

**Government of the Republic of Serbia/Ministry of
Mining and Energy**

SCALING UP RESIDENTIAL CLEAN ENERGY PROJECT, P176770

negotiated

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

February 9, 2022

ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The Republic of Serbia ((hereinafter the Borrower) shall implement the Scaling Up Residential Clean Energy Project (the **Project**), through the Ministry of Mining and Energy (MoME). 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 the 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	RESPONSIBLE ENTITY/AUTHORITY
MONITORING AND REPORTING			
A	<p>REGULAR REPORTING</p> <p>Prepare and submit to the World Bank regular monitoring reports on the environmental, social, health and safety (ESHS) performance of the Project (inclusive of small civil works), including but not limited to, the implementation of the ESCP, ESMF, LMP, SEP, and any site-specific E&S instrument, status of preparation and implementation of E&S instruments required under the ESCP, stakeholder engagement activities and functioning of the grievance mechanism(s). Ensure frequency and content of monitoring reports is detailed in the Project Operations and Grants Manual (POGM) and implemented accordingly.</p>	<p><i>Starting from the Loan Agreement Effective Date, every six months throughout Project implementation as part of the Project's progress reports, unless differently defined by the ESA (ESMP or ESMP Checklist).</i></p>	MoME/PIU
B	<p>INCIDENTS AND ACCIDENTS</p> <p>Promptly notify the Bank (Task Team Leader) 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-19 outbreak in the Project area.</p> <p>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.</p> <p>Subsequently, as per the Bank's request, prepare a report on the incident or accident and propose any measures to prevent its recurrence.</p> <p>Ensure and monitor that contractor keep an incident registry at all construction sites throughout the Project life.</p>	<p><i>Submit the immediate incident report to the Bank within 48 hours after learning of the incident or accident.</i></p> <p><i>Submit a detailed incident report to the Bank, not later than 10 working days from the PIU learning of the incident or accident, unless the Bank agrees to a different timeframe.</i></p> <p><i>File a closure report within 30 days or another timeframe acceptable to the Bank.</i></p> <p>This notification/reporting system shall be in place throughout the Project implementation.</p>	MoME/PIU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
C	<p>CONTRACTORS MONTHLY REPORTS</p> <p>(i) The Borrower, through MoME, shall cause Participating Local Self-Governing Units (Participating LSGUs) to cause contractors and supervising firms hired by Participating LSGUs, to provide monthly monitoring reports to the respective Participating LSGU on ESHS performance in accordance with the environmental and social metrics specified in the respective contracts; and</p> <p>(ii) The Borrower, through MoME, shall submit these reports to the Bank, upon the Bank's request.</p>	<p><i>MoME/PIU to submit regular reports monthly and upon request from the PIU (in the case of incidental or unexpected situations).</i></p> <p><i>PIU to submit the monthly reports to the Bank upon request.</i></p> <p><i>Reporting system shall be in place throughout the Project implementation.</i></p>	<p>MoME/PIU Participating LSGUs Contractors</p>
ESS 1grie: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			
1.1	<p>ORGANIZATIONAL STRUCTURE</p> <p>The Project shall be implemented by the Ministry of Mining and Energy (MoME) as the overall coordinator. The MoME shall establish and maintain a PIU with qualified staff and resources to support the management of ESHS risks and impacts of the Project including one full-time environmental and social specialist responsible for ensuring full compliance with the ESF and relevant instruments, all with experience and qualifications acceptable to the Bank.</p>	<p>Establish, within thirty (30) days after the <i>Effective Date</i>, an organizational structure, including the <i>recruitment/appointment of one part-time environmental specialist and one part-time social specialist.</i></p> <p>Maintain the organizational structure, including the specialists, throughout Project implementation</p>	<p>MoME</p>

MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
<p>1.2 ENVIRONMENTAL AND SOCIAL ASSESSMENT/MANAGEMENT PLANS AND INSTRUMENTS/ CONTRACTORS</p> <p>a) Assess the environmental and social risks and impacts of proposed Project activities, the ESSs, the Environmental, Health and Safety Guidelines (EHSGs), and other relevant Good International Industry Practice (GIIP), including relevant WHO guidelines.</p> <p>b) 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, 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 guidelines to, 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.</p> <p>c) 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 public calls' 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.</p>	<p>a) <i>Project's ESMF</i> has been prepared, disclosed, consulted and adopted. Assessment shall be conducted before the carrying out of the relevant Project activities.</p> <p>b) Prepare, disclose, consult and adopt plans/instruments (including site-specific ESMPs and other E&S instruments as relevant - ESMP checklists, CHMP, TMP, WMP and similar) before carrying out the relevant Project activities, and thereafter implement them throughout the carrying out of such activities.</p> <p>c) <i>Incorporate the relevant ESHS measures</i> into the procurement documents before launching the public call process for the relevant Project activities, and, thereafter, comply with them throughout the carrying out of such activities.</p>	<p>MoME/PIU</p>

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
1.3	<p>EXCLUSIONS:</p> <p>Exclude the following types of activities as ineligible for financing under the Project:</p> <ul style="list-style-type: none"> - Activities that may cause long term, permanent and/orirreversible adverse impacts on the environment - Activities that may have significant adverse social impacts andmay give rise to significant social conflict - Activities that may affect lands or rights of minorities, - Activities that may involve any resettlement (temporary orpermanent) or land acquisition/use restriction or adverse impacts on cultural heritage - All the other excluded activities set out in the ESMF of the Project. 	<p><i>During the assessment process conducted under action 1.2.a. above.</i></p> <p><i>Conduct screening throughout Project implementation.</i></p>	<p>MoME/PIU</p> <p>Participating LSGUs</p>
1.4.	<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, and that they incorporate the relevant requirements of the ESSs. The Technical Assistance (TA) will include relevant E&S due diligence documentation and associated Terms or Reference and guidance on integrating the E&S due diligence inthe future development of the TA outputs.</p> <p>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</p>	<p><i>Throughout Project implementation</i></p>	<p><i>MoME/PIU</i></p>

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ESS 2: LABOR AND WORKING CONDITIONS			
2.1	<p>LABOR MANAGEMENT</p> <p>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, 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.</p>	<p>LMP has been prepared, disclosed consulted and adopted. LMP will be implemented starting on the Effective Date and thereafter throughout Project implementation.</p> <p>Monitor LMP throughout Project implementation, and report through semi-annually (every 6 months) progress reports.</p>	<p>MoME/PIU Participating LSGUs</p>
2.2	<p>GRIEVANCE MECHANISM FOR PROJECT WORKERS</p> <p>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.</p>	<p><i>Establish the grievance mechanism prior to engaging Project workers (direct and contracted Workers) and maintained it throughout Project implementation. Information about the grievance mechanism shall be disseminated to Project workers prior to start of works</i></p>	<p>MoME/PIU (general oversight role)</p> <p>Participating LSGUs (responsible party)</p>
2.3	<p>OCCUPATIONAL HEALTH AND SAFETY (OHS) MEASURES</p> <p>Develop and implement occupational health and safety measures (OHS), including emergency preparedness and response measures, project workers Training to heighten awareness of possible risks Personal Protective Equipment, first aid, firefighting equipment, high-voltage, etc.), and to mitigate impacts on local communities in specific Environmental and Social Assessments, based on ESMF defined principles and procedures as well as on COVID-19 considerations defined in the ESMF and LMP.</p>	<p><i>Include relevant OHS measures into the Project ESMF as part of the timeframe indicated under Section 1.2.</i></p> <p><i>Develop site-specific measures, as a part of ESA, prior to and contracting.</i></p> <p><i>Adopt OHS measures before commencement of the activity they are designed for.</i></p>	<p>MoME/PIU Project Manager</p> <p>Participating LSGUs Contractors</p>

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
	Borrower, through MoME, shall cause Participating LSGUs to cause contractors to adopt OHS management plans and thereafter implement them, in accordance with ESS2 requirements and in a manner acceptable to the Bank	<i>Contractor shall prepare and adopt an OHS management plan prior to commencement of works. Apply OHS measures throughout Project implementation.</i>	
ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT			
3.1	<p>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. The Borrower, through MoME, shall cause Participating LSGUs to cause contractors to implement measures and actions defined in Environmental Assessment Reports (ESMPs, ESMP Checklists) in accordance with ESS3.</p> <p>All waste streams' testing (potentially hazardous waste), classification, management and final disposal/processing generated on spot shall be identified and carefully monitored. Quantities of hazardous waste shall be mitigated through implementing measures and actions, and under conditions, defined in Environmental Assessment Reports (ESMPs, ESMP checklists). These waste streams shall be managed in a way to be consistent with WB's ESF and EHS for waste, including mandatory disposal/treatment at licensed facilities. These significant waste streams shall be included in small civil work contracts and specification of goods and services.</p>	<p><i>Same timeframe than for the preparation, adoption and implementation of site-specific Environmental Assessment Reports (ESMPs or ESMP checklist). Include contractual obligation in the respective contracts with contractors and supervising entities upon signature of these contracts. Supervise contractors throughout Project implementation</i></p> <p><i>Maintained throughout Project implementation.</i></p> <p><i>Identify and contract a licensed facility for disposal/processing of significant streams of hazardous waste before commencement of works.</i></p>	MoME/PIU Participating LSGUs
3.2	Conduct an assessment on waste management systems in all Participating LSGUs to decide whether the Participating LSGUs have the capacity to manage these wastes and/or whether alternative approaches will be required. If material gaps are identified, develop an action plan will be developed to ensure compliance with National Standards/ESF/GIIP	The Participating LSGUs' solid waste management systems will be assessed as part of the ESMPs/ESMP checklists preparation before commencement of civilworks.	MoME/PIU
ESS 4: COMMUNITY HEALTH AND SAFETY			
4.1	COMMUNITY HEALTH AND SAFETY:		

MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
<p>Consider, as needed, relevant aspects of this standard, under action 1.2 above, including 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; manage the risks of the use of security personnel; manage the risks of labor influx, and prevent and respond to sexual exploitation and abuse, and sexual harassment.</p> <p>Incorporate these measures in the Project ESMF and site-specific instruments as relevant. Prepare, disclose, consult, adopt, and implement these measures in accordance with ESS4 requirements and in a manner acceptable to the Bank.</p> <p>The Borrower, through MoME, shall cause Participating LSGUs to cause the Contractor to implement measures and actions defined in Environmental Assessment Reports (ESMPs, ESMP Checklists,) in accordance with ESS4.</p> <p>Before work commencement, the Contractor shall</p> <ul style="list-style-type: none"> • produce the Elaborate on the Organization of the Construction Site based on the Design for Execution, where applicable and • submitted it, as part of the Environmental Assessment Report (ESMP, ESMP Checklist), to the PIU Environmental and Social specialists. <p>Environmental, Health and Safety Guidelines are materially consistent with ESS4 adopted.</p>	<p><i>Same timeframe than for the preparation, adoption and implementation of the ESMF and site-specific instruments.</i></p> <p>Include contractual obligation in respective contracts with contractors and supervising entities. Supervise contractors throughout Project implementation</p> <p><i>Implemented throughout Project duration.</i></p> <p><i>Prior to the Participating LSGUs first Call for Proposals under the Project</i></p>	<p>PIU MoME Participating LSGUs</p>
<p>4.2 PUBLIC AWARENESS: Raise public awareness of energy efficiency and procedures through public outreach with all of the relevant stakeholders, to seek feedback on the project and mitigate risks of misconception as outlined in the SEP.</p>	<p><i>Throughout Project implementation</i></p>	<p>PIU Local Self Governments</p>

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
ESS 5: LAND ACQUISITION, RESTRICTION ON LAND USE AND INVOLUNTARY RESETTLEMENT (the relevance of ESS 5 is established during the ESA process)			
5.1	<u>Not relevant to the project</u>		
ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES (the relevance of ESS 6 is established during the ESA process. As with other ESSs, ESS6 may require the adoption of specific measures that may be set out in an E&S document (e.g. ESMP or ESMP Checklist) already mentioned in the section under ESS 1 above or as a stand-alone document or a separate action).			
6.1	<u>Not relevant to the project</u>		
ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES			
7.1	<u>Not relevant to the project</u>		

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
ESS 8: CULTURAL HERITAGE			
8.1	<p>Consider, as needed, relevant aspects of this standard under action 1.2 above including Cultural Heritage Management Plans (CHMPs).</p> <p>The Borrower, through MoME, if necessary, shall develop the CHMPs (as part of the ESMP) and, shall cause the Participating LSGUs to cause the Contractor, to implement the CHMP for all works with identified risks to cultural heritage, such as historically significant buildings (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.</p> <p>Incorporate chance find procedures in all contracts involving any works under the Project.</p>	<p>Prepare and consult CHMPs before the commencement of civil works</p> <p>Prior to commencement of civil works and maintained throughout Project Implementation</p>	<p><i>MoME/PIU prepares CHMP</i></p> <p><i>Contractor implements CHMP.</i></p>
ESS 9: FINANCIAL INTERMEDIARIES			
9.1	<u>Not relevant to the project</u>		
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			
10.1	<p>STAKEHOLDER ENGAGEMENT PLAN</p> <p>Adopt and implement the Project Stakeholder Engagement Plan (SEP) consistent with ESS10, which shall include measures to, <i>inter alia</i>, 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 - all in a manner acceptable to the Bank.</p>	<p>The SEP has been prepared, disclosed and adopted. and will be implemented throughout Project implementation</p> <p>Report on SEP implementation semi-annually (every 6 months) in progress reports</p>	<p>MoME PIU</p>
10.2	<p>GRIEVANCE MECHANISM:</p> <p>Establish, publicize, maintain, and operate 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, as</p>	<p>Establish Project GM no later than 30 days after the Effective Date and thereafter implement it throughout the Project's implementation.</p>	<p>MoME PIU Local Self Governments</p>

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
	<p>described in the SEP.</p> <p>Assign staff to manage and monitor project grievances, in a manner acceptable to the Bank.</p> <p>The grievance mechanism shall be equipped to receive, register, and address concerns and grievances related to SEA/SH in a safe, and confidential and survivor-centric manner, including through the referral of survivors to gender-based violence service providers</p>	Report on GM implementation semi-annually (every six months) in progress reports.	
CAPACITY SUPPORT (TRAINING)			
CS1	<p>Provide Training to relevant MoME staff, PIU, Participating LSGU representatives responsible for the project and relevant stakeholders about:</p> <ul style="list-style-type: none"> - SEP, - ESMF, - 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 complaints - Prevention of COVID 19 spread - SEA/SH awareness training - Child protection. <p>and other topics relevant to the Project</p>	<p><i>Starting from the Effective Date, throughout Project Implementation, at minimum once a year.</i></p>	<p>PIU Environmental and Social Expert WB Environmental and Social Expert</p>
CS2	<p>Training for the contractors on implementation of environmental and social requirements defined by the documents ESMF, ESMP, ESMP Checklist, at the level of each local government.</p>	Throughout the project implementation, starting after the signing of the contract and before the commencement of works.	PIU Environmental and Social Expert