

Republic of Mozambique

National Fund for Sustainable Development

Additional Financing P179060 for Sustainable Rural Economy Program P174002

Updated DRAFT

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

September, 2022

ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The Republic of Mozambique (the Recipient) is implementing Phase I of the Sustainable Rural Economy Program (SREP or the Original Project), with the involvement of the National Fund for Sustainable Development (FNDS) under the mandate of the Ministry of Agriculture and Rural Development (FNDS/MADER); the Blue Economy Promotion Fund (ProAzul) under the mandate of the Ministry of the Sea, Inland Waters and Fishers (MIMAIP), and the Fund for the Conservation of Biodiversity (BIOFUND), as set out in the Financing Agreement. The International Development Association (the Association), has agreed to provide the original financing (P174002) and additional financing (AF, P179060) (together, the Project), as set out in the referred agreement. This ESCP supersedes previous versions of the ESCP for the Project and shall apply both to the original and the additional financing for the Project.
2. The Recipient 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.
3. Without limitation to the foregoing, this ESCP sets out material measures and actions that the Recipient 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 Recipient, 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 Recipient through National Fund for Sustainable Development (FNDS) within the Ministry of Agriculture and Rural Development (FNDS/MADER) and the Association agree to update the ESCP to reflect these changes through an exchange of letters signed between the Association and the Recipient, Minister of the Ministry of Economy and Finance. The Recipient shall promptly disclose the updated ESCP.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
MONITORING AND REPORTING			
A	<p>REGULAR REPORTING</p> <p>Prepare and submit to 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).</p>	<p>Submit quarterly reports to the Association throughout Project implementation, commencing after the Effective Date. Submit each report to the Association no later than 30 days after the end of each reporting period.</p>	<p><i>FNDS/MADER, ProAzul/MIMAIP, BIOFUND</i></p>
B	<p>INCIDENTS AND ACCIDENTS</p> <p>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. Provide sufficient detail regarding the scope, severity, and possible causes of the incident or accident, indicating immediate measures taken or that are 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>Notify the Association no later than 48 hours after learning of the incident or accident.</p> <p>Provide subsequent report to the Association within 7 days of first learning of the incident or accident unless otherwise agreed in writing with the Association</p>	<p><i>FNDS/MADER, ProAzul/MIMAIP, BIOFUND</i></p>
C	<p>CONTRACTORS’ MONTHLY REPORTS</p> <p>Require contractors and supervising firms to provide monthly monitoring reports on ESHS performance in accordance with the metrics specified in the respective bidding documents and contracts and submit such reports to the Association.</p>	<p>Submit the monthly reports to the Association upon request as annexes to the reports to be submitted under action A above.</p>	<p>Contractors</p> <p><i>FNDS/MADER, ProAzul/MIMAIP, BIOFUND</i></p>
D	<p>THIRD PARTY MONITORING: A Third-Party Monitor (TPM) will be engaged to provide independent review of environmental and social performance of the sub-projects, including adherence to all aspects of the Project Operations Manual.</p>	<p><i>Six (6) months after start of Project sub-projects and thereafter on a bi-annual basis until project completion</i></p>	<p><i>FNDS/MADER, ProAzul/MIMAIP, BIOFUND</i></p>
ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			

MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
<p>1.1 ORGANIZATIONAL STRUCTURE</p> <p>Original project: Establish and maintain a central Project Implementation Unit (PIU) and six (6) provincial PIUs with qualified staff and resources to support management of ESHS risks and impacts of the Project including: two (2) Senior Environmental and Social Specialists, one for FNDS within MADER and one for ProAzul within MIMAIP; and one suitably qualified Gender/Sexual Exploitation and Abuse (SEA)/Sexual Harassment (SH) Specialist for FNDS within MADER. At provincial level the PIU shall maintain six (6) new Environmental and Social Assistants for FNDS within MADER; three new Environmental and Social Assistants for ProAzul under the MIMAIP; and one community development specialist for Conservation Area (CA) at Magoe National Park for BIOFUND, all recruited based on terms of reference, qualifications, integrity and experience acceptable to the Association.</p> <p>1.1.2 AF project: the Recipient shall recruit and maintain two (2) new Environmental and Social Assistants to implement E&S management requirements in Gaza/Maputo and in Inhambane Province, and one gender/SEA/SH assistant to support the original project’s specialist.</p>	<p>1.1.1 E&S and Gender/SEA/SH Specialists shall be recruited 1 month after AF effectiveness, and thereafter maintained throughout the Project implementation.</p> <p>1.1.2 E&S and gender/SEA/SH assistants shall be recruited before 4 months after AF effectiveness and thereafter maintain these positions throughout Project implementation.</p>	<p>FNDS/MADER and ProAzul/MIMAIP BIOFUND</p> <p>FNDS/MADER and ProAzul/MIMAIP</p>
<p>1.2 ENVIRONMENTAL AND SOCIAL INSTRUMENTS</p> <p>1. Update and implement an Environmental and Social Management Framework (ESMF) including General Guidelines on Traffic and Road Safety, SEA/SH Action Plan and Cumulative Impact Assessment (CIA) for the Project, consistent with the relevant ESSs.</p>	<p>1. Original project ESMF adopted, consulted upon and disclosed on 29 March 2021. Update and adopt the ESMF one month after AF effectiveness and thereafter implement the ESMF throughout Project implementation.</p> <p>2. Adopt each ESMP before</p>	<p>FNDS/MADER, ProAzul/MIMAIP, BIOFUND</p>

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	2. Adopt and implement Environmental and Social Management Plans (ESMPs), as set out in the ESMF and in accordance with the ESSs. The activities described in the exclusion list set out in the ESMF shall be ineligible to receive financing under the Project.	launching the bidding process for the respective Project activity prior to the carrying out of Project activity that requires the adoption of such ESMP. Once adopted, implement the respective ESMPs throughout Project implementation.	
1.3	MANAGEMENT OF CONTRACTORS Incorporate the relevant aspects of the ESCP, including, inter alia, the relevant E&S instruments, the Labor Management Procedures, and code of conduct, into the ESHS specifications of the procurement documents and contracts with contractors and supervising firms. Thereafter ensure that the contractors and supervising firms comply and cause subcontractors to comply with the ESHS specifications of their respective contracts.	As part of the preparation of procurement documents and respective contracts. Supervise contractors throughout Project implementation	<i>FNDS/MADER, ProAzul/MIMAIP, BIOFUND</i>
1.4	TECHNICAL ASSISTANCE Ensure that the consultancies, studies (including any feasibility studies), capacity building, training, and any other technical assistance activities under the Project are carried out in accordance with terms of reference acceptable to the Association, that are consistent with the ESSs. Thereafter ensure that the outputs of such activities comply with the terms of reference.	Throughout Project implementation.	<i>FNDS/MADER, ProAzul/MIMAIP, BIOFUND</i>
ESS 2: LABOR AND WORKING CONDITIONS			
2.1	LABOR MANAGEMENT PROCEDURES Update, adopt and implement the Labor Management Procedures (LMP) for the Project, including, inter alia, provisions on working conditions, management of workers relationships, occupational health and safety (including personal protective equipment, safe work procedures, traffic safety rules 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.	Update the LMP as part of the ESMF update on timeframe specified in Section 1.2 of this ESCP. Thereafter, implement LMP throughout Project implementation.	<i>FNDS/MADER, ProAzul/MIMAIP, BIOFUND</i>
2.2	GRIEVANCE MECHANISM FOR PROJECT WORKERS Establish and operate a grievance mechanism for Project workers, as described in the LMP and consistent with ESS2.	Establish grievance mechanism prior engaging Project workers and thereafter maintain and operate it throughout Project implementation.	<i>FNDS/MADER, ProAzul/MIMAIP, BIOFUND</i>

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT			
3.1	<p>RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMEN</p> <p>Incorporate and update resource efficiency and pollution prevention and management measures into ESMF and ESMPs to be prepared under action 1.2 above, including to assess and manage risks related to pollution, due to use of heavy machinery and equipment for moving earth for preparation of construction sites; soil and water bodies contamination through uncontrolled spillages; construction and domestic waste generation and disposal; sewage discharge; and air, soil and water bodies contamination from fossil-fuel based engines, water runoff from stockpiles, emission of dust, overuse of chemical pesticides, and eutrophication, which leads to an enrichment of water by nutrient salts that causes structural changes to the ecosystem such as: increased production of algae and invasive aquatic plants, depletion of fish species, general deterioration of water quality and other effects that reduce and preclude use.</p>	Same timeframe as for the adoption and implementation of the ESMF and ESMPs under 1.2 above.	<i>FNDS/MADER, ProAzul/MIMAIP, BIOFUND</i>
3.2	<p>WASTE MANAGEMENT PLAN</p> <p>Adopt and implement a Waste Management Plan (WMP), to manage hazardous and non-hazardous wastes, consistent with ESS3 as part of site-specific ESMPs.</p>	Same timeframe as for the adoption and implementation of the ESMF and ESMPs under 1.2 above.	<i>FNDS/MADER, ProAzul/MIMAIP, BIOFUND</i>
ESS 4: COMMUNITY HEALTH AND SAFETY			
4.1	<p>TRAFFIC AND ROAD SAFETY</p> <p>Incorporate measures to manage traffic and road safety risks as required in the ESMPs to be prepared under action 1.2 above.</p>	4.1 Same timeframe as for the adoption and implementation of the ESMP under 1.2 above.	<i>FNDS/MADER, ProAzul/MIMAIP, BIOFUND</i>
4.2	<p>COMMUNITY HEALTH AND SAFETY</p> <p>In accordance with ESS4, assess and manage specific risks and impacts to the community arising from Project activities, including, inter alia, behavior of Project workers, response to emergency situations, community health and safety, and include mitigation measures in the ESMPs to be prepared in accordance with the ESMF. FNDS has developed a COVID-19 Protocol as a mitigation measure of COVID-19 infection that will be used by the implementing entities.</p>	4.2 Same timeframe as for the adoption and implementation of the ESMPs under 1.2 above.	<i>FNDS/MADER, ProAzul/MIMAIP, BIOFUND</i>

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
4.3	<p>SEA/SH RISKS</p> <p>Update, adopt and implement a SEA/SH Action Plan as part of the ESMF, to assess and manage the risks of SEA and SH.</p>	<p><i>4.3 Update and adopt the SEA/SH Action Plan within 30 days after the Project Effectiveness Date, and thereafter implement the SEA/SH Action Plan throughout Project implementation.</i></p>	<p><i>FNDS/MADER, ProAzul/MIMAIP, BIOFUND</i></p>
4.4	<p>SECURITY FORCES</p> <p>Security personnel is not currently contemplated but could become necessary due to spillover from Cabo Delgado-conflict-stricken areas. If relevant, the Project will assess and implement measures to manage the security risks of the Project, including the risks of engaging security personnel to safeguard project workers, sites, assets, and activities, guided by the principles of proportionality and GIIP, and by applicable law, in relation to hiring, rules of conduct, training, equipping, and monitoring of such personnel.</p>	<p><i>4.4 If relevant, conduct an SRA and prepare and adopt a SMP prior implementation of project activities in conflict areas</i></p>	<p><i>FNDS/MADER, ProAzul/MIMAIP, BIOFUND</i></p>
ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT			
5.1	<p>RESETTLEMENT POLICY FRAMEWORK</p> <p>A Resettlement Policy Framework (RPF) and Process Framework (PF) were developed, consulted upon and disclosed to govern any land acquisition under the Project. The RPF and PF shall be updated to include new activities under Component 3 and Component 5 consistent with ESS5.</p>	<p>Original project RPF and PF adopted, consulted upon and disclosed on 29 March 2021. RPF and PF will be updated, consulted upon, and re-disclosed 1 month after project effectiveness and thereafter shall be implemented throughout Project implementation.</p>	<p><i>FNDS/MADER, ProAzul/MIMAIP, BIOFUND</i></p>

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
5.2	<p>RESETTLEMENT PLANS</p> <p>Prepare, update and implement a resettlement action plan (RAP) for each activity under the Project for which the RPF requires such RAP, as set out in the RPF, and consistent with ESS5.</p>	Update, adopt and implement the respective RAP, including ensuring that before taking possession of the land and related assets, full compensation has been provided and displaced people have been resettled and moving allowances have been provided.	<i>FNDS/MADER, ProAzul/MIMAIP, BIOFUND</i>
5.3	<p>GRIEVANCE MECHANISM</p> <p>The Project GM is described in the RPF, PF and SEP, and shall be used to address resettlement-related complaints.</p>	On timeframe specified in 10.2	<i>FNDS/MADER, ProAzul/MIMAIP, BIOFUND</i>
ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES			
6.1	<p>BIODIVERSITY RISKS AND IMPACTS</p> <p>The ESMF will be updated to specifically include criteria and procedures to ensure that sub-project investments in new geographic areas are designed and implemented in ways that avoid damage to protected areas or critical habitats and that the borrower capacity and monitoring levels are adequate strengthened to ensure no leakages, displacement or cumulative development effects.</p> <p>Biodiversity Management Plans shall be prepared as part of the site specific ESMFs, and their implementation documented in monthly reports from Contractors that the Recipient shall compile and make available to the Association upon request.</p> <p>Ensure that the consultancies, studies (including feasibility studies, if applicable), capacity building, training, and any other technical assistance activities under the Project are carried out in accordance with terms of reference acceptable to the Bank, that are consistent with the ESS6. Thereafter ensure that the outputs of such activities comply with the terms of reference.</p>	Update the ESMF on timeframe specified in 1.2 and thereafter maintain throughout Project implementation.	<i>FNDS/MADER, ProAzul/MIMAIP, BIOFUND</i>
ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES			
7.1	This standard is not relevant currently as there are no distinct social and cultural groups have been identified in accordance with ESS7 and in the national context in the Project area.	<i>Not Relevant</i>	Not Relevant

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
ESS 8: CULTURAL HERITAGE			
8.2	<p>CHANCE FINDS Describe and implement the chance finds procedures, as part of the ESMF of the Project.</p>	<p><i>Prior to launching bidding contracts and implemented prior commencing works and maintaining throughout Project implementation</i></p>	<p><i>FNDS/MADER, ProAzul/MIMAIP, BIOFUND</i></p>
ESS 9: FINANCIAL INTERMEDIARIES			
9.1	Not relevant		
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			
10.1	<p>STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION Update and adopt a Stakeholder Engagement Plan (SEP) for the Project, 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 appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation.</p>	<p>Original project SEP adopted, consulted upon and disclosed on 29 March 2021.—<i>Update consult upon and re-disclose the SEP one month after AF effectiveness and thereafter implemented throughout the Project implementation.</i></p>	<p><i>FNDS/MADER, ProAzul/MIMAIP, BIOFUND</i></p>
10.2	<p>PROJECT GRIEVANCE MECHANISM Establish, publicize, maintain, and operate an accessible grievance mechanism, 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>The grievance mechanism shall be equipped to receive, register, and facilitate the resolution of SEA/SH complaints, including through the referral of survivors to relevant gender-based violence service providers, all in a safe, confidential, and survivor-centered manner.</p>	<p>Maintain and implement the established GM throughout Project implementation.</p>	<p><i>FNDS/MADER, ProAzul/MIMAIP, BIOFUND</i></p>
CAPACITY SUPPORT			
CS1	<p>Training shall be provided to project partners and beneficiaries All capacity building activities and trainings shall be further detailed in the ESMF, trainings shall be delivered on the following topics: 1. Training in ESF (Environmental and Social Standards)</p>	<p><i>Before commencement of relevant activities and throughout Project implementation.</i></p>	<p><i>FNDS/MADER, ProAzul/MIMAIP, BIOFUND</i></p>

MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
<ul style="list-style-type: none"> 2. Stakeholder engagement 3. Environmental and Social screening 4. Occupational and Community Health and Safety 5. Emergency preparedness and response 6. Gender-Based Violence Risk Mitigation 7. GRM 8. Monitoring and reporting 9. Labour management procedures 10. Covid-19 mitigation 11. RAP preparation and implementation 12. Response arrangements to emergency situations 13. PMP – acquisition, use, conservation and final disposal of pesticides 14. Environmental education in conservation areas and buffer zones 15. Road and traffic safety for workers 16. Community road safety awareness 17. Training in monitoring biodiversity impacts including displacement and leakages 		