



Development Bank of Namibia

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DBN PS6-BIODIVERSITY & ECOSYSTEMS STANDARD

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a) Version Control

The table below serves to track the key revisions made to this document for change control purposes.

Date	Version	Change Description	Author/Editor
08/02/2016	0.01	Initial Draft for first review	Manager: Environment & Social Development
24/04/2016	0.02	Initial Review	Head: Risk and Compliance –John Jacobs
23/05/2016	0.03	2 nd Review	Risk and Compliance Committee
23/05/2016	0.04	Departmental Review	Audit Risk and Compliance
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07/11/2016	1.00	DBN Board Approval	Chairperson: DBN Board of Directors
10/01/2019	2.00	Change logo on first page	Manager: Environment & Social Development

1. DEFINITIONS, TERMS & ABBREVIATIONS

BAP	Biodiversity Action Plan
CBD	Convention on Biological Diversity
CBNRM	Community-based natural resources management
CITES	Convention on International Trade in Endangered
COP	Conference of Parties
DEA	Directorate of Environmental Affairs
DBN	Development Bank of Namibia
ESIA	Environmental and Social Impact Assessment
ESMS	Environmental, and Social Management System
ESMP	Environmental and Social Management Plan
IUCN	International Union for Conservation of Nature
MAWF	Ministry of Agriculture, Water and Forestry
MET	Ministry of Environment and Tourism
NBSAP	Namibia Biodiversity Strategy and Action Plan
NNBP	Namibia National Biodiversity Programme
NPI	Net Positive Impact
UNCED	United Nations Conference on Environment and Development

2. BACKGROUND

The International Finance Corporation (IFC) Performance Standards are an international benchmark for identifying and managing environmental and social risk and has been adopted by many organizations as a key component of their environmental and social risk management.

IFC's Environmental, Health, and Safety (EHS) Guidelines provide technical guidelines with general and industry-specific examples of good international industry practice to meet IFC's Performance Standards.

In many countries, the scope and intent of the IFC Performance Standards is addressed or partially addressed in the country's environmental and social regulatory framework

In the past decade, the increased engagement of business in debates around sustainable development has prompted recognition of the importance of biological diversity at the local, national and global scales. Driven by increasing populations that demand rising real incomes, a range of human induced pressures are modifying natural habitats and diminishing their ability to support life.

Biodiversity conservation can provide many opportunities for a company including strengthening reputation and stakeholder relationships, attracting socially responsible investors and improving employee productivity (World Business Council for Sustainable Development (WBCSD), 2002).

Biodiversity is essential to sustaining the living networks and systems that provide us all with health, food, wealth, fuel, and the critical services our lives depend on. These organisms, ecosystems and ecological processes supply us with oxygen and clean water. They help keep our lives in balance and regulate the climate. Yet this rich biodiversity is being lost at a greatly accelerated rate because of human activities. The planet's biodiversity and natural resources are under threat from global warming, pollution and accelerated development.

The DBN acknowledges the intrinsic value of biodiversity and that its own and clients/customers operations may have a potential impact on biodiversity ecosystems. Therefore it has taken a balanced approach to managing its operations in order to avoid and minimise any adverse impacts on biodiversity by applying the precautionary principle and to enhance positive impacts on biodiversity

and ecosystems whenever possible so as to secure favourable economic, environmental and social outcomes of its own and clients/customers operations.

Namibia signed the Convention of Biodiversity (CBD) in 1992 and ratified it in March 1997. The Directorate of Environmental Affairs (DEA) in the Ministry of Environment and tourism (MET), through the Namibia National Biodiversity Programme (NNBP), is responsible to support and implement the CBD in Namibia. One of its mandates is to identify priorities for biodiversity conservation in Namibia, which are specified in a national strategy, the Namibia Biodiversity Strategy and Action Plan 2001 – 2010 (NBSAP).

Article 6 of the Convention states that its parties shall develop national strategies, plans or programmes or the conservation and sustainable use of biological, as well as integrate this objective into relevant sectoral or cross-sectoral plans, programmes and policies.

The Namibian Constitution is the starting point for the Environmental Management Act. Namibia has one of the few constitutions in the world with specific sections on the environment. The Namibian Constitution, Article 95(l) states that, “The State shall actively promote and maintain the welfare of the people by adopting, inter alia, policies aimed at the following...

l) maintenance of ecosystems, essential ecological processes and biological diversity of Namibia and utilization of living natural resources on a sustainable basis for the benefit of all Namibians, both present and future; in particular, the Government shall provide measures against the dumping or recycling of foreign nuclear and toxic waste on Namibian territory”.

The Namibian Constitution 91(c) also talks about the environment in the section on the Ombudsman. The Ombudsman is an independent state official with the power to investigate complaints concerning Government or the Constitution. One of the Ombudsman’s functions is to investigate complaints about

- the over-utilisation of living natural resources (such as plants and animals)
- the irrational exploitation of non-renewable resources (such as diamonds or natural gas)
- the degradation and destruction of ecosystems
- failure to protect the beauty and character of Namibia.

This Standard aims at strengthening the implementation of the DBN’s biodiversity objectives as well as towards its clients, thereby supporting the Namibian Constitution and the Environmental Management Act No 7 of 2007.

A biodiversity management framework covering all of the stages in the lifecycle of an operation is therefore required from clients/customers so that biodiversity and development planning and operations are integrated and aligned.

In assessing a projects compliance with the Standard, reviewers should expect general conformance to this Standard unless the project can demonstrate that it meets the intent of the Standard by an alternative approach.

3. SCOPE

This Standard is applicable to all biodiversity impacts generated by DBN and DBN funded clients/customers activities (internal as well as external) that are under the responsibility of the area applicable to projects (i) located in modified, natural, and critical habitats; (ii) that potentially impact on or are dependent on ecosystem services over which the client/customer has direct management control or significant influence; or (iii) that include the production of living natural resources (e.g., agriculture, animal husbandry, fisheries, forestry).

In addition to this Standard's contents, as set out below, applicability of this Standard is established during the environmental and social risks and impacts identification process as guided by No 30 Environmental impact assessment regulations of 2012 made under the environmental management act, No 7 of 2007 to be duly cross-referenced with the present Standard.

The implementation of the actions necessary to meet the requirements of this Standard is managed through the clients/customer's Environmental and Social Management System (ESMS), the elements of which are outlined in the DBN ESMS Standard.

4. INTENT

The intent of this standard is to ensure that DBN's clients/customers must work to understand and manage their impacts on biodiversity on elements such as current and potential uses of the land, its biodiversity and social values, connections with other habitats and connections with community expectations.

The Standard is committed to the following outcomes:

- Identification of biodiversity values impacted by activities;
- Prevention (avoidance), minimisation and mitigation of biodiversity risks;
- Responsible stewardship of the land;
- Identification and pursuit of biodiversity conservation opportunities;
- Involvement of stakeholders in the management of biodiversity.

Ultimately the standard presents opportunities to create business value opportunities to build good relationships with stakeholders, understand emerging ecosystem services and achieve sustainable development goals.

5. PLANNING

- 5.1. Through the use of available data and an early screening and scoping process, determine the biodiversity footprint of the project and whether there are no-go areas; The pursuit of an objective of averting loss of biodiversity and ecosystems, and at a minimum sustaining current biodiversity values implies that any impact on biodiversity and ecosystems needs to be either avoided or minimised through mitigation.
- 5.2. A biodiversity scoping must be carried out for all projects as part of the overall environmental and social assessment (ESIA) process regardless of the prima facie natural value of the project site.
- 5.3. The scoping should help categorise the project along three considerations:
 - The legal conservation regime of the area, if any;
 - The type of habitat (natural, semi-natural – or socio-ecosystems, urban);
 - The biodiversity value of the habitat (criticality).
- 5.4. This is not limited to impacts on areas designated under legal provisions (protected areas) or informal schemes (areas of important biodiversity) but to all environments, regardless of their state of conservation. Compensation for residual harm is a last resort and comes after consideration of how impacts can be avoided in the first place and then, if that is not possible, mitigated; and,
- 5.5. Respect international conventions and show consistency with relevant provisions and standards contained in the international agreements and conventions which Namibia has ratified.
- 5.6. Ensuring the appropriate participation of local communities and Indigenous communities in the decision-making process, especially where impacts on ecosystems services adversely impact the livelihood of indigenous communities.
- 5.7. Relevant protected areas, nationally or internationally designated, overlapping or neighbouring the project site, must be identified and listed. For the purpose of this assessment, the project site should be understood as including direct and indirect developments.
- 5.8. A map of the project site displaying the project site and all overlapping and neighbouring protected areas should be produced and integrated in the initial biodiversity assessment.
- 5.9. The DBN distinguishes between three types of habitat: natural, semi natural and urban. The determination is made based on the level of human-induced disturbance. (e.g., presence of invasive species, level of pollution, extent of habitat fragmentation, resemblance of existing ecosystem functionality and structure to historical conditions). Depending on the type of habitat, specific attention should be given to some aspects of the assessment. It may be that a project spans over different types of habitats, in which case their respective share and location over the project site should be determined and respective requirements applied accordingly.

- 5.10. The biodiversity impact assessment must offer, to the extent possible, a comprehensive picture of the likely direct, indirect, induced and cumulative impacts of the operation on habitats, species and ecosystems.
- 5.11. The impact assessment takes places in three clear stages. No assessment can be valid unless these stages have been completed in the right order.
- The first one is the establishment of an adequate baseline of the original state of the project site and its area of influence with regards to all biodiversity aspects, commensurate with the project impacts and risks.
 - The second one is the impacts assessment of the various alternatives both during the construction and operation phase against the benchmark of the without-project scenario.
 - The third one is the consideration of a range of alternative project designs, including a without-project scenario
- 5.12. Baseline studies should be carried out to identify all the biodiversity and ecosystem attributes of the site and the area of influence. Baseline studies should comprise some combination of literature review, stakeholder engagement and consultation, in-field surveys and other relevant assessments.
- 5.13. If the site has been designated to protect specific species or natural features, the assessment should include a description of them, as well as the conservation management objectives of the area where applicable. Consult <http://www.biodiversity.org.na/> for guidance.
- 5.14. In-field surveys must be conducted to assess the type of biodiversity and ecosystem present, whether at the genetic, species or ecosystem level.
- 5.15. Depending on the nature and scale of the project, the use of spatial data and landscape mapping is recommended. This includes land classification and land use maps, satellite imagery or aerial photographs, vegetation type and ecosystem maps. The use of GIS is recommended to display the project elements in their environmental context.
- 5.16. The client/customer should consider the differing values attached to particular biodiversity and ecosystem attributes by relevant local, national and international stakeholders. The perspectives to be taken in account include those of local communities, indigenous peoples, governmental officials, academic and research institutions, recognised experts for the biodiversity attributes of concern and national and international conservation NGOs, as appropriate.
- 5.17. While it may be impossible sometimes to reconcile those differing perspectives it is important, especially in cases where they are conflicting, to present them in a clear and balanced manner.

- 5.18. The stakeholder engagement plan and outcome on biodiversity can be integrated in the stakeholder engagement plan of the ESIA; or separate where justified by the attributes of the site and impacts of the project (see DBN Stakeholder Engagement Standard).
- 5.19. Where practical and feasible, a screening of the dependency of important ecosystem services on biodiversity provided by the site and the larger region in which it is integrated should be included. This screening should distinguish between the services with local benefits and those with benefits at the global scale.
- 5.20. The client/customer should bear in mind that the good functioning of ecosystem services might have an impact on the performance of the project itself. Maintaining the state of the service in that case is therefore directly beneficial to the client/customer business operations.
- 5.21. As for those ecosystem services with local benefits and on which the client/customer has sufficient management control, a baseline should be established identifying:
- the nature and extent of ecosystem services in the project site and its area of influence;
 - the condition, trends and external (non-project) threats to such services;
 - the beneficiaries of such services;
 - the extent to which the project depends upon or may impact identified services.
- 5.22. The client/customer should screen and assess the risks to and potential impacts on biodiversity and ecosystems in the project area of influence, taking into account the following:
- The location and scale of project activities, including those of associated facilities;
 - Its supply chains; and,
 - The types of technology that will be used and efficiency of the proposed equipment.
- 5.23. The scoping may take the form of an initial desktop analysis and literature review, including a review of regional studies and assessments, the use of global or regional screening tools, and field reconnaissance.
- 5.24. The client/customer should consider all relevant threats to biodiversity and ecosystems. Those threats are highly context-specific and should be identified accordingly. The following points should receive special attention in all cases:
- Habitat loss, degradation and fragmentation (including risk of collision with traffic), creation of an edge effect;
 - Invasive alien species;
 - Overexploitation;
 - Hydrological changes;
 - Nutrient loading;
 - Pollution;
 - Noise;
 - Pre-existing threats and the extent to which the project might exacerbate them; and,
 - Spill-over effect (development of infrastructure encourages further development).

- 5.25. A matrix of impacts should be drawn up, listing the activities listed in the screening on one axis and the elements of the biodiversity on the other.
- 5.26. The biodiversity impact assessment should consider the potential impacts on project-related activities in this context, taking in account:
- The location and scale of project activities, including indirect impacts resulting from associated facilities, access roads, settlements and increase of the activities in the wider region;
 - The intensity of the impact;
 - The amount of natural resources used and their provenance;
 - The types of technology that will be used;
 - The timing of the impact (Is it limited to the development phase or does it occur throughout the operational phase? Is it intermittent or permanent? If it is intermittent, at what time of the day/year does it happen?);
 - The short-term, long-term and cumulative impacts
 - The probability of occurrence of a specific impact (e.g. explosion, leakage, etc.); and,
 - Knowledge gaps (can all impacts be identified, assessed and quantified, if not the precautionary principle and adaptive management must be applied).
- 5.27. When specific potential significant biodiversity impacts are identified through assessment and analysis, they should be further analysed through specific studies. These studies should be undertaken by qualified and experienced professionals using standard sampling programmes and tools.
- 5.28. If the site has been designated to protect specific species or natural features, the assessment should expressly describe the potential for impacts on those, even if they have not been identified during the site surveys.
- 5.29. The operation might lead to an exacerbation of previously existing threats, through the upsetting of the local economy or the creation of new access to previously remote natural resources. Specifically in the case of semi-natural habitat the assessment should look carefully at impacts on the current anthropogenic inputs to the socio-ecosystem and how their quality and intensity could be influenced by the operation.
- 5.30. The assessment should make reference to the ESIA, national legislation and any obligations and standards of multilateral agreements and conventions to which Namibia is party to.
- 5.31. If the project is located in a legally protected area or an area of biodiversity importance (e.g. key biodiversity area) the client/customer should consult with the authorities responsible for the designation in order to gather information on all projects developed in the area and support them in conducting a cumulative impact assessment of all projects.

- 5.32. The potential for ecosystem-based adaptation to climate change through the preservation or enhancement of ecosystem functions present on the site should be assessed and integrated in the project design where applicable.

6. IMPLEMENTATION AND OPERATION

- 6.1. The client/customer must work towards a policy of averting the loss of biodiversity and in some cases a policy of no net loss which, requires that impacts on biodiversity and ecosystems be mitigated through avoidance, minimisation and compensation not only on sites of outstanding ecological value but anywhere where biodiversity is measurable.
- 6.2. Given the complexity in predicting project impacts on biodiversity and ecosystems over the long term, the client/customer should adopt a practice of adaptive management in which the implementation of mitigation and management measures are responsive to changing conditions and the results of monitoring throughout the project cycle.
- 6.3. The biodiversity management plan should thus allow for a level of flexibility so that the measures can be adjusted in the light of new findings and monitoring results.
- 6.4. In implementing biodiversity offsets clients/customers are strongly advised to collaborate with relevant organisations in the field, so as to meet internationally recognised best-practice.
- 6.5. An offset implementation and management plan must be drawn up to present:
- The overall biodiversity value of the offset in comparison to the initial state of the site with a detailed description of the methodologies used.
 - A detailed budget and timeline of the measures envisaged. Costs associated with offsetting should be factored in the business feasibility analysis.
 - A presentation of all parties involved with their respective role, rights and responsibilities.
 - Clear indicators of success of the operation and directions for adapting and correcting measures should indicator targets not be met.
 - A presentation of reporting duties and timeline.

7. PERFORMANCE MANAGEMENT

- 7.1. Monitoring is a requirement in critical habitats, but it is also required in other cases to evaluate the effectiveness of the biodiversity management plan.
- 7.2. Continuing monitoring provides clients/customers with biodiversity information that can be integrated into a project's operations and eventually its closure and environmental rehabilitation.
- 7.3. A monitoring and evaluation programme consisting of three levels must be put in place:

- in-field monitoring of relevant biodiversity values
 - monitoring of the implementation and effectiveness of all relevant forms of mitigation measures. If a biodiversity offset is part of the mitigation strategy its success should be evaluated independently.
 - as appropriate, and especially in the case of semi-natural habitats, the projects should also monitor levels of human activities having an impact on the biodiversity of the site (e.g. changes in agricultural expansion or practices, hunting practices).
- 7.4. A sensible set of indicators, tailored to the specificities of the site (e.g. certain species occurrence), of the impacts (e.g. concentration of pollutants) and the mitigation measures (e.g. viability of the offset) should be developed for each applicable criterion of criticality with the external specialists and relevant stakeholders. Acceptable ranges of variability should be established for each indicator, with qualified experts identifying such thresholds.
- 7.5. Results from monitoring should be used to evaluate the effectiveness of the mitigation strategy. Measurable results that exceed identified thresholds should trigger appropriate management actions, corrective or adaptive.

8. REVIEW

The principles contained in this standard will be reviewed on an annual basis to facilitate improvement.

9. GENERAL REFERENCES FOR STANDARD METHODS

- Environmental Management Act (EMA) No 7 of 2007
- EMA Regulations: List of activities that may not be undertaken without Environmental Clearance Certificate: Environmental Management Act, 2007
- Environmental Impact Assessment Regulations: Environmental Management Act, 2007
- ISO14001:2015, ISO18001 & ISO9001
- Performance Standard 6, Biodiversity Conservation and Sustainable Management of Living, Natural Resources, IFC, January 1, 2012
- African Development Bank Group Integrated Safeguards System (ISS) - Approved 17 Dec 2013
- European Investment Bank (EIB) Environmental and Social Handbook, Environment, Climate and Social Office Projects Directorate, Version 9.0 of 02/12/2013
- DBSA Environmental and Social Safeguard Standards_ESSS_13May2014

10. BOARD APPROVAL OF STANDARD

**EXTRACT OF THE UNAPPROVED ORDINARY BOARD MINUTES OF THE BOARD
OF DIRECTORS' MEETING HELD ON 7 NOVEMBER 2016 AT 12 DANIEL
MUNAMAVA STREET, WINDHOEK, NAMIBIA**

"7. RISK, COMPLIANCE AND POLICIES

**7.1 The Board reviewed and approved without any amendments thereto the following
environmental standards,**

- 7.1.1 Environmental and Social Management System Standard
- 7.1.2 Occupational Health and Safety, Public Health and Security Standard
- 7.1.3 Rights and Interests of Indigenous People Standard
- 7.1.4 Stakeholder Engagement Standard
- 7.1.5 Labour and Working Conditions Standard
- 7.1.6 Land Acquisition and Involuntary Resettlement Standard
- 7.1.7 Cultural Heritage Standard
- 7.1.8 Emergency Prevention, Preparedness and Response Standard
- 7.1.9 Pollution Prevention and Control Standard
- 7.1.10 Biodiversity and Ecosystems Standard
- 7.1.11 Greenhouse Gas Emissions and Climate Change Standard



Company Secretary
R Brusa
14 December 2016