Comparison table[i]

E&S Safeguard provisions on supply chains in 9 multilateral development banks (MDBs)[ii]: AIIB[iii], ADB, AFDB, EBRD, EIB, IFC, IDB, IDB Invest[iv] and the World Bank

ADB	AfDB	EBRD	EIB
CROSS-CUTTING POLICY & DEFINITIONS			
ADB E&S Framework (2024)	AfDB Integrated Safeguards System (2023)	EBRD E&S Policy (2024)	EIB E&S Standards (2022)
DEFINITIONS			
Definitions **"Primary suppliers**. Suppliers who, on an ongoing basis, provide directly to a project goods or materials essential for production and/or service processes that are necessary for a specific project activity and without which a project or project activity cannot continue." **Primary supply workers.** Workers engaged or employed by a borrower's/client's primary suppliers	**Glossary** *"**Primary suppliers*** are suppliers who provide directly to the project goods, services or materials essential for the core functions of the project, set of activities or other initiatives, including during the implementation phase. 'Core functions' of a project constitute those production and/or service processes essential for a specific project activity without which the project, activities or other initiatives cannot continue."	**Section II Definitions** ***Core suppliers***: Those suppliers and sub-suppliers who provide goods, equipment or materials essential to the project.	**ESS2 Footnote 11** "**Primary suppliers** are those suppliers who provide directly to the project goods or materials essential for the core functions of the project."
RECOGNISING CIRCUMSTANCES REQUIRING NEED FOR COLLABORATIVE ACTION ON SUPPLY CHAINS			
		"2.10 The EBRD acknowledges the importance of addressing the environmental and social risks in	

ADB	AfDB	EBRD	EIB
		supply chains. The EBRD recognises that environmental and social risks and impacts prevalent in certain supply chains may not be addressed at the project level, due to factors beyond the control of individual clients, such as the application of dual standards by some suppliers. Other contextual factors include, among others, a lack of legal clarity or enforcement, a lack of social protection, poverty and inequality, discrimination, conflict and humanitarian crises, criminality and corruption, as well as relentless cost pressures through supply chains, which can lead to coercive and/or exploitative practices and environmental destruction. Where concerted efforts are required to address these, the EBRD will engage with relevant industry initiatives, multilateral institutions and other relevant stakeholders to explore common responses towards the elimination or reduction of such risks.“	
DFI’S OWN DUE DILIGENCE			
No provisions	No provisions	No provisions	No provisions
E&S ASSESSMENT AND MANAGEMENT			
ADB ESS1 - Assessment and Management of Environmental and Social Risks and Impacts	**AfDB OS1 : Assessment and Management of Environmental and Social Risk and Impact**	**EBRD PR1 Assessment and management of environmental and social risks and impacts**	**EIB Standard 1 – Environmental and Social Impacts and Risks**

ADB	AfDB	EBRD	EIB
BORROWER/CLIENT INFLUENCE OR CONTROL & SCOPE OF APPLICATION			
"36. …The E&S assessment will also consider risks and impacts associated with the primary suppliers as required by ESS2 and ESS6."	"30. The ESA shall also consider the risks and impacts associated with the primary suppliers,[76] as required by OS2 and OS6. The Borrower shall address such risks and impacts in a manner proportionate to the Borrower's control or influence over its primary suppliers, as set out in OS2 and OS6" "FN 76 Primary suppliers' are those that provide directly to the project goods or materials essential for the core functions of the project, a set of activities or other initiatives, including during the implementation phase. 'Core functions' of a project constitute these production and/or service processes essential for a specific project activity without which the project, activities or other initiatives cannot continue."	"21 During the environmental and social assessment process and throughout project implementation, the client will identify significant environmental and social risks associated with the project's core supply chains. Where significant risks are identified, the client will use reasonable efforts to prevent and mitigate these risks and to remediate impacts as necessary. Where relevant, these measures will be integrated into the ESMS and/or a supply-chain management system, commensurate with the complexity of the supply chains and the associated environmental and social risks and impacts and appropriate to the nature and scale of the project The management system will take into account: (a) the severity and likelihood of the risks and impacts; (b) whether the client caused, contributed or is directly linked to these risks and impacts; and (c) the client's leverage over the relevant core suppliers. Where necessary, the client will also assess whether terminating the relationship with a supplier would exacerbate the environmental and social risks and impacts identified. Requirements for addressing significant labour risks in the supply chain are outlined in ESR 2; requirements for addressing significant supply chain risks for living natural resources are defined in ESR 6. "	*"Environmental and Social Impact Assessment (ESIA) process for projects located in the rest of the world* 26 The promoter is also responsible for the proper implementation of any specific requirements set out in the ESMP or equivalent that is carried out by contractors or subcontractors. Effective contractor management includes due consideration to relevant ESMP provisions in respect of: a. Tender documents, as appropriate, including criteria (such as knowledge, skills and resources) to determine potential contractors'/first-tier suppliers' capacity to meet the requirements; b. Contractual requirements for contractors/first-tier suppliers to comply with the relevant Standards and to remedy any identified non-compliance; c. Monitoring of contractor/first-tier supplier compliance with the above requirements; and d. In the case of sub-contracting, the contractors/first-tier suppliers are required to have

ADB	AfDB	EBRD	EIB
			similar arrangements with their subcontractors."
	"36. The Borrower shall diligently implement the measures and actions identified in the ESMP in accordance with the time frames specified, and will review the status of implementation of the ESMP as part of its monitoring and reporting.[82] All contractors, sub-contractors, and primary suppliers are required contractually to comply with the ESMP. Bidding documents and invitations to tender should provide information in this respect so that bidders will internalize the costs associated with the objective of meeting the requirements of the ESMP and the financing agreement."		
LABOR & WORKING CONDITIONS			
ADB ESS 2 - Labor And Working Conditions	**OS2: Labour and Working Conditions**	**EBRD PR 2 – Labour and Working Conditions**	**EIB Standard 8 – Labour Rights**
APPLICATION TO PRIMARY WORKERS			
"2. Project workers include: (i) primary supply workers – workers engaged or employed by a borrower's/client's primary suppliers. Primary suppliers are suppliers who, on an ongoing basis, provide directly to a project goods or materials essential for production and/or service processes that are necessary for a specific project activity and without which a project or project activity cannot continue. The	"Primary supply workers 9. The requirements of paras. 41 to 44 of this OS will apply to primary supply workers, as specified in Section G." "FN 110: 'Primary suppliers' are suppliers who provide directly to the project goods or materials essential for the core functions of the project, set of activities, or other initiatives, including during the implementation phase".	"5. This ESR also sets out specific requirements with respect to people employed or engaged by suppliers and sub-suppliers who provide goods, equipment or materials essential to the project (supply-chain workers), including where these goods, equipment or materials are procured by contractors. Supply chain-related labour requirements are addressed in paragraphs 44 to 47."	"6. This Standard also sets out specific requirements vis-à-vis people employed or engaged by the promoter's primary suppliers (supply chain workers). Supply chain-related labour requirements are addressed in paragraphs 56 to 59 of this Standard.[11]"

ADB	AfDB	EBRD	EIB
requirements in paras. 20– 26, and 43–48 apply to primary supply workers; and"			"Footnote 11: [11] Primary suppliers are those suppliers who provide directly to the project goods or materials essential for the core functions of the project."
CHILD LABOR, FORCED LABOR AND EXPECTED RESPONSES			
"Primary Suppliers and Primary Supply Workers 43. As part of the E&S assessment process described in ESS1, the borrower/client will identify and assess the presence or risks of child labor, forced labor, and serious safety issues which may arise in relation to primary suppliers."	"G. Primary supply workers 41. As part of the ESA, the Borrower shall take reasonable steps and measures to assess and identify risks of child labour, forced labour, and serious occupational, health and/or safety issues that may arise in relation to the primary supplier(s) of goods and services essential to the core activities of the project."	"44. As part of the supply-chain assessment process outlined in paragraph 21 of ESR 1, the client will identify significant labour risks and impacts associated with the project's core supply chains in relation to child labour, forced labour, and occupational health and safety (including GBVH). The client will monitor its core supply chains on an ongoing basis to identify any relevant changes and to identify new significant risks or impacts associated with these changes. "	*Projects located in EU and EFTA countries* "9. The promoter shall pay special attention to identifying the likelihood of risks of child labour, forced labour, discrimination and unequal treatment towards migrant or non-national workers, discrimination and/or restrictions to freedom of association or other risks of violations of fundamental labour rights, due to the country context, sector, contractor or supply chain. 10. Regarding supply chain workers, the promoter shall apply the requirements of paragraphs 56 to 59 of this Standard."
"44. Where significant risks of child labor or forced labor are identified in relation to primary suppliers, the E&S assessment and management document, such as the labor management plan, will set out the roles and responsibilities to monitor and	"42. Where there is a significant risk of child labour or forced labour in the primary supply chain, the Borrower shall require the primary supplier to identify the risks consistent with paras. 21 to 23 above. The IMPs will set out roles and	"45. Where the initial risk assessment or ongoing monitoring of core suppliers identifies significant risks, the client will cause the supplier to take appropriate measures to adequately prevent and mitigate such risks. If an initial risk assessment	*Projects located in Candidate and potential Candidate countries and the rest of the world* "28. The promoter shall not employ

ADB	AfDB	EBRD	EIB
manage such risks, including requiring primary suppliers to undertake appropriate actions and measures. Where there is a significant risk of child labor or forced labor in relation to primary supply workers, the borrower/client will require the primary supplier to assess and identify those risks consistent with paras. 20-26, to the satisfaction of ADB. Where any significant changes or new risks or incidents of child or forced labor are identified, the borrower/client will require the primary supplier to address such risks or incidents."	responsibilities for monitoring primary suppliers. If cases of forced labour are identified, the Borrower shall take immediate steps to: remove workers from this condition; address and remedy the specific incidents and the practices that led to the workers' situation; and address and remedy any other conditions that present a risk of forced labour. If a child under the minimum age of employment is found working on the project, measures will be taken to terminate his or her employment or engagement in a responsible manner.[132]"	identifies significant risks and core suppliers have not been identified, the client will conduct due diligence on potential suppliers and make reasonable efforts to select lower-risk suppliers. Where the client has a direct contractual agreement with the supplier, the client will use reasonable efforts to incorporate the relevant labour requirements into contractual agreements with the supplier. Where the client does not have a direct contractual relationship with a sub-supplier, the client will use reasonable efforts to build and exercise all available forms of leverage[35] to prevent and mitigate the risks identified." "FN 35 35 Leverage refers to the ability of a business entity to effect change in the practices of another party that is causing or contributing to adverse human rights impacts. "	forced or compulsory labour and shall ensure such labour does not take place in relation to the project, by its contractors and suppliers[1920]. Forced labour covers any kind of involuntary or compulsory labour, such as indentured labour, bonded labour, or similar labour-contracting arrangements as well as human trafficking[21]. The promoter shall provide special attention to identifying which project workers might be at greater risk of trafficking due to certain socioeconomic characteristics such as age, disability, ethnicity and/or gender. FN20 Specific requirements applicable to third party workers and supply chain workers are in paragraphs 52 to 59." "32. The promoter shall not tolerate any physical or psychological coercion of migrant workers, including unnecessary restrictions on their movement or the retention of workers' identity documents, such as passports, or personal belongings. The promoter shall make best efforts to ensure that the project's primary suppliers uphold the same principles."

ADB	AfDB	EBRD	EIB
	"44. The ability of the Borrower to address the above risks will depend on their level of control or influence over its primary suppliers. Where remedy is not possible, the Borrower shall, within a reasonable period, shift the project's primary suppliers to suppliers that can demonstrate that they are meeting the relevant requirements of this OS. Where there are significant risks related to OHS, child or forced labour or modern slavery, and to the extent technically and financially feasible, the Borrower shall undertake efforts to raise its level of influence over the supply chain[133] to address the risks." "FN 133 Technical and financial feasibility and geographical constraints consist in the difficulties of identifying and addressing issues in supply chains that always involve multiple suppliers (primary, secondary, tertiary, etc.) who are often located in different legal jurisdictions throughout the world, with no legal obligations towards the Borrower or perhaps even towards the primary suppliers."	"	*Supply chain workers* 56. The promoter shall make reasonable efforts to assess if there are labour risks associated with the primary suppliers of goods and materials essential to the core functions of the project. Where the promoter can influence its primary suppliers, the promoter shall aim to ensure that they apply the requirements of this Standard[32]. If the risk assessment identifies the presence or a significant risk of child labour, forced labour or sexual exploitation or abuse at the primary supplier, or when risks are known or have been reported in lower tiers of the supply chain, the promoter shall resort to a primary supplier that can prove it is compliant with this Standard." "Footnote 32 For projects outside the European Union, promoters are required to include an Environmental & Social covenant, as per the EIB Guide to Procurement, Paragraph 3.8."
HEALTH & SAFETY AND EXPECTED RESPONSES			
"45. Where there is a significant risk of serious safety issues in relation to primary	"43. Additionally, where there is a significant risk of serious occupational, health and/or safety issues	"46. If the initial risk assessment or ongoing monitoring identifies actual incidences of child	"57. If the presence or a significant risk of child labour, forced labour or

ADB	AfDB	EBRD	EIB
supply workers, the borrower/client will require the primary supplier to introduce procedures and mitigation measures to address such safety issues. The borrower/client will periodically review such procedures and mitigation measures to ascertain their effectiveness."	related to primary supply workers, the Borrower shall require the relevant primary supplier to introduce procedures and mitigation measures to address such safety issues. These procedures and mitigation measures will be reviewed periodically to ascertain their effectiveness."	labour, forced labour or harm to workers (including GBVH), the client will use or seek leverage to work with the suppliers or sub-suppliers in question to prevent recurrence and provide remediation to those supply-chain workers affected. Where such adverse impacts are identified, the client will only continue to procure such goods or materials from these suppliers after having received satisfactory undertakings or evidence that the suppliers are committed to implementing measures to prevent such impacts within a reasonable timeframe and to provide remediation as appropriate. The client will notify the EBRD of any such incidences of child labour, forced labour or harm to works and will report to the EBRD on progress on the implementation of prevention and remediation measures on a regular basis."	sexual exploitation or abuse is identified in relation to an existing primary supplier or when risks are known or have been reported in lower tiers of the supply chain, the promoter shall engage with the relevant primary supplier to take the appropriate steps to remediate and eliminate such practices in a satisfactory and reasonably swift manner. In this process, the ability of the promoter to have the primary supplier address these risks depends on the promoter's level of influence and control over its primary suppliers." "58. On a regular basis as agreed with the EIB, the promoter shall report to the EIB on the progress made by the primary supplier in remediating or mitigating the above-mentioned risks. Where there are changes in the supply chain of the primary supplier, the promoter shall continue to monitor the primary supplier to identify any potential for new significant risks of child labour, forced labour and/or sexual exploitation or abuse."

ADB	AfDB	EBRD	EIB
"46. The ability of a borrower/client to address the risks in paras. 44 and 45 will depend on the borrower's/client's level of control or influence over its primary suppliers. The borrower/client will be required to demonstrate the extent to which it cannot exercise control or influence over a primary supplier by providing details of the considerations for such determination, which may include legal, regulatory, and institutional factors. Where corrective action to bring a project into compliance with ESS2 is not possible, the borrower/client will, within a reasonable period of time, shift a project's primary suppliers to suppliers that can demonstrate that they have the capacity to comply with ESS2."		"47. As a last resort, after failed attempts to prevent or mitigate significant risks or adverse impacts, and/or when there is no reasonable prospect of compliance with paragraphs 44 to 46 of this ESR, the client will develop and implement a responsible disengagement plan in relation to the relevant supplier(s) or sub-supplier(s)."	"59. Should the promoter not receive evidence of remediation, or when remedy proves to be impossible, the promoter shall resort, within a reasonably short timeframe agreed with the EIB in consideration of the existing contractual relations, to different primary suppliers that can prove they are compliant with the requirements set out in this Standard." Monitoring requirements "60. The promoter shall conduct regular monitoring and reviews of the project's workforce, including contractors and subcontractors as well as primary suppliers, to be able to identify any labour risks or violation of labour standards with which the project may be involved and implement effective measures to address such risks and violations, setting priorities for taking action and evaluating the results."
BIODIVERSITY & NATURAL RESOURCES MANAGEMENT			
ADB ESS 6 Biodiversity Conservation And Sustainable Natural Resources Management	**AfDB OS6: Habitat and Biodiversity Conservation, and Sustainable Management of living Natural Resources**	**EBRD PR 6 Biodiversity conservation and sustainable management of living natural resources**	**EIB Standard 4 – Biodiversity and Ecosystems**

ADB	AfDB	EBRD	EIB
SCOPE OF APPLICATION & EXPECTED RESPONSES			
"Primary Suppliers 35. Through the E&S assessment process described in ESS1, the borrower/client will identify and assess adverse risks and impacts to ecosystems and biodiversity which may arise in relation to primary suppliers. Where significant risks are identified, the borrower/client will ensure risk-based sustainable resource procurement, management, and verification procedures are in place to evaluate its primary suppliers. The procedures will specify that: (i) only supplies of a legal and sustainable origin are procured; (ii) the sourcing of supplies is monitored and documented; and (iii) procurement of natural resources is limited to those suppliers that can demonstrate that they are (a) not causing significant adverse impacts to natural habitats, priority biodiversity features, critical habitats, protected areas, or internationally-recognized areas and/or (b) supplies are not from or in the areas as set out in para. 23. 65. The ability of the borrower/client to fully address these risks will depend upon the borrower's/client's level of control or influence over its primary suppliers. The	"B. Primary suppliers of natural resource commodities 44. Where a Borrower is purchasing natural resource commodities, including food, timber, and fibre, that are known to originate from areas where there is a risk of significant conversion or significant degradation of natural or critical habitats, the Borrower's ESA will include an evaluation of the systems and verification practices used by the primary suppliers.[230] "FN 230: 'Primary suppliers' are suppliers who provide directly to the project goods or materials essential for the core functions of the project, set of activities or other initiatives, including during the implementation phase. 'Core functions' of a project constitute the production and/or service processes that are essential for a specific project activity without which the project, activities or other initiatives cannot continue." "45. The Borrower shall establish systems and verification practices that will: a. identify where the supply is coming from and the habitat type of the source area; b. where possible, limit procurement to suppliers that can demonstrate[231] that they are not contributing to significant conversion or degradation of natural or critical habitats; and c. where possible and within a reasonable	"25. As part of the supply chain assessment process outlined in ESR 1, the client will identify and assess whether there are foreseeable risks of significant land-use conversion that could impact biodiversity and ecosystem services (such as deforestation) in the project's core supply chain.[99]" 26. If this risk assessment identifies a risk of significant land-use conversion that impacts biodiversity or ecosystem services (for example, deforestation) in the client's core supply chain, the client will find alternative suppliers or, if that is not feasible, remedy this in accordance with GIP over a timeframe agreed with the EBRD and as outlined in ESR 1, including establishing supply-chain policies, procedures and verification practices. When purchasing living natural resources, clients will take into account internationally recognised principles and standards of sustainable management, where available. 27. The client is expected to manage supply-chain risks as outlined above and as set out in other ESRs, specifically ESR 1 and ESR 2."	*"Supply chains* 61. The promoter shall identify and assess the impacts and risks affecting biodiversity and ecosystems that are caused by its primary suppliers as part of the supply chain, in accordance with the principles provided in paragraphs 39-41 below. Any mitigation measures identified through the assessment should ensure sustainable outcomes. 62. Where the promoter is procuring living natural resource commodities, such as food, timber and fibre, that are known to be produced in regions where there is a risk of significant conversion or degradation of high-value biodiversity and/or critical habitat, the promoter shall contract with companies/suppliers in the sector that abide by recognised standards or certification schemes for sustainable management, where relevant. 63. In the absence of a credible and recognised standard, the promoter shall commit to apply good international industry operating principles, management

ADB	AfDB	EBRD	EIB
borrower/client will be required to demonstrate the extent to which it cannot exercise control or influence over a primary supplier by providing details of the considerations for such determination. ”	period, shift the Borrower’s primary suppliers to suppliers that can demonstrate that they are not significantly adversely impacting these areas.” “46. The ability of the Borrower to fully address these risks will depend on the Borrower’s level of control or influence over its primary suppliers.”		practices and technologies, to be agreed with the EIB. Only living natural resources of a legal and sustainable origin can be purchased, with their sourcing monitored and documented to ensure this sourcing does not adversely impact core ecological functions of the high-value and/or critical habitats. 64. For commodities other than living natural resources, promoters involved in the purchasing, processing or trading of such commodities should seek to identify their supply chain risks in relation to adverse impacts on high-value biodiversity and/or critical habitats and assess their operational and reputational exposure to such risks. In situations where such concerns are identified, promoters shall find solutions in order to address them in a manner commensurate with their degree of control and influence and consistent with the requirements of this Standard.”
			EIB Standard 9 – Health, Safety and Security
			“3. The Standard requires promoters to use reasonable efforts to identify’ these hazards, risks and impacts and to design and

ADB	AfDB	EBRD	EIB
			use of appropriate measures to avoid or mitigate adverse health and safety impacts associated with project activities on the rights-holders (project workers[3], supply chain workers[4], and affected people and communities)." "Footnote 4: The term "supply chain worker" indicates people employed or engaged by the promoter's primary suppliers. Primary suppliers are those suppliers who provide directly to the project goods or materials essential for the core functions of the project. The term "core functions" shall be understood as those production and/or service processes essential for a specific project activity without which the project cannot continue."
			"7. This Standard also sets out specific requirements vis-à-vis people employed or engaged by the promoter's primary suppliers (supply chain workers). Supply chain related health and safety requirements are addressed in paragraph 68 to 69 of this Standard."

ADB	AfDB	EBRD	EIB
			Supply Chain Workers 68. The promoter shall make reasonable efforts to assess if there are significant health and safety risks associated with the workers of the primary supplier of the goods and materials central to the core functions of the project. Where there are significant health and safety risks related to supply chain workers, the promoter shall resort to a primary supplier that can prove is compliant with this standard[53]. The promoter shall require the relevant primary supplier to introduce procedures and mitigation measures to address such risks. The promoter shall periodically monitor and review the effectiveness of such procedures and mitigation measures. 69. If the health and safety risks are identified in relation to an existing primary supplier, the promoter shall engage with the relevant primary supplier in order to take the appropriate steps to remediate and eliminate such practices in a satisfactory manner and within a reasonable time frame. In this process, the ability of the promoter

ADB	AfDB	EBRD	EIB
			to get the primary supplier to address these risks depends on the level of influence and control of the promoter over its primary suppliers. Should the promoter not receive evidence of remediation, or when remedy proves to be impossible, the promoter shall resort, within a reasonable timeframe agreed with the EIB in consideration of the existing contractual relations, to different primary suppliers that can prove to be compliant with the requirements set out in this Standard." Footnote 53: For projects outside of the EU, promoters are required to include an Environmental & Social covenant, as per EIB Guide to Procurement, Paragraph 3.8.

IFC	IDB	World Bank
CROSS-CUTTING POLICY & DEFINITIONS		
DEFINITIONS		
IFC Sustainability Framework (2012)	IDB Environmental and Social Policy Framework (2020)	World Bank E&S Framework (2016)
Guidance Note 1 "GN9 A **primary supplier** is a supplier who on an ongoing basis forms part of the supply chain of goods or materials essential for the core business processes of the project. A primary supplier may supply its goods or materials directly to the project (a Tier I primary supplier), to the Tier I primary supplier (a Tier II primary supplier) or may be at a deeper tier of the primary supply chain. [Introduced June 14, 2021]"	***"Primary suppliers*** are those suppliers who, on an ongoing basis, provide directly to the project goods or materials essential for its core functions."	Glossary ***"Primary suppliers*** are those suppliers who, on an ongoing basis, provide directly to the project goods or materials essential for the core functions of the project." "ESS 1, Footnote 34 FN 34 Primary suppliers are those suppliers who, on an ongoing basis, provide directly to the project goods or materials essential for the core functions of the project. Core functions of a project constitute those production and/or service processes essential for a specific project activity without which the project cannot continue. "ESS 2 FN 4 '*Core functions*' of a project constitute those production and/or service processes essential for a specific project activity without which the project cannot continue. FN 5 '*Primary suppliers*' are those suppliers who, on an ongoing basis, provide directly to the project goods or materials essential for the core functions of the project. "GN1 **GN34.1.** The requirements in paragraph 34 regarding primary suppliers apply to ongoing, extended contractual

IFC	IDB	World Bank
		relationships between the project and the supplier, through which the Borrower has the potential to influence the supplier's operational practices."
"23. At times, the client's ability to achieve environmental or social outcomes consistent with the Performance Standards will be dependent on third party actions. A third party may be a government agency in a regulator capacity or contract party, a contractor or primary supplier with whom the business activity has a substantial involvement, or an operator of an associated facility (as defined in Performance Standard 1). IFC, as part of its own due diligence process, will review clients' identification of third party risks, and will determine whether such risks are manageable, and if so under what conditions, so as to create outcomes consistent with the Performance Standards. Certain risks may require IFC to refrain from supporting the proposed business activity."		
RECOGNISING CIRCUMSTANCES REQUIRING NEED FOR COLLABORATIVE ACTION ON SUPPLY CHAINS		
No provisions	No provisions	No provisions
DFIs OWN DUE DILIGENCE		
No provisions	No provisions	No provisions
E&S ASSESSMENT AND MANAGEMENT		
IFC PS 1 Assessment and Management of Environmental and Social Risks and Impacts	**IDB ESF ESP1 Assessment and Management of Environmental and Social Risks and Impacts**	**WB ESS1 Assessment and Management of Environmental and Social Risks and Impacts**
BORROWER/CLIENT CONTROL OR INFLUENCE & SCOPE OF APPLICATION		
"10. Where the client can reasonably exercise control,	"12. Where the Borrower can reasonably exercise control, the risks	"34. The environmental and social assessment will also

IFC	IDB	World Bank
the risks and impacts identification process will also consider those risks and impacts associated with primary supply chains, as defined in Performance Standard 2 (paragraphs 27–29) and Performance Standard 6 (paragraph 30)." <u>IFC Guidance Note for PS 1 Updated June 2021</u> *Supply Chain Consideration* "GN53. As with the third party impacts and risks described above, projects' relationships with primary supply chains[9] could pose a particular challenge in certain sectors. The client should identify the roles, impacts and risks associated with its supply chain in relation to labor issues (child and forced labor and significant occupational health and safety risks) and biodiversity, as defined in Performance Standard 2 and Performance Standard 6. Generally, where the client can reasonably exercise control, the client should collaborate with its primary suppliers to propose mitigation measures proportionate to identified risks on a case-by-case basis, while recognizing that assessing and addressing supply chain implications beyond the first or the second tier suppliers may not be practical or meaningful to the client or the supplier. …." "Footnote GN9 A primary supplier is a supplier who on an ongoing basis forms part of the supply chain of goods or materials essential for the core business processes of the project. A primary supplier may supply its goods or materials directly to the project (a Tier I primary supplier), to the Tier I primary supplier (a Tier II primary supplier) or may be at a deeper tier of the primary supply chain. [Introduced June 14, 2021]"	and impacts identification process will also consider those risks and impacts associated with primary suppliers, as defined in ESPS 2 (paragraphs 36–38) and ESPS 6 (paragraph 29)." "16. Depending on the nature and scale of the project, these programs may consist of some documented combination of operational procedures, practices, plans, and related supporting documents (including legal agreements) that are managed in a systematic way.[59] The programs will apply broadly across the Borrower's organizational structure for project implementation, including contractors and primary suppliers over which the organization has control or influence, or to specific sites, facilities, or activities. The mitigation hierarchy to address identified risks and impacts will favor the avoidance of impacts over minimization, and, where residual impacts remain, compensation/offset, wherever technically[60] and financially feasible.[61]"	consider risks and impacts associated with the primary suppliers34 as required by ESS2 and ESS6. The Borrower will address such risks and impacts in a manner proportionate to the Borrower's control or influence over its primary suppliers as set out in ESS2 and ESS6. FN 34 Primary suppliers are those suppliers who, on an ongoing basis, provide directly to the project goods or materials essential for the core functions of the project. Core functions of a project constitute those production and/or service processes essential for a specific project activity without which the project cannot continue."

IFC	IDB	World Bank
LABOR & WORKING CONDITIONS		
IFC PS 2 Labor and Working Conditions	**IDB ESP 2 Labor and Working Conditions**	**WB ESS2 Labor and Working Conditions**
APPLICATION TO PRIMARY SUPPLY WORKERS		
"4. The scope of application of this Performance Standard depends on the type of employment relationship between the client and the worker. It applies to workers directly engaged by the client (direct workers), workers engaged through third parties to perform work related to core business processes[3] of the project for a substantial duration (contracted workers), as well as workers engaged by the client's primary suppliers (supply chain workers).[4] FN 4: Primary suppliers are those suppliers who, on an ongoing basis, provide goods or materials essential for the core business processes of the project."	**"**4. The scope of application of this ESPS depends on the type of employment relationship between the Borrower and the project worker. It applies to project workers directly engaged by the Borrower (direct workers), project workers engaged through third parties to perform work related to core functions of the project[73] for a substantial duration (contracted workers), as well as project workers engaged by the Borrower's primary suppliers (primary supply workers).[74] This includes full-time, part-time, temporary, seasonal, and migrant workers. Migrant workers are workers who have migrated from one country to another or from one part of the country to another for purposes of employment. The Borrower and third parties shall refrain from entering into disguised employment relationships, such as (i) contractual arrangements that hide the true legal status of the employment relationship and/or (ii) contractual arrangements that have the effect of depriving workers of the protection they are due. FN 73 Core project functions constitute those of construction, production and/or service processes essential for a specific activity without which the activity could not continue. FN 74 Primary suppliers are those suppliers who, on an ongoing basis, provide goods or materials essential for the core functions of the project."	"3. The scope of application of ESS2 depends on the type of employment relationship between the Borrower and the project workers. The term *"project worker"* refers to: ... (c) people employed or engaged by the Borrower's primary suppliers[5] *(primary supply workers);* and" *Primary supply workers* 7. The requirements of paragraphs 39 to 42 of this ESS will apply to primary supply workers, as specified in Section G. "ESS 2 FN 4 '*Core functions*' of a project constitute those production and/or service processes essential for a specific project activity without which the project cannot continue. FN 5 '*Primary suppliers*' are those suppliers who, on an ongoing basis, provide directly to the project goods or materials essential for the core functions of the project."
	"Primary Supply Workers **7.** With respect to primary supply workers, the Borrower will apply the requirements	"G. Primary supply workers 39. As part of the environmental and social assessment, the Borrower will identify potential risks of child labor, forced

IFC	IDB	World Bank
	of paragraphs 36–38 of this ESPS."	labor and serious safety issues which may arise in relation to primary suppliers."
CHILD LABOR AND FORCED LABOR & EXPECTED RESPONSES		
"28. Where there is a high risk of child labor or forced labor[15] in the primary supply chain, the client will identify those risks consistent with paragraphs 21 and 22 above. If child labor or forced labor cases are identified, the client will take appropriate steps to remedy them. The client will monitor its primary supply chain on an ongoing basis in order to identify any significant changes in its supply chain and if new risks or incidents of child and/or forced labor are identified, the client will take appropriate steps to remedy them."	**"36.** Where there is a risk of child labor or forced labor[89] related to the primary supply workers, the Borrower will identify those risks consistent with paragraphs 23 and 24 above. If child labor or forced labor cases are identified, the Borrower will take appropriate steps to remedy them. The Borrower will monitor its primary suppliers on an ongoing basis to identify any significant changes. If new risks or incidents of child and/or forced labor are identified, the Borrower will take appropriate steps to remedy them."	"40. Where there is a significant risk of child labor or forced labor related to primary supply workers, the Borrower will require the primary supplier to identify those risks consistent with paragraphs 17 to 20 above. The labor management procedures will set out roles and responsibilities for monitoring primary suppliers. If child labor or forced labor cases are identified, the Borrower will require the primary supplier to take appropriate steps to remedy them."
HEALTH & SAFETY & EXPECTED RESPONSES		
"29. Additionally, where there is a high risk of significant safety issues related to supply chain workers, the client will introduce procedures and mitigation measures to ensure that primary suppliers within the supply chain are taking steps to prevent or to correct life-threatening situations."	**"37.** Additionally, where there is a high risk of significant health and safety issues related to primary supply workers, the Borrower will introduce procedures and mitigation measures to ensure that primary suppliers are taking steps to prevent or to correct life-threatening situations."	"41. Additionally, where there is a significant risk of serious safety issues related to primary supply workers, the Borrower will require the relevant primary supplier to introduce procedures and mitigation measures to address such safety issues. Such procedures and mitigation measures will be reviewed periodically to ascertain their effectiveness."
BORROWER/CLIENTS CONTROL OR INFLUENCE		
"30. The ability of the client to fully address these risks will depend upon the client's level of management control or influence over its primary suppliers. Where remedy is not possible, the client will shift the project's primary supply chain over time to suppliers that can demonstrate that they are complying with this Performance Standard."	**"38.** The ability of the Borrower to fully address these risks will depend upon the Borrower's level of management control or influence over the project's primary suppliers. Where remedy is not possible, the Borrower will shift the project's primary suppliers over time to suppliers that can demonstrate that they are complying with this ESPS."	"42. The ability of the Borrower to address these risks will depend upon the Borrower's level of control or influence over its primary suppliers. Where remedy is not possible, the Borrower will, within a reasonable period, shift the project's primary suppliers to suppliers that can demonstrate that they are meeting the relevant requirements of this ESS."

IFC	IDB	World Bank
BIODIVERSITY & NATURAL RESOURCES MANAGEMENT		
IFC PS 6 Biodiversity Conservation and Sustainable Management of Living Natural Resources	**IDB ESP 6 Biodiversity Conservation and Sustainable Management of Living Natural Resources**	**WB ESS 6 Biodiversity Conservation and Sustainable Management of Living Natural Resources**
SCOPE OF APPLICATION & EXPECTED RESPONSES		
"28. Where a client is purchasing primary production (especially but not exclusively food and fiber commodities) that is known to be produced in regions where there is a risk of significant conversion of natural and/or critical habitats, systems and verification practices will be adopted as part of the client's ESMS to evaluate its primary suppliers. The systems and verification practices will (i) identify where the supply is coming from and the habitat type of this area; (ii) provide for an ongoing review of the client's primary supply chains; (iii) limit procurement to those suppliers that can demonstrate that they are not contributing to significant conversion of natural and/or critical habitats (this may be demonstrated by delivery of certified product, or progress towards verification or certification under a credible scheme in certain commodities and/or locations); and (iv) where possible, require actions to shift the client's primary supply chain over time to suppliers that can demonstrate that they are not significantly adversely impacting these areas. The ability of the client to fully	"Primary Suppliers 29. Where a Borrower is purchasing primary production (especially but not exclusively food and fiber commodities) that is known to be produced in regions where there is a risk of significant conversion of natural and/or critical habitats, systems and verification practices will be adopted as part of the Borrower's ESMS to evaluate its primary suppliers.[157] The systems and verification practices will (i) identify where the supply is coming from and the habitat type of this area; (ii) provide for an ongoing review of the Borrower's primary suppliers; (iii) limit procurement to those suppliers that can demonstrate that they are not contributing to significant conversion of natural and/or critical habitats (this may be demonstrated by delivery of certified product, or progress towards verification or certification under a credible scheme in certain commodities and/or locations); and (iv) where possible, require actions to shift the Borrower's primary suppliers over time to suppliers that can demonstrate that they are not significantly adversely impacting these areas. The ability of the Borrower to fully address these risks will depend upon the	"B. Primary suppliers 38. Where a Borrower is purchasing natural resource commodities, including food, timber and fiber, that are known to originate from areas where there is a risk of significant conversion or significant degradation of natural or critical habitats, the Borrower's environmental and social assessment will include an evaluation of the systems and verification practices used by the primary suppliers.20 FN 20 Primary suppliers are those suppliers who, on an ongoing basis, provide directly to the project goods or materials essential for the core functions of the project. Core functions of a project constitute those production and/or service processes essential for a specific project activity without which the project cannot continue." 39. The Borrower will establish systems and verification practices which will: (a) identify where the supply is coming from and the habitat type of the source area; (b) where possible, limit procurement to those suppliers that can demonstrate[21] that they are

IFC	IDB	World Bank
address these risks will depend upon the client's level of management control or influence over its primary suppliers. Footnote 21: Primary suppliers are those suppliers who, on an ongoing basis, provide the majority of living natural resources, goods, and materials essential for the core business processes of the project."	Borrower's level of management control or influence over its primary suppliers. FN 157 A credible certification system is one which is independent, cost-effective, based on objective and measurable ESPSs, and developed through consultation with relevant stakeholders, such as local people and communities, Indigenous Peoples, and civil society organizations representing consumer, producer, and conservation interests. Such a system has fair, transparent, and independent decision-making procedures that avoid conflicts of interest. FN 158 Primary suppliers are those who, on an ongoing basis, provide the majority of living natural resources, goods, and materials essential for the core functions of the project."	not contributing to significant conversion or degradation of natural or critical habitats; and (c) where possible and within a reasonable period, shift the Borrower's primary suppliers to suppliers that can demonstrate that they are not significantly adversely impacting these areas. FN 21 This may be demonstrated by delivery of certified products or achieving compliance with one or more credible standards for sustainable management of living natural resources in respect of certain commodities or locations. This will include, where appropriate, compliance with independent certification systems or progress towards achieving compliance. 40. The ability of the Borrower to fully address these risks will depend upon the Borrower's level of control or influence over its primary suppliers."

ENDNOTES

[i] This table is intended as a resource for MDBs and other development finance institutions (DFIs) interested in benchmarking DFIs' approaches to supply chain E&S risk management. This table is referenced in OHCHR's Policy Brief on Strengthening Supply and Value Chain Risk Management: The Role of Development Finance Institution's Environmental and Social Safeguard Policies (June 2025).

[ii] The listed MDBs are : ADB (Asian Development Bank), AfDB (African Development Bank), AIIB (Asian Infrastructure Investment Bank), EBRD (European Bank for Reconstruction and Development), EIB (European Investment Bank), IFC (International Finance Corporation), IDB (Inter-American Development Bank), IDB Invest, and the World Bank.

[iii] AIIB does not have any specific provisions on supply chains in its Environmental and Social Framework (ESF) and it is not clear from the following definition whether its ESF applies to project supply chains: "5.3 Project means the specific set of activities for which the Bank's financing is provided, as defined in the agreement governing such financing…" *See* AIIB E&S Framework (June 2024).

[iv] IDB Invest applies the IFC Performance Standards as well as the following additional provisions on supply chains: "30. At times, the client's ability to achieve environmental or social outcomes consistent with the requirements of this Sustainability Policy will be dependent on third party actions. A third party may be a government agency in a regulatory or contract capacity, a contractor or primary supplier with whom the business activity has a substantial involvement, or an operator of an associated facility (as defined in Performance Standard 1). As part of its own due diligence process, IDB Invest will review clients' identification of third-party risks. It will determine whether such risks are manageable, and if so under what conditions. Certain risks may require IDB Invest to refrain from supporting the proposed investment. …. 37. IDB Invest is proactive in delivering TA to complement existing or proposed projects. … IDB Invest seeks to increase the technical assistance provided to clients for third-party certifications of soft commodities (e.g. agricultural products), such that clients involved in this sector may ensure that the supply chain is producing these commodities in an environmental and socially sustainable manner. In addition, IDB Invest provides technical assistance to companies that are not clients in order to enhance performance and to provide knowledge in different areas." *See* IDB Invest E&S Sustainability Policy (2020).