

# Sustainability and ICSR



### FIETS:

- Financial
- Institutional
- Ecological
- Technological
- Social





### Financial

- Aim for a substantial own contribution, especially from private parties
- Make sure that the products/services can be delivered after the project period based on local revenues through taxes or pricing of products/services.
- The price for a service/product should include the costs of management, maintenance en depreciation.



### Institutional

- A local party (E.g. local SME) is or will be made responsible for the sustained delivery of the services or products after the project period. This party should be sufficiently involved in the (outline of the) project to be able to take on this responsibility. This party should also be able to represent the interests of the most vulnerable and/or poor groups in society;
- Provide a solid stakeholder assessment;
- The project should be in line with national legislation and directives
- All partners will be accountable and responsible to report in a transparent way on the planning, the main decisions, budgetary issues and the results of the project (cross cutting theme good governance);
- Capacity building of e.g. the local private sector will be part of the project to ensure the sustainable delivery of services and products;
- The project pays attention to possible conflicts of interest between stakeholders.



#### **Environment and Climate**

- The project should not have detrimental environmental effects, including climate change.
- An assessment of the impact of the project on the environment and the living conditions of the target group should be part of the project proposal.
- The project should at least comply to applicable national and international environmental legislation and standards. Preferably the project ensures an even better protection of the environment.
- The proposed technologies should be sustainable. Avoid pollution and degradation of water, land and the pollution of air (greenhouse gasses), and recycle waste.
- Protect biodiversity.



### Technical

- The installed infrastructure will remain operational beyond the project period, e.g. through the accomplishment of institutional arrangements for management and maintenance and sustainable forms of local financing.
- The proposed technology can be easily bought or (partially) produced locally and managed by the local (non- and profit) private sector.
- Capacity building of will be part of the project to ensure the management and maintenance of the infrastructure/products.
- The proposed technology is affordable for the local users, including the costs of management, maintenance and replacement.
- The choice for a specific technology is based on a comparison between different options, taking into account environmental and social (e.g. gender) issues, preferably through a participatory process.



# Social

- The project is demand-driven and focuses on basic needs, contributing to empowerment and self-reliance.
- The project takes into account the specific needs of women, vulnerable groups and the poorest in society (cross cutting theme gender).
- The project also stimulates job creation for women.
- The project has stimulates involvement of women in decision making, planning and project implementation.
- The project guarantees a good working environment in the broadest sense, taking into account environmental and social issues ("Corporate (Social) Responsibility (CSR)").
- The project takes into account social-cultural values of society.



# ICSR

- Based on OECD guidelines
- To help identifying the ICSR risks, the applicant can make use of the CSR riskcheck tool of MVO Nederland or own methods. The tool is available at: <u>http://www.mvorisicochecker.nl/en</u>, this is optional.



# **ICSR Analysis for the project**

- Identify the relevant ICSR risks;
- Describe the effects of the possible risks and to which activities they relate;
- Provide concrete mitigating measures
- Chain responsibility



### **ICSR policy for the companies**

- Minimum requirement. All OECD themes should be incorporated.
- Companies who already have an ICSR policy can hand the document in together with the other application forms.
- Companies that do not have an ICSR policy yet, can develop one during the project.
  Preferably during result 1.