



# Environmental and Social Policy

Jordan Renewable Energy & Energy Efficiency Fund  
(JREEEF)

## INTRODUCTION

The Jordan Renewable Energy and Energy Efficiency Fund (JREEEF) adopted its first Environmental and Social Policy in 2021 at the initial meeting of its Board of Directors. JREEEF is committed to this policy and to the related principles of the International Finance Corporation's Environmental and Social Performance Standards, and has applied this commitment to projects/programmes initiated after the approval of this policy. This policy details all JREEEF commitments to maintain and respect the environment and human in their activities.

JREEEF understands these critical sustainability issues, and it realizes that it is its responsibility to maintain the environment and human rights in their activities, including operations, supply chain, and the beneficiaries.

The Sustainable Development Goals (SDGs) include that people should have the access to affordable, reliable, sustainable and modern energy for all, and take urgent action to combat climate change and its impacts.

This policy summarizes the commitment that JREEEF has made to manage environmental and social risks and impacts for its activities. JREEEF will manage environmental and social risks and impacts in such a manner as to achieve a desired result and improve outcomes of all JREEEF programmes.

This policy presents the commitments to be consistent with the principles of the International Finance Corporation's Environmental and Social Performance Standards (PS1-8). This policy also presents a commitment to comply with applicable laws, including national laws of the Ministry of Environment, National Energy Strategy, and National Energy Efficiency Action Plan, which is directly applicable to all of JREEEF's projects/programmes.

JREEEF identifies a priority on the effective management of environmental and social (E&S) risks and impacts associated with its activities. Key factors include, but are not limited to, resource efficiency; pollution prevention and control; labor and working conditions, protection of biodiversity; conservation & sustainable management of living natural resources; cultural heritage; occupational and community health, safety & security; vulnerable groups[1] and human rights.

This policy considers all of JREEEF's operating principles in an appropriate manner. Environmental and Social Policy requires that all projects/programmes of JREEEF to be screened to identify the level of E&S risks and impacts, and that the categorization of the projects/programmes according to its potential E&S impacts, and to adopt mitigation measures to avoid or to minimize or mitigate the negative risks, and to monitor and report on the status of those measures to ensure proper application of mitigation measures and no negative impacts during the construction and operation of the project.

All JREEEF projects/programmes are designed to meet JREEEF's Gender Policy, depending on the nature of a project/programme, to ensure that gender equity is incorporated into the design and implementation of JREEEF projects/programmes. This includes activities to address E&S risks and impacts.

### **Implementation of the Environmental and Social Policy is a responsibility of:**

- Project Manager- identify potential E&S risks and impacts associated with JREEEF projects, and develop mitigation measures
- E&S Specialist – verify potential E&S risks and impacts and the mitigation measures, review and monitor mitigation measures during the implementation of the project
- JREEEF Management Committee- ensure that the Environmental and Social management system is conducted for JREEEF projects/programmes.

[1] "Vulnerable groups" is used in the policy to refer to "indigenous people" as per the GCF definition.

## PURPOSE OF THIS POLICY

1. The world is challenged by the current and potential impacts of climate change, increasing resource scarcity, and pressure on land, water, and forests from economic development carried out in an unsustainable manner. The objectives that JREEEF has set out include protecting the environment, ensuring health environment on affected communities and conserving nature, preparation of various programmes in the desired sectors to achieve sustainable development, and to rationalize the exploitation of energy and improving its efficiency in the desired sectors.
2. The basic purpose of JREEEF is to provide funding needed for energy efficiency projects and utilization of renewable energy to achieve the desired goal of reducing greenhouse gas emissions, the reliance on imported energy sources, and our consumption costs, thus improving the local economy.
3. JREEEF supports the government to promote utilization of renewable energy, and this objective is derived from the Renewable Energy & Energy Efficiency Law, Law No. (13) of 2012, which is based on the following:
  - Deploying economic EE/RE applications and innovative technologies;
  - Having replicable and scalable RE/EE projects and open new markets;
  - Improving energy efficiency, reliability, and delivery to customers and end users;
  - Mitigating the environmental and social impacts/risks resulting from energy projects/programmes.
4. The main purpose of the Environmental and Social Policy is to avoid, prevent or mitigate the negative E&S risks and impacts, and to maintain the positive E&S impacts of JREEEF programme/project activities.

## COMMITMENTS

1. JREEEF is committed to maintaining, implementing and continuously improving a formal Environmental & Social Management System (ESMS) to support implementation of this policy.
2. JREEEF recognizes the potential E&S impacts -both positive & negative, short & long term- of their activities. JREEEF is committed to prevent or mitigate any negative impacts, and therefore, JREEEF developed clear procedures for managing the environmental and social risks of their activities in a way that ensures sustainability.
3. JREEEF is committed to the implementation of the Environmental and Social Policy. This will require a change in the behavior of JREEEF workers, contractors and suppliers. Thus, building awareness within JREEEF and with its stakeholders is key.
4. This Policy and associated procedures represents JREEEF's commitment to be consistent with the principles of the IFC Environmental and Social Performance Standards (PS1-8).
5. Through this policy, JREEEF will ensure all its renewable energy (EE) and energy efficiency (EE) projects/programmes adhere to:
  - a) Avoid and mitigate adverse impacts to humans and the environment;
  - b) Enhance conditions of life in an environment of quality and adequate basis;
  - c) Give priority to marginalized populations that are potentially affected by JREEEF projects/programmes;
  - d) Improve social and economic aspects within the project environment;
  - e) Protect the human rights of people and communities for a better life;
  - f) Reduce greenhouse gas (GHG) emissions to meet specified targets;
6. JREEEF is committed to the principles of protecting the environment from pollution and require projects with activities that enhance resource efficiency by avoiding or minimizing the high noise level, avoiding or minimizing release of air, water, and land pollutants, avoiding or minimizing the generation of waste, and using the natural resources efficiently, reducing carbon dioxide emissions by reducing dependence on the conventional resources and annually accounting for GHG emissions for all projects.

7. JREEEF recognizes its responsibility to provide workers with their rights and benefits and to provide safe and healthy working conditions. This responsibility involves not discriminating against employees, not employing children or forced labour in any manner, and to protect third party workers, provide a safe environment for workers.

8. JREEEF recognizes its responsibility to avoid or minimize the impact of projects/programmes on the health and safety of the affected communities and ecosystem services. This responsibility involves avoiding or minimizing the potential for community exposure to diseases by minimizing or avoiding release of air pollutants, dust, unpleasant odor, and high noise, as well as creating a system for emergency situations and accidents result from unregulated vehicle traffic.

9. JREEEF believes that gender equality is a fundamental issue and is committed to gender equity and mainstreaming within JREEEF projects/programmes, as per the JREEEF Gender Policy. This means any activities identified to address E&S risks and impacts will consider and take gender equity into account.

## CATEGORIZATION OF PROJECTS/PROGRAMMES

JREEEF categorizes all projects/programmes based on their potential environmental and social risks and impacts as either:

- Category B are medium risk activities that have activities with potential limited adverse Environmental or Social risks and/or impacts that are few in number, generally site-specific, largely reversible, and readily addressed through mitigation measures.
- Category C are low risk activities that have activities with minimal or no adverse Environmental or Social risks and/or impacts.

Category B activities invoke a preliminary fit-for purpose Environmental and Social impact assessment (ESIA). The E&S assessment identifies impacts and elaborates mitigation measures for individual projects/programmes.

## PERFORMANCE REQUIREMENTS

Projects/programmes are expected to meet with good international environmental and social practices; JREEF recognizes and applies the International Finance Corporation Environmental and Social Performance Standards, as listed below:

- PS 1 - Assessment and Management of Environmental and Social Risks and Impacts  
PS 2 - Labour and Working Conditions  
PS 3 - Resource Efficiency, Pollution Prevention and Control  
PS 4 - Community Health and Safety  
PS 5 - Land Acquisition and Involuntary Resettlement  
PS 6 - Biodiversity Conservation and Sustainable Management of Living Natural Resources  
PS 7 - Indigenous Peoples  
PS 8 - Cultural Heritage.

## ENVIRONMENTAL AND SOCIAL MANAGEMENT PLAN (ESMP)

For category B projects, where the environmental and social assessment identifies the expected environmental or social risks and impacts of the projects/programs, the assessment shall be accompanied by an environmental and social management plan that identifies those measures necessary to avoid, minimize, or mitigate the potential negative environmental and social risks. An environmental management plan includes identified mitigation measures and actions, as well as a monitoring and review program for control of environmental and social issues.

The ESMP constitutes identification of potential E&S risks, elaboration of mitigation measures during the life cycle of the project, outlines of the project monitoring and review plan, management responsibilities, and audit reports.

A commitment by all parties involved in the implementation of the project including, but not limited to, Project Owner, Project Consultant/Supervision Engineer, Project Contractors and sub-contractors and employees to implement the ESMP management plan shall be a condition of the project/programme approval and reflected in the monitoring and reporting plan for that project/programme.

## DECISION-MAKING AND STAKEHOLDER ENGAGEMENT

All the documentation submitted for the approval of a project from JREEEF management committee will have a summary and description of the Environmental and Social risks and impacts, identified mitigation measures (if relevant, i.e. for Category B projects), and a summary of a stakeholder engagement, as well as the undertaken Environmental and Social management System that will be conducted by JREEEF during the operation of the project. The members of JREEEF management committee will take the comments and any other concerns raised by stakeholders.

JREEEF allows all necessary and meaningful consultations with all relevant stakeholders and engagement throughout the life cycle of the project including prior notification. JREEEF initiate and manage cooperation with local and international financial institutions, aid programs, and other stakeholders.

We actively engage stakeholders on our initiatives and overall performance. Our stakeholders include internal stakeholders such as the RE, EE and Legal Departments of Ministry of Energy and Mineral Resources, Ministry of Finance and MOPIC and Ministry of Environment, Banks, financial institutions, donor agencies, RE and EE project developers, energy service companies, distribution utilities, Non-government organizations (NGOs), scientific societies, research centers, and academic institutions, Audit Bureau, municipalities and other government entities in addition to the affected local communities.

JREEEF entertains an open dialogue with all stakeholders involved in the project at the earliest stage of project/programme planning, during the environmental and social screening and continues along the project life cycle.



## MONITORING AND REVIEW

JREEEF will monitor the environmental and social risks and impacts of its projects/programme against the purpose and objectives of this Policy throughout the life cycle of the project. The monitoring frequency will be proportional with the environmental and social risks/impacts associated with the project/program and shall be in accordance with the developed ESMP.

Through these monitoring activities, JREEEF will observe the effectiveness of the applied mitigation measures and the need for any modifications or adjustments to ensure that there are no negative impacts during the construction and operation of the project.

Environmental and social risk monitoring shall be undertaken by the E&S specialist, and the monitoring and evaluation (M&E) expert directed by the Project Development Division of JREEEF.

### I. EXTERNAL COMMUNICATION

JREEEF uses an accessible channel established in order to easily connect with all stakeholders using website, email, etc. JREEEF establishes a procedure for external communications with all external stakeholders in order to keep the channel open for any suggestions, feedback, interactions, concerns or complaints.

JREEEF receives, records and validates the external communications and requests for information from the public; screen and assess the importance of the issue raised and provide, track, document and publish responses.