

UKRAINE

IMPROVING POWER SYSTEM RESILIENCE FOR EUROPEAN POWER GRID INTEGRATION

ENVIRONMENTAL and SOCIAL COMMITMENT PLAN (ESCP)

May 2, 2022

ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. Private Joint Stock Company (PJSC) "Ukrhydroenergo" (hereinafter, the **Borrower**), with the involvement of their respective Project Implementation Unit (hereinafter, PIU), will implement the Improving Power System Resilience for European Power Grid Integration (Installation of hybrid systems for electricity production in Ukrhydroenergo) (the **Project**). The International Bank for Reconstruction and Development (hereinafter the **Bank**) has agreed to provide financing for the Project.
2. The Borrower shall implement material measures and actions so that the Project is implemented in accordance with the Environmental and Social Standards (**ESSs**). This Environmental and Social Commitment Plan (**ESCP**) sets out material measures and actions, any specific documents or plans, as well as the timing for each of these.
3. The Borrower shall also comply with the provisions of any other E&S documents required under the ESF and referred to in this ESCP, such as Environmental and Social Management Plan (ESMP), Labor Management Procedures (LMP), Stakeholder Engagement Plan (SEP) and Biodiversity Management Plan (BMP), and the timelines specified in those E&S documents.
4. The Borrower is responsible for compliance with all requirements of the ESCP even when implementation of specific measures and actions is conducted by the Ministry, agency or unit referenced in 1. above.
5. Implementation of the material measures and actions set out in this ESCP shall be monitored and reported to the Bank as required by the ESCP and the conditions of the legal agreement, and the Bank shall monitor and assess progress and completion of the material measures and actions throughout implementation of the Project.
6. 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 assessment of Project performance conducted under the ESCP itself. In such circumstances, the Borrower shall agree to the changes with the Bank and update the ESCP to reflect such changes. Agreement on changes to the ESCP shall be documented through the exchange of letters signed between the Bank and the Borrower. The Borrower shall, through implementing agencies referenced above under 1., promptly disclose the updated ESCP.
7. 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, which may include environmental, social, health and safety effects, risks related to working conditions, biodiversity risks, gender-based violence and sexual exploitation and abuse and sexual harassment (SEA/SH) among others, as identified in the ESMP, LMP, BMP, and SEP.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
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 documents required under the ESCP, stakeholder engagement activities, functioning of the grievance mechanisms.</p>	<p>Quarterly reporting beginning with the first quarter following the Effectiveness Date</p> <p>Throughout Project implementation</p>	PJSC "Ukrhydroenergo"
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. 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. 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>Throughout project implementation</p> <p>Notify the Bank within 48 hours after learning of the incident or accident</p> <p>A subsequent report shall be provided within a timeframe acceptable to the Bank, as requested.</p>	PJSC "Ukrhydroenergo"
C	<p>CONTRACTORS MONTHLY REPORTS</p> <p>Require contractors and supervising firms to provide monthly monitoring reports on ESHS performance of the relevant activities of the Project. Provide such reports to the Bank upon request.</p>	<p>Monthly reports submitted to the Bank upon request</p>	
ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			
1.1	<p>ORGANIZATIONAL STRUCTURE</p> <p>Establish and maintain an organizational structure (Project Management Unit) within PJSC "Ukrhydroenergo" with qualified staff and adequate resources to support management of E&S risks including one social, one environmental, one OHS specialist, and one public relation/stakeholder engagement specialist responsible for ensuring management of E&S risks in accordance with ESSs and in a manner acceptable to the Bank and all with experience and qualifications acceptable to the Bank.</p>	<p>The Project Management Unit shall be established by the Effective Date and maintained throughout Project implementation</p>	PJSC "Ukrhydroenergo"

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
	ENVIRONMENTAL AND SOCIAL ASSESSMENT		
1.2	<p>MANAGEMENT TOOLS AND INSTRUMENTS</p> <p>Finalize after consultations, redisclose, adopt and implement the: (i) ESMP; (ii) LMP; (iii) SEP; and (iv) BMP, if required, in accordance to the provisions of 6.2 below.</p>	<p>ESMP, LMP and SEP were prepared, disclosed and consulted by Appraisal. Updated ESMP, LMP and SEP to be redisclosed only after martial law has been lifted, in accordance with the requirements of Resolution No.349 of the National Energy and Utility Regulation Commission dd. 26.03.2022 "On the protection of information that in martial law can be classified as information with limited access, including critical infrastructure".</p> <p>ESMP, SEP, LMP to be implemented and revised as needed, throughout Project implementation</p>	PJSC "Ukrhydroenergo"
1.3	<p>MANAGEMENT OF CONTRACTORS</p> <p>Incorporate the relevant aspects of the ESCP, including requirement to comply with the Project ESMP and Labor Management Procedures, into the ESHS specifications of the procurement documents. Ensure that the requirement to produce Contractor's ESMPs, LMPs, GRM for Contractor's personnel, and ESHS Code of Conduct are included into bidding documents for civil works contracts. Thereafter ensure that the contractors comply with the ESHS specifications of their respective contracts.</p>	<p>Prior to issuing of procurement documents and as part of contracts with contractors. Supervise contractors throughout Project implementation.</p>	PJSC "Ukrhydroenergo"
1.4	<p>INELIGIBILITY CRITERIA</p> <p>Any High-Risk sub-projects will be ineligible for financing under the project, in accordance to the provisions of the ESMP.</p>	<p>Throughout Project implementation</p>	PJSC "Ukrhydroenergo"

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
1.5	<p>TECHNICAL ASSISTANCE</p> <p>Ensure that the consultancies, studies and any other technical assistance activities under the Project are carried out in accordance with terms of referenced approved by the Bank that duly incorporate the requirements of the ESSs.</p>	<p>Terms of reference to be submitted for the Bank’s review and approval before launching the bidding processes to carry out such technical assistance activities.</p> <p>Throughout Project implementation</p>	PJSC “Ukrhydroenergo”
ESS 2: LABOR AND WORKING CONDITIONS			
2.1	<p>LABOR MANAGEMENT PROCEDURES</p> <p>Finalize after consultations, redisclose, adopt and implement the Labor Management Procedures (LMPs) in accordance with ESS2 and in a manner acceptable to the Bank.</p>	<p>LMP was prepared, disclosed, consulted upon by Appraisal. Updated LMP to be redisclosed and adopted not later than the Effective Date.</p> <p>Throughout project implementation</p>	PJSC “Ukrhydroenergo”
2.2	<p>GRIEVANCE MECHANISM FOR PROJECT WORKERS</p> <p>Establish, maintain, and operate a grievance mechanism for Project workers, as described in the LMP and consistent with ESS2.</p>	<p>GM to be established not later than the Effective Date and prior to engaging Project workers and maintained throughout Project implementation</p>	PJSC “Ukrhydroenergo”
2.3	<p>OCCUPATIONAL HEALTH AND SAFETY (OHS) MEASURES</p> <p>Prepare, adopt, and implement occupational, health and safety (OHS) measures specified in the ESMP in accordance with ESS2 and in a manner acceptable to the Bank.</p>	<p>Before start of civil works and thereafter throughout project implementation</p>	PJSC “Ukrhydroenergo”
2.4	<p>Provide trainings for workers regarding prevention of venomous species bites and procedures to follow in case of the venomous species bites.</p>	<p>Before start of civil works and thereafter throughout project implementation</p>	PJSC “Ukrhydroenergo”
2.5	<p>Provide first aid kits which include allergy medications and other drugs for symptomatic treatment in case of venomous species bites.</p>	<p>Before start of civil works and thereafter throughout project implementation</p>	PJSC “Ukrhydroenergo”

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
2.6	Undertake in-depth assessment of OHS procedures at sub-project sites to determine any gaps with international best practice to be considered for – where gaps are identified, relevant preventive measures shall be introduced in a manner acceptable to the Bank. Conduct OHS training based on international best practice.	prior to starting the bidding process for contracts involving the design and implementation of civil works and throughout Project implementation	PJSC “Ukrhydroenergo”
ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT			
3.1	RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT (a) Include resource efficiency and pollution prevention and management measures reflected in the Project ESMP into Contractors’ ESMPs following guiding principles of the ESS 3, ESMP and the WBG EHS Guidelines, and ensure thereafter that they are duly applied. (b) Develop a plan to manage the decommissioning of the sub-project sites, including procedures for the safe disposal of the equipment on site, including any remaining PV panels and battery modules. (c) Incorporate requirement that technical design should be resource-efficient, focused on preventing pollution, envisage climate change adaptation measures, sustainable and environmentally-sound, accessible and inclusive into procurement documents	(a) Prior to issuing of procurement documents and as part of contracts with contractors. Supervise contractors throughout Project implementation. (b) During Project implementation (c) Prior to starting the bidding process for contracts involving the design and implementation of civil works All measures to be implemented throughout project implementation	PJSC “Ukrhydroenergo”
ESS 4: COMMUNITY HEALTH AND SAFETY			
4.1	COMMUNITY HEALTH AND SAFETY (a) Adopt, and implement measures and actions to manage specific risks and impacts to the community arising from Project activities and include these measures in the Project ESMP, in accordance with ESS4 and in a manner acceptable to the Bank. (b) Incorporate measures to protect community health and safety during construction and operations are included into Contractors’ ESMPs following ESS4 and in light of the Project ESMP and ensure thereafter that they are duly applied.	(a) Throughout Project implementation. (b) Before start of civil works and throughout project implementation	PJSC “Ukrhydroenergo”
4.2	Emergency response procedures should be updated to cover Project activities.	Prior to tendering civil works	PJSC “Ukrhydroenergo”

ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT			
Not currently relevant to the Project			
ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES			
6.1	<p>BIODIVERSITY SURVEY AND BIODIVERSITY MANAGEMENT PLAN AT KANIV HPP SITE</p> <p>Undertake a Biodiversity Survey at Kaniv HPP Site Area of Influence (200 m around construction zone) to identify globally endangered species and other sensitive species, as well as any ecosystems and ecosystem services that are of importance to state/local communities (as determined by specialized expert assesment).</p> <p>Undertake an additional survey to confirm the survey findings for Steppe Plump Bush Cricket.</p> <p>Prepare, disclose, consult upon, adopt, and implement thereafter a Biodiversity Management Plan (BMP) for Kaniv HPP Site, if required based on the Biodiversity Survey results, in accordance with the requirements of ESS6 and in a manner acceptable to the Bank. If no such BMP can be designed and agreed with the Bank, the subproject shall be deemed High Risk and thus ineligible for financing under this Project.</p>	<p>Prior to starting the bidding process for contracts involving the design and implementation of civil works at Kaniv HPP Site</p> <p>To be conducted in spring 2022, report to be delivered by August 2022</p> <p>BMP for Kaniv HPP Site to be prepared, disclosed, consulted upon, and adopted prior to the start of civil works at Kaniv HPP Site, and to be implemented throughout Project implementation.</p>	PJSC "Ukrhydroenergo"
6.2	<p>BIODIVERSITY MANAGEMENT PLAN</p> <p>If any subproject is determined to have a significant adverse impact on a Critical Habitat or endangered species, or any significant biodiversity and/or ecosystem risks/impacts, a detailed biodiversity assessment and management plan shall be developed, disclosed, consulted upon (with stakeholders including local biodiversity experts and environmental NGOs), adopted and implemented.</p>	<p>A detailed biodiversity assessment and BMP shall be prepared, disclosed, consulted upon, and adopted prior to the start of civil works under any subproject that has been determined to have significant adverse impact on biodiversity. To be implemented throughout Project implementation.</p>	PJSC "Ukrhydroenergo"

6.3	Conduct workers training with the ES to raise awareness, limit conflict and reduce additional disturbance to fauna and avifauna, with a focus on minimizing habitat degradation and avoiding persecution of any threatened (e.g. snake) species found.	Before start of civil works and thereafter throughout project implementation	PJSC "Ukrhydroenergo"
6.4	Undertake pre-clearance surveys by the ES staff ahead of all construction activities in the area to search for and identify any threatened species, with a particular focus on <i>Vipera renardi</i> (<i>Steppe Viper</i>). If found, species should be safely relocated to pre-designated areas of suitable habitat away from construction sites.	Before start of civil works	PJSC "Ukrhydroenergo"
6.5	Engage a dedicated herpetologist for the pre-construction ecological surveys, to train of workers and to help with the removal of any snakes on site	Before start of civil works and thereafter throughout project implementation	PJSC "Ukrhydroenergo"
ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES			
Not currently relevant to the Project			
ESS 8: CULTURAL HERITAGE			
8.1	<p>CHANCE FINDS</p> <p>Implement the chance finds procedure described in the ESMP developed for the Project.</p> <p>Provisions for implementation of chance find procedure shall be included in all civil works contracts (to which contractors are obligated to adhere) requiring civil works to be conducted in such a way as to avoid any potential adverse impacts on historical monuments and other tangible and intangible cultural heritage</p>	<p>Throughout Project implementation.</p> <p>Prior to issuing of procurement documents and as part of contracts with contractors. Supervise contractors throughout Project implementation.</p> <p>Throughout Project implementation</p>	PJSC "Ukrhydroenergo"
ESS 9: FINANCIAL INTERMEDIARIES			
Not currently relevant to the Project			
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			

10.1	<p>STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION</p> <p>Update, disclose, consult upon, adopt, and implement Stakeholder Engagement Plan, in accordance with ESS10 and in a manner acceptable to the Bank.</p>	<p>SEP were prepared, disclosed and consulted by Appraisal. Updated SEP to be redisclosed and adopted not later than the Effective Date.</p> <p>To be implemented throughout project implementation</p>	PJSC "Ukrhydroenergo"
10.2	<p>PROJECT GRIEVANCE MECHANISM</p> <p>Establish, maintain and operate a grievance mechanism to address all complaints and grievances related to the Project, including grievances related to SEA/SH, as described in the SEP and in a manner acceptable to the Bank.</p>	<p>Project GM to be operational prior to Effective Date Throughout project implementation</p>	PJSC "Ukrhydroenergo"
CAPACITY SUPPORT (TRAINING)			
CS1	<p>TRAININGS</p> <ul style="list-style-type: none"> ■ SEA/SH related training ■ stakeholder engagement and grievance redress mechanisms ■ occupational and community health and safety ■ biodiversity ■ emergency preparedness and response (including in the context of COVID-19 impacts) ■ community health and safety 	<p>Throughout project implementation, as needed and informed by project supervision</p>	PJSC "Ukrhydroenergo"