



# Proposed Sustainability Checklist for Assessing Economic Recovery Interventions

## April 2020

### SHORT TERM CONSIDERATIONS (6-18 MONTHS)

#### IMPACT ON EMPLOYMENT

- Does the intervention create new jobs over the short term? If yes, how many?
- Do these new jobs make use of skills that already exist in the local population?
- Do these new jobs require similar skills to those of jobs lost in this crisis?
- Are the employment opportunities inclusive, gender-balanced, and available to underemployed and vulnerable populations?

#### IMPACT ON ECONOMIC ACTIVITY

- What is the expected economic multiplier of this intervention (i.e., total economic activity generated, including through second-order effects)?
- Does the intervention increase imported goods and services? What is the percentage of domestic content in the inputs?
- Does the intervention generate demand in the most affected sectors? Or does it target new or different sectors? If in a different sector, can the workforce easily shift to this new sector? Does the intervention include measures to facilitate the transition of workers and the required investments?

#### TIMELINESS AND RISK

- How long will it take to fully implement this intervention and to create jobs and activity (including project design, consultation processes, budget mobilization, procurement, etc.)?
- Does this intervention have a plan in place to manage a possible re-instatement of COVID containment measures?
- What impact will the project have on local/national debt and its sustainability?

### LONG-TERM CONSIDERATIONS

#### IMPACT ON HUMAN AND SOCIAL CAPITAL

- Does the intervention create decent jobs, considering for example, average salary, right to unionize, safety and health, and durability?
- Do the jobs created also promote skill-building and opportunity for advancement? Does it contribute to labor participation of women, people with disability, or excluded groups?
- Does the intervention improve public health and labor productivity, such as through reduced local air or water pollution?
- Does the intervention build or strengthen social protection systems over the long term?

#### IMPACT ON TECHNOLOGIES

- Will the intervention develop, import, or demonstrate technologies with significant growth potential?
- Will the intervention support early stage R&D investment, thereby creating the opportunity for significant growth potential?

#### IMPACT ON NATURAL AND CULTURAL CAPITAL

- Does this intervention respect the rights of indigenous communities?
- Will the intervention support the reclamation of previously polluted land so that it can be (re)developed?
- Will the intervention improve agriculture and land productivity?
- Will the intervention protect biodiversity and ecosystem services?
- Could the intervention generate irreversible environmental or cultural losses (e.g., increase deforestation, wetland development, or damage to cultural heritage sites)?

#### IMPACT ON PHYSICAL CAPITAL

- Will the intervention help close the gap in delivering universal access to essential infrastructure services?
- Will the intervention improve local economic productivity through access to better, more reliable infrastructure services?

#### IMPACT ON FUNDAMENTAL MARKET FAILURES

- Will the intervention address market failures, such as market-distorting subsidies, pricing that fails to account for externalities, etc.?
- Will the intervention contribute to asset or export diversification?

## INCREASED RESILIENCE AND ADAPTIVE CAPACITY

- Has the project been screened for exposure and vulnerability to disaster and climate risk, considering future changes in climate conditions? Is it likely to attract further investments in at-risk areas?
- Will the intervention boost resilience to natural disasters, for instance through hardened infrastructure, use of nature-based solutions (such as mangroves to protect against coastal floods), or efforts to relocate infrastructure out of harm's way?
- Does the intervention improve socio-economic resilience, that is, the ability of the population to cope with and recover from shocks? Does it improve their adaptive capacity, that is their ability to reduce negative impacts (such as adapting buildings to improve resilience to extreme temperature) or capture opportunities (such as higher agriculture productivity in some place and for some crops)?

## DECARBONIZATION AND SUSTAINABLE GROWTH, AND LONG-TERM RISKS

- Is the intervention consistent with and supportive of existing long-term decarbonization targets and strategies? (If such targets and strategies do not exist, does the intervention contribute to the government's "Nationally Determined Contribution" and the eventual decarbonization of the economic system?)
- Does the intervention create or amplify a lock-in of carbon- or energy-intensive development patterns, or represent a future stranded asset risk due to decarbonization, technology change or other market trends?
- Does the intervention remove or reduce financial market, tax, or regulatory obstacles to decarbonization (e.g., for energy efficiency or low-carbon technology deployment)?
- Does the intervention contribute to developing or piloting a low-carbon technology, making it more widely available, or reducing its cost?
- Does the intervention provide the technical means to better integrate or employ low-carbon technologies or strategies (for instance, through improvements to transmission and distribution infrastructure, public transit infrastructure, sidewalks or bike lanes, or by promoting denser urban development)?
- Does the intervention increase local/national energy security?