**North Macedonia**

**Second Social Services Improvement Project**

**Draft**

**ENVIRONMENTAL and SOCIAL**

**COMMITMENT PLAN (ESCP)**

**October 19, 2023**

To be updated to the Negotiation Date in due course.

**ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN**

1. The Republic of North Macedonia (the **Borrower**) will implement the Second Social Services Improvement Project P180350 (the **Project**), with the involvement of the Ministry of Labor and Social Policy (MLSP) as set in the Loan Agreement. The International Bank for Reconstruction and Development (the **Bank**) has agreed to provide financing for the Project, as set out in the referred agreement.
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 Bank. The ESCP is a part of the Loan Agreement. Unless otherwise defined in this ESCP, capitalized terms used in this ESCP have the meanings ascribed to them in the referred agreement.
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 Bank. Once adopted, said E&S instruments may be revised from time to time with prior written agreement by the Bank.
4. As agreed by the Bank 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 the Ministry of Labor and Social Policy, and the Bank agree to update the ESCP to reflect these changes through an exchange of letters signed between the Bank and the Borrower. The Borrower shall promptly disclose the updated ESCP.

| **MATERIAL MEASURES AND ACTIONS**  | **TIMEFRAME** | **RESPONSIBLE ENTITY/AUTHORITY**  |
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| **MONITORING AND REPORTING** |
| A | **REGULAR REPORTING** Prepare and submit to the Bank regular monitoring reports on the environmental and social performance of the Project, including but not limited to the implementation of the ESCP, status of preparation and implementation of stakeholder engagement activities, functioning of the grievance mechanism(s) | From the Effective Date and semi-annually throughout Project implementation | MLSP through its Project Management Unit (PMU) |
| B | **INCIDENTS AND ACCIDENTS** 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. Provide sufficient detail regarding the incident or accident, indicating immediate measures taken to address it, and include information provided by any contractor and supervising entity, as appropriate. Subsequently, as per the Bank’s request, prepare a detailed report with root cause analysis on the incident or accident and propose any measures to prevent its recurrence. | Promptly after taking notice of the incident or accident, not later than 48 hours of its occurrence. Provide the Bank with a detailed report not later than 7 days after that. | MLSP through its PMU |
| **ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS** |
| 1.1 | **ORGANIZATIONAL STRUCTURE**Maintain the PMU with qualified staff and resources to support management of E&S risks. Currently the PMU includes one environmental and social specialist, and one environmental and social assistant. The ESF staff will remain on board to support management of EHSH risks and help with the implementation of the stakeholder engagement activities, GRM and other citizens engagement activities  | The ESF specialist and assistant will remain onboard and be re-appointed no later than 30 days after the Effective Date.The organizational structure, including the specialists, should be maintained throughout Project implementation.  | MLSP  |
| 1.2 | **ENVIRONMENTAL AND SOCIAL ASSESSMENT**Implenment the ESMP Checklist Template prepared for addressing low environmental and moderate social risks of the Project activities, which was adopted, disclosed and consulted prior to Appraisal.Incorporate into the Project Operational Manual (POM) all relevant E&S risk management processes and procedures consistent with ESS1. Risks to be included are those related to minor refurbishment works under Project Components, potential exclusion of the beneficiaries, and SH/SEA, in a manner accpetable to the Bank. Prepare ESMP checklists for the Project sites where minor refurbishment works will be implemented; incorporate the ESMP cheklists into respective bidding packages for the procurement of civil works for minor refurbishment  | The ESMP Checklist Template shall be finalized no later than 30 days after the Effective Date, and implemented throughout Project implementation. The draft POM shall be finalized during the appraisal and completed before negotiations.The site-specific ESMP checklists shall be prepared prior to finalization of respective bidding documents for the procurement of civil works for minor refurbishment. | MLSP through its PMU  |
| **ESS 2: LABOR AND WORKING CONDITIONS**  |
| 2.1 | **LABOR MANAGEMENT:** The Project shall be carried out in accordance with the applicable requirements of ESS2, in a manner acceptable to the Bank and consistent with national law, including through, inter alia, implementing adequate occupational health and safety measures (including emergency preparedness and response measures), setting out grievance arrangements for Project workers, and incorporating labor requirements into the ESHS specifications of the procurement documents and contracts with contractors and supervising firms. The Recipient shall adopt and implement Labor Management Procedures (LMP) incorporating the relevant requirements of ESS2. | The draft LMP shall be adopted before the appraisal, and shall be finalized no later than 30 days after the Effective Date. The LMP and all measures specified in action 2.1 shall be implemented throughout the Project implementation period. | MLSP through its PMU |

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| **ESS 4: COMMUNITY HEALTH AND SAFETY** [the relevance of ESS4 is established during the ESA process. As with ESS3, ESS4 may require the adoption of specific measures that may be set out in an E&S document (e.g. ESMP) already mentioned in the section under ESS1 above or as a stand-alone document or a separate action. Indicate whether ESS4-related measures are covered under an existing document or as stand-alone actions. See examples below]. |
| 4.3 | **SH/SEA RISKS**: SH/SEA risks are assessed to be low, nevertheless, the Project GRM shall be strengthened to ensure it is equipped to address any such complaints.  | Strengthening of the GRM within the first year after the Effective date and then using throughout the Project implementation. |  MLSP through its PMU  |

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| **ESS10. STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE** |
| 10.1 | STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATIONAdopt and implement the Stakeholder Engagement Plan (SEP) consistent with ESS10, and in a manner acceptable to the Bank.Update SEP periodically as required throughout Project implementation.  | Draft SEP to be finalized and adopted within 30 days after the Effective Date. SEP shall thereafter be periodically updated as needed and implemented throughout Project implementation. |  MLSP through its PMU  |
| 10.2 | PROJECT GRIEVANCE MECHANISM: Prepare, disclose, consult upon and adopt, and thereafter maintain and operate a grievance redress mechanism (GRM), as described in the SEP.  | The Project GRM shall be fully operational, including the ability to receive SH/SEA-related complaints, 30 days after the Effective Date and functional throughout Project implementation. | MLSP through its PMU |
| **CAPACITY SUPPORT (TRAINING)** |
| CS1 | Training topics for personnel involved in Project implementation shall include: * Training on techniques for stakeholder engagement
* Training on the prevention of SEA/SH and awareness
* Familiarization with the WB’s ESF Guidelines
* Training on enhancing of grievances
 |  Throughout the Project implementation  |  MLSP through its PMU  |