# ESMS Checklist for Senior Management Approval

|  |
| --- |
| **Environmental & Social Management System (ESMS) Checklist** |
| **Name of Financial Institution:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**Name(s) of Senior Managers:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**Approval date:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| **ESMS policy and management commitment—*check all that apply:*** |
| * Policy with regard to Environmental and Social (E&S) risk management
* ESMS policy approved by Senior Management
* ESMS specifies types of investments/loans and activities it applies to (e.g., entire portfolio/investment type)
 |
| **ESMS process and procedures—*check all that apply:*** |
| * Documented process to assess Environmental and Social impacts and risks of its projects
* ESMS specifies applicable requirements (e.g., IFC Exclusion List/national laws/IFC Performance Standards)
* E&S due diligence process integrated with risk assessment procedures
* Project site visits conducted as part of risk assessment procedures
* Review of borrower’s applicable environment, health and safety permits
* Loan agreements contain covenants requiring ongoing compliance with applicable requirements (e.g., national laws)
 |
| **E&S monitoring and record keeping—*check all that apply:*** |
| * Process for monitoring ongoing compliance with applicable requirements
* Borrowers required to report accidents/incidents within reasonable timeframe
* Borrowers required to provide periodic reports pertaining to E&S performance of projects
 |
| **ESMS internal feedback and continuous improvement—*check all that apply:*** |
| * Process for periodically reporting Environmental and Social performance information internally to senior management
* Continuous improvement process in place to revise and update ESMS (e.g., changes in national law/international best practices)
 |
| **E&S external reporting—*check all that apply:*** |
| * Annual reporting on E&S performance to IFC
 |
| **ESMS roles and responsibilities—*check all that apply:*** |
| * Designated ESMS Officer
* Designated ESMS Environmental Coordinator(s)
* Description of ESMS responsibilities of different roles
 |
| **ESMS capacity and resources—*check all that apply:*** |
| * Process for communicating ESMS policy and procedures across Financial Institution
* ESMS includes tools (e.g., checklists/guidance notes) for its implementation
* Budget allocated for ESMS training
* Training plan for ESMS implementation
 |