

Public Disclosure Authorized

**Republic of Croatia
Ministry of Science and Education
Digital, Innovation, And Green Technology
Project (P180755)**

**Draft for Appraisal
ENVIRONMENTAL AND SOCIAL
COMMITMENT PLAN (ESCP)**

April 20, 2023

ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The Republic of Croatia (the Borrower) will implement the Digital, Innovation, And Green Technology Project (the Project), with the involvement of the Ministry of Science and Education (MSE) and the assistance of the Croatian Science Foundation (CSF), as set out in the Loan Agreement. The International Bank for Reconstruction and Development (the Bank) has agreed to provide financing (P180755) for the Project, as set out in the referred 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 Loan 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 Borrower 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 Borrower, 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 Borrower through the MSE and the Bank agree to update the ESCP to reflect these changes through an exchange of letters signed between the Bank and the Borrower, represented by the Project Director of the Project Implementation Unit (PIU) within the MSE. The Borrower 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 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), that takes into account the necessary measures to handle grievances related to Gender Based Violence, Sexual Exploitation and Abuse, and Sexual Harassment (GBV/SEA/SH).</p>	<p>Submit semi-annual reports to the Bank throughout Project implementation, commencing after the Effective Date. Submit each report to the Bank no later than 30 calendar days after the end of each reporting period.</p>	<p>Project Implementation Unit within MSE (PIU)</p>
B	<p>INCIDENTS AND ACCIDENTS</p> <p>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.</p> <p>Develop internal incidents and accidents reporting procedures compliant to the ESCP.</p> <p>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.</p>	<p>Notify the Bank no later than 48 hours after learning of the incident or accident.</p> <p>Prior to start of on-ground activities.</p> <p>Provide subsequent report to the Bank within a timeframe acceptable to the Bank</p>	<p>PIU</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 Bank.</p>	<p>Submit the monthly reports to the World Bank upon request.</p>	<p>PIU</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 Establish and maintain a PIU with qualified staff and resources to support management of ESHS risks and impacts of the Project, including an experienced Environmental expert and an experienced Social Expert.</p> <p>Cause, through the Implementation Agreement, the Croatian Science Foundation (CSF) that supports the technical implementation of Part 2 of the Project to appoint an E&S Focal Point to facilitate communication with PIU and support E&S management of the Component 2. PIU shall assume and maintain responsibility for E&S compliance of both Component 1 and Component 2.</p>	<p>Establish and maintain a PIU as set out in the Loan Agreement. Hire or appoint the an experienced Environmental expert and an experienced Social Expert no later than three (3) months after the Effective Date, and thereafter maintain these positions throughout Project implementation.</p> <p>Prior to the implementation of activities under Part 2 of the Project.</p>	<p>PIU</p> <p>MSE</p>
<p>1.2 ENVIRONMENTAL AND SOCIAL INSTRUMENTS 1. Prepare, disclose, consult upon, adopt and implement an Environmental and Social Management Framework (ESMF), consistent with the relevant ESSs.</p>	<p>The draft Environmental and Social Management Framework (ESMF) has been reviewed by the Bank and disclosed by appraisal. Appropriate stakeholder consultations, revisions and re-disclosure shall follow after appraisal, but no later than September 15th 2023. Thereafter implement the ESMF throughout Project implementation.</p> <p>Before launching the bidding process for the respective Subproject that requires the adoption of such E&S instrument. Once adopted, cause the Beneficiaries to implement the respective E&S instrument.</p>	<p>PIU</p>

MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
<p>2. Cause Beneficiaries to prepare, disclose, consult upon, adopt and implement the Subproject-specific appropriate Environmental and Social Instruments, as set out in the ESMF, including, <i>inter alia</i>, Environmental and Social Management Plan (ESMP), ESMP checklists, Control List of Materials, a Cultural Heritage Management Plan (CHMP), when required according to the ESMF . The proposed Subprojects described in the exclusion list set out in the ESMF shall be ineligible to receive financing under the Project. Only low and moderate E&S risk sub-projects shall be eligible for financing. Further eligibility conditions are defined in the ESMF.</p> <p>PIU shall retain supervision over the preparation and implementation of the sub-project level E&S instruments.</p>		
<p>1.3 MANAGEMENT OF CONTRACTORS</p> <p>Cause Beneficiaries to incorporate the relevant aspects of the ESCP, including, <i>inter alia</i>, 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.</p>	<p>As part of the preparation of procurement documents and respective contracts.</p> <p>Cause Beneficiaries to supervise compliance by contractors throughout Project implementation.</p>	<p>PIU</p>
<p>1.4 TECHNICAL ASSISTANCE</p> <p>Ensure that the consultancies, studies (including feasibility studies, if applicable), designs, capacity building, training, and any other technical assistance (TA) 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>	<p>Throughout Project implementation.</p>	<p>PIU</p>
<p>1.6 ASSOCIATED FACILITIES</p> <p>Ensure that the activities in the identified associated facility are carried out in accordance with the applicable requirements of this ESCP and the ESSs, including, <i>inter</i></p>	<p>Prior to bidding of Associated Facility.</p>	<p>PIU</p>

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	alia, the preparation and implementation of relevant ESF instruments (e.g., the ESMP, LMP, CHMP, ESMP Checklist, Control List of Materials, management of contractors, SEP, etc.). The project does not envisage associated facilities at this stage.		
1.7	ACTIVITIES SUBJECT TO RETROACTIVE FINANCING In the case of retroactive financing of a past or ongoing activity, a positive E&S audit report performed for the activity shall be a condition for extending the support (payment).	Prior to approving expenditure (disbursement of funds for the past/ongoing activity)	PIU
ESS 2: LABOR AND WORKING CONDITIONS			
2.1	LABOR MANAGEMENT PROCEDURES Prepare, disclose, consult upon, adopt and implement the labor management procedure (LMP) for the Project, including, inter alia, provisions on working conditions, adequate occupational health and safety measures (including emergency preparedness and response measures), codes of conduct including clauses and sanctions against SEA/SH, forced labor, child labor, setting out grievance arrangements for all Project workers, and applicable requirements for contractors, subcontractors, and supervising firms.	The draft Labor Management Procedures (LMP) have been prepared and disclosed by appraisal. Appropriate stakeholder consultations, revisions and re-disclosure shall follow after appraisal, but no later than September 15 th 2023. The LMP shall be revised periodically and updated as necessary. The LMP shall be implemented throughout Project implementation.	PIU
2.2	OCCUPATIONAL HEALTH AND SAFETY (OHS) MEASURES Ensure that all contractors develop occupational health and safety measures (OHS) in the OHS Management Plan and are included in the ESMPs for Subprojects, including emergency preparedness and response measures, project workers training to heighten awareness of possible risks (PPE, first aid, firefighting equipment, etc.), injuries, based on ESMF defined principles and procedures commensurate with the risks and impacts of the sub-project. Monitor that OHS standards are met at workplaces in line with national occupational health and safety legislation, ESS2 OHS requirements, WB EHS guidelines, and WHO and WB guidelines on COVID-19 prevention.	Same timeframe as for the adoption and implementation of E&S instruments under Action 1.2 (2) above.	PIU
2.3	GRIEVANCE MECHANISM FOR PROJECT WORKERS Establish, maintain, and operate a grievance mechanism for Project workers, as described in the LMP and consistent with ESS2.	Establish grievance mechanism prior to engaging project workers and thereafter maintain and operate it throughout Project implementation.	PIU
ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT			

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
3.1	WASTE MANAGEMENT PLAN Cause Beneficiaries to incorporate into the E&S instruments for Subprojects a Waste Management Plan (WMP), satisfactory to the Bank, to manage hazardous and non-hazardous wastes, consistent with ESS3.	Same timeframe as for the adoption and implementation of ESMPs under Action 1.2 (2) above.	PIU
3.2	RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT Cause Beneficiaries to incorporate resource efficiency and pollution prevention and management measures in the E&S instruments to be prepared under action 1.2 above.	Same timeframe as for the adoption and implementation of ESMPs under Action 1.2 (2) above	PIU
ESS 4: COMMUNITY HEALTH AND SAFETY			
4.1	TRAFFIC AND ROAD SAFETY Cause Beneficiaries to incorporate into the ESMPs for Subprojects measures to manage traffic and road safety risks as required in accordance with the ESMF.	Same timeframe as for the adoption and implementation of ESMPs under Action 1.2 (2) above	PIU
4.2	COMMUNITY HEALTH AND SAFETY Cause Beneficiaries to assess and manage specific risks and impacts to the community arising from Project activities and include mitigation measures in the E&S instruments to be prepared in accordance with the ESMF.	Same timeframe as for the adoption and implementation of ESMPs under Action 1.2 (2) above.	PIU
ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES			
6.1	BIODIVERSITY RISKS AND IMPACTS Cause Beneficiaries to adopt and implement measures to address biodiversity risks and impacts in the ESMPs, as set forth in the ESMF. Subprojects triggering significant issues in sensitive and valuable areas are ineligible to receive financing under the Project.	Same timeframe as for the adoption and implementation of ESMPs under Action 1.2 (2) above	PIU
ESS 8: CULTURAL HERITAGE			
8.1	CULTURAL HERITAGE RISKS AND IMPACTS Cause Beneficiaries to adopt and implement a Cultural Heritage Management Plan (CHMP) as standalone or a part of the Sub-project ESMP/ESMP Checklist consistent with ESS8.	Same timeframe as for the adoption and implementation of ESMPs under Action 1.2 (2) above	PIU
8.2	CHANCE FINDS Cause Beneficiaries to incorporate chance finds procedures consistent with ESS8 shall be included to all E&S instruments (ESMP/ESMP Checklist/CHMP). In the case of chance finds WB and competent authorities shall be notified within 48 hours, and works will be ceased. Works shall recommence upon approval of the competent authorities.	Same timeframe as for the adoption and implementation of ESMPs under Action 1.2 (2) above	PIU
ESS 9: FINANCIAL INTERMEDIARIES			
9.1	Not relevant as this Project will not finance financial intermediaries.	N/A	N/A
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			
10.1	STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION		PIU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	<p>Adopt 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, and consult with them in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation.</p>	<p>A draft SEP has been prepared and disclosed prior to Project appraisal. The draft Stakeholder Engagement Plan (SEP), including a grievance redress mechanism (GRM), shall be consulted, revised and re-disclosed after appraisal, but not later than September 15th 2023.</p> <p>The SEP shall be implemented and updated, when necessary, throughout Project implementation.</p>	
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.</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>Same timeframe as for the adoption and implementation of the SEP</p>	<p>PIU</p>
CAPACITY SUPPORT			
CS1	<p>ESF training shall be provided to members of the PIU, the PIU E&S specialists and E&S Focal Points in CSF, MSE staff, community stakeholders, Final Beneficiaries, Project workers, including:</p> <ul style="list-style-type: none"> • General ESF training • focused ESS2 training • focused ESS4 training • focused ESS3 training • focused ESS10 training specific aspects of environmental and social assessment & other instruments described in the ESMF and SEP • emergency preparedness and response • community health and safety 	<p>For PIU E&S specialists and CSF E&S Focal Point, within 1 month after their respective engagement. For beneficiaries, community stakeholders and project workers, this training shall be provided once subprojects are awarded and prior to implementation of the Subproject.</p>	<p>PIU</p>

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
CS2	Specific training shall be provided to contractor workers and Beneficiaries by PIU on monitoring and reporting under ESF, waste management, GRM, OHS and asbestos when deem needed.	Once subprojects are awarded and prior to implementation of the Subproject.	PIU