGO (including the project proponent and the project implementing agencies) to work specifically in relation to the project (direct workers); b) People employed or engaged through third parties to perform work related to core functions of the project, regardless of the location (contracted workers); c) People employed or engaged by the lead NGO's primary suppliers (primary supply workers); and d) People employed or engaged in providing community labor (community workers). This includes full-time, part-time, temporary, seasonal and migrant workers.

	Migrant workers are workers who have migrated from one country to another or from one part of the country to another for purposes of employment.
Relevant Project Information	Disclosure of relevant project information will help stakeholders understand the risks and impacts of the project, and potential opportunities. Stakeholders need to be provided access to the following relevant project information, as early as possible and in a timeframe that enables meaningful consultations with stakeholders on project design: a) The purpose, nature and scale of the project; b) The duration of proposed project activities; c) Potential risks and impacts associated with the project and the proposals for mitigating these, highlighting potential risks and impacts that might disproportionately affect vulnerable and disadvantaged groups and describing the differentiated measures taken to avoid and minimize these; d) The proposed stakeholder engagement process highlighting the ways in which stakeholders can participate; e) The time and venue of any proposed public consultation meetings, and the process by which meetings will be notified, summarized, and reported; and f) The process and means by which grievances can be raised and will be addressed.
Replacement Cost	Replacement cost is defined as a method of valuation yielding compensation sufficient to replace assets, plus necessary transaction costs associated with asset replacement. Where functioning markets exist, replacement cost is the market value as established through independent and competent real estate valuation, plus transaction costs. Where functioning markets do not exist, replacement cost may be determined through alternative means, such as calculation of output value for land or productive assets, or the undepreciated value of replacement material and labor for construction of structures or other fixed assets, plus transaction costs. In all instances where physical displacement results in loss of shelter, replacement cost must at least be sufficient to enable purchase or construction of housing that meets acceptable minimum community standards of quality and safety. The valuation method for determining replacement cost should be documented and included in relevant resettlement planning documents. Transaction costs include administrative charges, registration or title fees, reasonable moving expenses, and any similar costs imposed on affected persons. To ensure compensation at replacement cost, planned compensation rates may require updating in project areas where inflation is high or the period of time between calculation of compensation rates and delivery of compensation is extensive.
Restrictions on Land Use	Restrictions on land use refers to limitations or prohibitions on the use of agricultural, residential, commercial or other land that are directly introduced and put into effect as part of the project. These may include restrictions on access to legally designated parks and protected areas, restrictions on access to other common property resources, restrictions on land use within utility easements or safety zones.
Rightsholders	Project Affected People can include rightsholders, who are individuals and groups whose human rights could be negatively impacted. The term is similar to Project Affected People but is used when a human rights-based approach is employed (i.e., a framework based on international human rights standards and operationally directed towards promoting and protecting human rights. In relation to FPIC, rightsholders refers to those individuals and groups from who FPIC is sought.
Security of Tenure	Security of tenure means that resettled individuals or communities are resettled to a site that they can legally occupy, where they are protected from the risk of eviction and where the tenure rights provided to them are socially and culturally

	appropriate. In no event will resettled persons be provided tenure rights that are in effect weaker than the rights they had to the land or assets from which they have been displaced.
Socio-economic Survey	A detailed socio-economic survey of all households within the project area, recording detailed demographic and socio-economic data at the household and individual level.
Speculation	The erection of buildings or structures or the planting of crops within a Project Area with the sole aim of claiming compensation from the project proponent. Speculation may be pre-cut-off, occurring before the Entitlement Cut-Off Date has been declared; or post-cut off, occurring after the Entitlement Cut-Off Date.
Stakeholders	Stakeholder refers to individuals or groups who: a) Are affected or likely to be affected by the project (project-affected parties); and b) May have an interest in the project (other interested parties). More specifically, stakeholders are persons or groups who are directly or indirectly affected by a project, as well as those who may have interests in a project and/or the ability to influence its outcome, either positively or negatively. Stakeholders may include locally affected communities or individuals and their formal and informal representatives, national or local government authorities, politicians, religious leaders, civil society organizations and groups with special interests, the academic community, or other businesses.
Stakeholder Engagement Plan (SEP)	A Stakeholder Engagement Plan (SEP) includes stakeholder identification and analysis, describes the timing and methods of engagement with stakeholders throughout the life cycle of the project, distinguishing between project-affected parties and other interested parties. The SEP also describes the range and timing of information to be communicated to project-affected parties and other interested parties, as well as the type of information to be sought from them. Where applicable, the SEP will include differentiated measures to allow the effective participation of those identified as disadvantaged or vulnerable.
Third Parties	Third parties may include contractors, subcontractors, brokers, agents, or intermediaries.