

TIA TRADE FINANCE - ECUADOR
Environmental and Social Action Plan (ESAP)

No.	Aspect	Action	Deliverable	Delivery date
PS 1: Assessment and Management of Environmental and Social Risks and Impacts				
1.1	Management Programs	1. Develop a Supplier Verification and Validation Procedure for issues related to the environment and working conditions.	1. Supplier Verification and Validation Procedure.	1. 4 months after the first disbursement.
		2. Implement a Supplier Verification and Validation Procedure.	2. Evidence of implementation.	2. 8 months after the first disbursement.
		3. Update the Environmental and Social Management System (ESMS) Manual to include: (i) policies on "Business and Logistics Management and Control of Suppliers" and "Transportation Supplier Operation"; (ii) the "Supplier Verification and Validation Procedure"; and (iii) the "Procedure for the Identification and Management of Suppliers Operating in Environmentally Sensitive Areas", and other related programs and actions.	3. ESMS Manual.	3. 5 months after the first disbursement.
1.2	Grievance Mechanisms	1. Disseminate the Grievance Mechanism and Communication Channels to all suppliers.	1. Evidence of dissemination.	1. 2 months after the first disbursement.
		2. Establish internal procedures to identify and record complaints received from suppliers.	2. Internal procedures.	2. 6 months after the first disbursement.
		3. Generate reports with the number of supplier complaints, category, main reasons, and action plan.	3. Reports on the operation of the Grievance and Suggestions Mechanism.	3. As part of the Environmental and Social Compliance Report (ESCR).
PS 2: Labor and Working Conditions				
2.1	Supply Chain	1. Implement an awareness campaign to combat child labor for selected employees and suppliers.	1. Evidence of implementation.	1. 8 months after the first disbursement.
		2. Include in the Supplier Business and Logistics Management Policy a clause expressing the non-tolerance of child and forced labor.	2. Copy of the included clauses.	2. 3 months after financial closure.
PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources				
6.1	Biodiversity Conservation	1. Promote training with selected suppliers on hygiene, product handling and storage, and use of natural resources.	1. Evidence of implementation.	1. 8 months after the first disbursement and then as part of ESCR.
		2. Establish a procedure for identifying and managing suppliers operating in environmentally sensitive areas that includes requirements to guarantee the adequate use of natural resources and biodiversity conservation.	2. Procedure for identifying and managing suppliers operating in environmentally sensitive areas.	2. 6 months after the first disbursement.
		3. Implement a procedure for identifying and managing suppliers operating in environmentally sensitive areas.	3. Evidence of implementation.	3. As part of the ESCR.