

REPUBLIC OF RWANDA

MINISTRY OF FINANCE AND ECONOMIC PLANNING

**ENVIRONMENTAL and SOCIAL
COMMITMENT PLAN (ESCP)**

**Access to Finance for Recovery and Resilience Project
(P175273)**

May 2021

ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The Republic of Rwanda (hereinafter “the Recipient”) will implement the Rwanda Access to Finance for Recovery and Resilience Project under the leadership of the Ministry of Finance and Economic Planning (MINECOFIN), with the involvement of the following government institutions: the Development Bank of Rwanda (BRD) and the Business Development Fund (BDF) which all will have responsibilities in the implementation of this ESCP. The International Development Association (hereinafter “the Association”) has agreed to provide financing for the Project.
2. The MINECOFIN will be responsible for the overall project implementation and set up a Project Coordination Team (PCT) which will be responsible for overall project oversight and coordination. The BRD will be responsible of the management of the Investment, Refinancing and Working Capital lines of credit under the component 1; the BDF will be responsible of the management of the Microbusinesses line of credit under component 1; and the Partial Credit Guarantee (PCG)/Bridge Lending Window under the component 2.
3. The Recipient will implement material measures and actions so that the Project is implemented in accordance with the Environmental and Social Standards (ESSs). This Environmental and Social Commitment Plan (ESCP) sets out material measures and actions, any specific documents or plans, as well as the timing for each of these.
4. The Recipient will also comply with the provisions of any other E&S documents required under the ESF and referred to in this ESCP, including without limitation the Environmental and Social Management Framework (ESMF), the Apex Financial Intermediary (FI) Environmental and Social Management Systems (ESMSs), PFIs ESMSs, the Environmental and Social Impact Assessment (ESIA), the Environmental and Social Management Plans (ESMP) and Stakeholder Engagement Plans (SEP), and the timelines specified in those E&S documents.
5. Implementation of the material measures and actions set out in this ESCP will be monitored and reported to the Association by MINECOFIN as required by the ESCP and the conditions of the legal agreement, and the Association will monitor and assess progress and completion of the material measures and actions throughout implementation of the Project.
6. As agreed by the Association and the Recipient, this ESCP may be revised from time to time during Project implementation, to reflect adaptive management of Project changes and unforeseen circumstances or in response to assessment of Project performance conducted under the ESCP itself. In such circumstances, the Recipient through MINECOFIN will agree to the changes with the Association and will update the ESCP to reflect such changes. Agreement on changes to the ESCP will be documented through the exchange of letters signed between the Association and the Borrower. The Recipient through MINECOFIN will promptly disclose the updated ESCP in the websites of all Apex FIs.
7. Where Project changes, unforeseen circumstances, or Project performance result in changes to the risks and impacts during Project implementation, the Recipient shall provide additional funds, if needed, to implement actions and measures to address such risks and impacts, which may include specified risks and impacts that are relevant to the Project, such as environmental, health, and safety impacts, labor influx, gender-based violence, discrimination and lack of equitable access, among others.

RWANDA –ACCESS TO FINANCE FOR RECOVERY AND RESILIENCE PROJECT			
SUMMARY OF THE MATERIAL MEASURES AND ACTIONS TO MITIGATE THE PROJECT’S POTENTIAL ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS		TIMEFRAME	RESPONSIBILITY /AUTHORITY AND RESOURCES /FUNDING COMMITTED
ESCP MONITORING AND REPORTING			
MR1	<p>REGULAR REPORTING:</p> <p>i) The Recipient through the MINECOFIN will prepare and submit to the Association, environmental and social monitoring reports indicating the status of their compliance with the measures recommended in the ESCP and other instruments (ESMF/ESMSs/ SEP) that will be developed under the project.</p> <p>ii) The Recipient through the oversight and coordination of the MINECOFIN will conduct these activities while also observing the COVID-19 guidance for industries and workplaces provided by the Ministry of Health and the agreed measures in the ESMSs/ESMF</p> <p>iii) The Recipient through MINECOFIN to submit the first five (5) Environmental and Social Due Diligence (ESDDs) reports conducted for the first 5 benefiting PFIs (under each of the Apex FIs) from components 1 & 2 to the Association.</p> <p>iv) The Recipient through the coordination of the MINECOFIN shall require the Apex FIs to prepare and submit training and capacity building reports. These reports shall be based on the developed ESMF for the project/Apex FIs; and environmental and social management systems for the Apex-FIs (BRD and BDF), PFIs and large enterprises and SMEs that will guide in the operationalization process for the ESMS and management of environmental and social risks and impacts.</p>	<p>i. Semi-annually (every 6 months) throughout the Project Implementation; Apex FIs ESMSs’ adoption-prior to fund disbursement.</p> <p>ii. Throughout the project implementation</p> <p>iii. Dependent on PFI eligibility (and screening provisions) and subprojects’ E&S due diligence</p> <p>iv. Within Three (3) Months after project effectiveness</p>	<p>i. MINECOFIN with BRD & BDF</p> <p>ii. MINECOFIN with BRD & BDF</p> <p>iii. MINECOFIN with BRD & BDF</p> <p>iv. MINECOFIN with BRD, & BDF</p>
MR2	<p>INCIDENTS AND ACCIDENTS NOTIFICATION:</p> <p>The Recipient through the oversight and coordination of MINECOFIN will immediately report to the Association any incident or accident related to or affecting the project, which has or may have a material adverse effect on the environment, the affected communities, the public or workers. The project PCT will provide reports on each incident / accident. These will indicate in detail the measures taken or planned to be taken to address it and will include information from any provider/supplier/contractor or entity supervision, as applicable.</p>	<p>Immediately, and no later than 48 hours after taking knowledge about such accidents or incidents, report to the Task Team Leader of the Association</p>	<p>MINECOFIN with BDF, BRD and companies financed by the Project FIs and PFIs</p>

	Subsequently, as per the Association’s request, prepare and submit a report on the incident or accident and propose any measures to prevent its recurrence within 10 working days.		
ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			
1.1	<p>ORGANIZATIONAL STRUCTURE:</p> <p>The Recipient through MINECOFIN’s oversight and coordination shall obligate, For Component 1, BRD and BDF to maintain an organizational structure with qualified staff and resources to support the management of environmental and social risks. BRD to maintain the two full time Environmental specialist, Social specialist and, in addition, recruit one Stakeholder Engagement (SE)/ Grievance Redress Mechanism (GRM) focal point as part of structure set out in ESMS and in place within agreed time frame . BDF to recruit one Environment Specialist and One Social Specialist as fulltime staff. Their responsibilities will include: (i) participation in the selection of and on-lending to PFIs; (ii) monitoring of PFIs to ensure compliance with project criteria and respective ESMSs; (iii) responsibility for adherence to all fiduciary and ESF requirements of the WB for final borrowers through signed Participation Agreements with PFIs; and (iv) M&E based on key indicators.</p> <p>The Recipient through the MINECOFIN shall ensure that the Apex FIs adopt the ESMSs and oversee compliance.</p>	<p>BRD to maintain on full time basis One Environment and One Social Specialist to the project. BRD shall recruit one Stakeholder Engagement (SE)/ Grievance Redress Mechanism (GRM) focal point within 6 Months after project effectiveness.</p> <p>BDF shall hire one Environment and one Social specialist deployed within 60 days after the project Effectiveness Date and before disbursement of respective components.</p>	MINECOFIN with BRD and BDF
1.2	<ul style="list-style-type: none"> i. The Recipient through MINECOFIN shall cause the Apex FIs to develop, adopt and launch the implementation of the ESMSs as disbursement condition in line with the requirements of ESS9, in form and substance acceptable to the Association. The ESMS shall include documents and procedures to ensure that its lending activities are compliant with the WBG Exclusion List, the applicable national/entities laws and the ESF/ESSs. Said ESMSs shall be implemented throughout the Project. The Association will review the draft ESMSs prior to adoption and disclosure. It also ensures the adoption of Apex ESMSs by their respective PFIs ii. The Recipient through MINECOFIN shall cause BRD and BDF to develop, consult upon and disclose ESMF for)the project for managing subprojects with substantial E&S risks as disbursement condition. MINECOFIN shall also cause BRD and BDF to carry out the Social Assessment (SA) as part of the ESMF. The SA will cover matters related to child labor, Gender Based Violence (GBV); risk of discrimination, lack of equitable access and other social risks and measures and resources available to mitigate them as related to ESSs 1, 2, 4, 7 and 10. The Association will review the draft ESMF prior to disclosure. The main findings of the ESMF, including the SA 	<ul style="list-style-type: none"> i. Develop, consult upon, adopt, disclose and launch ESMSs for Apex FIs prior to fund disbursement; and adoption of Apex FIs’ ESMSs by their respective PFIs- not later than 30 days after the PFIs selected to participate in the project and before sub-loans are approved and disbursed. ii. Disclose the cleared ESMF prior to fund disbursement 	<ul style="list-style-type: none"> i. MINECOFIN with BRD and BDF ii. MINECOFIN with BRD and BDF iii. MINECOFIN with BRD and BDF iv. MINECOFIN with BDF and BRD

	<p>measures, shall be integrated in the SEP and ESMS for BRD and BDF.</p> <p>iii. Consistent with ESMSs for Apex FIs/SEP /ESMF, the Recipient through MINECOFIN shall cause BDF and BRD to develop a combined environmental and social PFI, large enterprises and SMEs training toolkit and training manuals (acceptable to the association and including qualified technical personnel to support the training) to guide the capacity building process for the Retail, PFIs, large enterprises and SMEs.</p>	<p>iii. Training toolkit and manuals ready one (1) Month after project effectiveness; and Training of PFIs, large enterprises and SMEs to be completed three (3) Months after project effectiveness.</p>	
1.3	<p>ENVIRONMENTAL AND SOCIAL ASSESSMENT/ MANAGEMENT PLANS AND INSTRUMENTS/ CONTRACTORS</p> <p>i. The Recipient through MINECOFIN shall cause BRD and BDF to ensure that the requirements of the respective ESMSs and the ESMF are integrated into the PFIs and firms through the participation and sub-loan agreements.</p> <p>ii. The Recipient through MINECOFIN shall cause Apex FIs to ensure that PFIs to adopt and implement their respective Apex ESMS that meets the ESSs, including ESS2 and ESS 9 requirements, and capacity considerations</p> <p>iii. MINECOFIN shall cause BRD and BDF during implementation, and based on the result of the Environment and social screening of subproject proposals for funding, where necessary shall require, through Participation Agreements with PFIs, firms and beneficiaries to prepare the required environmental and social assessment and plans as specified in the respective ESMSs and ESMF and adopted PFIs' ESMSs such as an Environmental and Social Impact Assessments (ESIAs)/Environmental and Social Management Plans (ESMPs) or Summary Project Report (SPR)¹ as required by the national law and consistent with the ESSs and the ESF instruments (such as ESMF, ESMSs, and SEP). Large enterprises' and SMEs' project</p>	<p>i. Corporate ESMS for PFI's to be assessed and approved by the BRD, BDF and MINECOFIN prior to approval of any loans to PFI's and PFI sub-loans using Project resources.</p> <p>ii. Prior to approval of any loans to PFI's and PFI sub-loans using Project resources.</p> <p>iii. Prepare required ES assessments and plans as required by ESMSs/ESMF and ensure they are approved by Rwanda Development Board (RDB) where required by the national law and the PFIs prior to the financing of the large enterprises and SMEs.</p>	<p>i. MINECOFIN with BRD, and BDF</p> <p>ii. MINECOFIN with BRD, and BDF</p> <p>iii. MINECOFIN with BRD, and BDF</p> <p>iv. BDF and SACCOs</p>

¹ Summary Project Report (SPR) is a summary of environmental and social screening report for subprojects, comprising screening checklist, risks classification and proposed site-specific ESSs instrument for each proposed subproject, among others.

	<p>activities/subprojects with low to moderate environmental and social risks will be addressed through the institutional ESMSs for BRD as required. If there are any large enterprises' and SMEs' project activities/subprojects with substantial risk, they will be managed as per the ESMF's guidelines and processes.</p> <p>iv. BDF through the insitutional ESMS shall prepare screening checklists for subproject environment and social risk rating, exclusion list, monitoring and reporting templates to be used by SACCOs to ensure harmonization during implementation. The screening and reporting tools shall form part of the participation agreements to be signed between BDF and SACCOs, and BDF shall ensure SACCO's compliance to these guidelines throughout the project implementation.</p>	<p>iv. Prior to disbursement of funds to SACCOs, BDF shall ensure that Environment and social Screening checklist for subproject categorizations, monitoring and report templates, and exclusion lists are prepared in form and substance acceptable to the BDF and the Association.</p>	
	<p>ENVIRONMENTAL AND SOCIAL ASSESSMENT</p> <p>a. MINECOFIN shall cause BRD and BDF to conduct E&S due diligence assessments for each potential sub-borrower in line with the ESMF/approved respective ESMS including the Exclusion List, national laws, ESSs and eligibility criteria for all potential investments. Where applicable, ESMPs shall be developed to address identified gaps following the assessments.</p> <p>b. MINECOFIN shall cause BRD, BDF to ensure that subprojects rated as High social and environmental risks and activities relevant to ESSs 3, 4, 5, 6 and 8 and any on the WBG Exclusion List will be excluded from financing. PFIs shall screen subprojects of their respective beneficiaries as per their adopted ESMSs including E&S screening checklist and exclusion list.</p> <p>c. MINECOFIN shall cause BRD, BDF and PFIs to require and ensure that the large enterprises and SMEs carry out scoping, screening and where required by the National laws and ESMS, prepare the appropriate environmental and social risk management tools e.g. ESIA's, ESMP or SPR prior to disbursement of funds.</p>	<p>a. Prior to disbursement of funds to PFIs, apex FIs shall ensure that Environment and Social documents shall be prepared, disclosed and adopted, in form and substance acceptable to the FIs and the Association.</p> <p>b. Throughout project implementation and subproject cycle of final beneficiaries</p> <p>c. Prior to disbursement of funds to Large Enterprises and SMEs</p>	<p>a. MINECOFIN with BRD, BDF, and PFIs</p> <p>b. MINECOFIN with BRD, BDF and PFIs</p> <p>c. MINECOFIN with BRD, BDF, and PFIs</p>

1.4	<p>Technical Assistance</p> <p>i. The Recipient through MINECOFIN shall cause BRD and BDF to develop/revise any policies under technical assistance (TA) of the Project (component 3) in consultation with broad stakeholders consistent with the ESS 10 and subject to Strategic Environmental and Social Assessment (SESA) where appropriate in accordance with ESS 1 and national law requirements.</p> <p>ii. The Recipient through MINECOFIN shall cause BRD and BDF to carry out all TA activities in accordance with the relevant requirements of the ESF and with Terms of Reference (TOR) agreed upon with the Association</p>	<p>i. The SESA TOR to be reviewed and agreed upon with the Association prior to the request for proposals</p> <p>ii. Throughout project implementation.</p>	<p>i. MINECOFIN with BRD and BDF</p> <p>ii. MINECOFIN with BRD and BDF</p>
1.5	<p>EXCLUSIONS:</p> <p>i. The Recipient through MINECOFIN shall cause BRD and BDF to ensure that the ESMSs and the environmental and social operational and training manuals shall integrate and build upon the Exclusion List below in order to ensure that the large enterprises, MSMEs, FIs and PFIs understand with specificity and comply with the various terms mentioned in exclusion list.</p> <p>ii. The Recipient through MINECOFIN shall cause BRD and BDF to ensure that the following list of activities shall be ineligible for financing under the Project:</p> <ul style="list-style-type: none"> • Any activities resulting or anticipated to result in permanent or temporary physical or economic displacement. • Any activities involving significant or irreversible impacts or impacts that cannot be easily mitigated. • Any activities that have significant or irreversible impacts on cultural heritage as defined under ESS 8. • Production or trade in any product or activity deemed illegal under the Borrower's laws or regulations or ratified international conventions and agreements. • Production or trade in weapons or munitions • Gambling, casinos and equivalent enterprises. • Trade in wildlife or wildlife products regulated under Convention on International Trade in Endangered Species (CITES) • Production or trade in radioactive materials (this does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where the Association considers the radioactive source to be trivial and/or adequately shielded). 	<p>i. During the development of the ESMSs and E&S operational and training manuals.</p> <p>ii. Throughout Project implementation as part of the assessment process conducted under action 1.2 above.</p>	<p>i. MINECOFIN with BRD, and BDF</p> <p>ii. MINECOFIN with BRD, BDF, and PFIs</p>

	<ul style="list-style-type: none"> • Production or trade in or use of unbounded asbestos fibers. This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%. • Drift net fishing in the marine environment using nets in excess of 2.5 km in length. • Purchase of logging equipment for use in cutting forests. • Production or trade in wood or other forestry products other than from sustainably managed forests • Production or trade in pharmaceuticals subject to international phase outs or bans. • Production or trade in pesticides/herbicides subject to international phase outs or bans such as potential Ozone Depleting Substances [ODSs] that have been burned in Rwanda • Fishing in the marine environment using electric shocks and explosive materials. • Any activities that would curtail workers fundamental rights. These would include: (i) freedom of association and the effective recognition of the right to collective bargaining; (ii) prohibition of all forms of forced or compulsory labor; (iii) engaging workers in hazardous conditions (which includes construction activities) without appropriate OHS measures as per national laws and ESF/ESSs, and hiring persons under 18; (iv) discrimination/exclusion of workers based on race, color, sex, religion, political opinion, national extraction, or social origin. • Commercial logging operations in primary tropical moist forests • Production or trade in products containing Polychlorinated biphenyls (PCBs). • Production or trade in ozone depleting substances subject to international phase out. • Production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals (includes gasoline, kerosene, and other petroleum products). • Production or storage or packaging of inflammable material. • Production or trade or use or storage of dyeing chemicals and dye intermediaries • Production or activities that impinge on the lands owned, or claimed under adjudication without full documented consent of such peoples 		
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ESS 2: LABOR AND WORKING CONDITIONS			
2.1	<p>LABOR MANAGEMENT PROCEDURES:</p> <ul style="list-style-type: none"> i. MINECOFIN shall cause the BRD and BDF to prepare, adopt, and disclose a combined Labour Management Procedures (LMP), including OHS aspects, Gender Based Violence (GBV) action plan, Training plan and GRM checklist as conditions of fund disbursements, for the Project outlining provisions and guidance to manage labor issues at the internal organizational level Project personnel, PFIs, and this will cascade through MoUs or participation agreements between Apex FIs and PFIs. ii. MINECOFIN shall cause the BRD and BDF to maintain and implement Project LMP consistent with national legislation and ESS2 (including inter alia codes of conduct addressing SEA/SH and measures to monitor and prevent child labor) and ensure that all Project workers are aware of it and it is accessible to them. iii. MINECOFIN shall ensure BRD and BDF, adopt and implement LMP, consistent with the Project LMP and ESS2 in a manner acceptable to the Association. 	<ul style="list-style-type: none"> i. BRD and BDF to develop a combined LMP for the Project and disclosed as part of the ESMS. LMP to be implemented throughout Project implementation. ii. Implement and monitor LMP throughout Project life and report through semi-annual progress reports. iii. Adopted by BRD, BDF and PFIs prior to signing participation and sub-loan agreements respectively 	<ul style="list-style-type: none"> i) MINECOFIN with BRD and BDF ii) MINECOFIN with BRD & BDF iii) MINECOFIN with BRD & BDF
2.2	<p>MINECOFIN shall require BRD and BDF to adopt, maintain and implement human resources (HR) policies and procedures consistent with requirements under national/entities law and the Labor Management Procedures (LMP) which is compliant with ESS2 and part of the ESMS, and ensure that Project workers are informed of and have access to these policies</p>	<p>Implement and monitor HR policies and procedures as stated in the LMP starting on the Effectiveness Date and throughout the Project, and report through semi-annual progress reports.</p>	<p>MINECOFIN BRD, BDF</p>
2.3	<p>OCCUPATIONAL HEALTH AND SAFETY (OHS) MEASURES:</p> <ul style="list-style-type: none"> i. MINECOFIN shall require BDF and BRD to prepare, adopt, and implement occupational health and safety (OHS) measures consistent with ESS2, to be specified in the project LMP as well as in the ESMS and ESMF. ii. MINECOFIN shall require BRD, BDF, PFIs and MSMEs to implement OHS measures as per the respective ESMSs, ESMF, World Bank Group General Environmental Health and Safety Guidelines, national laws and relevant regulations and LMP, and ESSs 1 and 2. 	<ul style="list-style-type: none"> i. Adopt prior to funds disbursement and implement throughout Project implementation. ii. Throughout project implementation 	<ul style="list-style-type: none"> i. MINECOFIN with BDF and BRD ii. MINECOFIN with BRD, BDF and PFIs

2.4	<p>GRIEVANCE MANAGEMENT:</p> <ul style="list-style-type: none"> i. MINECOFIN shall require BRD and BDF to establish, maintain, and operate an accessible GRM for Project workers as described in the LMP, in line with national labor law and consistent with ESS2. ii. MINECOFIN shall require BRD, BDF to ensure that the PFIs require to have in place a worker’s grievance redress mechanism as described in the LMP, in line with national labour law and consistent with ESS2. 	<ul style="list-style-type: none"> i. An interim GRM to be operational prior to engaging Project workers and commencement of project activities, and such interim GRM to be updated in accordance with the LMP and maintained throughout project implementation. ii. Report semi-annually through Project Progress Reports. 	<ul style="list-style-type: none"> MINECOFIN with BRD, and BDF ii. MINECOFIN with BRD and BDF
ESS 3: RESOURCE EFFICIENCY, POLLUTION PREVENTION AND MANAGEMENT			
3.1	<ul style="list-style-type: none"> i. MINECOFIN shall require BRD and BDF (Apex FIs) to Include resource efficiency and pollution prevention and management measures consistent with ESS3 into all BRD and BDF ESMSs and cascaded through the PFIs sub-loan agreements as well as in the ESMF. ii. MINECOFIN shall require Apex FIs Large enterprises and SMEs to prepare, adopt, and implement measures and action to assess and manage specific risks and impacts on resource efficiency and pollution prevention and management to the community arising from sub-projects, and include these measures in the Environmental and Social Impact Assessments (ESIAs)/Environmental and Social Management Plans (ESMP) or the Summary Project Reports (SPRs) in accordance with the approved ESMS, the ESS3 requirements and the national law, and commensurate with subproject risks, in a manner acceptable to the FIs and recipient/apex FI commitment. iii. Even micro companies do use hazardous materials in their operations (e.g., artisan craft makers and mining use of heavy metals, etc.), which represents environmental risk and worker OHS risk. These could be identified and addressed in screening by PFIs, and site-specific ESSs instruments (such as SPRs/ESMSs as required) to be prepared, implemented and monitored in a manner acceptable to the FIs and recipient/apex FI commitment. 	Throughout Project implementation.	<ul style="list-style-type: none"> i. MINECOFIN with BRD, BDF, and PFIs ii. MINECOFIN with Apex FIs, PFIs, Large enterprises, and SMEs, iii. PFIs and Micro-companies

ESS 4: COMMUNITY HEALTH AND SAFETY			
4.1	<ul style="list-style-type: none"> i. MINECOFIN shall require BRD and BDF (Apex FIs) to prepare a Gender Based Violence (GBV) Action Plan to establish GBV reporting channels and survivor-centric referral pathways that shall cover PFIs and large enterprises and SMEs. The measures and actions of the GBV Action Plan shall be incorporated into the PFIs, large enterprises prior to fund disbursement. ii. MINECOFIN shall require Apex FIs to ensure that large enterprises and SMEs to prepare, adopt, and implement measures and action to assess and manage specific risks and impacts on community health and safety arising from sub-projects and include these measures in the ESIA, ESMPs or the Summary Project Reports (SPR) as required in accordance with the approved ESMSs/ESMF, the ESS4 requirements and the national law, and commensurate with subproject risks, in a manner acceptable to the FIs and MINECOFIN. iii. Require and ensure that the PFIs carry out scoping, screening and large enterprises and SMEs prepare the appropriate tools, eg ESMP, ESIA, or SPRs incorporating community health safety issues prior to disbursement of funds. 	<ul style="list-style-type: none"> i. Prepare GBV action plan for the Project as part of the ESMF and Apex ESMSs as well as cascade down prior to fund disbursement through MoU or participation agreement between Apex FI and PFIs. ii. As part of the ESMSs, and large enterprises', SMEs' ESIA/ESMPs/SPRs and prior to sub-loan disbursement throughout the participation agreement between Apex FI and PFIs that shall be signed. iii. Prior to disbursements of funds to large enterprises and SMEs 	<ul style="list-style-type: none"> i. MINECOFIN with BRD, and BDF ii. MINECOFIN with BRD, BDF, iii. BRD, BDF and PFIs
ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT			
5.1	<ul style="list-style-type: none"> i. Relevant. In accordance with action 1.4 above, any activities resulting or anticipated to result in permanent or temporary physical or economic displacement shall be ineligible for Project financing. <p>This will be based on a screening mechanism that excludes subprojects with land acquisition and resettlement impacts. The screening mechanism will also include a protocol requiring subproject application to include documentation that they own any land they will use or will acquire if the project exclusively on a willing buyer/willing seller basis. This screening process will be outlined in the ESMS. Subproject applications shall include documentation that proponent owns any land they will use or that any land they will use or will acquire if for the project will be exclusively on a willing buyer willing seller basis</p>	<ul style="list-style-type: none"> i. Screening process by FIs and PFIs prior to signing participation and sub-loan agreements respectively 	BRD and BDF

	ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES		
6.1	<p>i. MINECOFIN shall require Apex FIs to ensure that large enterprises and SMEs shall prepare, adopt, and implement measures and actions to assess and manage specific risks and impacts on biodiversity, including identification of different habitats that may be affected from sub-project, and include these measures in the Environmental and Social Management Plans and the Summary Project Reports (SPR) in accordance with the approved ESMS and ESMF, the ESS 6 requirements and the national law, and commensurate to project risks, in a manner acceptable to the FIs and recipient/apex FI commitment.</p> <p>ii. Activities of some micro companies could involve cutting/clearing of forests or other impacts on biodiversity. This could be identified and addressed in screening by PFIs, and site-specific ESSs instruments (such as SPRs/ESMSs as required) to be prepared, implemented and monitored in a manner acceptable to the FIs and recipient/PFI commitment.</p>	As part of ESMPs/ESIAs and prior to sub-loan disbursements; throughout Project implementation	<p>i. MINECOFIN with BRD, BDF, and large enterprises</p> <p>ii. PFIs and micro-companies</p>
	ESS 8: CULTURAL HERITAGE		
8.1	<p>Chance Finds: MINECOFIN shall require BRD and BDF to incorporate chance finds procedures in their respective ESMSs and the ESMF and ensure that these considerations are included in the FIs and PFIs screening instruments and tools, and in large enterprises and SMEs' ESIAs, ESMPs, or SPRs as appropriate in a manner acceptable to the Association.</p> <p>Ensure the inclusion of chance finds procedure in FIs, PFIs and SMEs instruments and tools</p>	<p>Incorporate chance finds procedures in the ESMF and ESMSs, as well as in large enterprises and SMEs' ESIAs/ESMPs/SPRs (as required) prior to the fund's disbursement for Components 1 and 2.</p> <p>Throughout Project implementation</p>	BRD and BDF
	ESS 9 : FINANCIAL INTERMEDIARY		
9.1	<p>ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM:</p> <p>i. MINECOFIN shall require BRD, BDF to develop, adopt, maintain and implement the Project ESMS consistent with ESS9 and in a manner acceptable to the Association as a condition of disbursement.</p> <p>ii. MINECOFIN shall require BRD, BDF, and PFIs to maintain and implement an ESMS consistent with ESS9.</p> <p>iii. Develop and implement any additional E&S instruments (such as SEP, ESMF and LMP) or any amendments in the ESMS to support its successful application as may be needed to implement the Project in accordance with the ESSs and to the Association's satisfaction.</p>	<p>i. BRD, BDF ESMS to be prepared prior to the funds disbursement for Components 1 and 2, and thereafter maintained and operated throughout Project implementation.</p> <p>ii. ESMSs for BRD and BDF assessed and approved by the Association before approval of loans to Apex PFIs (BRD, and BDF) and PFIs and sub-loans disbursement by PFIs, and thereafter to be maintained and operated, including ESMS training, throughout Project implementation.</p>	MINECOFIN with BRD, BDF, and PFIs

	<p>iv. MINECOFIN shall require Apex FIs and PFIs that large enterprises and SMEs prepare, implement and monitor sub-project specific environmental and social management plans (ESMPs), ESIAs or Summary Project Reports (SPRs) and submit implementation status report as required by the ESMSs/ESMF and national law and in manner acceptable to the Association and MINECOFIN.</p>	<p>iii. Complementary instruments to be maintained and operationalized throughout Project implementation.</p> <p>iv. ESIAs, ESMPs and SPRs to be prepared by large enterprises and SMEs and approved by PFIs before signing sub-loan agreements where required by the National Law and the ESMS, as well as submit implementation status report quarterly after receiving the sub-loans.</p>	
9.2	<p>FIs & PFIs ORGANIZATIONAL CAPACITY</p> <p>i. In accordance with ESS9, MINECOFIN shall require BRD and BDF to establish and maintain an organizational capacity and competency for implementing the ESMSs with clearly defined roles and responsibilities described under action 1.2.</p>	Throughout Project implementation	MINECOFIN with BRD and BDF
	<p>SENIOR MANAGEMENT REPRESENTATIVE</p> <p>i. In accordance with ESS9, MINECOFIN shall require the apex-FIs to designate and maintain a senior management representative to have overall accountability for the environmental and social performance of FI subprojects.</p>	i. Designate before effective date and maintain throughout Project implementation	BRD, BDF, and PFIs
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			
10.1	<p>STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE:</p> <p>i. MINECOFIN with Apex FIs shall prepare, consult upon and disclose in-country the SEP prior to project appraisal.</p> <p>ii. MINECOFIN shall require Apex FIs to implement the SEP(s) consistent with ESS10, including the use of different, culturally appropriate communication approaches to ensure communication also with the most vulnerable, illiterate stakeholders and people with disabilities benefit from the project.</p>	<p>i. SEP disclosure prior to appraisal</p> <p>ii. Adopt SEP before effective date and implement throughout Project implementation</p>	MINECOFIN with BRD and BDF

	<ul style="list-style-type: none"> iii. MINECOFIN shall require Apex FIs to develop a communication plan for BDF, and BRD and PFIs for Components 1, 2 and 3 of the Project. The communication plan should have dedicated outreach and tailored sessions for women entrepreneurs iv. MINECOFIN shall require Apex FIs to carry out monitoring of the stakeholder engagement plan and information disclosure. 	<ul style="list-style-type: none"> iii. prior to disbursement of loans to PFIs, large enterprises and SMEs iv. Every quarter throughout the Project implementation 	
10.2	<p>GRIEVANCE MECHANISM:</p> <ul style="list-style-type: none"> i. MINECOFIN shall require Apex FIs to avail accessible grievance arrangements publicly to receive and facilitate the resolution of concerns and grievances in relation to the Project, consistent with ESS10, in a manner acceptable to the Association. The GRM shall be managed by the Environment and Social focal points in each Apex FI and PFIs. ii. MINECOFIN shall require Apex FIs to update GRM to reflect the results of the social assessment 	<ul style="list-style-type: none"> i. Three Months after project effectiveness and maintained throughout the project ii. The SA measures shall be integrated in the GRM three Months after project effectiveness 	MINECOFIN with BRD and BDF
10.3	<ul style="list-style-type: none"> i. The Recipient through MINECOFIN shall require Apex FIs and PFIs to ensure that the Grievance Redress Mechanism (GRM) shall be used to address GBV-related issues and mechanisms to ensure confidentiality and anonymity in reporting with safe and ethical documenting of GBV issues and shall prepare a GBV action plan. Further, the GRM shall immediately notify both the Ministry of Finance and the Association of any GBV complaints, with the consent of the survivor ii. A protocol for handling GBV cases shall be developed and adopted as part of the ESMS. 	<ul style="list-style-type: none"> i. Three Months after project effectiveness and implemented throughout. ii. Adopted three Months after project effectiveness and prior to sub-loan approval and financing to PFIs. Thereafter implemented throughout Project implementation. 	MINECOFIN with BRD, BDF, and PFIs
Capacity Building (Training)			
1	<ul style="list-style-type: none"> i. MINECOFIN shall require BRD, and BDF to develop environmental and social large enterprises and SMEs training toolkit and training manuals satisfactory to the Association specific to their respective sectors. 	<ul style="list-style-type: none"> i. One Month after project effectiveness 	MINECOFIN with BRD and BDF

	<ul style="list-style-type: none"> ii. BDF and BRD will be responsible for the training of the PFIs on the project's ESMS and management of environmental and social risks and impacts consistent with the ESMS and the ESSs. iii. Training and capacity building reports for the FIs, large enterprises and SMEs will be submitted to the Association. 	<ul style="list-style-type: none"> ii. Prior to signing of loan agreements between apex-FIs and PFIs and conduct further trainings throughout project implementation. iii. Semi-annually (every 6 months) throughout the Project implementation 	
2	<p>Large enterprises and SMEs will be trained by PFIs with the support of BDF, BRD and MINECOFIN on the ESMS and the Environmental and Social requirements under the ESSs specific to the sectors intervention of large enterprises and SMEs. This training will take into account the capacity of the large enterprises and SMEs. The scope of the training will also include the E&S national requirements and contractual and supervision mechanisms to ensure proper due diligence and compliance monitoring.</p>	<p>Three Months after project effectiveness</p>	