



## **BRD Environmental Safeguard Policy Summary**

The Development Bank of Rwanda (BRD) environmental objectives are to preserve, protect and improve the quality of the environment; protect human health, in relation to the environment; ensure the prudent and rational utilization of natural resources and to conserve nature; and, promote measures to deal with regional or worldwide environmental problems.

BRD will carry out its financing activities with appropriate consideration for the environmental, social, health, safety and labor aspects. BRD will comply with the requirements of international financial institutions to protect the environment and people; implement sound social and environmental rules and regulations; and identify, determine, and mitigate risks in all its financing activities.

BRD has developed a Social and Environmental Management System (SEMS). The purpose of the SEMS is to proactively identify and evaluate the social and environmental risks of projects before a decision is made for financing and to monitor ongoing social and environmental performance after disbursement.

BRD recognizes that the SEMS will periodically have to be reviewed and revised to reflect changes in the regulatory framework as well as best practice guidelines

The procedures of the SEMS are integrated with BRD's existing financial risk management procedure, and as a result, BRD will ensure that all activities considered for financing will be subject to:

- Screening against a list of excluded activities, which BRD will not finance;
- Identification of social and environmental risks during project appraisal;
- Social and environmental due diligence, including compliance with applicable national laws, and the applicable requirements of external stakeholders commensurate with the level of risk and type of project, and proposed corrective actions to mitigate potential social and environmental impacts;
- Monitoring and reporting on the social, environmental and financial performance of projects after disbursement; and,
- Continuous improvement in the social and environmental performance of projects financed by BRD.

For effective implementation of the SEMS and to ensure that the risk review process is conducted in an efficient and timely manner, BRD will continue to develop and communicate guidelines to help relevant staff improve their ability to identify social and environmental issues and assess risks. BRD will also ensure that staff have the necessary resources to perform their duties under the SEMS and receive training, as necessary.