

### A.3.4. Template of the ESMP mandatorily annexed to the Financing Agreement (FA)

#### General considerations

1. Bank of Industry (BOI) is planning to implement the Sovereign Guaranteed Thematic facility Project (the **Project**). The Bank has agreed to provide financing, implementation support and monitoring for the Project.
2. BOI will implement measures and actions of this Environmental and Social Management Plan<sup>1</sup> (**ESMP**) so that the Project meets all the requirements of the Bank Environmental and Social Operational Safeguards (**OS**) and the National policy and legal requirements.
3. Where the ESMP refers to specific plans, whether they have already been prepared or are to be developed, the ESMP requires compliance with all mandatory provisions of such plans.
4. The table below summarizes the material measures and actions that are required, the basis of the requirement, the timing of the measure or action, and the criteria to be used for determining whether the required measure or action has been successfully achieved. BOI is responsible for compliance with all requirements of the ESMP even when implementation of specific measures and actions is conducted by an entity different from the BOI ESG Team.
5. Implementation of the material measures and actions set out in this ESMP will be monitored and reported to the Bank by BOI as required by the ESMP and the conditions of the legal agreement, and the Bank will monitor and assess progress and completion of the measures and actions throughout implementation of the Project.
6. As agreed by the Bank and BOI], this ESMP may be revised from time to time during Project implementation, to reflect adaptive risk management of project changes and unforeseen circumstances or in response to assessment of project performance conducted under the ESMP itself. In such circumstances, BOI will propose and agree changes with the Bank, and then update the ESMP to reflect such changes.

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<sup>1</sup> The ESMP refers to all the E&S risks/impacts and measures, as approved in all the disclosed E&S documents and agreed between the Bank and Borrower. For projects involving multiple subprojects, that are identified, prepared and implemented during the course of the project, the Borrower will need to demonstrate to the Bank, before the project appraisal, through the preparation of E&S documentation of a sample of subprojects, that it has the capacity to carry out appropriate environmental and social assessment of subprojects, and prepare and implement such subprojects in accordance with the national laws and the OSs. (*Section III.2.3 of Bank's ESP and section D of OSI*)

<b>Material Actions<sup>2</sup> to Manage the Project's E&amp;S Risks and Impacts</b>		<b>Basis for Requirement</b>	<b>Key Performance Indicator</b>	<b>Indicative Timing/Deadline</b>
Periodic E&S implementation report to the Bank		Bank's ESP and OS1	Reports submitted in time, in good standard	Two weeks after the due period
1	Recruitment of E and S specialists as part of the Project implementation unit	Disclosed ESIA, OS1	BOI already has an E&S team in place. This will not be applicable	Not applicable
2	Establishment of the Project Grievance Redress Mechanism (GRM) and disclosure to Public	OS1, OS10 and National requirements	Grievance Redress Mechanism will be developed	To be provided before disbursement
3	Payment of compensation and reinstallation of affected people	SO10	Where applicable, the subprojects will provide evidence of payment made for compensation	To be provided by the sub-project before disbursement to the project
4	Incorporation of site-specific E&S measures in the request for proposals	SO1 & national requirements	Where applicable, this will be included in the request for proposals to be issued and sent out by the sub-projects.	Before the issuance of the RFPs
5	Submission of high-risk activity's Contractor ESMP ( <i>C-ESMP</i> ) to Bank clearance	Bank's ESP and OS1	Where required, the sub-project will provide	ESMP will be executed before disbursement
6	Establishment of the Contractor's Grievance Mechanism (GM) and information of workers	OS1, OS2, SO10 and Bank's Disclosure and Access to Information Policy	Where required, the sub-project will provide	Where applicable, this will be submitted before disbursement
7	Obtaining nationally required licenses prior commencement of subjected activities (excavations, tree-cutting, working at height, working in confined spaces, etc.)	OS1, OS2 and national labor laws	Where required, this will be submitted by the sub-project	Where applicable, this will be submitted before disbursement
8	Preparation, approval, and disclosure of specific E&S documents during Project implementation, including prior review of Category 1 terms of reference by the Bank	Bank's ESP, OS1 and national requirements	Where applicable, BOI will disclose E&S documents submitted and/or prepared during E&S due diligence	During sub-project implementation
9	Engagement with concerned stakeholders of each relevant specific E&S activity	OS1, OS10, Bank's Disclosure and Access to Information Policy	Where applicable, the subproject will provide	Where applicable, this will be submitted before loan disbursement
10	Establishment of Emergency Preparedness and Response mechanism	OS1 & OS4, national legislation on contingencies et	Where applicable, the subproject will provide	Where applicable, this will be submitted before loan disbursement
11	Appropriate and timely handling of complaints/grievances	Bank's ESP and OS1	Report on complaints / grievances	During project implementation

<sup>2</sup> Please add any relevant key actions and/or indicate "Not applicable" in the third column ("Basis for requirement") for actions that are not applicable to the project.

12	Notification to riparian or alert to downstream exposed peoples	Bank's ESP and OS1, applicable International Treaty/Convention ratified	Not applicable to BOI	Not applicable to BOI
13	Capacity building of key project implementers	OS1	Training curriculum provided including topic, time and participants	During project implementation
14	Implementation of ESMS/ESAP <sup>3</sup>	OS1 and OS9, national requirements	ESAP reporting	As agreed with AFDB
14.1	<i>Approval of any required E&amp;S management procedure</i>	Ditto	Updated document to be provided to AFDB. This will include ESG/E&S related policy document, ESMS framework and other relevant documents	As required based on changes or updates to the documents
14.2	<i>Establishment of the E&amp;S unit</i>	Ditto	In place	Done
14.3	<i>Capacity Building of the E&amp;S Unit</i>	Ditto	Evidence of training schedule showing completed trainings	Ongoing
14.4	<i>Processing the Value Chain E&amp;S due diligence</i>	Ditto	In place with samples shared with AFDB	Ongoing
15	Suspending works in the event of EOHS risk or incident, immediately notify the Bank, and resume works only upon no-objection of the Bank.	Bank's ESP	This will only apply to projects funded by BOI using the AFDB line of credit. BOI will communicate to AFDB on event describing event. BOI will notify the project to commence work directly.	No later than 72 hours after BOI is notified of the occurrence.
16	Prepare the root-cause analysis (RCA) of any fatal EOHS incident and implement the Corrective Action Plan (CAP).	Bank's ESP and OS1	Where applicable, sub-projects will share root cause analysis reports and Corrective Action Plan with BOI	BOI will provide reports to AFDB within 72 hours of receiving the reports.
17	Disclosure of Project's E&S reports to the public	OS1, OS10, Bank's Disclosure and Access to Information Policy	Sustainability report shared	Annually

<sup>3</sup> Applies to non-sovereign operations and public sector projects implemented by permanent autonomous Agencies/Institutions.