



**Implementation, compliance and monitoring Manual for
MAR Fund's Environmental and Social Management
System Manual for grantees**

Version: First Version

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Contenido

1. Presentation	3
2. Considerations for proposal preparation	4
2.1 Review of the Environmental and Social Screening Questionnaire during the proposal review process	6
3. Preparation of the project's Environmental and Social Action Plan (ESAP)	6
4. Monitoring of the ESMS during project implementation.	9
5. Other considerations	11

1. Presentation

MAR Fund developed and began implementation of the Environmental and Social Management System (ESMS) in 2022, with the primary objective of ensuring that projects funded by MAR Fund and the projects and activities that MAR Fund implements generate a significant net benefit to the environment and communities in the Mesoamerican Reef System (MAR) region. This is achieved by preventing, minimizing and mitigating associated environmental and social risks and impacts.

All MAR Fund beneficiaries and partners are responsible for complying with the principles and guidelines established in the ESMS. To facilitate their implementation, MAR Fund has tools that are available for consultation on the [MAR Fund website](#).

This manual is intended to provide clear and concise guidance on the use of the ESMS for both project proponents and MAR Fund grantees.

2. Considerations for proposal preparation

The implementation of the ESMS begins with the preparation of the proposal or concept note. In this initial step, it is important to precisely define the activities to be carried out in the project, as well as those that will be totally or partially financed by MAR Fund. At this stage, an assessment is made of the environmental and social risks and impacts that may result from the activities to be implemented in the project.

For this purpose, the [Environmental and Social Screening Questionnaire](#) is used (Figure 1), the tool consists of 96 questions divided into blocks for each of the 10 MAR Fund safeguards. The steps to be followed are detailed below.

1. Identify all the activities that will be developed within the framework of the project and that will be totally or partially financed by MAR Fund. **To answer the questionnaire, do not consider activities that will be financed with counterpart funds.**
2. Complete rows 2, 3 and 4 which correspond to general information, date on which the questionnaire was completed, proposing organization and financial window from which you are requesting support.
3. Read each of the questions in column B carefully. Not all safeguards may be triggered by your project, but it is important to answer the questions as appropriate.
4. The questions are closed-ended, answer YES or NO in column D.
5. Column E will provide more information on the question and actions to be implemented based on the answer you provide in column D, sometimes referring to [MAR Fund's ESMS document](#). For more information, you can review it for clarification or context.
6. Based on your response in column D, column F will show the risk category. If the risk is identified as low risk “C”, if medium risk “B” and if high risk “B+”. It is important not to change this manually.
7. If you identify that the organization has plans, protocols or measures to mitigate the risks derived from the activities, add this information in column R “Explanation

of the beneficiary”, for some questions and according to your answer in column D, it will be necessary to include additional information.

8. Answer the question in row 126, which says “I declare that, to the best of my knowledge and belief, the information provided is true and in good faith” otherwise the questionnaire will not be valid.
9. According to your answers, you can assign a provisional risk category in cell D14 for them if in column F, you have one or more than one “B”, the risk category is “B”, if you have one or more than one “B+” the risk category “B+”, If you have only “C” the risk category is “C”. You can use the “risk category” table in row 128 column B and C as a reference. In case you are in doubt about this, you may not provide that category (Figure 2). To assign this provisional risk category you should only take into consideration the questions that have been answered.
10. The completed questionnaire will be shared with the project proposal or concept note.
11. If at this stage you identify that the organization has documentation, plans or protocols in place to mitigate the identified risks you can share them with the proposal. However, at this stage it will not be necessary to prepare additional documentation.
12. The questionnaire will be reviewed by MAR Fund and if necessary, the proponent will be contacted to clarify any doubts arising from the questionnaire.
13. If in the process you need additional information or support in completing the questionnaire, you may contact MAR Fund staff for assistance.

Title: ES-Screening-Q (ESSQ)		ESSQ- ENVIRONMENTAL AND SOCIAL SCREENING QUESTIONNAIRE			
Date: 2024-09-09 INSERT DATE HERE		ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM / ESMS			
PROGRAM: Write here the name of the program for which this proposal is intended.		SISTEMA DE GESTIÓN AMBIENTAL Y SOCIAL / SGAS			
PROPOSITOR: Write here the name of the organization making this proposal.		Provisional Risk Classification of grant (proposal) by the grantee		B+	
ESSQ VERSION: Approved (March 21, 2020)		Final Risk Classification of grant (proposal) by MAR FUND		0	
IMAGE ID: ESSQ-XXX-YYY-MM-DD					
GUIDING QUESTIONS ABOUT RISKS / IMPACTS		YES-NO	ACTIONS BY THE GRANTEE	LIKELY RISK LEVEL	BENEFICIARY EXPLANATION
GENERAL INFORMATION / INFORMACIÓN GENERAL				WIP-IP-IC	COMMENTS
1. Is any activity or sub-activity of this project proposal on the MAR Fund exclusion list?	YES	STOP, do not continue filling out the questionnaire and follow ESS 19 26			
2. Is this project a second phase of a previously MAR Fund-funded project?	YES	If yes, include a one-page document with the Environmental and Social management lessons learnt			
3. Does the proponent organization have an ESMS in place and will it be used for project risk management?	NO	Continue with the next question			
4. Is this project intended to be managed with a co-financing partner's ESMS?	NO	Continue with the next question			
5. What is the risk-based classification of this proposal/project? ANSWER THIS QUESTION LAST	B+	Category A projects are not considered for approval by MAR Fund (Exclusion List)		B+	
ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISK IMPACTS					
6. Is this a Non-area-based project? (None a single part of the project is applied on the land/sea)	NO	Continue with the next question		C	
7. Is this an Area-based project? (Any part of the project is applied on the land or sea)	NO	Review your answer in question 1		C	
8. Has a stakeholder identification, description and analysis been performed?	NO	Perform a Stakeholder analysis		C	
9. Does the project have (will have) a functional grievance mechanism?	YES	Share the mechanism to be used		C	
10. Is the project in any respect detrimental for the enjoyment of Human Rights?	YES	STOP and follow ESS 19 25 and 26		B+	
11. Does the project increase the risk of SGBV & harassment, including sexual exploitation & abuse?	YES	Comply with ESS 9 & 11 to 26		B	
12. Is the project negatively affecting some local communities or social groups more than others?	NO	Continue with the next question		C	

Figure 1. Environmental and Social Screening Questionnaire, columns B and C show the questions to be answered, column D, where the questions must be answered with Yes or No, column E, contains information on the question asked, column F, where the risk category is assigned for each question answered and column R, section where the applicant can add comments.

Risk Categories	Description
Category A (High Risk)	Activities with significantly adverse risks to, and potential impacts on, the environment and/or communities. Environmental and social risks and potential impacts are diverse, extended, irreversible, or unprecedented. (Activities that are on the MAR Fund Exclusion List and have a high risk of introducing invasive species)
Category B+ (Substantial Risk)	Activities otherwise categorized as Category B, except that there is a single environmental and social risk or potential impact that is significant, irreversible, extended, or unprecedented. (Although a case-by-case analysis is required, these may include construction, rehabilitation or decommissioning of major, large-scale or medium-scale infrastructure; medium- and large-scale restoration and/or rehabilitation activities; activities that result in restricted access to resources; employment of children under the age of 14-17; moderate risk of introduction of invasive alien species; establishment of protected areas with measures to enforce restrictions on access to natural resources; and significant, irreversible, widespread or unprecedented risks to the health and safety of individuals and communities).
Category B (Moderate Risk)	Activities with environmental and social risks and potential impacts that are limited, largely reversible, generally site-specific, and readily addressed through mitigation measures. (Although a case-by-case analysis is required, this may include the construction, rehabilitation or decommissioning of small-scale infrastructure, small-scale restoration and/or rehabilitation activities, and the establishment of protected areas without measures to enforce restrictions on access to natural resources).
Category C (Low Risk)	Activities with minimal or no adverse environmental and social risks and/or impacts. (These are usually non-area based projects).
Indication for risk category assignment	If in column F, you have one or more "B", the risk category is "B", if you have one or more "B+" the risk category is "B+", if you have only "C" the risk category is "C".

Figure 2. Box with the risk categories found in the environmental and social questionnaire in lines 128 to 132 columns B and C.

2.1 Review of the Environmental and Social Screening Questionnaire during the proposal review process

The Questionnaire will be reviewed by MAR Fund, in case there are doubts or require more information, the questionnaire will be shared again with the proponent with the suggestions or questions made so that it can be reviewed and adjusted.

If your proposal is approved and favored for funding, MAR Fund will contact you to clarify any doubts related to the questionnaire and will provide information on the next steps.

3. Preparation of the project's Environmental and Social Action Plan (ESAP)

1. Once the Environmental and Social Questionnaire has been reviewed by the grantee and MAR Fund, MAR Fund will prepare the project's Environmental and Social Action Plan (ESAP) (Figure 3). This document will contain the list of triggered safeguards and the actions that the grantee must take to mitigate the risks, this could be, preparing and implementing plans or protocols, having the required research or construction permits, acquiring necessary safety equipment or dive insurance, etc. Timelines for submitting documents or implementing the actions described will be detailed in the ESAP.
2. If the grantee has shared previous documentation with MAR Fund, this will be recorded in the ESAP under the appropriate safeguard. Depending on the risk and the financial window, delivery dates of the requested documentation or actions are assigned with the objective of reducing the workload of the organizations, the delivery times are consistent with the execution time of the activities that activated the risk.
3. Preferably, grantees are requested to have a gender policy or gender action plan and a grievance mechanism in place prior to signing the grant agreement.
4. Once the ESAP has been prepared, it will be shared with the grantee for review, at which stage the grantee can clarify any doubts about the document. At this stage, the grantee can also share additional information if the organization has it.
5. Once the grantee has reviewed, understood and accepted the terms of the ESAP, it must be signed by the person within the organization who will be responsible for its follow-up, such as the legal representative, and it will also be signed by the person from MAR Fund who prepared the ESAP and his/her immediate superior, and then it will be attached to the grant agreement or financial allocation agreement.

ESS	ESSQ No	Measure / Action	Execution Term	Responsible	Follow up
1	1	Organizational Structure (including measures to enhance their environmental and social capabilities to satisfy the ESMS requirements)		Grantee	
	1	Name a person responsible for environmental and social safeguarding		Grantee	
	4	Establish a Grievance Mechanism to manage complaints and grievances from communities, workers, and other stakeholders		Grantee	
	4	Report to MAR fund on environmental and social matters as per the reporting schedule agreed upon in the grant agreement			
2	13	Follow ESS 2 and national legislation to ensure proper conditions of employment and other working conditions related to the project		Grantee	
9	88	Formulate and put into practice a Gender Statement (GS) or a Gender Action Plan (GAP)		Grantee	

Figure 3. Environmental and Social Action Plan, from left to right you will find: the safeguard to which the action refers, the question number of the environmental and social questionnaire, the execution time which refers to the time allotted to deliver the documents or the time in which the actions must be executed, the person responsible who is the person in your organization who will follow up the compliance of the actions and in the follow-up column the name and date of the documents submitted or actions performed are added.

4. Monitoring of the ESMS during project implementation.

The commitments established in the ESAP will be monitored during project implementation. The follow-up is described below:

1. According to the dates established in the ESAP for the delivery of documentation, MAR Fund will send reminders prior to the compliance date.
2. MAR Fund may share examples of documents, formats or protocols that may be useful for the grantees to develop their own.
3. The documents shared by the grantee will be reviewed by MAR Fund to ensure that they comply with the provisions of the ESAP.
4. Once the document is approved, the document and the date it was shared will be recorded in the follow-up column of the ESAP.
5. MAR Fund will maintain the updated version of the ESAP and will share it with the grantee each time an update is made.
6. The grantee must attach the updated ESAP to the interim and final technical report and complete the performance evaluation section of the ESMS found in the ESAP (Figure 4).
7. If the grantee has fallen behind with the submission of the documentation requested in the ESAP, the grantee should contact MAR Fund and request a time extension along with a justification.
8. If the missing documentation is to mitigate the risks of an activity that is about to be executed, the activity should be suspended until the missing documentation is submitted (applies to permits, insurance, diving protocols or others).
9. The beneficiary must provide reports of grievances during the execution of the project, the periodicity of which will be established in the ESAP. For this purpose, the beneficiary must have a grievance mechanism that allows to receive any communication concerning the project in execution. The grantee has the obligation to report any complaints or grievances received to MAR Fund.

10. MAR Fund will send reminders to the grantee to report complaints.
11. The commitments established in the ESAP must be fully met in order to close the project and make the last reimbursement (if applicable). The project cannot be closed if there are commitments to be fulfilled.

Interim Environmental and Social performance report

This section must be completed by the grantee along with the interim report of the project, please answer and complete the following questions and parts.

Period covered in the report:

1. Briefly describe how you have implemented the mitigation actions and measures described in the Environmental and Social Action Plan (ESAP) (for example, protocols or plans, stakeholder communications, gender statement, and training, among others.)
2. Briefly describe or list the main challenges you have encountered to comply with MAR Funds Environmental and Social Management System (ESMS).
3. Have you received any claim or grievance during this period? If yes, please describe the number of complaints received and how they were resolved or addressed
4. List of deliverables/documents pending according to the ESAP for next period (if applicable)

Name and Signature
Date of presentation

Final Environmental and Social performance report

This section must be completed by the grantee along with the final report of the project, please answer and complete the following questions and parts.

1. Briefly describe how you implemented the mitigation actions and measures described in the Environmental and Social Action Plan (ESAP) (for example, protocols or plans, stakeholder communications, gender statement, and training, among others).
2. Did you receive any claim or grievance during the project's implementation period? If yes, please describe the number of complaints received and how they were resolved or addressed.
3. Lessons learned and obstacles (indicate the obstacles and lessons learned implementing MAR Fund's Environmental and Social Management System during the project execution).
4. Did you comply with all the deliverables, measures and actions stated in the ESAP?
 - YES
 - NO

If no, please explain

Name and Signature
Date of presentation

Figure 3. Environmental and social performance evaluation form included in the ESAP that must be completed by the beneficiary and attached to the interim and final technical report.

5. Other considerations

The instructions presented above apply to all proposals submitted to MAR Fund, however, the procedure may vary for: 1) Emergency funds; 2) Discretionary funds; 3) Projects of short duration and that do not involve activities that represent environmental and social risks.

If during project implementation the grantee requests a modification of activities, the grantee must review whether this implies a change in the responses to the environmental and social questionnaire and the ESAP. If the new activities trigger new risks, the beneficiary must adjust the ESAP and comply with the environmental and social commitments resulting from the modification.

For further information please write to: kzaldana@marfund.org or consult: <https://marfund.org/en/esms/>