**The Republic of Serbia**

**Serbia Local Infrastructure and Institutional Development Project, P174251**

**ENVIRONMENTAL and SOCIAL**

**COMMITMENT PLAN (ESCP)**

**January 24, 2022**

**ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN**

1. The Republic of Serbia (hereinafter the Borrower) shall implement the Serbia Local Infrastructure and Institutional Development Project (the **Project**) through the Ministry of Construction, Transport, and Infrastructure (MoCTI). The International Bank for Reconstruction and Development (hereinafter the Bank) has agreed to provide financing for the Project.
2. The Borrower shall carry out the Project in accordance with the Environmental and Social Standards (**ESSs**). To this end, this Environmental and Social Commitment Plan (**ESCP**) sets out material measures and actions to be carried out or caused to be carried out by the Borrower including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, grievance management and the environmental and social assessments and instruments to be prepared or updated, disclosed, consulted, adopted and implemented under the ESCP and the ESSs, all in a manner acceptable to the Bank.
3. Implementation of the material measures and actions set out in this ESCP shall be monitored and reported to the Bank by the Borrower as required by the ESCP and the provisions of the Loan Agreement.
4. As agreed by the Bank and the Borrower, 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 Borrower shall update the ESCP to reflect the agreed-upon changes. Agreement on changes to the ESCP shall be documented through an exchange of letters signed between the Bank and the Borrower. The Borrower shall promptly disclose the updated ESCP.
5. Where Project changes, unforeseen circumstances, or Project performance result in changes to the risks and impacts during Project implementation, the Borrower shall provide additional funds, if needed, to implement actions and measures to address such risks and impacts.

| **MATERIAL MEASURES AND ACTIONS** | | **TIMEFRAME** | **RESPONSIBILE ENTITY/AUTHORITY** |
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| **MONITORING AND REPORTING** | | | |
| A | **REGULAR REPORTING**  Prepare and submit to the Bank 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 grievances log. | *Starting from the Loan Agreement Effective Date (i) Every six months throughout Project implementation as a part of the Project’s progress reports and (ii) for sub projects, at least every six months into implementation unless differently defined by the ESA (ESIA, ESMP or ESMP Checklist).* | *Project Implementation Unit (PIU) within the Ministry of Construction, Transport and Infrastructure (MoCTI)* |
| B | **INCIDENTS AND ACCIDENTS**  Promptly notify the Bank 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); accidents that result in death, serious or multiple injury; and any COVID outbreak in the Project area. Provide sufficient detail regarding 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 supervising entity, as appropriate. Subsequently, as per the Bank’s request, prepare a report on the incident or accident and propose any measures to prevent its recurrence. | *Any incident or accident shall be notified immediately after taking note of the incident or accident, report to the Task Team Leader of the Bank.*  *The immediate incident report shall be submitted to the Bank within 48 hours* *after learning of the incident or accident.*  *A detailed incident report shall be submitted to the Bank, not later than 7 working days from the PIU learning of the incident or accident, unless a different timeframe is agreed in a manner acceptable to the Bank.*  This notification/reporting system shall be in place throughout the Project implementation. | *PIU Project Manager* |
| C | **CONTRACTORS MONTHLY REPORTS**  (i) The Borrower shall require contractors and supervising firms to provide monthly monitoring reports to the PIU on ESHS performance in accordance with the environmental and social metrics specified in the respective bidding documents and contracts; and  (ii) Borrower shall submit these reports to the Bank, upon the Bank’s request. | *Contractors and supervising firms to submit regular reports monthly and upon request from the PIU (in the case of incidental or unexpected situations).*  *PIU to submit the monthly reports to the Bank upon request*  *Reporting system shall be in place throughout the Project implementation.* | *PIU to place the requirement clause in the contract and share those reports with the Bank (if requested)*  *Contractor* |
| **ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS** | | | |
| 1.1 | **ORGANIZATIONAL STRUCTURE**  The MoCTI shall establish and maintain a PIU with qualified staff and adequate resources to support the management of ESHS risks and impacts of the Project including a full-time environmental specialist, a full-time social specialist, and a part-time Occupational Health and Safety (OHS) specialist responsible for ensuring full compliance with the ESF and relevant instruments, all with experience and qualifications acceptable to the Bank. | *An organizational structure including the recruitment/appointment of, full-time environmental and full-time social specialists shall be established not later than four months after the Effective Date. The organizational structure, including the specialists, shall be maintained throughout Project implementation* | *MoCTI* |
| 1.2 | **ENVIRONMENTAL AND SOCIAL ASSESSMENT/MANAGEMENT PLANS AND INSTRUMENTS/ CONTRACTORS**   1. Assess the environmental and social risks and impacts of proposed Project activities, in accordance with the *Environmental and Social Management Framework (ESMF)* to be prepared, disclosed, consulted and adopted for the Project, the ESSs, the Environmental, Health and Safety Guidelines (EHSGs), and other relevant Good International Industry Practice (GIIP), including relevantWHO guidelines*.* The activities described in the exclusion list set out in the ESMF and the Project Operations Manual shall be ineligible to receive financing under the Project. 2. Prepare, disclose, consult, adopt and implement any environmental and social management plans, instruments or other measures required for the respective Project activities based on the assessment process, including site-specific Environmental and Social Management Plans (ESMPs) and any other site-specific E&S instrument that may be required (ESMP checklists, Environmental and Social Impact Assessment (ESIA), Cultural Heritage Management Plan (CHMP), Traffic Management Plan (TMP), Waste Management Plan (WMP), and other relevant instruments), in accordance with the ESSs, the ESMF, the EHSGs, and other relevant GIIP, including relevant WHO guidelinesto, inter alia, ensure access to and allocation of Project benefits in a fair, equitable and inclusive manner, taking into account the needs of individuals or groups who, because of their particular circumstances, may be disadvantaged or vulnerable. 3. Incorporate the relevant aspects of this ESCP, including, inter alia, the ESMF, any environmental and social management plans or other instruments, ESS2 requirements, and any other required ESHS measures, into the ESHS specifications of the procurement documents and contracts with contractors and supervising firms. Thereafter ensure that the contractors and supervising firms comply with the ESHS specifications of their respective contracts. | 1. *Project’s ESMF has been prepared, disclosed (November 18, 2021) , consulted (November 25, 2021) and adopted .* Assessment shall be conducted before the carrying out of the relevant Project activities. 2. Plans/instruments (including site-specific ESMPs and other E&S instruments as relevant - ESMP checklists, ESIA, CHMP, TMP, WMP and similar) shall be prepared, disclosed, consulted and adopted before the carrying out of the relevant Project activities, and thereafter implemented throughout the carrying out of such activities. 3. The relevant ESHS measures shall be incorporated into the procurement documents before launching the procurement process for the relevant Project activities and shall thereafter complied with throughout the carrying out of such activities. | *MoCTI prepares and finalizes ESMF (including site-specific ESMPs and other E&S instruments as relevant - ESMP checklists, ESIA, CHMP, TMP, WMP and similar) with the support of PIU Environmental and Social Specialists.*  *MoCTI ensures that contractors and supervising firms comply with their ESHS requirements as relevant.* |
| 1.3 | **EXCLUSIONS:** Exclude the following types of activities as ineligible for financing under the Project:   * Activities that may cause long term, permanent and/or irreversible (e.g., loss of major natural habitat) adverse impacts on the environment, * Activities that may have significant adverse social impacts and may give rise to significant social conflict, * Activities that may affect lands or rights of minorities, * Activities that may involve any resettlement (temporary or permanent) or land acquisition/land use restriction or adverse impacts on cultural heritage, * All the other excluded activities set out in the ESMF of the Project. | During the assessment process conducted under action 1.2.a. above.  Screening shall be conducted throughout Project implementation. | *MoCTI (i) prepares and finalizes ESMF; (ii) prepares Environmental Assessment Reports (ESMPs, ESMP checklists, ESIA, CHMP, TMP, WMP and similar) ) with the support of PIU Environmental and Social Specialists*  *Environmental Assessment Reports (ESMPs, ESMP Checklists, ESIA, CHMP, TMP, WMP and similar) shall also be implemented by contractors and supervising engineers – MoCTI shall ensure compliance accordingly.* |
| 1.4 | **TECHNICAL ASSISTANCE**  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 incorporate the relevant requirements of the ESSs. The TA will include relevant E&S due diligence documentation and associated Terms or Reference and guidance on integrating the E&S due diligence in the future development of the TA outputs.  Ensure that any outputs from the technical assistance activities, including, inter alia, any environmental and social assessment and related environmental and social instruments, are consistent with the ESSs. | Throughout Project implementation | *PIU* |
| **ESS 2: LABOR AND WORKING CONDITIONS** | | | |
| 2.1 | **LABOR MANAGEMENT:**  Prepare, disclose, consult, and adopt the Project Labor Management Procedures (LMP). The Project shall be carried out in accordance with the LMP, consistent with the applicable requirements of ESS2 including through, inter alia, provisions on working conditions, implementing adequate occupational health and safety measures (including personal protective equipment, and emergency preparedness and response measures), code of conduct, setting out grievance mechanisms for Project workers, and incorporating labor requirements into the ESHS specifications of the procurement documents and contracts with contractors and supervising firms.  Ensure that sub-project level site-specific LMPs are prepared, disclosed, integrated into contracts for works and implemented in accordance with the Project LMP, ESS2, and in a manner acceptable to the Bank. | *Draft Project level LMP was already prepared and disclosed (November 18 2021), consulted (November 25, 2021) and adopted. LMP shall be disclosed, consulted and adopted prior to appraisal*  *Sub-project level LMPs as part of E&S Assessment Reports (ESIA, ESMP or ESMP Checklist),shall be prepared and integrated into contracts for works prior to engaging Project workers for such work.*  *Project LMP and sub-project LMPs to be applied throughout Project implementation* | *PIU* |
| 2.2 | **GRIEVANCE MECHANISM FOR PROJECT WORKERS**  Develop, maintain, and operate a grievance mechanism for Project workers, as described in the LMP and consistent with national labor legislation and the ESS2 requirements. The respective Grievance mechanism addressing Project-related labor and employment matters (including SEA/SH cases in workplace) shall be easily accessible and promptly disclosed to Project workers, in line with ESS2 and labor laws in Serbia. | *Grievance mechanisms shall be operational prior to engaging Project workers (direct and contracted Workers), and maintained throughout Project implementation. Information about grievance mechanism shall be disseminated to Project workers prior to start of works* | *Project Manager (PIU)* |
| 2.3 | **OCCUPATIONAL HEALTH AND SAFETY (OHS) MEASURES**  Develop, adopt, and implement occupational health and safety measures (OHS), including emergency preparedness and response measures, Project workers training to heighten awareness of possible risks (PPE, first aid, firefighting equipment, high-voltage, etc.), injuries and to mitigate impacts on local communities in specific ESMPs and ESMP Checklists, based on ESMF defined principles and procedures as well as on COVID-19 considerations defined in the ESMF and LMP.  Borrower shall cause contractors to adopt OHS management plans for each sub-project and thereafter implement them in accordance with ESS2 requirements and in a manner acceptable to the Bank. | *Inclusion of relevant OHS measures into the Project ESMF as part of the timeframe indicated under Section 1.2.*  *Site-specific measures shall be developed prior to bidding and contracting, as a part of ESA.*  *OHS measures shall be in place before commencement of the activity they are designed for*  *OHS management plan for a sub-project prepared and adopted by Contractor prior to commencement of works.*  *OHS measures to be applied throughout Project implementation* | *Project Manager (PIU)*  *Contractor* |
| **ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT** | | | |
| 3.1 | Relevant aspects of this standard shall be considered, as needed, under action 1.2 and 1.3 above, including, waste management, hazardous waste management, resource efficiency, water and soil protection, etc. Prior to the start of works, Borrower shall prepare Waste Management Plan as part of site-specific ESMPs, to determine the quantities of waste, their categorization, and the proposed handling, storage, transport, and disposal measures. The Borrower, through MoCTI, shall cause the Contractor to implement measures and actions defined in Environmental Assessment Reports (ESIAs, ESMPs, ESMP Checklists, updated existing ESIAs) in accordance with ESS3.  All waste streams’ testing (potentially hazardous waste), classification, management and final disposal/processing that shall be generated on spot, identified and carefully monitored. Chemicals used for impregnation of wood and use of other chemicals shall comply with relevant national legislation and ESS3. Large quantities of hazardous waste shall be mitigated through implementation of measures and actions, and under conditions, defined in Environmental Assessment Reports (ESIAs, ESMPs or ESMP checklist). These waste streams shall be managed consistent with ESS3 requirements and EHSGs for waste, including mandatory disposal/treatment at licensed facilities. These significant waste streams shall be included to sub-project (and contract) Bills of Quantities. | *Same timeframe than for the preparation, adoption and implementation of site-specific*  Environmental Assessment Reports (ESIAs, ESMPs or ESMP checklist).  *Contractual obligation shall be included in respective contracts with contractors and supervising entities upon signature of these contracts. Supervise contractors throughout Project implementation*  *Maintained throughout Project implementation.*  *A licensed facility for disposal/processing of significant streams of hazardous waste shall be identified and contracted before commencement of works.* | *Contractors*  *PIU* |

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| **ESS 4: COMMUNITY HEALTH AND SAFETY** | | | |
| 4.1 | **COMMUNITY HEALTH AND SAFETY:**  Relevant aspects of this standard shall be considered, as needed, under action 1.2 above including, inter alia, measures to: minimize the potential for community exposure to communicable diseases; establish and implement appropriate quality management systems to manage the risks and the impacts that services provided and activities carried out under the Project may have on community health and safety; including, inter alia, preventing and responding to sexual exploitation and abuse, and sexual harassment.  These measures shall be incorporated in the Project ESMF and site-specific instruments as relevant, to be prepared, disclosed, consulted, and adopted, and implemented in accordance with ESS4 requirements and in a manner acceptable to the Bank.  The Borrower, through MoCTI, shall cause the Contractor to implement measures and actions defined in Environmental Assessment Reports (ESIAs, ESMPs, ESMP Checklists, updated existing ESIAs) in accordance with ESS4  The Borrower, through MoCTI, shall cause the successful Contractor to submit, as part of its bid, a preliminary Traffic Management Plan (TMP) for rehabilitation of existing roads and streets and other works as deem needed. Before commencement of works, the Contractor shall submit an updated TMP to PIU Environmental and Social Expert and shall form part of ESMP or ESMP Checklist. Once consulted and approved, the TMP shall be adopted and implemented the in accordance with ESS4 and in a manner acceptable to the Bank. | *Same timeframe than for the preparation, adoption and implementation of the ESMF and site-specific instruments.*  *Contractual obligation shall be included in respective contracts with contractors and supervising entities upon signature of these contracts. Supervise contractors throughout Project implementation*  *Draft TMP is part of contracting documentation.*  *Prior to commencing works, TMP, as a part of ESMP or ESMP Checklist, shall be prepared during Project implementation in a manner acceptable to the Bank (WB approval), disclosed, consulted and adopted.*  *Implemented throughout Project duration.* | *Contractor*  *PIU*  *Contractor* |
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| **ESS 5: LAND ACQUISITION , RESTRICTION ON LAND USE AND INVOLUNTARY RESETTLEMENT** | | | |
| 5.1 | **RESETTLEMENT POLICY FRAMEWORK AND RESETTLEMENT ACTION PLANS:**  Prepare, disclose, consult, adopt, and implement Resettlement Action Plans (RAPs) in accordance with ESS 5 and consistent with the requirements of the RPF which was been prepared, disclosed, and consulted for the Project. | *RPF already prepared, disclosed (November 18, 2021), consulted (November 25, 2021) and adopted. RPF shall be implemented throughout Project implementation.*  *RAPs to be prepared immediately after the completion of sub-project design and if the social analysis (described in the RPF) confirms that land acquisition and restriction on land use is needed. The respective RAP shall be submitted for the Bank’s prior review and approval, and thereafter shall be redisclosed, and implemented* *prior to commencing Project activities that involve land acquisition and resettlement.*  *Throughout Project Implementation* | *PIU* |
| **ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES** | | | |
|  | Relevant aspects of this standard shall be considered, as needed, under action 1.2 above, whereas, in line with the Project’s ESMF no works triggering significant issues in sensitive and valuable areas shall be financed. Biodiversity risks and impacts shall be efficiently addressed through Environmental Assessment Reports (ESIAs, ESMP or ESMP Checklist) in accordance with ESS6 requirements and in a manner acceptable to the Bank. | *Environmental Assessment Reports (ESIAs, ESMPs or ESMP Checklists), shall be prepared and consulted prior to the bidding with integrated ESS5 provisions, as relevant.* | *PIU*  *Contactor* |
| **ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES** | | | |
| **7.1. Not relevant.** | | | |
| **ESS 8: CULTURAL HERITAGE** | | | |
| 8.1 | Relevant aspects of this standard shall be considered, as needed, under action 1.2 aboveincludingCultural Heritage Management Plans (CHMPs).  The Borrower, through MoCTI,shall develop the CHMPs (as part of the ESMP) and shall cause the Contractor, along with the supervising engineer, to implement the CHMP for all works with identified risks to cultural heritage such as overhaul of the historically significant train (upon establishing level of protection under the national law). Other works on Cultural Heritage protected objects shall not be financed as identified in the ESMF exclusion list.  Chance find procedures shall be part of all contracts involving any works under the project. | *CHMPs shall be prepared and consulted before the respective sub-project bidding.*  *Prior to bidding and maintained*  *throughout Project Implementation* | *MoCTI prepares CHMP with the support of PIU Environmental and Social Expert.*  *CHMP shall be implemented by contractor and supervising engineer.*  *PIU* |

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| **ESS9: FINANCIAL INTERMEDIARIES** | | | |
| **9.1. Not relevant** | | | |
| **ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE** | | | |
| 10.1 | PROJECT LEVEL STAKEHOLDER ENGAGEMENT PLAN: Prepare, disclose, consult, adopt and implement a project level 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 appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation.  SUB-PROJECT LEVEL STAKEHOLDER ENGAGEMENT PLANS: Prepare, disclose, consult, adopt and implement sub-project level SEPs as per project level SEP, as a part of the sub-project specific Environmental and Social Assessment (ESMP/ESMP Checklist), consistent with ESS10 and in a manner acceptable to the Bank. | *Draft Project-level SEP was already prepared and disclosed (November 18,2021), consulted (November 25, 2021) and adopted. SEP shall be consulted and adopted not later than Project appraisal and implemented thereafter throughout Project implementation.*  *Sub-project level SEPs shall be prepared disclosed, consulted, and adopted prior to launching the bidding process as a part of the sub-project specific environmental and Social Assessment (ESMP/ESMP Checklist), and implemented thereafter throughout carrying out of relevant works.*  *The Environmental Assessment* Reports (ESIA, ESMP, ESMP Checklist) *shall be disclosed with adequate time to facilitate public consultations prior to bidding of any works. (the documents must be disclosed at least 15 days before public consultations and consulted prior to launching the bidding process).*  *SMS will be developed by December 2022.* | *Project Preparation Team and PIU* |
| 10.3 | GRIEVANCE MECHANISM:  An accessible grievance mechanism shall be established, publicized, maintained and operated 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.  The grievance mechanism shall also receive, register and address concerns and grievances related to the**,** sexual exploitation and abuse, sexual harassment in a safe and confidential manner, including through the referral of survivors to gender-based violence service providers. | *GM to be established and operational prior to appraisal. To be maintained and kept operational thereafter and throughout Project implementation. Regular maintenance of grievance database also throughout Project implementation.* | *PIU (Project Manager)* |
| **CAPACITY SUPPORT (TRAINING)** | | | |
| CS1 | Trainings provided for Relevant Ministry Staff, PIU, Implementing Agencies (IZS, SC, SV), and relevant stakeholders on:  SEP;  RPF, RPs;  Familiarization with the WB’s ESF and EHS Guidelines.  Environmental Assessment Reports preparation, implementation, monitoring and reporting (ESMPs, ESMP Checklists), LMP oversight,  OHS and community health safety; Emergency response and preparedness; how to address SEA/SH complains; Prevention of COVID 19 spread; SEA/SH awareness training; Child labor prohibition ;  And other topics as relevant | *Starting from the Effective Date, throughout Project Implementation, at minimum once a year.* | *PIU Environmental and Social Expert*  *WB Environmental and Social Expert* |
| CS2 | Training for the contractors on implementation of environmental and social due diligence documents (ESMP, Checklist ESMP) | *Throughout of the Project implementation, starting after the signing of the contract and before commencement of works* | *PIU Environmental and Social Expert* |