

This document should be read in conjunction with the proposed World Bank Policy to understand the proposed responsibilities of the World Bank (in the Policy) and the Borrowing Country (in the Standards).

SECOND DRAFT FOR CONSULTATION JULY 1 2015

Environmental and Social Standard 1. Assessment and Management of Environmental and Social Risks and Impacts

Introduction

1. ESS1 sets out the Borrower's responsibilities for assessing, managing and monitoring environmental and social risks and impacts associated with each stage of a project supported by the Bank through Investment Project Financing, in order to achieve environmental and social outcomes consistent with the ESSs.
2. Borrowers¹ will conduct environmental and social assessment of projects proposed for Bank financing to help ensure that projects are environmentally and socially sound and sustainable. The environmental and social assessment will be proportionate to the risks and impacts of the project. It will inform the design of the project, and be used to identify mitigation measures and actions and to improve decision making.
3. Borrowers will manage environmental and social risks and impacts of the project throughout the project life-cycle in a systematic manner, proportionate to the nature and scale of the project and the potential risks and impacts.
4. In assessing, developing and implementing a project supported by Investment Project Financing, the Borrower may, where appropriate, agree with the Bank to use all or part of the Borrower's national environmental and social framework to address the risks and impacts of the project, providing such use will enable the project to achieve objectives materially consistent with the ESSs.

¹ It is recognized that the Borrower may not be the entity directly implementing the project. Nevertheless, the Borrower is responsible for ensuring that the project is prepared and implemented so that it meets all applicable requirements of the ESSs in a manner and timeframe agreed with the Bank. The Borrower will ensure that any entity involved in implementing the project supports all obligations and commitments of the Borrower in accordance with the requirements of the ESSs and the specific conditions of the legal agreement, including the ESCP. Contractors retained by or acting on behalf of the Borrower or an implementing agency are considered to be under the direct control of the Borrower.

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5. ESS1 includes the following annexes, which form part of ESS1, and set out certain requirements in more detail:

- Annex 1: Environmental and Social Assessment;
- Annex 2: Environmental and Social Commitment Plan; and
- Annex 3: Management of Contractors.

Objectives

- To identify, evaluate and manage the environment and social risks and impacts of the project in a manner consistent with the ESSs.
- To adopt a mitigation hierarchy approach to:
 - (a) Anticipate and avoid risks and impacts;
 - (b) Where avoidance is not possible, minimize or reduce risks and impacts to acceptable levels;
 - (c) Once risks and impacts have been minimized or reduced, mitigate; and
 - (d) Where residual risks or impacts remain, compensate for or offset them, where technically² and financially³ feasible.
- To utilize national environmental and social institutions, systems, laws, regulations and procedures in the assessment, development and implementation of projects, whenever appropriate.
- To promote improved environmental and social performance, in ways which recognize and enhance Borrower capacity.

² Technical feasibility is based on whether the proposed measures and actions can be implemented with commercially available skills, equipment, and materials, taking into consideration prevailing local factors such as climate, geography, demography, infrastructure, security, governance, capacity, and operational reliability.

³ Financial feasibility is based on relevant financial considerations, including relative magnitude of the incremental cost of adopting such measures and actions compared to the project's investment, operating, and maintenance costs, and on whether this incremental cost could make the project nonviable for the Borrower.

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Scope of Application

6. ESS1 applies to all projects⁴ ⁵ supported by the Bank⁶ through Investment Project Financing.⁷
7. The term “project” refers to the activities for which the Bank financing referred to in paragraph 6 is sought by a Borrower and as defined in the legal agreement between the Borrower and the Bank.⁸
8. Where the Bank is jointly financing a project with other multilateral or bilateral funding agencies⁹, the Borrower will cooperate with the Bank and such agencies in order to agree on a common approach for the assessment and management of environmental and social risks and impacts of the project. A common approach will be acceptable, provided that such approach will enable the project to achieve objectives materially consistent with the ESSs.¹⁰ The Borrower will be required to apply the common approach to the project.

⁴ These are projects to which OP/BP 10.00 *Investment Project Financing* applies. The World Bank Environmental and Social Policy for Investment Project Financing and ESSs do not apply to operations supported by Development Policy lending (for which the environmental and social provisions are set out in OP/BP 8.60 *Development Policy Lending*), or those supported by Program-for-Results Financing (for which the environmental and social provisions are set out in OP/BP 9.00 *Program-for-Results Financing*).

⁵ These projects may include technical assistance supported by the Bank through Investment Project Financing, whether provided through a stand-alone project or as part of a project. Some technical assistance activities may, of themselves, have no potential environment or social risks or impacts. However, the risks or impacts of the future implementation of plans, strategies, policies, studies or other outputs of the technical assistance may be significant. Therefore, the requirements set out in paragraphs 13-17 of ESS1 will be applied to technical assistance activities as relevant and appropriate to the nature of the risks and impacts. The terms of reference, work plans or other documents defining the scope and outputs of technical assistance activities will be drafted so as to ensure that the advice and other support provided is consistent with ESSs 1-10.

⁵ Further details are set out in OP10.00.

⁶ As set out in the World Bank Environmental and Social Policy for Investment Project Financing, paragraph 7, the Bank will only support projects that are consistent with, and within the boundaries of, the Bank’s Articles of Agreement.

⁷ Where the project involves the provision of a guarantee under OP 10.00, the scope of application of the ESSs will depend on the activities or commitments covered by the guarantee.

⁸ The scope of activities for which Investment Project Finance can be provided, together with the approval process, is set out in OP 10.00.

⁹ Such agencies will include IFC and MIGA.

¹⁰ In determining whether the common approach or the requirements referred to in paragraphs 8, 11 and 12 are acceptable, the Bank will take into account the policies, standards and implementation procedures of the multilateral or bilateral funding agencies. The measures and actions that have been agreed under the common approach will be included in the ESCP.

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9. ESS1 also applies to all Associated Facilities. Associated Facilities will meet the requirements of the ESSs, to the extent that the Borrower has control or influence over such Associated Facilities.¹¹

10. For the purpose of this ESS, the term “Associated Facilities” means facilities or activities that are not funded as part of the project and are: (a) directly and significantly related to the project; and (b) carried out, or planned to be carried out, contemporaneously with the project; and (c) necessary for the project to be viable and would not have been constructed or expanded if the project did not exist.

11. Where:

- (a) A common approach has been agreed for the project, the common approach will apply to the Associated Facilities;
- (b) Associated Facilities are being funded by other multilateral or bilateral funding agencies, the Borrower may agree with the Bank to apply the requirements of such other agencies to the Associate Facilities, provided that such requirements will enable the project to achieve objectives materially consistent with the ESSs.

12. Where the Bank is financing a project involving a Financial Intermediary (FI), and other multilateral or bilateral funding agencies have already provided financing to the same FI, the Borrower may agree with the Bank to rely on the requirements of such other agencies for the assessment and management of environmental and social risks and impacts of the project, including the institutional arrangements already established by the FI, provided that, such requirements will enable the project to achieve objectives materially consistent with the ESSs.

Requirements

13. The Borrower will assess, manage and monitor the environmental and social risks and impacts of the project throughout the project life-cycle so as to meet the requirements of the ESSs in a manner and within a timeframe acceptable to the Bank.¹²

¹¹The Borrower will be required to demonstrate the extent to which it cannot exercise control or influence over the Associated Facilities by providing details of the relevant considerations, which may include legal, regulatory and institutional factors.

¹² In establishing the manner and an acceptable timeframe, the Bank will take into account the nature and significance of the potential environmental and social risks and impacts, the timing for development and implementation of the project, the capacity of the Borrower and other entities involved in developing and implementing the project, and the specific measures and actions to be put in place or taken by the Borrower to address such risks and impacts.

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14. The Borrower will:
- (a) Conduct environmental and social assessment of the proposed project, including stakeholder engagement;
 - (b) Undertake stakeholder engagement and disclose appropriate information in accordance with ESS10;
 - (c) Develop and implement an ESCP; and
 - (d) Conduct monitoring and reporting on the environmental and social performance of the project against the ESSs.

15. Where the ESCP requires the Borrower to plan or take specific measures and actions over a specified timeframe to avoid, minimize, reduce or mitigate specific risks and impacts of the project, the Borrower will not carry out any activities in relation to the project that may cause material adverse environmental or social risks or impacts until the relevant plans, measures or actions have been completed in accordance with the ESCP.

16. If the project comprises or includes existing facilities or existing activities that do not meet the requirements of the ESSs at the time of Board approval, the Borrower will be required to adopt and implement measures satisfactory to the Bank so that specific aspects of such facilities and activities meet the requirements of the ESSs in accordance with the ESCP.

17. The project will apply the relevant requirements of the Environmental Health and Safety Guidelines (EHSGs). When host country requirements differ from the levels and measures presented in the EHSGs, the Borrower will be required to achieve or implement whichever is more stringent. If less stringent levels or measures than those provided in the EHSGs are appropriate in view of the Borrower's limited technical or financial constraints or other specific project circumstances, the Borrower will provide full and detailed justification for any proposed alternatives through the environmental and social assessment. This justification must demonstrate, to the satisfaction of the Bank that the choice of any alternative performance level is consistent with the objectives of the ESSs and the applicable EHSGs, and is unlikely to result in any significant environmental or social harm.

A. Use of Borrower's Environmental and Social Framework

18. When a project is proposed for Bank support, the Borrower may request the Bank to consider the use of all, or part, of the Borrower's existing environmental and social framework (the Borrower's ES Framework) in the assessment, development and implementation of projects supported through Investment Project Financing, provided that it is likely to be able to address the risks and impacts of the

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project, and enable the project to achieve objectives materially consistent with the ESSs. For such a request, the Borrower will provide information to the Bank in connection with the Bank's review of the Borrower's Framework.^{13,14}

19. The Borrower, in consultation with the Bank, will identify measures and actions to address any gaps in the Borrower's ES Framework, to the extent that such measures and actions are necessary to enable the project to achieve objectives materially consistent with the ESSs. Such measures and actions may be implemented during project preparation or project implementation and will include, where necessary, measures and actions to address any capacity development issues pertaining to the Borrower, any relevant national, subnational or sectoral implementing institution, and any implementing agency. The agreed measures and actions, together with the timeframes for their completion, will form part of the ESCP.

20. The Borrower will take all actions necessary to maintain the Borrower's ES Framework, as well as acceptable implementation practices, track record, and capacity, in accordance with the measures and actions identified in the ESCP, throughout the project life-cycle. The Borrower will notify the Bank of any significant changes in the Borrower's ES Framework that may affect the project.¹⁵ If the Borrower's ES Framework is changed in a manner inconsistent with the objectives of the ESSs and the ESCP, the Borrower will carry out, as appropriate, additional assessment and stakeholder engagement in accordance with the ESSs, and propose changes, for approval by the Bank, to the ESCP.

¹³ The Borrower's ES Framework will include those aspects of the country's policy, legal and institutional framework, consisting of its national, subnational, or sectoral implementing institutions and applicable laws, regulations, rules and procedures and implementation capacity relevant to the environmental and social risks and impacts of the project. Where there are inconsistencies or lack of clarity within the Borrower's ES Framework as to relevant authorities or jurisdiction, these will be identified and discussed with the Borrower. The aspects of the Borrower's existing ES Framework that are relevant will vary from project to project, depending on such factors as the type, scale, location and potential environmental and social risks and impacts of the project and the role and authority of different institutions.

¹⁴ The information provided by the Borrower will assist in determining whether and to what extent the Borrower's ES Framework can be used to enable the project to achieve objectives materially consistent with the ESSs. The Borrower will provide to the Bank recent studies and assessments conducted by the Borrower or reputable third parties, including on other projects developed in the country, to the extent these are relevant to the proposed project.

¹⁵ If, in the opinion of the Bank, such changes serve to improve the Borrower's ES Framework, the Borrower will apply such changes to the project.

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B. Environmental and Social Assessment

21. The Borrower will carry out an environmental and social assessment¹⁶ of the project to assess the environmental and social risks and impacts of the project throughout the project life-cycle.¹⁷ The assessment will be proportionate to the potential risks and impacts of the project, and will assess, in an integrated way, all relevant direct, indirect and cumulative¹⁸ environmental and social risks and impacts throughout the project life-cycle, including those specifically identified in ESSs2–10.

22. The environmental and social assessment will be based on current information, including an accurate description and delineation of the project and any associated aspects, and environmental and social baseline data at an appropriate level of detail sufficient to inform characterization and mitigation of impacts. The assessment will evaluate the project's potential environmental and social risks and impacts; examine project alternatives; identify ways of improving project selection, siting, planning, design and implementation in order to apply the mitigation hierarchy for adverse environmental and social impacts and seek opportunities to enhance the positive impacts of the project. The environmental and social assessment will include stakeholder engagement as an integral part of the assessment, in accordance with ESS10.

23. The environmental and social assessment will be an adequate, accurate, and objective evaluation and presentation of the risks and impacts, prepared by qualified and experienced persons. For *High and Substantial Risk* projects, as well as situations in which the Borrower has limited capacity, the Borrower will retain independent specialists to carry out the environmental and social assessment.

24. The Borrower will ensure that the environmental and social assessment takes into account in an appropriate manner all issues relevant to the project, including: (a) the country's applicable policy

¹⁶ The Borrower, in consultation with the Bank, will identify and use appropriate methods and tools, including scoping, environmental and social analyses, investigations, audits, surveys and studies, to identify and assess the potential environmental and social risks and impacts of the proposed project. These methods and tools will reflect the nature and scale of the project, and will include, as appropriate, a combination (or elements of) the following: environmental and social impact assessment (ESIA); environmental audit; hazard or risk assessment; social and conflict analysis; environmental and social management plan (ESMP); environmental and social management framework (ESMF); regional or sectoral EIA; strategic environmental and social assessment (SESA). Specific features of a project may require the Borrower to utilize specialized methods and tools for assessment, for example a Cultural Heritage Management Plan. Where the project is likely to have sectoral or regional impacts, a sectoral or regional EIA will be required.

¹⁷ This may include preconstruction, construction, operation, decommissioning, closure and reinstatement/restoration.

¹⁸ The assessment process will consider cumulative impacts of the project in combination with impacts from other relevant past, present and reasonably foreseeable developments as well as unplanned but predictable activities enabled by the project that may occur later or at a different location.

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framework, national laws and regulations, and institutional capabilities (including implementation) relating to environment and social issues; variations in country conditions and project context; country environmental or social studies; national environmental or social action plans; and obligations of the country directly applicable to the project under relevant international treaties and agreements; (b) applicable requirements under the ESSs; and (c) the EHSGs, and other relevant Good International Industry Practice (GIIP)¹⁹. The assessment of the project, and all proposals contained in the assessment, will be consistent with the requirements of this paragraph.

25. The environmental and social assessment will apply a mitigation hierarchy, which will favor the avoidance of impacts over minimization²⁰ or reduction of impacts to acceptable levels, and where residual risks or impacts remain, will compensate for or offset them, where technically and financially feasible.

26. The environmental and social assessment, informed by the scoping of the issues, will take into account all relevant environmental and social risks and impacts of the project, including:

- (a) Environmental risks and impacts, including: (i) those defined by the EHSGs; (ii) those related to community safety (including dam safety and safe use of pesticides); (iii) those related to climate change and other transboundary or global risks and impacts; (iv) any material threat to the protection, conservation, maintenance and restoration of natural habitats and biodiversity; and (v) those related to ecosystem services²¹ and the use of living natural resources, such as fisheries and forests;
- (b) Social risks and impacts, including: (i) threats to human security through the escalation of personal, communal or inter-state conflict, crime or violence; (ii) risks that project impacts fall disproportionately on individuals and groups who, because

¹⁹ Good International Industrial Practice (GIIP) is defined as the exercise of professional skill, diligence, prudence, and foresight that would reasonably be expected from skilled and experienced professionals engaged in the same type of undertaking under the same or similar circumstances globally or regionally. The outcome of such exercise should be that the project employs the most appropriate technologies in the project-specific circumstances.

²⁰ The risk and impact mitigation hierarchy is further discussed and specified in the context of ESSs2-10, where relevant.

²¹ Ecosystem services are the benefits that people derive from ecosystems. Ecosystem services are organized into four types: (i) provisioning services, which are the products people obtain from ecosystems and which may include food, freshwater, timbers, fibers, medicinal plants; (ii) regulating services, which are the benefits people obtain from the regulation of ecosystem processes and which may include surface water purification, carbon storage and sequestration, climate regulation, protection from natural hazards; (iii) cultural services, which are the nonmaterial benefits people obtain from ecosystems and which may include natural areas that are sacred sites and areas of importance for recreations and aesthetic enjoyment; and (iv) supporting services, which are the natural processes that maintain the other services and which may include soil formation, nutrient cycling and primary production.

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of their particular circumstances, may be disadvantaged or vulnerable;²² (iii) any prejudice or discrimination toward individuals or groups in providing access to development resources and project benefits, particularly in the case of those who may be disadvantaged or vulnerable; (iv) negative economic and social impacts relating to the involuntary taking of land or restrictions on land use; (v) risks or impacts associated with land and natural resource tenure and use²³, including (as relevant) potential project impacts on local land use patterns and tenurial arrangements, land access and availability, food security and land values, and any corresponding risks related to conflict or contestation over land and natural resources; (vi) impacts on the health, safety and well-being of workers and project-affected communities; and (vii) risks to cultural heritage.

27. Where the environmental and social assessment of the project identifies specific individuals or groups as disadvantaged or vulnerable, the Borrower will propose and implement differentiated measures so that adverse impacts do not fall disproportionately on the disadvantaged or vulnerable, and they are not disadvantaged in sharing any development benefits and opportunities resulting from the project.

28. The environmental and social assessment will identify ecosystem services that may be adversely affected by the project. Where communities are likely to be impacted, they will participate in the identification of such ecosystem services and appropriate mitigation measures.

29. If the project involves the preparation of subprojects, the Borrower will carry out appropriate environmental and social assessment of:

(a) *High Risk* subprojects, in accordance with the ESSs;

(b) *Substantial Risk, Moderate Risk* and *Low Risk* subprojects, in accordance with national law and any requirements of the ESSs that the Bank deems relevant to the subproject.

²² Disadvantaged or vulnerable refers to those who, by virtue of, for example, their age, gender, ethnicity, religion, physical, mental or other disability, social, civic or health status, sexual orientation, gender identity, economic disadvantages or indigenous status, and/or dependence on unique natural resources may be more likely to be adversely affected by the project impacts and/or more limited than others in their ability to take advantage of a project's benefits. Such an individual/group is also more likely to be excluded from/unable to participate fully in the mainstream consultation process and as such may require specific measures and/or assistance to do so. Considerations relating to age include the elderly and minors, including in circumstances where they may be separated from their family, the community or other individuals upon which they depend.

²³ Such risks and impacts could be caused by a project supporting land titling and related activities. For further requirements on such activities, see footnote 10 of Annex 1 to ESS1.

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30. The Borrower will ensure that a *High Risk* subproject is prepared and implemented to meet the ESSs, and *Substantial Risk*, *Moderate Risk* and *Low Risk* subprojects are prepared and implemented to meet national law and the requirements of the ESSs that the Bank deems relevant.

31. If the risk rating of a subproject increases to a higher risk rating, the Borrower will apply the relevant requirements of the ESSs²⁴ and the ESCP will be updated as appropriate to record the agreed measures and actions.

32. The environmental and social assessment will also identify and assess, to the extent appropriate, the potential environmental and social risks and impacts of Associated Facilities. The Borrower will address the risks and impacts of Associated Facilities in a manner proportionate to its control or influence over the Associated Facilities. To the extent that the Borrower cannot control or influence the Associated Activities to meet the requirements of the ESSs, the environmental and social assessment will also identify the risks and impacts the Associated Facilities may present to the project.

33. For projects that are *High Risk* or contentious, or that involve serious multidimensional environmental or social risks or impacts, the Borrower may be required to engage one or more internationally recognized independent experts. Such experts may, depending on the project, form part of an advisory panel or be otherwise employed by the Borrower, and will provide independent advice and oversight to the project.

34. The environmental and social assessment will also consider risks and impacts associated with the primary suppliers²⁵, and such risks and impacts will be addressed as required by ESS2 and ESS6.

35. The environmental and social assessment will consider potential project related transboundary and global risks and impacts, such as impacts from effluents and emissions, increased use or contamination of international waterways, emissions of short and long-lived climate pollutants²⁶, climate change mitigation, adaptation and resilience issues, and impacts on threatened or depleted migratory species and their habitats.

²⁴ The 'requirements of the ESSs' will relate to the reasons for which the risk rating has increased.

²⁵ 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.

²⁶ This includes all greenhouse gases (GHGs) and black carbon (BC).

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C. Environmental and Social Commitment Plan

36. The Borrower will develop an ESCP, which will set out measures and actions required for the project to achieve compliance with the ESSs over a specified timeframe. The ESCP will be agreed with the Bank and will form part of the legal agreement. The ESCP will be disclosed.

37. The ESCP will take into account the findings of the environmental and social assessment, the Bank's environmental and social due diligence, and the results of engagement with stakeholders. It will be an accurate summary of the material measures and actions required to avoid, minimize, reduce or otherwise mitigate the potential environmental and social risks and impacts of the project.²⁷ A completion date for each action will be specified in the ESCP.

38. Where a common approach²⁸ has been agreed, the ESCP will include all measures and actions that have been agreed by the Borrower to enable the project to meet the common approach.

39. The ESCP will include a requirement that the Borrower prepare and implement a process that allows for adaptive management of proposed project changes or unforeseen circumstances. The process will set out how such changes or circumstances will be managed and reported and any necessary changes will be made to the ESCP and relevant management tools.

40. The Borrower will implement diligently the measures and actions identified in the ESCP in accordance with the timeframes specified, and will review the status of implementation of the ESCP as part of its monitoring and reporting.²⁹

41. The ESCP will describe the different management tools³⁰ that the Borrower will use to develop and implement the agreed measures and actions. These management tools will include, as appropriate, environmental and social management plans, environmental and social management frameworks, operational policies, operational manuals, management systems, procedures, practices and capital

²⁷ This will include any mitigation and performance improvement measures and actions already developed; actions that may be completed prior to approval by the Bank Board of Directors; actions required by national law and regulation that satisfy the requirements of the ESSs; actions to address gaps in the Borrower's ES Framework; and any other actions that are considered necessary for the project to achieve compliance with the ESSs. The gaps will be assessed by reference to what would be required in the relevant ESS.

²⁸ See Paragraph 8.

²⁹ See Section D.

³⁰ The level of detail and complexity of the management tools will be proportionate to the project's risks and impacts, and the measures and actions identified to address such risks and impacts. They will take into account the experience and capacity of the parties involved with the project, including the implementing agencies, project-affected communities and other interested parties, and aim to support improved environmental and social performance.

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investments. All management tools will apply the mitigation hierarchy, and incorporate measures so that the project will meet the requirements of applicable laws and regulations and the ESSs³¹ in accordance with the ESCP throughout the project life-cycle.

42. The management tools will define desired outcomes in measurable terms (for example, against baseline conditions) to the extent possible, with elements such as targets and performance indicators that can be tracked over defined time periods.

43. Recognizing the dynamic nature of the project development and implementation process, the management tools will take a long-term and phased approach, and be designed to be responsive to changes in project circumstances, unforeseen events, regulatory changes and the results of monitoring and review.

44. The Borrower will notify the Bank promptly of any proposed changes to the scope, design, implementation or operation of the project that are likely to cause a significant change in the environmental or social risks or impacts of the project. The Borrower will carry out, as appropriate, additional assessment and stakeholder engagement in accordance with the ESSs, and propose changes, for approval by the Bank, to the ESCP and relevant management tools, as appropriate, in accordance with the findings of such assessments and consultation.

D. Project Monitoring and Reporting

45. The Borrower will monitor and measure the environmental and social performance of the project in accordance with the legal agreement (including the ESCP). The extent of monitoring will be agreed upon with the Bank, and will be proportionate to the nature of the project, the project's environmental and social risks and impacts, and compliance requirements. The Borrower will ensure that adequate systems, resources and personnel are in place to carry out monitoring. Where appropriate, the Borrower will engage stakeholders and third parties, such as independent experts, local communities or NGOs, to complement or verify its own monitoring activities. Where other agencies or third parties are responsible for managing specific risks and impacts and implementing mitigation measures, the Borrower will collaborate with such agencies and third parties to establish and monitor such mitigation measures.

46. Monitoring will normally include recording information to track performance, and establishing relevant operational controls to verify and compare compliance and progress. Monitoring will be adjusted according to performance experience, as well as actions requested by relevant regulatory authorities and feedback from stakeholders such as community members. The Borrower will document monitoring results.

³¹ Including relevant GIIP.

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47. The Borrower will provide regular reports as set out in the ESCP (in any event, no less than annually) to the Bank of the results of the monitoring. Such reports will provide an accurate and objective record of project implementation, including compliance with the ESCP and the requirements of the ESSs. Such reports will include information on stakeholder engagement conducted during project implementation in accordance with ESS10. The Borrower, and the agencies implementing the project, will designate senior officials to be responsible for reviewing the reports.

48. Based on the results of the monitoring, the Borrower will identify any necessary corrective and preventive actions, and will incorporate these in an amended ESCP or the relevant management tool, in a manner acceptable to the Bank. The Borrower will implement the agreed corrective and preventive actions in accordance with the amended ESCP or relevant management tool, and monitor and report on these actions.

49. The Borrower will facilitate site visits by Bank staff or consultants acting on the Bank's behalf.

50. The Borrower will notify the Bank promptly of any incident or accident relating to the project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers. The notification will provide sufficient detail regarding such incident or accident, including any fatalities or serious injuries. The Borrower will take immediate measures to address the incident or accident and to prevent any recurrence, in accordance with national law and the ESSs.

E. Stakeholder Engagement and Information Disclosure

51. The Borrower will continue to engage with, and provide information to stakeholders throughout the life-cycle of the project, in a manner appropriate to the nature of their interests and the potential environmental and social risks and impacts of the project.

52. If there are significant changes to the project that result in additional risks and impacts, particularly where these will impact project-affected parties, the Borrower will provide information on such risks and impacts and consult with project-affected parties as to how these risks and impacts will be mitigated. The Borrower will disclose an updated ESCP, setting out the mitigation measures.

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ESS1 – ANNEX 1. ENVIRONMENTAL AND SOCIAL ASSESSMENT

A. General

1. The Borrower will undertake an environmental and social assessment to assess the environmental and social risks and impacts of a project throughout the project life-cycle. The term ‘environmental and social assessment’ is a generic term that describes the process of analysis and planning used by the Borrower to ensure the environmental and social impacts and risks of a project are identified, avoided, minimized, reduced or mitigated.
2. The environmental and social assessment is the primary means of ensuring projects are environmentally and socially sound and sustainable, and will be used to inform decision making. The environmental and social assessment is a flexible process, that can use different tools and methods depending on the details of the project and the circumstances of the Borrower (see para 5 below).
3. The environmental and social assessment will be conducted in accordance with ESS1, and will consider, in an integrated way, all relevant direct, indirect and cumulative environmental and social risks and impacts of the project, including those specifically identified in ESS1-10. The breadth, depth, and type of analysis undertaken as part of the environmental and social assessment will depend on the nature and scale of the project, and the potential environmental and social risks and impacts that could result. The Borrower will undertake the environmental and social assessment at the scale and level of detail appropriate to the potential risks and impacts.¹
4. The manner in which the environmental and social assessment will be conducted and the issues to be addressed will vary for each project. The Borrower will consult with the Bank to determine the process to be used, taking into account a number of activities, including scoping, stakeholder engagement, potential environmental and social issues and any specific issues raised between the Bank and Borrower. The environmental and social assessment will include and take into account coordination and consultation with affected people and other interested parties, particularly at an early stage, to ensure that all potentially significant environmental and social risks and impacts are identified and addressed.
5. The different methods and tools used by the Borrower to carry out the environmental and social assessment and to document the results of such assessment, including the mitigation measures to be implemented, will reflect the nature and scale of the project². As specified in ESS1³, these will include, as appropriate, a combination or elements of the following:

a. Environmental and Social Impact Assessment (ESIA)

¹ See ESS1 Section B.

² These will also reflect national regulatory requirements, which may be relied on by the Borrower to the extent they meet the requirements of the ESSs.

³ See ESS1, para 21.

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Environmental and social impact assessment (ESIA) is an instrument to identify and assess the potential environmental and social impacts of a proposed project, evaluate alternatives, and design appropriate mitigation, management, and monitoring measures.

b. Environmental and Social Audit

Environmental and social audit is an instrument to determine the nature and extent of all environmental and social areas of concern at an existing project or activities. The audit identifies and justifies appropriate measures and actions to mitigate the areas of concern, estimates the cost of the measures and actions, and recommends a schedule for implementing them. For certain projects, the environmental and social assessment may consist of an environmental or social audit alone; in other cases, the audit forms part of the environmental and social assessment.

c. Hazard or Risk Assessment

Hazard or risk assessment is an instrument for identifying, analyzing, and controlling hazards associated with the presence of dangerous materials and conditions at a project site. The Bank requires a hazard or risk assessment for projects involving certain inflammable, explosive, reactive, and toxic materials when they are present in quantities above a specified threshold level. For certain projects, the environmental and social assessment may consist of the hazard or risk assessment alone; in other cases, the hazard or risk assessment forms part of the environmental and social assessment.

d. Cumulative Impact Assessment

Cumulative Impact Assessment is an instrument to consider cumulative impacts of the project in combination with impacts from other relevant past, present and reasonably foreseeable developments as well as unplanned but predictable activities enabled by the project that may occur later or at a different location.

e. Social and Conflict Analysis

Social and conflict analysis is an instrument that assesses the degree to which the project may (a) exacerbate existing tensions and inequality within society (both within the communities affected by the project and between these communities and others); (b) have a negative effect on stability and human security; (c) be negatively affected by existing tensions, conflict and instability, particularly in circumstances of war, insurrection and civil unrest.

f. Environmental and Social Management Plan (ESMP)

Environmental and social management plan (ESMP) is an instrument that details (a) the measures to be taken during the implementation and operation of a project to eliminate or offset adverse environmental and social impacts, or to reduce them to acceptable levels; and (b) the actions needed to implement these measures.

g. Environmental and Social Management Framework (ESMF)

Environmental and social management framework (ESMF) is an instrument that examines the risks and impacts when a project consists of a program and/or series of sub-projects, and the risks and impacts cannot be determined until the program or sub-project details have been identified. The ESMF sets out the principles, rules, guidelines and procedures to assess the environmental

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and social risks and impacts. It contains measures and plans to reduce, mitigate and/or offset adverse risks and impacts, provisions for estimating and budgeting the costs of such measures, and information on the agency or agencies responsible for addressing project risks and impacts.

h. Regional ESIA

Regional ESIA examines environmental and social risks and impacts, and issues, associated with a particular strategy, policy, plan, or program, or with a series of projects, for a particular region (e.g., an urban area, a watershed, or a coastal zone); evaluates and compares the impacts against those of alternative options; assesses legal and institutional aspects relevant to the risks, impacts and issues; and recommends broad measures to strengthen environmental and social management in the region. Regional ESIA pays particular attention to potential cumulative risks and impacts of multiple activities in a region but may not include the site-specific analyses of a specific project, in which case the Borrower must develop supplemental information.

i. Sectoral ESIA

Sectoral ESIA examines environmental and social risks and impacts, and issues, associated with a particular sector in a region or across a nation; evaluates and compares the impacts against those of alternative options; assesses legal and institutional aspects relevant to the risks and impacts; and recommends broad measures to strengthen environmental and social management in the region. Sectoral ESIA also pays particular attention to potential cumulative risks and impacts of multiple activities. A Sectoral ESIA may need to be supplemented with project- and site-specific information.

j. Strategic Environmental and Social Assessment (SESA)

Strategic environmental and social assessment (SESA) is a systematic examination of environmental and social risks and impacts, and issues, associated with a policy, plan or program, typically at the national level but also in smaller areas. The examination of environmental and social risks and impacts will include consideration of the full range of environmental and social risks and impacts incorporated in ESS 1 through 10. SESAs are typically not location-specific. They are therefore prepared in conjunction with project and site -specific studies that assess the risks and impacts of the project.

6. Specific features of a project may require the Borrower to utilize specialized methods and tools for assessment, such as a Resettlement Plan, Livelihood Restoration Plan, Indigenous Peoples Plan, Biodiversity Action Plan, Cultural Heritage Management Plan, and other plans as agreed with the Bank.
7. To ensure a comprehensive environmental and social assessment, the Borrower will:
 - a. Conduct a scoping exercise to identify all aspects of the project with the potential to cause environmental or social risks and impacts. If needed, the Borrower will support a visit by the Bank specialist(s) to resolve uncertainty in project scoping/screening.
 - b. Define the applicable legal and regulatory environment, including the requirements of national and local law and permits, relevant requirements of ESS1-10, EHSs and relevant

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- GIIP. The Borrower will also identify any inconsistencies or conflicts between applicable requirements, and explain how these will be resolved.
- c. Define and characterize the people and environmental and natural resources that could be affected by the project, including the extent to which people may rely upon or benefit from potentially affected ecosystems and their associated attributes.
 - d. Identify and evaluate the project's potential direct, indirect and cumulative environmental and social risks and impacts. The level of detail and analysis should be proportionate to the potential risks and impacts and the need for specific mitigation.
 - e. Identify and evaluate project alternatives, focusing on alternatives that could avoid or reduce impacts, including size, siting, materials use, labor force, construction methods, and other elements of design and operation. If the least-impact alternative is not preferred, this should be fully justified.⁴
 - f. Identify measures to address risks and impacts in accordance with the mitigation hierarchy set out in ESS1, para 25. Where complex or multiple measures and actions are needed to control risks, including those that are the subject of ESS 5 or ESS7, stand-alone plans may be required to ensure the project meets the ESSs.
 - g. Where adverse impacts are anticipated to fall disproportionately on individuals or groups who, because of their particular circumstances, may be disadvantaged or vulnerable, measures and actions should be identified and adopted to prevent such disproportionate impacts⁵. These measures and actions will take into account any group which, by virtue of (for example) age⁶, gender, ethnicity, religion, physical, mental or other disability, social, civic or health status, migrant or internally displaced status, sexual orientation, gender identity, economic disadvantages or indigenous status, and/or dependence on unique natural resources may be more likely to be:
 - i. adversely affected by the project impacts; and/or
 - ii. more limited than others in their ability to take advantage of a project's benefits; and/or
 - iii. excluded from or unable to participate fully in mainstream consultation processes.
 - h. Provide the documents comprising the environmental and social assessment for review by the Bank to determine whether they provide an adequate basis for disclosure by the Bank and for processing the project for Bank support.

⁴ Project design (including location, size, components, etc.) should be an iterative process that considers the results of impact assessment and that allows refinements of design to further avoid or reduce significant impacts, including the need for less active mitigation.

⁵ See ESS1, para 27.

⁶ Considerations relating to age include the elderly and minors, including in circumstances where they may be separated from their family, the community or other individuals upon whom they depend.

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- i. Revise or refine the documents comprising the environmental and social assessment as needed to be acceptable to the Bank and suitable for disclosure by the Bank.
 - j. Engage and consult with stakeholders, including affected communities, in accordance with ESS10.
8. Borrowers should initiate the environmental and social assessment as early as possible in project processing and integrate it closely with the economic, financial, institutional, social, and technical analyses of the proposed project. Borrowers will consult with the Bank as early as possible so the environmental and social assessment is designed from the outset to meet the requirements of the ESSs.
 9. When the Borrower has completed or partially completed environmental and social assessment prior to the Bank's involvement in a project, the environmental and social assessment is subject to the Bank's review to ensure that it meets the requirements of the ESSs. If appropriate, the Borrower is required to conduct additional work, including public consultation and disclosure.
 10. Depending on the potential significance of risks and impacts, the Borrower may be required to retain independent third party specialists to prepare or review all or part of the environmental and social assessment.⁷
 11. Where the Borrower is required by ESS1⁸ to engage internationally recognised independent experts, the experts will be expected to advise on key aspects of the project, including stakeholder engagement. Their role will depend on the degree to which project preparation has progressed, and on the extent and quality of the environmental and social assessment that has been completed at the time the Bank begins to consider the project.

B. Institutional Capacity

12. Environmental and social assessment can provide opportunities for coordinating environmental and social-related responsibilities and actions in the host country in a way that goes beyond project boundaries/responsibilities and, as a result, where feasible should be linked to other environmental and social strategies and action plans, and free-standing projects. The environmental and social assessment for a specific project can thereby help strengthen environmental and social management capability in the country and both Borrowers and the Bank are encouraged to take advantage of opportunities to use it for that purpose.
13. The Borrower may include components in the project to strengthen its legal or technical capacity to carry out key environmental and social assessment functions. If the Bank concludes that the Borrower has inadequate legal or technical capacity to carry out such functions, the Bank may require strengthening programs to be included as part of the project. If the project includes one

⁷ Environmental and social assessment is closely integrated with the project's economic, financial, institutional, social, and technical analyses to ensure that (a) environmental and social considerations are given adequate weight in project selection, siting, and design decisions; and (b) environmental and social assessment does not delay project processing. However, the Borrower ensures that when individuals or entities are engaged to carry out environmental and social assessment, any conflict of interest is avoided. For example, when an independent ESIA is required, it should not be carried out by the consultants who prepare the engineering design.

⁸ ESS1, para 33.

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or more elements of capacity strengthening, these elements will be subject to periodic monitoring and evaluation as required by ESS1.

C. Other requirements for certain projects

14. Where relevant, the environmental and social assessment will take into account the requirements of OP 7.50 for projects on international waterways and OP 7.60 for projects in disputed areas.

D. Indicative Outline of ESIA

15. Where an environmental and social impact assessment is prepared as part of the environmental and social assessment, it will include the following:

(A) ***Executive summary***

- Concisely discusses significant findings and recommended actions.

(B) ***Legal and institutional framework***

- Analyzes the legal and institutional framework for the project, within which the environmental and social assessment is carried out, including the issues set out in ESS1, para 24⁹.
- Compare the Borrower's existing environmental and social framework and the ESSs and identify the gaps between them.
- Identifies and assesses the environmental and social requirements of any co-financiers.

(C) ***Project description***

- Concisely describes the proposed project and its geographic, environmental, social, and temporal context, including any offsite investments that may be required (e.g., dedicated pipelines, access roads, power supply, water supply, housing, and raw material and product storage facilities), as well as the project's primary suppliers.
- Through consideration of the details of the project, indicates the need for any plan to meet the requirements of ESS 1 through 10.
- Includes a map of sufficient detail, showing the project site and the area that may be affected by the project's direct, indirect, and cumulative impacts.

(D) ***Baseline data***

⁹ ESS1, para 24, states that the environmental and social assessment takes into account in an appropriate manner all issues relevant to the project, including: (a) the country's applicable policy framework, national laws and regulations, and institutional capabilities (including implementation) relating to environment and social issues; variations in country conditions and project context; country environmental or social studies; national environmental or social action plans; and obligations of the country directly applicable to the project under relevant international treaties and agreements; (b) applicable requirements under the ESSs; and (c) the EHSs, and other relevant GIIP.

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- Sets out in detail the baseline data that is relevant to decisions about project location, design, operation, or mitigation measures. This should include a discussion of the accuracy, reliability, and sources of the data as well as information about dates surrounding project identification, planning and implementation.
- Identifies and estimates the extent and quality of available data, key data gaps, and uncertainties associated with predictions;
- Based on current information, assesses the scope of the area to be studied and describes relevant physical, biological, and socioeconomic conditions, including any changes anticipated before the project commences.
- Takes into account current and proposed development activities within the project area but not directly connected to the project.

(E) *Environmental and social risks and impacts*

- Takes into account all relevant environmental and social risks and impacts of the project. This will include the environmental and social risks and impacts specifically identified in ESS2 – 8, and any other environmental and social risks and impacts arising as a consequence of the specific nature and context of the project. These will include:

(a) Environmental risks and impacts, including:

- (i) those defined by the EHSs;
- (ii) those related to community health and safety, including those issues specifically identified in ESS4 (including dam safety and safe use of pesticides);
- (iii) those related to climate change and other transboundary or global impacts;
- (iv) any material threat to the protection, conservation, maintenance and restoration of natural habitats and biodiversity; and
- (v) those related to ecosystem services and the use of living natural resources, such as fisheries and forests.

(b) Social risks and impacts, including:

- (i) threats to human security through the escalation of personal, communal or inter-state conflict, crime or violence;
- (ii) risks that project impacts fall disproportionately on individuals or groups who, because of their particular circumstances, may be disadvantaged or vulnerable ;
- (iii) any prejudice or discrimination toward individuals or groups in providing access to development resources and project benefits, particularly in the case of those who may be disadvantaged or vulnerable;
- (iv) negative economic and social impacts relating to the involuntary taking of land or restrictions on land use, including as set out in ESS5 (including physical displacement and economic displacement);

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- (v) risks or impacts associated with land and natural resource tenure and use¹⁰, including (as relevant) potential project impacts on local land use patterns and tenurial arrangements, land access and availability, food security and land values, and any corresponding risks related to conflict or contestation over land and natural resources;
- (vi) impacts on the health, safety and well-being of workers and project-affected communities; and
- (vii) risks to cultural heritage.

(F) *Mitigation measures*

- Identifies mitigation measures and any residual negative impacts that cannot be mitigated and, to the extent possible, assesses the acceptability of those residual negative impacts.
- Identifies differentiated measures so that adverse impacts do not fall disproportionately on the disadvantaged or vulnerable.
- assesses the feasibility of mitigating the environmental and social impacts; the capital and recurrent costs of proposed mitigation measures, and their suitability under local conditions; the institutional, training, and monitoring requirements for the proposed mitigation measures.
- specifies issues that do not require further attention, providing the basis for this determination.

(G) *Analysis of alternatives*

- systematically compares feasible alternatives to the proposed project site, technology, design, and operation--including the "without project" situation--in terms of their potential environmental and social impacts;
- assesses the alternatives' feasibility of mitigating the environmental and social impacts; the capital and recurrent costs of alternative mitigation measures, and their suitability under local conditions; the institutional, training, and monitoring requirements for the alternative mitigation measures.

¹⁰ Such risks and impacts could be caused by a project supporting land titling and related activities, which are intended to confirm or strengthen land rights of project beneficiaries and to lead to positive social and economic outcomes. Due to the complexity of tenure issues in many contexts, and the importance of secure tenure for livelihoods, careful assessment and design is needed in order to help ensure that such activities do not inadvertently compromise existing legitimate rights (including collective rights, subsidiary rights and the rights of women) or have other unintended consequences. In connection with such an assessment, the Borrower will at a minimum demonstrate to the Bank's satisfaction that applicable laws and procedures, along with project design features (a) provide clear and adequate rules for the recognition of relevant land tenure rights; (b) establish fair criteria and functioning, transparent and participatory processes for resolving competing tenure claims; and (c) include genuine efforts to inform affected people about their rights and provide access to impartial advice.

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- For each of the alternatives, quantifies the environmental and social impacts to the extent possible, and attaches economic values where feasible.

(H) Design measures

- sets out the basis for selecting the particular project design proposed and specifies the applicable ESHGs or if the ESHGs are determined to be inapplicable, justifies recommended emission levels and approaches to pollution prevention and abatement that are consistent with GIIP.

(I) Key measures and actions for the Environmental and Social Commitment Plan (ESCP)

- Summarizes key measures and actions and the timeframe required for the project to meet the requirements of the ESSs. This will be used in developing the Environmental and Social Commitment Plan (ESCP).

(J) Appendices

- (i) List of the individuals or organizations that prepared or contributed to the environmental and social assessment.
- (ii) References—setting out the written materials both published and unpublished, that have been used.
- (iii) Record of meetings, consultations and surveys with stakeholders, including those with affected people and other interested parties. The record specifies the means of such stakeholder engagement that were used to obtain the views of affected people and other interested parties.
- (iv) Tables presenting the relevant data referred to or summarized in the main text.
- (v) List of associated reports or plans.

E. Indicative Outline of ESMP

16. An ESMP consists of the set of mitigation, monitoring, and institutional measures to be taken during implementation and operation of a project to eliminate adverse environmental and social risks and impacts, offset them, or reduce them to acceptable levels. The ESMP also includes the measures and actions needed to implement these measures. The Borrower will (a) identify the set of responses to potentially adverse impacts; (b) determine requirements for ensuring that those responses are made effectively and in a timely manner; and (c) describe the means for meeting those requirements.
17. Depending on the project, an ESMP may be prepared as a stand-alone document¹¹ or the content may be incorporated directly into the ESCP. The content of the ESMP will include the following:

¹¹ This may be particularly relevant where the Borrower is engaging contractors, and the ESMP sets out the requirements to be followed by contractors. In this case the ESMP should be incorporated as part of the contract between the Borrower and the contractor, together with appropriate monitoring and enforcement provisions.

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(A) Mitigation

-The ESMP identifies measures and actions in accordance with the mitigation hierarchy that reduce potentially significant adverse environmental and social impacts to acceptable levels. The plan will include compensatory measures, if applicable. Specifically, the ESMP:

- (i) identifies and summarizes all anticipated significant adverse environmental and social impacts (including those involving indigenous people or involuntary resettlement);
- (ii) describes--with technical details--each mitigation measure, including the type of impact to which it relates and the conditions under which it is required (e.g., continuously or in the event of contingencies), together with designs, equipment descriptions, and operating procedures, as appropriate;
- (iii) estimates any potential environmental and social impacts of these measures; and
- (iv) takes into account, and is consistent with, other mitigation plans required for the project (e.g., for involuntary resettlement, indigenous peoples, or cultural heritage).

(B) Monitoring

- The ESMP identifies monitoring objectives and specifies the type of monitoring, with linkages to the impacts assessed in the environmental and social assessment and the mitigation measures described in the ESMP¹². Specifically, the monitoring section of the ESMP provides (a) a specific description, and technical details, of monitoring measures, including the parameters to be measured, methods to be used, sampling locations, frequency of measurements, detection limits (where appropriate), and definition of thresholds that will signal the need for corrective actions; and (b) monitoring and reporting procedures to (i) ensure early detection of conditions that necessitate particular mitigation measures, and (ii) furnish information on the progress and results of mitigation.

(C) Capacity development and training

- To support timely and effective implementation of environmental and social project components and mitigation measures, the ESMP draws on the environmental and social assessment of the existence, role, and capability of responsible parties on site or at the agency and ministry level.

¹² Monitoring during project implementation provides information about key environmental and social aspects of the project, particularly the environmental and social impacts of the project and the effectiveness of mitigation measures. Such information enables the Borrower and the Bank to evaluate the success of mitigation as part of project supervision, and allows corrective action to be taken when needed.

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- Specifically, the ESMP provides a specific description of institutional arrangements, identifying which party is responsible for carrying out the mitigation and monitoring measures (e.g. for operation, supervision, enforcement, monitoring of implementation, remedial action, financing, reporting, and staff training).

- To strengthen environmental and social management capability in the agencies responsible for implementation, the ESMP recommends the establishment or expansion of the parties responsible, the training of staff and any additional measures that may be necessary to support implementation of mitigation measures and any other recommendations of the environmental and social assessment.

(D) Implementation schedule and cost estimates

- For all three aspects (mitigation, monitoring, and capacity development), the ESMP provides (a) an implementation schedule for measures that must be carried out as part of the project, showing phasing and coordination with overall project implementation plans; and (b) the capital and recurrent cost estimates and sources of funds for implementing the ESMP. These figures are also integrated into the total project cost tables.

(E) Integration of ESMP with project

- The Borrower's decision to proceed with a project, and the Bank's decision to support it, are predicated in part on the expectation that the ESMP (either stand alone or as incorporated into the ESCP) will be executed effectively. Consequently, each of the measures and actions to be implemented will be clearly specified, including the individual mitigation and monitoring measures and actions and the institutional responsibilities relating to each, and the costs of so doing will be integrated into the project's overall planning, design, budget, and implementation.

F. Indicative Outline of Environmental and Social Audit

18. The aim of the audit is to identify significant environmental and social issues in the existing project or activities, and assess their current status, specifically in terms of meeting the requirements of the ESSs.

(A) Executive summary

- Concisely discusses significant findings and set out recommended measures and actions and timeframes.

(B) Legal and institutional framework

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- Analyzes the legal and institutional framework for the existing project or activities, including the issues set out in ESS1, para 24, and (where relevant) any applicable environmental and social requirements of existing financiers.

(C) *Project description*

- Concisely describes the existing project or activities, and the geographic, environmental, social, and temporal context, including any offsite investments that may exist (e.g., dedicated pipelines, access roads, power supply, water supply, housing, and raw material and product storage facilities).
- Identifies the existence of any plans already developed to address specific environmental and social impacts (e.g. land acquisition or resettlement plan, cultural heritage plan, biodiversity plan)
- Includes a map of sufficient detail, showing the site of the existing project or activities and the proposed site for the proposed project.

(D) *Environmental and social Issues associated with the existing project or activities*

- The review will consider the key issues relating to the existing project or activities. The issues addressed in the ESSs will serve as a starting point and these will be addressed as relevant to the existing project or activities. The audit will also review issues not covered by the ESSs, to the extent that they represent key issues in the circumstances of the project.
- Issues typically covered under an environmental and social audit include a review of the following:
 - the existing systems for managing environmental and social risks and impacts
 - Stakeholder engagement, including identification of stakeholders, disclosure of information and conduct of consultations, as required by ESS10
 - the organizational capacity and resources available for managing environmental and social risks and impacts
 - Policies or procedures relating to labor issues, e.g., terms and conditions of employment, child labor, forced labor, non-discrimination, equal opportunity and grievance mechanisms
 - Procedures relating to management of contractors
 - Occupational health and safety (local and national requirements, key health and safety issues, control and major accident hazards, current health and safety monitoring program, summary of regulatory compliance status, summary of health and safety expenditures, emergency response etc.)
 - Management of potentially hazardous works
 - Pollution prevention measures and overall compliance with applicable requirements and other pertinent standards, including GIIP
 - Management of waste, including the use and management of hazardous materials

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- Community health, safety and security as it relates to the project or activities, including summary of incidents and grievances
- Major hazards assessment and management; environmental/emergency response management plans in the event of an incident, accident or spill
- Biodiversity conservation and management
- Policy, procedures and practice relating to land acquisition and resettlement (e.g. process, consultation, compensation, grievance mechanism). This should include a review of grievance reports and resolution
- Policy, procedures and practice relating to Indigenous Peoples
- Issues set out in the Indicative Outline for an ESIA, section (E)

(E) *Environmental and social analysis*

- The audit will also assess (i) the potential impacts of the proposed project (taking into account the findings of the audit with regard to the existing project or activities); and (ii) the ability of the proposed project to meet the requirements of the ESSs.

(F) *Proposed environmental and social measures*

- Based on the findings of the audit, this section will set out the suggested measures to address such findings. These measures will be included in the Environmental and Social Commitment Plan (ESCP) for the proposed Project. Measures typically covered under this section include the following:

- specific actions required to meet the requirements of the ESSs
- corrective measures and actions to mitigate potentially significant environmental and/or social risks and impacts associated with the existing project or activities
- measures to avoid or mitigate any potential adverse environmental and social risks or impacts associated with the proposed project

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ESS1 – ANNEX 2. ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

A. Introduction

1. The Environmental and Social Commitment Plan (**ESCP**) will be agreed between the Borrower and the Bank, and forms part of the legal agreement. It is designed to consolidate into one summary document the material measures and actions that are required for the project to achieve compliance with the ESSs over a specified timeframe in a manner satisfactory to the Bank.
2. The ESCP will be developed as information regarding the potential risks and impacts of the project becomes known. It will take into account the findings of the environmental and social assessment, the Bank's environmental and social due diligence and the results of engagement with stakeholders. Preparation of the ESCP will start as early as possible, normally at the time of project scoping, and will serve as a tool to facilitate the identification of potential environmental and social risks and impacts and mitigation measures.

B. Content of an ESCP

3. The ESCP will be an accurate summary of the material measures and actions to avoid, minimize, reduce or otherwise mitigate the potential environmental and social risks and impacts of the project. It will form the basis for monitoring the environmental and social performance of the project. All requirements will be set out clearly, so that there is no ambiguity around compliance, timing and monitoring. Depending on the project, the ESCP may specify funding to be made available for completion of a measure or action, and include other details relevant to completion.
4. The ESCP will also set out a summary of the organizational structure that the Borrower will establish and maintain to implement the actions agreed in the ESCP. The organizational structure will take into account the different roles and responsibilities of the Borrower and the agencies responsible for implementing the project, and identify specific personnel with clear lines of responsibility and authority.
5. The ESCP will set out a summary of the training that the Borrower will provide to address the specific actions required under the ESCP, identifying the recipients of such training and the required human and financial resources.
6. The ESCP will set out the systems, resources and personnel that the Borrower will put in place to carry out monitoring, and will identify any third parties that will be used to complement or verify the Borrower's monitoring activities.
7. The content of an ESCP will differ from project to project. For some projects, the ESCP will capture all relevant obligations of the Borrower, and there will be no requirement for additional plans. For other projects, the ESCP will refer to other plans, either plans that already exist or plans to be prepared (e.g. an ESMP, a resettlement plan, a hazardous waste plan) which set out detailed project requirements. In such circumstances, the ESCP will summarize key aspects of the plans. Where plans are to be developed, the ESCP will set out timeframes for completion of such plans.

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8. Where, and to the extent that, the project is relying on use of the Borrower's existing environmental and social framework, the ESCP will identify the specific aspects of the national framework with reference to the relevant ESSs.

C. Implementation of ESCP

9. The Borrower will implement diligently the measures and actions identified in the ESCP in accordance with the timeframes specified, and will review the status of implementation of the ESCP as part of its monitoring and reporting.¹
10. The Borrower will maintain, and strengthen as necessary throughout the project life-cycle, the organizational structure established to oversee environmental and social aspects of the project. Key social and environmental responsibilities will be well-defined, and communicated to all personnel involved. Sufficient high-level commitment, and human and financial resources, will be provided on an ongoing basis to implement the ESCP.
11. The Borrower will ensure that persons with direct responsibility for activities relevant to the implementation of the ESCP are adequately qualified and trained so that they have the knowledge and skills necessary to perform their work. The Borrower, either directly or through agencies responsible for implementing the project, will provide training to address the specific measures and actions required by the ESCP, and to support effective and continuous social and environmental performance.

D. Timing for conducting project activities

12. If the Borrower is required to plan or take specific measures and actions over a specified timeframe to avoid, minimize, reduce or mitigate specific risks and impacts of the project, the Borrower may not carry out any activities in relation to the project that may cause material adverse environmental or social risks or impacts, until the relevant plans, measures or actions have been completed in accordance with the ESCP, including satisfying applicable requirements on consultation and disclosure.

¹ See ESS1 Section D.

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ESS1 – ANNEX 3. MANAGEMENT OF CONTRACTORS

The Borrower will ensure that all contractors engaged on the project operate in a manner consistent with the requirements of the ESSs, including the specific requirements set out in the ESCP. The Borrower will manage all contractors in an effective manner, including:

- (a) Assessing the environmental and social risks and impacts associated with such contracts;
- (b) Incorporating all relevant aspects of the ESCP into tender documents;
- (c) Contractually requiring contractors to apply the relevant aspects of the ESCP and the relevant management tools, and including appropriate and effective non-compliance remedies;
- (d) Ensuring that contractors engaged in connection with the project are reputable and legitimate enterprises, and have knowledge and skills to perform their project tasks in accordance with their contractual commitments;
- (e) Monitoring contractor compliance with their contractual commitments; and
- (f) In the case of subcontracting, requiring contractors to have equivalent arrangements with their subcontractors.