

Guidance note to EIB promoters

On environmental and social performance
in EIB-financed operations in response
to the COVID-19 outbreak crisis

May 2020



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COVID-19 presents many challenges to public and private sector promoters alike. These include *inter alia* (i) providing safe working conditions for employees, (ii) addressing the risk of infection to the community when this is caused or exacerbated by the project, (iii) putting in place alternative mechanisms to facilitate stakeholder engagement, (iv) protecting jobs and supporting those who cannot work¹, (v) ensuring business continuity, (vi) being able to deal with rapidly changing national regulations and policies in response to COVID-19, and (vii) maintaining the development and construction schedule of the project, organisation of the construction site and management of global supply chains.

The impact of COVID-19 is not uniform across sectors, individuals or locations. Specific sociodemographic characteristics affect an individual's capacity to cope with the health, economic and social impacts associated with the pandemic. Where individuals are systematically discriminated against or excluded from access to key services and resources, their vulnerability to the effects of such a health crisis is compounded. Such characteristics include, but are not limited to, ethnicity, race, religion, sex, sexual orientation, gender identity, caste, descent, age, disability, HIV status, migrant status, language or where they live.

COVID-19 is also disproportionately affecting the more vulnerable segments of the workforce such as informal, self-employed, part-time, temporary, seasonal, migrant or older workers, workers with underlying health issues and/or disabilities, as well as LGBTI workers and those belonging to ethnic or religious minorities. It affects men and women differently. Occupational segregation, employment type and caring/domestic responsibilities vary according to gender, affecting differently the respective capacities of individuals to maintain their livelihoods and generating different levels of exposure to the health risks of COVID-19.

The objective of this guidance note is twofold. On the one hand, it reminds promoters of certain obligations under the applicable EIB Environmental and Social Standards. On the other, it aims at providing publicly available advice and resources to prevent the spread of the infection, address the socio-economic consequences of the outbreak and build resilience to future health crises.

¹ Promoters may be unable to continue operations at the same pace due to illness of workers, social distancing restrictions, government shutdown of specific sectors, supply chain interruptions, etc., which may impact employment levels.

The following guidance is non-exhaustive and provides generic advice on steps to be taken depending on the size, nature, location and exposure to COVID-19 of the operation. It does not consider sectoral or regional specificities.

1. Awareness of legislative and regulatory changes

Many countries are introducing additional legal requirements or modifying/updating existing laws and policies to respond to the health and economic challenges presented by COVID-19. EIB promoters should be aware of any new national requirements and the impact of the changing legal landscape on their business/project. The promoters should continue to follow all applicable national laws, rules and regulations related to labour, occupational and public health and safety, especially in relation to transportation and management of infectious medical waste.

2. Health and Safety (for a detailed guidance note, see [Annex 1](#))

In line with the requirements of EIB Standard 9 on Occupational and Public Health, Safety and Security; the ILO Guidelines on Occupational Safety and Health Management Systems; related guidance of international (WHO) and EU (ECDC) organisations, the EU OSH Framework Directive 89/391/EEC, and the respective national legislation – promoters are required to ensure that the workplaces, machinery, equipment and processes under their control are safe and without risk to the health of workers. Every company is trying to understand how to manage their personnel's exposure to COVID-19. An important first step is to identify the business and project activities that could expose personnel or others (such as contractors, suppliers, visitors or the community at large).

Promoters should consider developing specific procedures and measures to be prepared for identifying, preventing, mitigating and responding to instances of COVID-19. These should take into account the different types of personnel the promoter may be employing.

Where applicable and where prevention and response management plans and/or health and safety management plans are in place, these should be updated and adapted to include the additional procedures and measures related to COVID-19. Where applicable, the procedures and plans on individual communicable diseases including those of relevant contractors should be revised.

More detailed guidance can be found in [Annex 1](#).

3. Labour (for a detailed guidance note, see [Annex 2](#))

Promoters are facing concerns that they will have to reduce their workforce due to operational changes (including national restrictions such as lockdown measures, reduction in sales, supply chain interruption, cancellation of orders). However, the consequences are far from being uniform. Regional and sectoral differences can be observed in terms of unemployment, health risks to workers and levels of social protection (for example, access to income, healthcare, and more).

Under these circumstances, it is suggested that the promoter examine alternatives and assess if there are ways to restructure, redeploy or retrain the workforce to meet alternative requirements and skills. Alternatively, the promoter may engage with the workforce to ascertain if the individuals are willing to take voluntary/unpaid leave or reduce their working hours. The promoter should also avail itself of national or local legal and financial support measures and programmes before considering retrenchment of direct and contract workers alike.

Specific attention should also be given to vulnerable workers, for example workers that are particularly susceptible to income shocks such as migrant workers who are often unable to travel home and temporary workforce.

Where collective dismissals are unavoidable, EIB Environmental and Social Standard 8 requires that this be carried out in line with the principles of non-discrimination and consultation. Promoters are to give sufficient notice, consult the workers and workers' representatives, and offer fair severance packages in a transparent manner. The promoter should maintain regular and open communication to avoid misunderstandings, build trust and provide reassurance in these uncertain times. Promoters should assess and consider any potential differentiated impact of collective dismissals and mass retrenchments on women, men and other vulnerable groups in the workforce and avoid any potential gender or similar biases.

Whilst avoiding collective dismissals and ensuring the health and safety of the workers, promoters should inform workers of any change to working conditions such as working time reorganisation, leave and benefits entitlements, accommodation/food subsidies, wages, unemployment entitlements, etc.

Promoters planning a collective dismissal should immediately notify the Bank and provide relevant information to prove compliance with the aforementioned EIB Standard 8.

4. Security

Promoters should assess if, as a result of COVID-19, there are any impacts or risks to the security of the workforce (e.g. individuals living on site or in another country), to the assets, to the suppliers or to the communities. This can be directly related to closure of facilities, increase in crime, social unrest, etc. The assessment should be followed by the revision of relevant policies and procedures, if so required. The promoters are reminded that security provisions in place should be in line with EIB Standard 9 and in compliance with the Voluntary Principles on Security and Human Rights, even during emergencies.

5. Stakeholder engagement (for a detailed guidance note, see [Annex 4](#))

5.1 Undertaking public consultations

As the current COVID-19 pandemic-related restrictions and social distancing measures create new challenges for standard public consultations, promoters should consider postponing active engagement with stakeholders, should the project calendar allow and until restrictions are lifted, or exploring alternative channels for ensuring public participation and stakeholder engagement. If the required consultation process cannot be conducted at a level satisfactory to the Bank, the project may not be financed irrespective of the limitations of the current context.

Generally, the promoters are advised to follow formal advice from national authorities, the World Health Organization (WHO) and the European Centre for Disease Prevention and Control (ECDC) and international good practices in terms of social distancing measures. The Stakeholder Engagement Strategies (SES)/Stakeholder Engagement Plans (SEP) prepared for EIB-financed projects should acknowledge the particular challenges related to COVID-19 limitations and impacts on different stakeholders, while paying special attention to those who are most susceptible to the transmission of COVID-19. Stakeholder engagement strategies and plans should point out ways to minimise close contact and follow the good hygiene procedures as recommended by WHO and respective national authorities for patients with confirmed COVID-19 or persons under investigation for COVID-19 in a healthcare setting.

Where relevant and commensurate to the impacts of COVID-19 on the project or the company, the promoter may want to put in place a dedicated grievance process for COVID-19 related issues for project stakeholders.

5.2 Provision and dissemination of information

To minimise as much as possible the concerns and stress caused by the outbreak both in both the workforce and amongst the public, the promoter should envisage providing information and regular updates to the workforce and other relevant stakeholders on the different measures, policies and procedures put in place on the minimisation of risks related to COVID-19.

6. Development or revision of other relevant management/operational plans

As appropriate, the promoter may need to review some relevant management/operational plans. Specifically, the promoter needs to pay attention to the impact that workforce constraints or additional requirements can have on the viability of existing processes and protocols. These may include, but are not limited to:

- waste management plan (e.g. due to offsite waste treatment as a result of COVID-19);
- hazardous waste management plan;
- air control management plan;
- worker accommodation management plan;
- etc.

The preparation/revision of emergency preparedness and response plans, and specific operational plans should also consider the reduced availability of emergency services and should be adequately communicated to relevant stakeholders. The promoter should put in place communication channels and collaboration mechanisms with the local and regional health authorities and institutions to coordinate COVID-19 reporting and contact tracing and follow health protocols in the event of fatalities.

7. Social inclusion (for a detailed briefing note, see [Annex 3](#))

Recognising that COVID-19 will have different impacts based on location, sectors and the socio-economic characteristics of individuals, and that the pandemic may further reinforce entrenched inequalities, EIB promoters may consider how their projects and investments can:

1. minimise the potential impact of the pandemic's effects on the most vulnerable and exposed segments of their workforce and the local population, whilst looking for opportunities to promote and support social inclusion;
2. learn from the current pandemic to further build the resilience of their business and projects to sustain such future shocks, and to do so in an inclusive manner that avoids disproportionate impacts on more vulnerable segments of a population.

8. Fragile contexts (for a detailed briefing note, see [Annex 5](#))

As the virus continues to spread globally and no country is left untouched, the impact of COVID-19 is beginning to be felt in the most fragile and conflict-affected contexts as the poorest and most vulnerable communities are exposed to its impacts.

Guidance to EIB promoters operating in challenging environments across the globe on how to deal with new COVID-19 related contextual and operational risks is provided in [Annex 5](#).

9. Specific requirements for healthcare facilities

In the case of healthcare facilities the following additional measures need to be taken into account, particularly in associated waste and infection control plans. The European Union has provided specific guidance for the management of waste² and with regard to shipment of waste in the context of the coronavirus crisis³. The key recommendations to the promoter of the two guidance notes include:

- define roles and responsibilities along each link of the chain along the cradle-to-grave infection control and waste management process;
- ensure adequate and qualified staff are in place, including those in charge of infection control and biosafety and waste management facility operation;
- involve all relevant departments in a healthcare facility, and build an intra-departmental team to manage, coordinate and regularly review the issues and performance;
- establish an information management system to track and record the waste streams in the healthcare facility; and
- capacity building and training should involve medical workers, waste management workers and cleaners. Third-party waste management service providers should be provided with relevant training as well.

² https://ec.europa.eu/info/files/waste_management_guidance_dg-env_en

³ https://ec.europa.eu/environment/waste/shipments/pdf/waste_shipment_and_COVID19.pdf

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