

REPUBLIC OF RWANDA



MINISTRY OF FINANCE AND ECONOMIC PLANNING

**Additional Financing for Access to
Finance for Recovery and Resilience
Project (P179999)**

**UPDATED ENVIRONMENTAL AND SOCIAL
COMMITMENT PLAN (ESCP)**

Negotiated Version

April 24, 2023

ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The Republic of Rwanda, (the Borrower) will implement the Additional Finance - Access to Finance for Recovery and Resilience (AFIRR) Project (the Project), with the involvement of the Development Bank of Rwanda (BRD) and the Business Development Fund (BDF) under the coordination of the Ministry of Finance and Economic Planning (MINECOFIN). The Association, acting as the administrator of AFIRR, has agreed to provide the original financing (P175273) and additional financing (P179999) for the Project, as set out in the referred agreement(s). The updated ESCP supersedes previous version of the ESCP for the project and shall apply both to the original and additional financing for the project referred to above.
2. The Borrower shall ensure that the Project is carried out in accordance with the Environmental and Social Standards (ESSs) and this Environmental and Social Commitment Plan (ESCP), in a manner acceptable to the Association. The ESCP is a part of the Financing Agreement. Unless otherwise defined in this ESCP, capitalized terms used in this ESCP have the meanings ascribed to them in the referred agreement(s).
3. Without limitation to the foregoing, this ESCP sets out material measures and actions that the Borrower shall carry out or cause to be carried out, including, as applicable, the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and grievance management. The ESCP also sets out the environmental and social (E&S) instruments that shall be adopted and implemented under the Project, all of which shall be subject to prior consultation and disclosure, consistent with the ESS, and in form and substance, and in a manner acceptable to the Association. Once adopted, said E&S instruments may be revised from time to time with prior written agreement by the Association.
4. As agreed by the Association and the Borrower, this ESCP will be revised from time to time if necessary, during Project implementation, to reflect adaptive management of Project changes and unforeseen circumstances or in response to Project performance. In such circumstances, the Borrower through BRD and BDF under the MINECOFIN coordination and the Association agree to update the ESCP to reflect these changes through an exchange of letters signed between the Association and the Borrower's Minister of MINECOFIN. The Borrower shall promptly disclose the updated ESCP.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
MONITORING AND REPORTING			
A	<p>REGULAR REPORTING</p> <p>(i) The Borrower through the MINECOFIN will prepare and submit to the Association regular monitoring reports on the environmental, social, health and safety (ESHS) performance of the Project, including but not limited to the implementation of the ESCP, status of preparation and implementation of E&S instruments required under the ESCP, stakeholder engagement activities, and functioning of the grievance mechanism(s), challenges encountered during the reporting period and proposed corrective measures/way forward.</p> <p>(ii) The Borrower through the oversight and coordination of the MINECOFIN will conduct the above activities while also observing the communicable diseases' guidance for workplaces provided by the agreed measures in the ESMSs/ESMF</p> <p>(iii) The Borrower through the coordination of the MINECOFIN shall require BRD and BDF to maintain training and submit capacity building reports. These reports shall be based on the updated ESMF for the project; and environmental and social management systems (ESMSs) for BRD and BDF, PFIs and large enterprises (LEs) 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-annual reports to the Association throughout the Project Implementation commencing after the Effective Date. Submit each report to the Association no later than 45 days after the end of each reporting period.</p> <p>(ii) Throughout the project implementation</p> <p>(iii) Organize trainings for new PFIs, LEs, MSMEs and maintain trainings as required throughout the project implementation period</p>	<p>(i) MINECOFIN with BRD & BDF</p> <p>(ii) MINECOFIN with BRD and BDF</p> <p>(iii) MINECOFIN with BRD and BDF</p>
B	<p>INCIDENTS AND ACCIDENTS</p> <p>The Borrower through the oversight and coordination of MINECOFIN will promptly notify the Association of any incident or accident related to the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including, inter alia, cases of sexual exploitation and abuse (SEA), sexual harassment (SH), and accidents that result in death, serious or multiple injury (eg. cuts from using sharp equipment, hands crushing, skin burns by fire or ovens, falls from height, etc.). The Borrower will provide sufficient details regarding the scope, severity, and possible causes of the incident or accident, indicating immediate measures taken or that are</p>	<p>Notify the Association immediately and not later than 48 hours after learning of the incident or accident.</p>	<p>MINECOFIN with BDF, BRD, PFIs, Large Enterprises (LEs) and MSMEs</p>

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	<p>planned to be taken to address it, and any information provided by any contractor and/or supervising firm, as appropriate.</p> <p>Subsequently, at the Association’s request, prepare a report on the incident or accident and propose any measures to address it and prevent its recurrence.</p>	<p>Provide subsequent reports to the Association within a timeframe acceptable to the Association</p>	<p>MINECOFIN with BDF and BRD</p>
ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			
1.1	<p>ORGANIZATIONAL STRUCTURE</p> <p>BRD and BDF each maintain a PIU with qualified staff and resources to support management of ESHS risks and impacts of the Project including an Environmental Safeguards Specialist, Social Safeguards Specialist and Stakeholder Engagement (SE)/ Grievance Redress Mechanism (GRM) Officer. Their responsibilities 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 Borrower through MINECOFIN shall ensure that BRD and BDF implement the ESMSs and oversee compliance.</p>	<p>BRD to maintain on full time basis one Environmental Specialist, one Social Safeguards Specialist and one Grievance Redress Mechanism (GRM) Officer to the project throughout the project implementation period.</p> <p>BDF to maintain on full time basis one Environmental Specialist and one Social Safeguards Specialist throughout the project implementation period</p> <p>Throughout the project implementation</p>	<p>MINECOFIN with BRD</p> <p>MINECOFIN with BDF</p> <p>MINECOFIN with BRD and BDF</p>

<p>1.2</p>	<p>ENVIRONMENTAL AND SOCIAL INSTRUMENTS</p> <p>1. The Borrower through MINECOFIN shall cause the BRD and BDF to update, adopt, disclose in country and implement an Environmental and Social Management Framework (ESMF) for the Project, consistent with the relevant ESSs. MINECOFIN shall also cause BRD and BDF to update the Social Assessment (SA) as part of the ESMF. The Association will review the draft updated ESMF prior to disclosure.</p> <p>2. The BRD, BDF and PFIs shall cause the sub-borrowers to prepare and adopt a full or partial Environmental and Social Impact Assessment (ESIA), and corresponding Environmental and Social Management Plan (ESMP) or Summary Project Screening Report (SPR) for manufacturing (ie construction materials, agro-processing, textiles & manufacturing and other light manufacturing subsectors), transport and tourism sectors of the Project as required, set out in the ESMF and consistent with the relevant ESSs. The proposed activities described in the exclusion list set out in the ESMF shall be ineligible to receive financing under the Project.</p> <p>3. BRD, BDF and PFIs shall cause sub-borrowers to implement the site-specific ESIA, ESMP or SPR, as required.</p> <p>4. The Borrower through MINECOFIN shall require BRD and BDF adopt, maintain and implement the Gender Action Plan (GAP) to provide appropriate measures of protection and assistance to address gender gaps in access to different credit lines in both parent project and AF</p> <p>5. MINECOFIN shall cause BRD and BDF to conduct E&S due diligence assessments for each PFI in line with the ESMF/approved ESMS including the Exclusion List, national laws, ESSs and eligibility criteria for all potential</p>	<p>1. Adopt the updated ESMF prior to the Additional Finance Credit Line disbursement. and thereafter implement the updated ESMF throughout the Project implementation.</p> <p>2. Adopt the full or partial ESIA and corresponding ESMP prior to funds disbursement to sub-borrowers.</p> <p>3. Implement the respective ESIA, ESMP or SPR as required throughout Project implementation.</p> <p>4. Adopt and maintain the Gender Action Plan prior to the Additional Finance Credit Line disbursement. and implement it throughout the project implementation period</p> <p>5. Prior to disbursement of funds to new PFIs, BRD and BDF shall ensure that Environmental and Social</p>	<p>1. MINECOFIN with BRD and BDF</p> <p>2. BRD, BDF, PFIs and sub-borrowers</p> <p>3. BRD, BDF, PFIs and sub-borrowers</p> <p>4. MINECOFIN with BRD and BDF</p> <p>5. MINECOFIN with BRD, BDF, and PFIs</p>
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	<p>investments. Where applicable, ESIA's, ESMP's and SPR's shall be developed to address identified gaps following the assessments</p> <p>6. 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>7. MINECOFIN shall cause BRD, BDF and PFIs to require and ensure that any subproject carry out scoping, screening and where required by the National laws and their respective ESMS, prepare the appropriate environmental and social risk management tools e.g. ESIA's, ESMP or SPR prior to disbursement of funds and implementation of such environmental and social risk management tools throughout the life of investment.</p>	<p>documents shall be prepared, disclosed and adopted, in form and substance acceptable to the BRD and BDF.</p> <p>6. Throughout project implementation and subproject cycle of final beneficiaries</p> <p>7. Throughout the project implementation</p>	<p>6. MINECOFIN with BRD, BDF and PFIs</p> <p>7. MINECOFIN with BRD, BDF, and PFIs</p>
<p>1.3</p>	<p>ENVIRONMENTAL AND SOCIAL ASSESSMENT/ MANAGEMENT PLANS</p> <p>i. The Borrower through MINECOFIN shall cause BRD and BDF to ensure that the requirements of the respective ESMSs and the Project ESMF are integrated into the PFIs, LEs, MSMEs through the participation and sub-loan agreements.</p> <p>ii. The Borrower through MINECOFIN shall cause BRD and BDF to ensure that PFIs adopt and implement their respective ESMSs that meet 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 (E&S) screening of subprojects submitted for funding, where necessary shall require,</p>	<p>i. Corporate ESMS for new PFIs to be assessed and approved by the BRD, BDF and MINECOFIN prior to approval of any loans to PFIs and PFI sub-loans using Project resources.</p> <p>ii. Prior to fund disbursement to PFIs and thereafter throughout the project implementation.</p> <p>iii. Prepare E&S assessments and plans as required by ESMSs/ESMF and ensure they</p>	<p>i. MINECOFIN with BRD, and BDF</p> <p>ii. MINECOFIN with BRD, and BDF</p>

	<p>through Participation Agreements with PFIs, LEs and MSMEs to prepare the required E&S assessment and plans as specified in the respective ESMSs and ESMF and adopted PFIs' ESMSs such as ESIA, ESMPs or SPR 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 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 institutional ESMS shall implement the screening checklists for subproject environment and social risk rating, exclusion list, monitoring and reporting templates to be used by new 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>are approved by Rwanda Development Board (RDB) as required by the national law and by the PFIs prior to the financing of the large enterprises and SMEs. BRD and BDF shall review the plans to ensure completeness and compliance with ESSs before disbursement of fund to sub-borrowers.</p> <p>iv. Adopt and implement E&S screening checklist for subprojects E&S risk categorization, E&S monitoring and reporting templates, and exclusion lists throughout the Project implementation period.</p>	<p>iii. MINECOFIN with BRD, and BDF</p> <p>iv. BDF and SACCOs</p>
<p>1.4</p>	<p>TECHNICAL ASSISTANCE</p> <p>The Borrower through MINECOFIN shall cause BRD and BDF to carry out all technical assistance (TA) activities under the Project including, inter alia, studies (including feasibility studies if applicable), capacity building, supervision, etc. in accordance with the Terms of Reference (TOR) agreed upon with the Association, that are consistent with the ESSs and thereafter ensure that the outputs of such activities comply with the terms of reference.</p>	<p>The TORs to be reviewed and agreed upon with the Association prior to the request for proposals and throughout the project implementation.</p>	<p>MINECOFIN with BRD and BDF</p>

<p>1.5</p>	<p>EXCLUSIONS:</p> <p>(i) The Borrower through MINECOFIN shall cause BRD and BDF to ensure that their ESMSs and the E&S operational and training manuals shall integrate and build upon the Exclusion List below in order to ensure that the large enterprises, MSMEs and PFIs understand with specificity and comply with the various terms mentioned in exclusion list.</p> <p>(ii) The Borrower through MINECOFIN shall cause BRD and BDF to maintain and 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). • 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. 	<p>i. Throughout the project implementation</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>
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<ul style="list-style-type: none"> • 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 • Any activities that would impact any groups characterized under ESS7 as defined under Rwandan context 		
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ESS 2: LABOR AND WORKING CONDITIONS			
2.1	LABOR MANAGEMENT PROCEDURES		
	<p>(i) MINECOFIN shall cause BRD and BDF to maintain and implement the Labor Management Procedures (LMP) for the Project, embedded in BRD and BDF ESMSs, including, inter alia, provisions on working conditions, management of workers relationships, occupational health and safety (including personal protective equipment, and emergency preparedness and response), code of conduct (including relating to SEA and SH), forced labor, child labor, grievance arrangements for Project workers, and applicable requirements for contractors, subcontractors, and supervising firms.</p> <p>(ii) BRD and BDF shall require new PFIs, Large Enterprises and SMEs to prepare, adopt and implement LMPs, consistent with ESS2 in a manner acceptable to the Association</p>	<p>(i) Implement and monitor the LMPs throughout the Project implementation and report through semi-annual progress reports.</p> <p>(ii) Adopted prior to signing participation and sub-loan agreements respectively</p>	<p>(i) MINECOFIN with BRD and BDF</p> <p>(ii) MINECOFIN with BRD, BDF, PFIs, LEs and SMEs</p>
2.2	MINECOFIN shall require BRD and BDF to maintain and implement their respective human resources (HR) policies and procedures consistent with requirements under national/entities law and the LMPs which are compliant with ESS2 and part of their ESMSs, and ensure that Project workers are informed of and have access to these policies	Implement and monitor HR policies and procedures as stated in their LMPs throughout the Project period, and report through semi-annual progress reports.	MINECOFIN with BRD and BDF
2.3	OCCUPATIONAL HEALTH AND SAFETY (OHS) MEASURES		
	<p>i. The Borrower through MINECOFIN shall require BDF, BRD, PFIs and sub-borrowers to maintain occupational health and safety (OHS) measures consistent with ESS2, to be specified in the LMPs as well as in the ESMSs, project ESMF and site-specific E&S tools prepared for the project.</p>	<p>i. Maintain throughout Project implementation.</p>	<p>i. MINECOFIN with BDF, BRD, PFIs and sub-borrowers</p>

	<p>ii. The Borrower through MINECOFIN shall require BRD, BDF, PFIs and sub-borrowers to implement OHS measures as per their respective ESMSs, project ESMF, World Bank Group General Environmental Health and Safety Guidelines and relevant Industry Sector EHS Guidelines for agro-industry, transport, etc., national laws and relevant regulations, LMPs, and ESSs 1 and 2.</p>	<p>ii. Throughout project implementation</p>	<p>ii. MINECOFIN with BRD, BDF and PFIs</p>
2.4	<p>GRIEVANCE MECHANISM FOR PROJECT WORKERS</p> <p>(i) The Borrower through MINECOFIN shall require BRD and BDF to operate and maintain a grievance mechanism for Project workers, as described in the LMP and consistent with ESS2.</p> <p>(ii) The Borrower through MINECOFIN shall require BRD and 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, their respective ESMSs and consistent with ESS2.</p>	<p>(i) Operate and maintain the grievance mechanism throughout Project implementation.</p> <p>(ii) For new PFIs and subprojects establish a worker’s grievance redress mechanism.</p>	<p>(i) MINECOFIN with BRD and BDF</p> <p>(ii) MINECOFIN with BRD and BDF</p>
<p>ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</p>			
3.1	<p>RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</p> <p>i. The Borrower through MINECOFIN shall require BRD and BDF to maintain and implement resource efficiency and pollution prevention and management measures consistent with ESS3 into BRD and BDF ESMSs and cascaded through the PFIs sub-loan agreements as well as in the ESMF.</p> <p>ii. BRD, BDF and PFIs shall require large enterprises (LEs) and SMEs to prepare, adopt, and implement measures and actions to assess and manage specific risks and impacts on resource efficiency and pollution prevention and management to the community arising from all AFIRR subprojects, and incorporate these measures in the ESAs, ESMPs or SPRs as appropriate in accordance with the approved project ESMF, the ESS3 requirements and the national law, BRD or BDF ESMS and commensurate with subproject risks, in a manner acceptable to the BRD and BDF and borrower commitment.</p>	<p>i. Throughout Project implementation</p> <p>ii. Throughout Project implementation</p>	<p>i. MINECOFIN with BRD, BDF, and PFIs</p> <p>ii. BRD, BDF, PFIs, LEs and SMEs</p>

	<p>iii. BDF shall require PFIs to prepare, maintain, adopt and implement measures and actions to assess and manage specific risks and impacts on micro companies using hazardous materials and other wastes in their operations and incorporate these measures in the ESIA, ESMPs or SPRs as required to be prepared, implemented and monitored in a manner acceptable to the BDF and borrower commitment.</p>	<p>iii. Throughout Project implementation</p>	<p>iii. BDF, PFIs and MSMEs</p>
<p>ESS 4: COMMUNITY HEALTH AND SAFETY</p>			
<p>4.1</p>	<p>TRAFFIC AND ROAD SAFETY</p> <p>The borrower through MINECOFIN shall require BRD, BDF, PFIs, LEs, SMEs to incorporate measures to manage traffic and road safety risks as required in the ESIA, ESMPs or SPRs to be prepared under action 1.3 above.</p>	<p>Adopt and implement the ESIA, ESMPs or SPRs throughout the project implementation.</p>	<p>BRD, BDF, PFIs, LEs and SMEs</p>
<p>4.2</p>	<p>COMMUNITY HEALTH AND SAFETY</p> <p>(i) MINECOFIN shall require BRD and BDF to update a Gender Based Violence (GBV) Action Plan to maintain GBV reporting channels and survivor-centric referral pathways that shall cover PFIs, large enterprises and SMEs. The measures and actions of the GBV Action Plan shall be incorporated into the new PFIs, large enterprises and SMEs prior to fund disbursement.</p> <p>(ii) The Borrower through MINECOFIN shall require BRD and BDF to ensure that PFIs carry out scoping, screening for large enterprises and SMEs to prepare the appropriate tools. The large enterprises and SMEs should prepare, adopt, and implement measures and actions to assess and manage specific risks and impacts on community health and safety arising from sub-projects, including inter alia dissemination of communicable diseases; risks of labour influx (gender-based violence, theft, etc.) and include mitigation measures in the ESIA, ESMPs or SPR as required in accordance with the ESMF, the ESS4 requirements, the national law, BRD or BDF ESMS and commensurate with subproject risks, in a manner acceptable to BRD and BDF.</p>	<p>(i) Update GBV action plan for the Project as part of the ESMF and cascade down through MoU or participation agreement between BRD or BDF and PFIs, LEs and SMEs</p> <p>(ii) Large enterprises and SMEs to adopt the ESIA, ESMPs or SPRs as required prior to sub-loan disbursement</p>	<p>(i) MINECOFIN with BRD, BDF, PFIs, LEs and SMEs</p> <p>(ii) BRD, BDF, PFIs, LEs, SMEs</p>

4.3	<p>SEA AND SH RISKS</p> <p>The Borrower through MINECOFIN shall require BRD and BDF to maintain and implement a SEA/SH Action Plan reflected in the ESMF as required in accordance with the World Bank’s SEA/SH risk screening tools. For Large enterprises and SMEs to prepare, maintain and implement, as appropriate and necessary, SEA/SH Action Plans with the support of the BRD and BDF and reflect these plans in the ESIA, ESMP and SPRs.</p>	Put in place the SEA/SH Action Plans, as appropriate, and implement them throughout Project implementation.	MINECOFIN with BRD and BDF, PFIS and LEs and SMEs
ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT			
5.1	<p>RESETTLEMENT PLANS</p> <p>In accordance with the exclusion list under 1.5 above, any activities resulting or anticipated to result in permanent or temporary physical or economic displacement shall be ineligible for Project financing.</p> <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 for the project exclusively on a willing buyer/willing seller basis. It will also consider any restriction to land access and loss of income or livelihoods likely to result from the project. This screening process will be outlined in the ESMF. Subproject applications shall include documentation that proponents own any land they will use or that any land they will use or will acquire for the project will be exclusively on a willing buyer /willing seller basis or mitigation measures for any restriction to land access, loss of income or livelihoods</p>	Subproject screening process by BRD, BDF and PFIs prior to signing participation and sub-loan agreements respectively and thereafter implement it throughout Project implementation.	BRD, BDF and PFIs
ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES			
6.1	<p>BIODIVERSITY RISKS AND IMPACTS</p>		i. BRD, BDF, PFIs, large enterprises and SMEs

	<p>i. The Borrower through MINECOFIN shall require BRD, BDF and PFIs to ensure that large enterprises and SMEs prepare, adopt, maintain and implement measures and actions to assess and manage specific risks and impacts on biodiversity, as appropriate, including identification of different habitats that may be affected from subproject, and include these measures in the ESIA, ESMP or SPR in accordance with the approved ESMF, ESMSs and the national law.</p> <p>ii. Activities of some micro companies could involve cutting/clearing of forests, wastes generation or other impacts on biodiversity. This could be identified and addressed in screening by BDF or PFIs, and site-specific E&S instruments (such as SPRs) to be prepared, implemented and monitored in a manner acceptable to the BDF and PFIs and consistent with ESS6.</p>	<p>Adopt the ESIA/ESMP/SPRs prior to sub-loan disbursements, and thereafter implement the ESMPs or SPRs throughout Project implementation.</p>	<p>ii. BDF, PFIs and micro-companies</p>
<p>ESS7: INDIGENOUS PEOPLES, SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES</p>			
<p>7.1</p>	<p>The ESS7 is not relevant. The Borrower through MINECOFIN shall require the BRD, BDF and PFIs to screen all proposed activities for financing against the exclusion list presented under 1.5 above and set out in the ESMF to be updated and exclude from financing any activity that would impact any group characterized under ESS7.</p>	<p>Implement this ESS7 throughout the Project implementation.</p>	<p>MINECOFIN with BRD and BDF</p>
<p>ESS 8: CULTURAL HERITAGE</p>			
<p>8.1</p>	<p>CHANCE FINDS</p> <p>MINECOFIN shall require BRD and BDF to maintain chance finds procedures in their respective ESMSs and the ESMF and ensure that these considerations are included in the BRD, BDF and PFIs E&S screening tools, and in large enterprises and SMEs’ ESIA, ESMPs or SPRs as appropriate in a manner acceptable to the Association.</p>	<p>Maintain the description of the chance finds procedures in the ESMF, ESMSs and ESIA/ESMP. Implement these procedures throughout Project implementation.</p>	<p>MINECOFIN with BRD and BDF</p>

ESS 9: FINANCIAL INTERMEDIARIES			
9.1	ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM (ESMS)		
	<ol style="list-style-type: none"> 1. The Borrower through MINECOFIN shall require BRD and BDF to maintain and implement the BRD and BDF ESMSs consistent with ESS9 and in a manner acceptable to the Association. Furthermore, develop and implement any amendment in the ESMSs to support its successful application as may be needed to implement the Project in accordance with the ESS9 and to the Association’s satisfaction. 2. BRD and BDF shall require PFIs to develop, adopt, maintain and implement the respective PFIs’ ESMSs consistent with ESS9 and in a manner acceptable to the BRD and BDF. 3. BRD and BDF shall implement any additional E&S instruments prepared for the project (such as SEP, ESMF and LMP embedded in ESMSs) or any amendments in the ESMSs to support its successful application as may be needed to implement the Project in accordance with the ESSs and to the Association’s satisfaction. 4. The Borrower through MINECOFIN shall require BRD, BDF and PFIs that large enterprises and SMEs prepare ESIA, ESMP or SPR, implement and monitor sub-project specific environmental and social management plans (ESMPs) and submit implementation status report as required by the ESMF and national law in manner acceptable to the Association and MINECOFIN. These requirements shall also be done as specified in the applicable ESMSs and PFI loan agreements. Reporting should also meet ESCP requirements in item on Monitoring and Reporting 	<ol style="list-style-type: none"> 1. ESMSs for BRD and BDF maintained and implemented throughout Project implementation. 2. New PFIs to establish and operationalize ESMSs before funds’ disbursement and with the applicable BRD or BDF ESMSs 3. Complementary instruments to be maintained and operationalized throughout Project implementation 4. ESIA, ESMP and SPR to be prepared by large enterprises and SMEs as appropriate, approved by RDB and reviewed 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. 	<ol style="list-style-type: none"> 1. MINECOFIN with BRD and BDF 2. BRD, BDF and PFIs 3. MINECOFIN with BRD and BDF 4. BRD, BDF, PFIs, LEs, SMEs

9.2	<p>EXCLUSIONS</p> <p>The Borrower through MINECOFIN shall require the BRD, BDF and PFIs to screen all proposed activities for direct or on-lending financing against the exclusion list set out in the ESMF and presented under 1.5 above and exclude from financing all subprojects on the exclusion list of activities and those rated as high risks under the WB classification system</p>	Screen each subproject before determining whether they are eligible to receive support from the Project or not.	BRD, BDF and PFIs
9.3	<p>FI ORGANIZATIONAL CAPACITY</p> <p>The Borrower through MINECOFIN shall require the BRD and BDF to maintain an organizational capacity and competency for implementing their ESMs with clearly defined roles and responsibilities of Environmental Specialist, Social Safeguards Specialist and GRM Officer.</p>	<p>Maintain One Environmental Specialist, Social safeguards specialist and GRM Officer.</p> <p>Maintain One Environmental Specialist and a Social safeguards specialist.</p>	<p>BRD</p> <p>BDF</p>
9.4	<p>SENIOR MANAGEMENT REPRESENTATIVE</p> <p>The Borrower through MINECOFIN shall require BRD and BDF to designate a senior management representative to have overall accountability for environmental and social performance of FI subprojects that receive support from the Project.</p>	Maintain the Project Coordinators as the senior management representative throughout the project implementation period.	MINECOFIN with BRD and BDF
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			
10.1	<p>STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION</p> <p>(i) The Borrower through MINECOFIN shall require the BRD and BDF to update the joint SEP, consult upon and disclose in-country</p> <p>(ii) The Borrower through MINECOFIN shall require the BRD and BDF to implement the project’s Stakeholder Engagement Plan (SEP), consistent with ESS10, which shall include measures to, inter alia, provide stakeholders with timely, relevant, understandable and accessible information, and consult with them in a culturally</p>	<p>(i) Disclose in country the updated SEP prior to WB appraisal.</p> <p>(ii) Implement the SEP throughout Project implementation.</p>	<p>(i) MINECOFIN with BRD and BDF</p> <p>(ii) MINECOFIN with BRD and BDF</p>

	<p>appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation.</p> <p>(iii) MINECOFIN shall require BRD and BDF to maintain the 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</p> <p>(iv) The Borrower through MINECOFIN shall require BRD and BDF to carry out monitoring of the implementation of the stakeholder engagement plan and information disclosure</p>	<p>(iii) Throughout the Project implementation</p> <p>(iv) Every quarter throughout the Project implementation</p>	<p>(iii) MINECOFIN with BRD and BDF</p> <p>(iv) MINECOFIN with BRD and BDF</p>
10.2	<p>PROJECT GRIEVANCE MECHANISM</p> <p>(i) The Borrower through MINECOFIN shall require BRD and BDF to maintain, and operate an accessible grievance redress mechanism (GRM), to receive and facilitate resolution of concerns and grievances in relation to the Project, promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all Project-affected parties, at no cost and without retribution, including concerns and grievances filed anonymously, in a manner consistent with ESS10.</p> <p>(ii) The Borrower through MINECOFIN shall require BRD and BDF 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.</p> <p>(iii) BRD and BDF should ensure that PFIs, Large Enterprises and SMEs establish, maintain and operate accessible GRM, as appropriate.</p>	<p>(i) Maintain and operate the GRM throughout Project implementation.</p> <p>(ii) Protocol for handling GBV cases maintained and implemented throughout Project implementation, as part of the GRM.</p> <p>(iii) PFIs, Les and SMEs to establish, where applicable GRM and implement throughout project implementation</p>	<p>(i) MINECOFIN with BRD, BDF</p> <p>(ii) MINECOFIN with BRD, BDF and PFIs</p> <p>(iii) MINECOFIN with BRD, BDF, PFIs. LEs and SMEs</p>

10.3	<p>BENEFICIARY SURVEY</p> <p>The Borrower through MINECOFIN shall require BRD and BDF to conduct or coordinate the beneficiary survey under component 1 to solicit views on experience with project implementation. The beneficiary survey’s content will be agreed with the World Bank</p>	To be conducted at project mid-term review (MTR)	MINECOFIN with BRD and BDF
CAPACITY SUPPORT			
CS1	<p>(i) The Borrower through MINECOFIN shall require BRD and BDF to conduct the training of the PIU staff, PFIs, large enterprises, SMEs on the management of environmental and social risks and impacts consistent with the BRD and BDF’ESMSs and ESMF The proposed trainings include but are not limited to:</p> <ul style="list-style-type: none"> • National and World Bank E&S regulations and compliance requirements • Occupational and community health and safety • Stakeholder Engagement plan (SEP) and Grievance Redress Mechanism (GRM) including GVB and SEA/SH. • Environmental & Social Screening/ due diligence of projects and preparation of E&S screening/due diligence reports • E&S monitoring and reporting of ongoing financed projects • Environmental and social risk management toolkits • ESMS requirements and measures to ensure its effective and efficient implementation <p>(ii) Large enterprises and SMEs will be trained by PFIs with the support of BDF, BRD and MINECOFIN on the PFI’s ESMS and EHS WBG Guidelines specific to the sectors of intervention. This training will be tailored to 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>(iii) The training and capacity building reports from the PFIs, large enterprises and SMEs will be submitted to the BRD and BDF.</p>	<p>(i) Organize trainings throughout project implementation</p> <p>(ii) As required and throughout the Project implementation</p> <p>(iii) Training reports submitted on semi-annual basis throughout the Project implementation</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>

CS2	BRD and BDF shall require direct borrowers and PFIs’ sub borrowers to carry out training for their workers on occupational health and safety including but not limited to an emergency prevention and preparedness and response arrangements to emergency situations, use and importance of personal protective equipment (PPE), Prevention and management of communicable diseases in the workplace, etc. The training shall also be organized for BRD or BDF staff.	Throughout the project implementation	BRD, BDF and PFIs, Large enterprises and SMEs