



# Environment Policy

JUNE 2021, VERSION 2

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## Introduction

Palmera Projects (**Palmera**) recognises that the conservation of the natural environment is a critical aspect of our work.

The most vulnerable people are impacted the most by environmental degradation. Our beneficiaries primarily depend on environmental assets for their livelihoods such as clean water supplies, pollution-free air and arable soil. Natural disasters such as flooding, droughts and landslides which can be instigated or intensified by environmental degradation destroy livelihoods and are a major setback to economic development. The sustainable use of these environmental assets is therefore necessary to securing livelihoods, reducing poverty and achieving our goal of enabling communities to develop thriving village economies. Beyond this, the environment has intrinsic value and it is our ethical responsibility to support local communities to protect it for current and future generations.

To this end, this policy outlines Palmera’s approach to avoiding or minimising negative environmental impacts and promoting positive impacts so as to promote environmental sustainability in our work.

## Definitions and Terms

Term	Definition
<b>Environment</b>	The “environment” includes: <ol style="list-style-type: none"> <li>Ecosystems and their constituent parts, including people and communities</li> <li>Natural and physical resources</li> <li>Qualities and characteristics of locations, places and areas</li> <li>Heritage values of places</li> <li>Social, economic and cultural aspects of a thing mentioned in a, b, c or d.<sup>1</sup></li> </ol>
<b>Palmera Activity</b>	Any proposed or actual programme or project to which Palmera contributes funds.
<b>Palmera Partner</b>	Any implementing partner organisation engaged by Palmera in the delivery of a Palmera Activity.
<b>Palmera Staff</b>	All employees, volunteers, contractors, consultants, officers and directors of Palmera.
<b>Partner Staff</b>	All employees, volunteers, contractors, consultants, officers and directors of a Palmera Partner.

## Status of Policy

This Environment Policy (**this Policy**) replaces the previous version of Palmera’s Environment Policy (**Prior Policy**).

Any reference to a Prior Policy in any document, policy, guidance of Palmera or any agreement entered into by Palmera

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<sup>1</sup> *Environment Protection and Biodiversity Conservation Act 1999* (Cth), s. 528.

(including agreements with Palmera Partners) will be taken as a reference to this Policy.

## Scope of Policy

This Policy applies to all Palmera Staff, Palmera Partners and applies in all Palmera Activities. All Palmera Staff, and Partner Staff are required to read and familiarise with this Policy.

## Policy

### A. Our commitment & guiding principles

Palmera is committed to achieving a positive impact on the environment through our development projects. We do this by considering whether our work will cause or is likely to cause a significant impact on the environment, taking steps to avoid and/or mitigate any negative impacts, and promoting positive impacts. In doing so, we comply with the relevant environmental laws and regulations of the countries we operate in.<sup>2</sup>

Palmera is guided by the following principles in our approach to the protection of the environment, as adapted from the Australian Government's principles for the protection of the environment in its aid policy:<sup>3</sup>

1. **We do no harm.** We protect and maintain the health, diversity and productivity of natural habitats. We protect the health, welfare and livelihoods of people, including marginalised groups such as women and people with a disability.
2. **We assess and manage the environmental risks and impacts.** We conduct risk assessments of each proposed Palmera Activity to identify potential impacts and develop strategies to avoid, minimise or mitigate them.
3. **We disclose information transparently.** We transparently disclose information in our documented processes on environmental considerations and provide access to this information in an accessible form if requested.
4. **We consult stakeholders.** We conduct meaningful consultation with affected parties, including marginalised groups such as women and people with disabilities on our environmental performance and have in place a complaints mechanism for people to raise grievances.<sup>4</sup>
5. **We work with local partners.** We build the capacity of partners to develop and implement environmental management practices and comply with partner government environmental laws, standards and policies.
6. **We promote improved environmental outcomes.** We integrate environmental considerations when designing Palmera Activities to reduce pollution and improve the sustainable use of resources.

These guiding principles shape our processes for addressing environmental considerations in our work, which are set out below.

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<sup>2</sup> In Sri Lanka, the primary legislation is the *National Environmental Act No. 47 of 1980* and regulations published by the Central Environmental Authority: <http://cea.lk/web/en/acts-regulations>. In Australia, the guiding legislation is the *Environment Protection and Biodiversity Conservation Act 1999 (Cth)*.

<sup>3</sup> Australian Department of Foreign Affairs and Trade (DFAT), "Environment Protection Policy for the Aid Program", (2014), available at <https://www.dfat.gov.au/sites/default/files/environment-protection-policy-aid-program.pdf>, para. 15.

<sup>4</sup> See *Complaints Handling and Whistleblowing Policy* (April 2021).

## B. Understanding our environmental impact

Our work impacts the environment in different ways and there is a potential for negative outcomes if we do not assess, monitor and manage our impact. Some of the key areas in which we have an impact on the environment are:

1. **Raw materials:** in most cases, the raw materials used for livelihoods are sourced from the local environment. Increased production and economic gains in the short term can therefore lead to over-farming and depletion of natural resources, which decrease economic gains in the long term.
2. **Water:** As many of our beneficiaries rely on agriculture for their livelihoods, increasing production will lead to increased water usage. It can also result in water pollution from inorganic fertilisers or waste products. Water availability can be a critical issue in certain parts of the north and east of Sri Lanka which are prone to drought.
3. **Air:** Palmera Staff and Partner Staff in most cases live away from the villages in which we work, therefore our work can be transport intensive which is a significant cause of air pollution on an international and local level. Increased production and our objectives of connecting beneficiaries to domestic markets also means increased use of transportation which again contributes to environmental issues.
4. **People and communities:** We provide emergency humanitarian relief to communities in Sri Lanka who are affected by natural disasters such as flooding and landslides. Such disasters pose a threat to the safety of communities, their livelihoods and create a risk of displacement. Environmental degradation reduces access to resources and socio-economic development opportunities. Marginalised groups such as women and people with disabilities are most vulnerable to these impacts.

## C. How we protect the environment in our work

In all aspects of our work, we undertake the following practices to avoid/minimise/mitigate negative impacts on the environment and promote positive impacts.

### 1. We work with Palmera Partners who promote environmental sustainability

- We work with Palmera Partners who recognise the impact of environmental degradation on local communities and who have environmental policies and principles aligned with our own. We assess this during our **Organisational Due Diligence** process when determining whether or not to enter into a partnership agreement with a local partner.
- We provide capacity building on environmental issues, supporting Partner Staff in developing environmentally friendly practices. We do this through the questions we ask our Partners throughout the project design, monitoring and evaluation stages, in our **Annual Partnership Review and Capacity Assessment**, and in our two-yearly in-depth capacity assessment of each Palmera Partner utilising the **Capacity Assessment Tool**.

### 2. We consider environmental impacts and opportunities when designing Palmera Activities

- When designing Palmera Activities, we consider the environment as a core cross-cutting issue. We do this through our **Environmental Risk Management Tool** which forms part of our **Risk Assessment process** and our **Project Appraisal** process which evaluates the risks, mitigation strategies and the integration of environmental opportunities into the programme design. These tools aim to identify:
  - i. **Potential environmental risks:** Once we have identified the risks (primarily in relation to the impacts outlined above, i.e. raw materials, water use, air pollution, and impact on people and

communities), taking into account the environmental laws of the partner governments and multilateral environmental agreements), we develop strategies to avoid/minimise/mitigate them;

- ii. **Potential opportunities to positively impact the environment:** We believe that recognising local knowledge and local conservatorship of the environment is critical, and aim to design projects where this knowledge and conservatorship is recognised, supported and further developed through training. Therefore, wherever appropriate, we design projects with the aim of:
  - o introducing innovative techniques for agricultural sustainability and water management, such as organic farming methods;
  - o respecting traditional knowledge and practices in the development of projects;
  - o minimising energy use and transportation needs;
  - o considering techniques to improve soil conservation, water efficiency, beneficiary health and safety;
  - o ensuring that the use of natural resources is wise, sustainable, supports the integrity of ecosystems, and consistent with environmental best practice.

These environmental considerations are formalised into the **Project Activity Plan**, which then directs the type of information we collect for project monitoring and evaluation.

### 3. We monitor and evaluate the environmental impact of Palmera Activities

- We monitor the environmental impact of activities throughout the project as part of our Monitoring, Evaluation and Learning framework that we establish with each program. Every six months, Palmera Partners working on Palmera Activities complete the **Project Activity Plan** which includes environmental considerations as a key crosscutting issue. Our local Palmera Staff in the field undertake additional monitoring and evaluation of the project.
- We ask our stakeholders in our yearly **Program Effectiveness Review** to reflect on what they consider to be the positive and negative environmental impacts of Palmera Activities. This feedback from the local community is important given that the local community lives with the immediate environmental impacts of Palmera Activities. We then discuss these findings with Palmera Staff and Partner Staff, and incorporate the lessons learned into our next projects.

### 4. We minimise the environmental impact of the way Palmera Staff operate

- Palmera Staff are committed to minimising the negative impacts on the environment of our work. While we work primarily in a virtual environment in Australia, Palmera Staff follow good environmental practices even if working remotely, such as:
  - i. minimising printing, printing (if necessary) on recyclable materials, and avoiding paper products from native forests
  - ii. recycling materials wherever possible
  - iii. switching off idle equipment and lights.

- In relation to field trips to our project sites in Sri Lanka, we:
  - i. consider whether trips can be avoided or minimised by utilising virtual meeting platforms and maximising the involvement of our local Palmera Staff already based in the field
  - ii. plan transportation considering CO2 emissions, such as by catching public or shared transport to and from the airport.

## D. Assessing our practices

Palmera is committed to continually improving our environmental management practices and that of our Palmera Partners. To that end, we undertake a periodic assessment of our Partners’ environmental management practices as part of our yearly partnership review and our two-yearly in-depth capacity review of each Palmera Partner (referenced above). In these reviews Palmera engages with the community (specifically including the voices of marginalised groups such as women and people with disabilities) and the Palmera Partner to discuss and reflect on environmental impacts, lessons learned, and how those lessons can improve future environmental management practices.

Palmera conducts a review of its internal environmental management practices every three years as part of its operational performance review, building in lessons learned into future practices.

## Reviewing this Policy

This policy is to be reviewed every three years, or earlier if appropriate, and lessons learned incorporated into subsequent versions.

Date	Version	Review Description	Reviewed By	Approved By
June 2021	2	Reviewed to reflect new developments in Palmera’s practices and compliance requirements	Nivedha Thiru (Policy Advisor)	CEO
December 2015	1	Original	N/A	CEO