

**UKRAINE
(MINISTRY OF ECONOMY OF UKRAINE)
RESILIENT, INCLUSIVE AND SUSTAINABLE
ENTERPRISE PROJECT (RISE)
(P505616)**

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

**NEGOTIATED ON
October 7, 2024**

ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. Ukraine (the Recipient) will implement the Investment Project Financing Component of the Resilient, Inclusive and Sustainable Enterprise Project (the Project), with the involvement of the Ministry of Economy (MOE), as set out in the Grant Agreement. The International Bank for Reconstruction and Development and the International Development Association acting as the administrator of the Ukraine Relief, Recovery, Reconstruction and Reform Multi-Donor Trust Fund (hereinafter the “Bank”) have agreed to provide financing for the Project, as set out in the referred agreement.
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 Bank. The ESCP is a part of the Grant 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 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 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 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 MOE, and the Bank agree to update the ESCP to reflect these changes through an exchange of letters signed between the Bank and the MOE, represented by the Minister of MOE. The Recipient shall promptly disclose the updated ESCP.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
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 functioning of the grievance mechanism(s).	Submit annual reports to Bank throughout Project implementation, . Coordinate with the Bank's Implementation Status and Results (ISR) Report.	MOE/PIU
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), 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. Subsequently, at the Bank's request, prepare a report on the incident or accident and propose any measures to address it and prevent its recurrence.	Notify the Bank no later than 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	MOE/PIU
ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			
1.1	ORGANIZATIONAL STRUCTURE Establish and thereafter maintain throughout Project implementation a Project Implementation Unit (PIU) with qualified staff and resources to support management of ESHS risks and impacts of the Project including social and environment specialists responsible for ensuring full compliance with the ESF and relevant instruments. MOE will hire one environmental specialist and one social specialist	Establish and maintain a PIU as set out in the Grant Agreement. No later than 60 days after the Effective Date and thereafter maintain these positions throughout Project implementation.	MOE/PIU
1.2	ENVIRONMENTAL AND SOCIAL INSTRUMENTS Adopt and apply the environmental and social risk management measures for all activities under the project, as specified in this ESCP.		MOE/PIU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	To this end, the MOE, will as needed, prepare and a war-hazard emergency and preparedness plan; labor and working conditions management procedure; an e-waste management plan as well as incorporate measures to comply with relevant ESSs (e.g., SEA/SH Code of Conduct will be prepared and implemented. These measures will be further detailed in the Operational Manual. Report on application of the measures.	As part of the preparation of the Operational Manual within 90 days of the Effective Date	
1.4	TECHNICAL ASSISTANCE Ensure that the consultancies, 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 Bank that are consistent with the ESSs and EHS Guidelines. Thereafter ensure that the outputs of such activities comply with the terms of reference.	Throughout Project implementation.	MOE
ESS 2: LABOR AND WORKING CONDITIONS			
2.1	LABOR MANAGEMENT PROCEDURES Adopt and implement the following Labor Management Procedures (LMP for the Project consistent with ESS2. <ul style="list-style-type: none"> Ensure that Project Workers, as defined under ESS2, i.e. directly engaged by the Borrower or through third-parties to work specifically in relation to the project a (direct and contracted workers) will be hired, promoted and their employment, where needed, terminated based on principles of non-discrimination and equal opportunity, no-harassment, and freedom of association; Ensure that all Project Workers are provided with information and documentation that is clear and understandable regarding their terms and conditions of employment, their rights under national labor and employment laws, including payment of wages and deductions, periods of rest and leaving; Ensure the adoption of appropriate occupational health and safety measures, in line with ESS2, at the workplace (no matter their locations and including without limitation on in-person training activities), which shall consider inter alia an assessment of the potential OHS risks associated with the tasks to be carried out and include mitigation measures and a program to train workers, in the Emergency Preparedness and Response Plan. 	Adopt these procedures within 30 days of the Effective Date, and thereafter implement the LMP throughout Project implementation. Submit annual reports of compliance with these labor management procedures throughout project implementation.	MOE/PIU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	<ul style="list-style-type: none"> Ensure the adoption of a code of conduct that sets out measures against practices related with sexual exploitation and abuse/sexual harassment (SEA/SH) in the workplace, including the dissemination of the referral services available in the country to respond to such behaviors; and Prohibit and ban child labor as well as forced labor, per ESS2 requirements and applicable national laws. <p>These procedures shall be further detailed in the Operational Manual. Report on compliance with these labor management procedures.</p>		
2.2	GRIEVANCE MECHANISM FOR PROJECT WORKERS Establish and operate a Grievance Mechanism for Project Workers consistent with ESS2.	Within 30 days of the Effective Date and thereafter maintain and operate it throughout Project implementation.	MOE/PIU
ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT			
3.1	WASTE MANAGEMENT PLAN Prepare and implement an E-Waste Management Plan for management of e-wastes resulting from procurement, installation and decommissioning of IT equipment, based on Ukraine national requirements and consistent with ESS3.	3 months after the Effective Date, and before procuring, installing, and decommissioning any IT equipment, and thereafter implement the plan throughout project implementation	MOE/PIU
ESS 4: COMMUNITY HEALTH AND SAFETY			
4.2	COMMUNITY HEALTH AND SAFETY A War-Hazard Emergency Preparedness and Response Plan will be prepared outlining measures in response to community health and safety risks associated with the operating context, including measures to promote community awareness.	Prior to start of activities involving in-person participation of general public	MOE/PIU
ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT			
	Not relevant to the Project		
ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES			
	Not relevant to the Project		
ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES			
	Not relevant to the Project		
ESS 8: CULTURAL HERITAGE			
	Not relevant to the Project		
ESS 9: FINANCIAL INTERMEDIARIES			

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	Not relevant to the Project		
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			
10.1	<p>Incorporate stakeholder engagement and information disclosure measures in the implementation of the Activities, in a manner consistent with ESS10.</p> <p>To this end, ensure that the following measures are implemented:</p> <ul style="list-style-type: none"> a) Provide stakeholders with information about the environmental and social risks and impacts of the Activities in a timely, understandable, accessible, and appropriate manner and format, including but not limited to any environmental and social instruments prepared as part of the Activities; b) Consult stakeholders in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation, including with regards to any environmental and social instruments prepared as part of the Activities; c) Document the stakeholder engagement activities, including: (i) stakeholder mapping; (ii) description of consultations and participation mechanisms utilized, and records of meetings held; (iii) feedback received and responses to said feedback; and (iv) measures to engage stakeholders who, because of their particular circumstances, may be disadvantaged or vulnerable. 	Implement the stakeholder engagement activities throughout the implementation of the Activities.	MOE/PIU
10.2	<p>PROJECT GRIEVANCE MECHANISM</p> <p>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. The GM will be further detailed in the Operational Manual.</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>	Publicize, maintain and operate the grievance mechanism throughout Project implementation.	MOE/PIU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
CAPACITY SUPPORT			
CS1	Provide training, as needed, for relevant MOE directorates, BDF, EEPO, and ECA, PIU staff, stakeholders, communities, Project workers on: <ul style="list-style-type: none"> • Worker and community grievance mechanism • emergency preparedness and response • SEA/SH awareness and grievance response • Stakeholder engagement 	During project implementation as required.	MOE/PIU
CS2	Provide training for Project workers on occupational health and safety including on Emergency Preparedness and Response Plan.	Before undertaking each project activity involving in person attendance.	MOE/PIU