



St. Francis Xavier
Credit Union Ltd.



Summary of Saint Francis Xavier Credit Union's Environmental and Social Management System

INTRODUCTION

The Saint Francis Xavier Credit Union (SFXCU) will participate in the Climate Resilient and Sustainable Agriculture Project (CRESAP) by offering private loans and covering the financial assistance needed for beneficiary farmers to implement their Climate Smart Agriculture (CSA) investments. In order to identify, assess, manage, and monitor the environmental and social risks and impacts associated with the CSA investments, an Environmental and Social Management System (ESMS) has been developed by the SFXCU and endorsed by its Administrator.

The ESMS is comprised of the following elements:

- a. An Environmental and Social Policy,
- b. Environmental and Social Procedures,
- c. Organizational Capacity and Competency,
- d. Monitoring and Reporting, and an
- e. External Communication Mechanism.

ENVIRONMENTAL AND SOCIAL POLICY

The Environmental and Social Policy sets out the intentions of the SFXCU regarding the management of environmental and social risks of the CRESAP CSA investments, and include specific objectives, principles, requirements, and commitments.

SFXCU's key Environmental and Social policy principles include:

- a. All CSA Investments will be prepared and implemented in accordance with relevant laws and regulations of Belize and the World Bank Environmental and Social Framework including Environmental and Social Standard 9 (Financial Intermediaries);
- b. The Agreement signed between the Belize Social Investment Fund (BSIF) and SFXCU will require CSA Investments to be screened against a clearly identified exclusion list; and
- c. SFXCU CSA investments are prepared and implemented in accordance with Good International Industry Practice (e.g., General Environmental Health and Safety Guidelines, including the World Bank's Occupational Health and Safety Guidelines).

ENVIRONMENTAL AND SOCIAL PROCEDURES

The SFXCU has put in place clearly defined environmental and social procedures which contain written instructions to SFXCU's management and staff on how to implement the SFXCU's Environmental and Social Policy. These procedures will support the identification, assessment, management, and monitoring of the environmental and social risks and impacts of CSA investments.

The environmental and social procedures are carried out in five phases:

1. Screening and Appraisal of CSA Investment applications by the SFXCU;
2. BSIF Project Implementation Unit (PIU) Review: Feedback to potential beneficiary and preparation of Environmental and Social Management Plan (ESMP);
3. Submission of CSA Investment Application packages and approval by the Matching Grant Approval Committee (MGAC);
4. Monitoring of the CSA Investment; and
5. Adaptive Management: Update the ESMS where required and relevant.

ORGANIZATIONAL CAPACITY AND COMPETENCY

The SFXCU has an organizational capacity with competency to implement its ESMS, including clear lines of accountability and training guidance.

The SFXCU's roles and responsibilities for the implementation of the ESMS include the following:

- SFXCU's Board of Directors , responsible for the overall operationalization of the ESMS.
- SFXCU's General Manager, as the Environmental and Social Focal Point in the SFXCU with overall accountability for environmental and social performance of the SFXCU's portfolio of CSA Investments; to oversee the staff member responsible for the day-to-day implementation of the ESMS; ensure that adequate resources are available for management of and training in environmental and social issues; and ensure adequate technical expertise is available to carry out due diligence and manage environmental and social risks of the CSA investments;
- Credit Officer responsible for the day-to-day implementation of the ESMS; conducting environmental and social screening of CSA Investment applications;
- Environmental & Social Focal Point responsible for oversight of the ESMS including the oversight of the SFXCU's external communication process and reporting major environmental and social issues to the General Manager; and
- Human Resources Focal Point responsible for day-to-day oversight of human resources policies and procedures within SFXCU and managing the SFXCU's Grievance Redress Mechanism (GRM) for labour.

The SFXCU has adopted the CRESAP Labor Management Procedures (LMPs) addressing labour risks and proper labour practices faced by subproject workers, including for farmers and their workers and has put in place a Grievance Redress Mechanism (GRM) for labour to address workplace concerns, occupational health and safety aspects, terms of employment and non-discrimination and equal opportunity, raised by workers employed by SFXCU. SFXCU's staff responsible for the Project will also be trained, and an external consultant retained, where needed, to support the ESMS implementation. Additionally, the CRESAP Environmental and Social Safeguard Specialist will work in close collaboration with the SFXCU's Environmental and Social Focal Point and relevant staff in implementing the ESMS.

MONITORING AND REPORTING

The SFXCU will submit quarterly reports on activities financed through the CRESAP to the BSIF PIU to be consolidated as part of the regular Project reporting to the World Bank. These reports will cover the environmental, social, health and safety (ESHS) performance of the Project for activities, and include but is not limited to:

- The status of preparation and implementation of required Environmental and Social documents.
- Status and performance of CSA investments.
- Incident and accident reporting.
- Stakeholder engagement activities.
- Functioning of the Grievance Redress Mechanism.

EXTERNAL COMMUNICATION MECHANISM

The SFXCU has in place procedures for external communications on environmental and social matters related to the SFXCU CSA Investments. These procedures share environmental and social information about CSA Investments, and receive, respond to, and document requests for environmental and social information or complaints and to allow a timely response.

Additionally, the SFXCU will ensure that its external communications mechanism is known and accessible to stakeholders by making the details for contacting the SFXCU publicly available and easily accessible:

- phone number: (501) 422-2892/0075; 423-2213; 226-0284/2877
- e-mail address: sfxavier@btl.net; sartensfx@btl.net; caysfx@btl.net; stfrancis@btl.net
- physical address of the SFXCU where the public can meet with SFXCU's staff: 79 Corner 5th Ave. & 1st Street North Corozal Town; Sarteneja Village, Corozal District; Caye Caulker Ave., Caye Caulker; Pescador drive, San Pedro

The SFXCU has also made stakeholders aware of the existence of its ESMS through disclosure of this ESMS summary on its website <https://www.sfxcubelize.org/cresap/> and on the World Bank, MAFSE and BSIF websites.