

DRAFT

Secretary of Energy
Supporting the Transition to a Sustainable
Electricity Sector in Argentina (P506430)

ENVIRONMENTAL AND SOCIAL
COMMITMENT PLAN (ESCP)

Appraisal

11 September 2024

ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The Argentine Republic will implement the Supporting the Transition to a Sustainable Electricity Sector in Argentina Project (the Project), with the involvement of the Secretary of Energy, as set out in the Original Loan Agreement (the Agreement). The International Bank for Reconstruction and Development (the Bank) has agreed to provide financing for the Project, as set out in the 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 Agreement. Unless otherwise defined in this ESCP, capitalized terms used in this ESCP have the meanings ascribed to them in the 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, their respective timeframes; institutional, staffing, training, monitoring and reporting arrangements; and grievance management. The ESCP also sets out the environmental and social (E&S) documents that shall be prepared or updated, consulted, disclosed and implemented under the Project, consistent with the ESSs, in form and substance acceptable to the Bank. Said E&S documents may be revised from time to time with prior written agreement by the Bank. As provided for under the referred Agreement, the Borrower shall ensure that there are sufficient funds available to cover the costs of implementing the ESCP.
4. As agreed by the Bank and the Borrower, this ESCP will be revised from time to time, if necessary, to reflect adaptive management of Project changes or unforeseen circumstances or in response to Project performance. In such circumstances, the Bank and the Borrower agree to update the ESCP to reflect these changes through an exchange of letters signed between the Bank and the Borrower's Representative specified in the Agreement. The Borrower shall promptly disclose the updated ESCP.
5. The subsection on "Indicators for Implementation Readiness" below identifies the actions and measures to be monitored to assess Project readiness to begin implementation in accordance with this ESCP. Nevertheless, all actions and measures in this ESCP shall be implemented as set out in the "Timeframe" column below irrespective of whether they are listed in the referred subsection.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
IMPLEMENTATION ARRANGEMENTS AND CAPACITY SUPPORT			
A	<p>ORGANIZATIONAL STRUCTURE</p> <p>Establish and maintain a team of qualified E&S staff acceptable to the Bank to support management of environmental, social, health and safety risks and impacts.</p>	Appoint qualified staff no later than 30 days after effectiveness.	Secretary of Energy
B	<p>CAPACITY BUILDING PLAN/MEASURES</p> <p>Prepare and implement the following capacity building measures:</p> <ul style="list-style-type: none"> training for Project staff on Strategic Environment and Social Assessments 	Prepare and implement the training during the first year of Project implementation.	Secretary of Energy
MONITORING AND REPORTING			
C	<p>REGULAR REPORTING</p> <p>Prepare and submit to the Bank regular monitoring reports on the environmental and social performance of the Project. The reports shall include:</p> <ul style="list-style-type: none"> Status of preparation and implementation of E&S documents and actions required under the ESCP. Summary of stakeholder engagement activities carried out as per the Stakeholder Engagement Plan (SEP). Complaints submitted to the grievance mechanism(s), the grievance log, and progress made in resolving them. Number and status of resolution of incidents and accidents reported under action D below. Information on any changes in the Borrower's ES Framework that may impact the way in which the ES risks and impacts of the project are addressed. This includes, without limitation, changes in legislation, changes in key licenses and permits, and changes in responsible agencies. Report on the implementation of the beneficiary feedback mechanism implemented under the Project. 	Submit such reports throughout Project implementation; no later than 45 days after the end of each calendar semester; and commencing after the Effective Date.	Secretary of Energy
D	Submit a report acceptable to the WB on the results of the Strategic Environment and Social Assessment referred in section 1.1	Submit the report on the Strategic Environment and Social Assessment before requesting the disbursement of proceeds related to the achievement of the target set for year 2 and the PBC 3.0.	

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
E	<p>INCIDENTS AND ACCIDENTS</p> <p>Notify the Bank of any incident or accident relating 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 those resulting in death or significant injury to workers or the public; acts of violence, discrimination or protest; unforeseen impacts to cultural heritage or biodiversity resources; pollution of the environment; dam failure; forced or child labor; displacement without due process (forced eviction); allegations of sexual exploitation or abuse (SEA), or sexual harassment (SH); or disease outbreaks. Provide available details of the incident or accident to the Bank upon request.</p> <p>Arrange for an appropriate review of the incident or accident to establish its immediate, underlying and root causes. Prepare, agree with the Bank, and implement a Corrective Action Plan that sets out the measures and actions to be taken to address the incident or accident and prevent its recurrence.</p>	<p>Notify the Bank no later than 48 hours after learning of the incident or accident. Provide available details upon request.</p> <p>Provide review report and Corrective Action Plan to the Bank no later than 10 days following the submission of the initial notice, unless a different timeframe is agreed to in writing by the Bank.</p>	Secretary of Energy
ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			
1.1	<p>ENVIRONMENTAL AND SOCIAL ASSESSMENTS AND/OR PLANS</p> <p>Prepare and implement a Strategic Environmental and Social Assessment (SESA) of the Project, consistent with the relevant ESSs and acceptable to the Bank. If any adverse risk or impact is assessed as likely to be significant, adjust the project design or implementation to apply the mitigation hierarchy to it.</p>	<p>Prepare the SESA during the first two years of Project implementation.</p> <p>Request Bank's no objection to the SESA before requesting the disbursement of proceeds related to the achievement of the target set for year 2 and the PBC 3.0.</p>	Secretary of Energy
1.2	<p>USE OF BORROWER'S ENVIRONMENTAL AND SOCIAL FRAMEWORK</p> <p>To conduct the SESA referred in point 1.1, the guidelines to conduct Strategic Environmental Assessments established by Resolutions 337/19 from the former National Environment and Sustainable Development Ministry will be used.</p>	As per point 1.1.	Secretary of Energy
1.3	<p>TECHNICAL ASSISTANCE</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 ESSs. Thereafter ensure that the outputs of such activities comply with the terms of reference.</p>	Throughout Project implementation.	Secretariat of Energy
ESS 2: LABOR AND WORKING CONDITIONS			
2.1	<p>LABOR MANAGEMENT PROCEDURES</p>	Throughout Project implementation.	Secretary of Energy

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	<p>Ensure Project implementation is done in accordance with ESS2. In addition to the Borrower's Framework (i.e.; National Law 20.744), implement the following complementary measures:</p> <ul style="list-style-type: none"> • Ensure that all Project workers receive, through written agreements or other documents provided together with orientation sessions, information, and documentation that is clear and understandable regarding their terms and conditions of employment under the Borrower's E&S Framework, including, inter alia, rights relating to working hours, wages, overtime, compensation and benefits, prior written notice of termination of employment, and details of severance payments, as appropriate. • Implement measures to ensure that all entities that employ Project workers keep a record complete and up-to-date performance of project workers and hours worked and wages, including accounting for overtime and corresponding pay. <p>Promptly notify the Bank of any material change in the Borrower's labor legal or institutional framework that may affect the Project, providing adequate details of such change, including potential risks and impacts to Project workers, and immediate measures taken or that are planned to be taken to address such change and the resulting potential risks and impacts to Project workers, in accordance with ESS2. If, in the opinion of the Bank, such change adversely affects material labor aspects and working conditions of Project workers, the Borrower will agree to adopt measures and actions to address them in a manner acceptable to the Bank and will update the ESCP to reflect such agreed actions.</p>	<p>Notify the Bank of any material change in the Borrower's labor framework that may affect the Project no later than 30 after it happens.</p>	
2.2	<p>OCCUPATIONAL HEALTH AND SAFETY</p> <p>Ensure Project implementation is done in accordance with ESS2 by using the related parts of the Borrower's Framework (i.e.; National Law 24.557 and National Law 19.587).</p>	<p>Throughout Project implementation.</p>	<p>Secretary of Energy</p>
2.3	<p>GRIEVANCE MECHANISM FOR PROJECT WORKERS</p> <p>Establish and operate a grievance mechanism for Project workers, in line with the Borrower's framework and consistent with ESS2.</p>	<p>Establish grievance mechanism no later than 30 days after effectiveness and thereafter maintain and operate it throughout Project implementation. Supervise consulting firms throughout Project implementation.</p>	<p>Secretary of Energy</p>
ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT			
3.1	<p>POLLUTION PREVENTION AND MANAGEMENT</p>	<p>No later than 30 days after any pollution risk or impact is assessed as likely to be significant.</p>	<p>Secretary of Energy</p>

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	If any pollution risk or impact is assessed (through the SESA referred under 1.1) as likely to be significant, adjust the project design or implementation to incorporate pollution prevention and management measures in line with the mitigation hierarchy and acceptable to the Bank.		
ESS 4: COMMUNITY HEALTH AND SAFETY			
4.1	COMMUNITY HEALTH If any community health risk or impact is assessed (through the SESA referred under 1.1) as likely to be significant, adjust the project design or implementation to incorporate management measures in line with the mitigation hierarchy and acceptable to the Bank.	No later than 30 days after any community health risk or impact is assessed as likely to be significant.	Secretary of Energy
4.3	SEA AND SH RISKS Ensure Project implementation is done in accordance the relevant parts of Borrower's Framework (i.e.; National Law 26.485).	Throughout Project implementation.	Secretary of Energy
ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT - Not Currently Relevant			
ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES			
6.1	BIODIVERSITY RISKS AND IMPACTS If any risk or impact on habitats or living natural resources is assessed (through the SESA referred under 1.1) as likely to be significant, adjust the project design or implementation to incorporate management measures in line with the mitigation hierarchy and acceptable to the Bank.	No later than 30 days after any risk or impact risk or impact on habitats or living natural resources is assessed as likely to be significant.	Secretary of Energy
ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES			
7.1	INDIGENOUS PEOPLES Ensure all Project-related communication and participation activities is done in timely and in a culturally appropriate manner, acceptable to the Bank.	Throughout Project implementation.	Secretary of Energy
ESS 8: CULTURAL HERITAGE - Not Currently Relevant			
ESS 9: FINANCIAL INTERMEDIARIES - Not Currently Relevant			
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			
10.1	STAKEHOLDER ENGAGEMENT PLAN Update, publicize and implement 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; receive and facilitate resolution of concerns and grievances in relation to the Project; and consult with them in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation.	Draft SEP will be prepared and disclosed by appraisal. The updated SEP shall be submitted to the Bank for No Objection no later than 90 days after the Effective Date.	Secretary of Energy

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
		Once the No Objection is obtained, the updated version shall be published immediately, and the SEP shall be adopted and implemented according to its terms, as required, and shall be implemented throughout the Project implementation.	
10.2	<p>PROJECT GRIEVANCE MECHANISM</p> <p>Establish, publicize, maintain, and operate an accessible grievance mechanism (GM), 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>	Establish the GM as per point 10.1. Publicize the GM no later than 30 days after project effectiveness. Maintain and operate the GM throughout Project implementation.	Secretary of Energy
<p>INDICATORS FOR IMPLEMENTATION READINESS</p> <p>The following actions are indicators for implementation readiness:</p> <ul style="list-style-type: none"> • Establish and maintain a team of qualified E&S staff acceptable to the Bank no later than 30 days after effectiveness. • Develop a Stakeholder Engagement Plan (SEP) for the Project prior to Appraisal. • Consult Stakeholder Engagement Plan (SEP) for the Project prior to Negotiations. 			