## **ILBANK**

# Public and Municipal Renewable Energy Project (P179867)

Negotiated
ENVIRONMENTAL and SOCIAL
COMMITMENT PLAN (ESCP)

May 16, 2023

### **ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN**

- 1. The İller Bankası Anonim Şirketi (ILBANK) (hereinafter the Borrower) shall implement the Public and Municipal Renewable Energy Project (the Project), Parts 2 and 3 (b), with the involvement of the Project Municipalities and affiliated utilities, as defined in the Loan Agreement and Grant Agreement (jointly, Agreements). The International Bank for Reconstruction and Development, respectively, in its own capacity and acting as administrator of the Energy Sector Management Assistance Program (ESMAP) (hereinafter the Bank), has agreed to provide financing for the Project (P179867), as set out in the referred Agreements.
- 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 Agreements. Unless otherwise defined in this ESCP, capitalized terms used in this ESCP have the meanings ascribed to them in the referred Agreements.
- 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 shall 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 and the Bank agree to update the ESCP to reflect these changes through an exchange of letters between the Bank and the Borrower, through its Deputy Director General. The Borrower shall promptly disclose the updated ESCP.

	MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBILE ENTITY/AUTHORITY
MONI	ITORING AND REPORTING		
Α	REGULAR REPORTING  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 environmental and social (E&S) documents required under the ESCP, stakeholder engagement activities, performance of the grievance mechanism(s).	Submit semi-annually reports to the Bank throughout the project implementation of the Borrower's Respective Parts of the Project (Part 2 and 3b), commencing after the Effective Date of the respective Agreements. Submit each report to the Bank not later than thirty (30) days after the end of each reporting period, including the first report thirty (30) days after the Effective Date of the respective Agreements.	ILBANK Project Management Unit (PMU)
В	INCIDENTS AND ACCIDENTS  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.  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 and said reports shall include root cause analysis, precautions and compensation measures taken.	Notify the Bank not later than forty-eight (48) hours after learning of the incident or accident.  Provide subsequent report to the Bank no later than thirty (30) days following the incident or accident.	ILBANK PMU to be responsible and to cause and coordinate with the Municipal Sub-borrower Project Implemetation Units (PIUs), as relevant.

CONITD A CTODC	MONTHLY REPORTS

- 1. Require contractors and supervising firms to provide Project Implementation Units (PIUs) 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.
- 2. PIUs shall monitor the environmental and social impacts of their respective C Project activities on a regular basis (monthly monitoring reports prepared by the contractor and submitted to the respective municipality through supervision consultant). The environmental and social issues included within the mitigation measures shall also be monitored and supervised by the appointed specialists through ILBANK.
- 1. First report shall be submitted thirty (30) days after the construction contractors start Project activities and thereafter monthly throughout contract implementation.

Submit the Contractors' monthly reports to the Bank upon request, and summarize in the reports under Section A, Monitoring and Reporting, above throughout the implementation of the Borrower's Respective Parts of the Project.

2. Throughout the implementation of the Borrower's Respective Parts of the Project. ILBANK PMU in coordination with PIUs and the contractors, and supervising authorities.

### ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS

#### ORGANIZATIONAL STRUCTURE

1.1

Establish and maintain an organizational structure with qualified staff and resources to support management and monitoring of E&S risks, as follows:

- o ILBANK shall maintain the Project Management Unit (PMU) which has been established under the International Relations Department of ILBANK to manage and coordinate the entire Project with qualified and experienced personnel and resources to support the management of ESHS risks by assigning and maintaining:
  - o one Environmental Specialist to address environmental risks and impacts identified under the Environmental and Social Assessment (ESA) reports (ESMPs/ESMP checklists),
  - o one Social Expert to address social risks and impacts under the ESA reports, land acquisition, and labor issues, including stakeholder engagement and grievance redress; and
  - o ne Occupational Health and Safety (OHS) specialist to address OHS risks and impacts under the ESA reports,.

Ensure that the Municipal Sub-borrowers each shall establish and maintain Project Implementation Units (PIUs). The staff of each PIU shall be responsible for full

Assign the existing staff under ILBANK PMU prior to Project Effective Date and maintain throughout project implementation.

> ILBANK PMU shall be responsible, and to cause Municipal Subborrowers and their PIUs to carry out, as relevant.

ILBANK shall ensure, or cause to ensure, that the Municipal Sub-borrowers establish their PIUs no later than 30 days after the respective Municipal Sub-loan Agreement is signed, and thereafter ensure that they

	compliance with the E&S relevant instruments  Obligate Municipal Sub-borrowers to assign E&S, ESHS and SE/Grievance Mechanism (GM) focal points for management of Municipal Subprojects' E&S risks. This obligation shall be included as a condition in the Municipal Sub-loan Agreements with Municipal Sub-borrowers.	are maintained throughout Municipal Sub- project implementation	
1.2	ILBANK shall implement the Environmental and Social Management System (ESMS) satisfactory to the Bank for its overall IFI financed portfolio and this ESMS shall apply for the Part 2 of the Project.  Screen any proposed sub-project in accordance with the ESMS and thereafter prepare, disclose, consult upon, adopt, and implement sub-project specific Environmental and Social Assessments (ESAs), i.e. Environmental and Social Management Plans (ESMPs), ESMP Checklists, Stakeholder Engagement Plans (SEPs), Resettlement Plans (RPs), Ex-post Social Audits, and other instruments as necessary, all in a manner satisfactory to the Bank.  ILBANK shall submit the ESAs of the first five (5) Municipal Sub-projects to the Bank for prior review.Include provisions for EHS tasks and instruments such as the ESMPs, ESMP checklists, SEPs and RPs in tender documents and contract requirements.  Ensure that the requirements of the ESMS are integrated into terms of reference (ToRs) to be prepared for each feasibility study and other relevant technical assistance.	ESMS shall be established prior to the first disbursement of the loan for activities under Part 2.  Municipal sub-project specific ESMPs, ESMP checklists, RPs and SEPs shall be prepared, disclosed, consulted upon and adopted before the launching of the bidding process for the relevant activities.  ESMPs/ESMP checklists shall be implemented throughout the respective Municipal Sub-project implementation.	ILBANK PMU shall supervise and monitor preparation, disclosure, and implementation of ESMPs/ESMP checklists, SEPs, and RPs.  ILBANK PMU shall cause the PIUs to prepare, disclose and implement site specific E&S instruments.

1.3	MANAGEMENT OF CONTRACTORS  Incorporate the relevant aspects of the ESCP, including, inter alia, the relevant E&S instruments 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.  Obligate contractors and supervision consultants that E&S, ESHS and SE/GM focal points are assigned for managing E&S risks of Municipal Sub-projects through including this obligation into bidding documents. Ensure contractors maintain these staff throughout the life of their contracts.	Prior to signing of contract with contractors, as part of the preparation of procurement documents and respective contracts.  Supervise and monitor contractors throughout Project implementation.  PIUs to monitor monthly, and ILBANK PMU to monitor semi-annually, throughout the Project implementation.	ILBANK PMU shall carry out, and shall cause the PIUs to carry out
1.4	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.	Throughout implementation of the Borrower's Respective Parts of the Project.	ILBANK PMU in coordination with PIUs
1.5	CONTINGENT EMERGENCY RESPONSE FINANCING (CERC)  Prepare, disclose, consult upon, redisclose, adopt and implement a project-level CERC-ESMF for the CERC component - which provides environmental and social policies and procedures, establishes requirements for screening and/or to guide the development of specific projects and sub-projects that may require specific environmental and social assessments or management plans - in a manner acceptable to the Bank.	CERC-ESMF shall be prepared and disclosed prior to CERC activation and be implemented throughout the CERC component timeframe.	ILBANK PMU shall be responsible for preparing and disclosing the CERC-ESMF in case the CERC is activated.  ILBANK PMU shall cause the PIUs to supervise and monitor the implementation of CERC-ESMF.  ILBANK PMU shall cause the PIUs to implement site-specific instruments for the CERC.

ESS 2:	ESS 2: LABOR AND WORKING CONDITIONS				
	Ilbank ESMS shall cover policies and procedures to manage labor and working conditions for different categories of workers including contracted workers as consistent with ESS9.		ILBANK PMU shall carry out, and shall cause the PIUs to carry out		
	Ensure bidding documents of contractors and sub-loan agreements with Municipalities shall include references to relevant provisions of Ilbank's ESMS to ensure that the labor risks associated with proposed investment activities are managed consistently with ESS2.	Implement and monitor the			
2.1	Ensure that the awarded contractors prepare their own LMPs (including Code of Conduct) based on the principles and procedures outlined in Ilbank's ESMS.	implementation of ESMS and LMPs throughout Project implementation.			
	Obligate contractors to take responsibility for adherence to LMP by their subcontractors.				
	Obligate contractors to carry out due diligence procedure to identify if there are significant risks that the suppliers are exploiting child or forced labor or exposing worker to serious safety issues				
2.2	GRIEVANCE MECHANISM FOR PROJECT WORKERS  Adjust, maintain, and operate an accessible Grievance Mechanism (GM) for Project workers, in line with national labour law and consistent with ESS2.  The ILBANK PMU and the PIUs shall ensure that Project Workers using this GM shall not be subject to any form of discrimination or repression by employers and that it includes measures to deal with SEA/SH complaints.	Grievance Mechanism shall be established and be operational within 30 days following Effective Date and maintained throughout Project implementation.  Report semi-annually as part of the reports under Action A, <i>Monitoring and Reporting</i> , above	ILBANK PMU shall be responsible and shall cause the PIUs and their contractors to carry out.		
2.3	OCCUPATIONAL HEALTH AND SAFETY (OHS) MEASURES  Prepare, adopt, and implement OHS measures to be specified in sub-project specific ESMPs, ESMP checklists and LMP.	Same timeframe as for the ESMPs/ESMP Checklists under Action 1.2 above	ILBANK PMU shall be responsible and shall cause the PIUs and their contractors to carry out.		

ESS 3:	ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT				
3.1	WASTE MANAGEMENT PLAN  Develop and implement measures and actions for waste management including in the site-specific ESMPs/ESMP Checklists, to manage hazardous and non-hazardous wastes, consistent with ESS3.	Same timeframe as for the ESMPs/ESMP Checklists under Action 1.2 above.	ILBANK PMU shall carry out, and shall cause the PIUs and contractors to implement.		
3.2	RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT Resource efficiency and pollution prevention and management shall be covered under the ESMPs/ESMP checklists to be prepared under action 1.2 above.	Same timeframe as for the ESMPs/ESMP Checklists under Action 1.2 above.	ILBANK PMU shall carry out, and shall cause the PIUs to carry out		
ESS 4:	COMMUNITY HEALTH AND SAFETY				
4.1	TRAFFIC AND ROAD SAFETY  Adopt and implement measures and actions to assess and manage traffic and road safety risks through Traffic Management Plans as required in the sub-project specific ESMPs/ESMP checklists to be developed under action 1.2 above.	Same timeframe as for the ESMPs/ESMP Checklists under Action 1.2 above.	ILBANK PMU shall be responsible and shall cause the PIUs to carry out.		
4.2	Ensure the assessment and management of specific risks and impacts to the community arising from Project activities under the Borrower's Respective Parts of the Project, including, inter alia, e.g., behavior of Project workers, risks of labor influx, response to emergency situations, Gender Based Violence (GBV)/ Sexual Exploitation and Abuse-Sexual Harassment (SEA-SH) risks, limitations on land, potential for community exposure to communicable diseases, dust and noise, and include mitigation measures in the sub project specific ESMPs/ESMP checklists to be prepared in accordance with the ESMS.	Same timeframe as for the ESMPs/ESMP Checklists under Action 1.2 above.	ILBANK PMU shall be responsible and shall cause the PIUs to carry out.		
ESS 5:	LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEME	NT			
5.1	RESETTLEMENT PLANS  Prepare, adopt, and implement Resettlement Plans (RPs) or, where necessary, Ex- Post Social Audits in accordance with ESS 5 and consistent with the requirements of the ESMS and implement the RPs if needed in accordance with the ESMS.  ILBANK shall submit the first five sets of RPs and Ex-post Social Audits of Municipal	Prepare, disclose, consult upon, adopt and implement the respective RP, including ensuring that before taking possession of the land and the related assets, full compensation has been provided and, as applicable, displaced people have been	ILBANK PMU shall be responsible and shall cause the PIUs to carry out.		

	Subprojects to the Bank for approval.  Ensure that no civil works commence unless relevant compensation for the affected assets has been delivered to project-affected persons and RP provisions are implemented accordingly.	resettled and moving allowances have been provided.	
5.2	GRIEVANCE MECHANISM (GM)  Ensure sub-project RPs describe GM for resettlement related complaints, in line with GM defined in relevant SEPs.	As part of the preparation of the relevant RPs, prior to adoption and implementation of the relevant RP	ILBANK PMU shall be responsible and shall cause the PIUs, and their contractors, to carry out

ESS 6:	BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATU	JRAL RESOURCES	
6.1	BIODIVERSITY RISKS AND IMPACTS  Include in all site-specific ESA instruments (ESMPs/ESMP checklists) with the potential impacts on natural habitats and supporting flora and fauna species, a site biodiversity assessment and, as needed and relevant, mitigation and monitoring activities in the ESA instruments consistent with ESS6.  Exclude from financing all activities that might have impacts on Critical Natural Habitats.	Same timeframe as for the ESMPs/ESMP checklists under Action 1.2 above.	ILBANK PMU shall carry out, and shall cause the PIUs to carry out
ESS 7:	INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRAD	DITIONAL LOCAL COMMUNITIES	
7.1	INDIGENOUS PEOPLES PLAN Not currently relevant.		
ESS 8:	CULTURAL HERITAGE		
8.1	CHANCE FINDS  Prepare, adopt, and implement the chance finds procedure described in the subproject-specific ESMPs/ESMP checklists developed for the Project under action 1.2 above.  Chance Finds Procedure shall be included into all civil works contracts and contractors shall be obligated to adhere.	Same timeframe as for the ESMPs/ESMP checklists under Action 1.2 above.	ILBANK PMU shall be responsible and shall cause or ensure the PIUs to carry out.
ESS 9:	FINANCIAL INTERMEDIARIES		
9.1	<ul> <li>ESMS</li> <li>Develop, maintain, and implement an ESMS to identify, assess, manage, and monitor the environmental and social risks and impacts of Municipal Subprojects that receive support from the Borrower's Respective Parts of the Project. The ESMS shall include, inter alia, the following elements:</li> <li>Identification of the Municipal Subprojects that may receive support from the Borrower's Respective Parts of the Project.</li> <li>An environmental and social policy endorsed by the Borrower's senior management.</li> <li>Clearly defined procedures for the identification, assessment and management of the environmental and social risks and impacts of the Municipal Subprojects, in accordance with ESS9, including, inter alia,</li> </ul>	ESMS shall be established prior to the first disbursement of the loan for activities under Part 2.  ESMS shall be implemented throughout the Project implementation	ILBANK PMU

	<ul> <li>stakeholder engagement and disclosure requirements applicable to the Municipal Subprojects</li> <li>Exclusion list with the activities the Municipal Subprojects that are not eligible for financing</li> <li>An organizational capacity and competency for implementing the ESMS with clearly defined roles and responsibilities</li> <li>Monitoring and reporting of environmental and performance of Municipal Subprojects and the effectiveness of the ESMS</li> <li>Incidents and accidents notification and subsequent reporting requirements as set out in Action B above</li> <li>An external communications mechanism, including measures to respond to public enquiries and concerns in a timely manner.</li> <li>Disclose a summary of each of the elements of the ESMS through the relevant website.</li> </ul>		
9.2	EXCLUSIONS  Screen all proposed Municipal Subprojects against the exclusion list set out in the ESMS.	Screen Municipal Subprojects before determining whether they are eligible to receive support from the Borrower's Respective Parts of the Project.	ILBANK PMU
9.2	FI ORGANIZATIONAL CAPACITY  Establish and maintain an organizational capacity and competency for implementing the ESMS with clearly defined roles and responsibilities described under action 1.1.	Maintain the existing PMU under ILBANK with adequate qualified staff throughout Project implementation, as set out in the Agreements.	ILBANK
9.3	SENIOR MANAGEMENT REPRESENTATIVE  Designate and maintain a senior management representative to have overall accountability for environmental and social performance of the Municipal Subprojects that receive support from the Borrower's Respective Parts of the Project.	Upon the adoption of the ESMS and maintained throughout Project implementation.	ILBANK
ESS 10	S STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE		
10.1	STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION  Update, disclose, consult upon, adopt, and implement Project's Stakeholder  Engagement Plan (SEP) for the Borrower's Respective Parts of the Project,	ILBANK's SEP was disclosed before appraisal and shall be updated and	ILBANK PMU shall be responsible and shall cause the PIUs to carry out.

	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.  As per the project level SEP for the Borrower's Respective Parts of the Project prepare, disclose, adopt, and ensure the implementation of sub-project specific SEPs.	redisclosed as needed and _implement throughout Project implementation.  Sub-project SEPs shall be prepared, disclosed, finalized and adopted prior to launching of bidding processes for respective Municipal Subprojects, and thereafter maintained throughout Project implementation	
10.2	Establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances in relation to the Borrower's Respective Parts of 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.  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.  Ensure similar GM is established at municipal and contractor level.  Ensure timely resolution, response and reporting of grievances for each subproject.	The Borrower's GM shall be established and be operational no later than the Effective Date and thereafter maintain throughout Project implementation.  Municipal Level GMs -shall be established within 30 days from signing sub-loan agreement between ILBANK and Municipality, and maintained throughout subproject implementation.  Contractor Level GMs shall be established within 30 days from signing of the respective contract between Municipality/utility and Contractor, and maintained throughout contract implementation.  Semi-annually as part of reports under Action A, Monitoring and Reporting, above	ILBANK PMU shall be responsible and shall cause the PIUs to carry out.
CAPAC	CITY SUPPORT (TRAINING)		
CS1	Provide training to PIU staff on the subjects listed as below:	Initial training for each PIU no later than 90	ILBANK PMU shall be responsible

	<ul> <li>The Bank's Environmental and Social Framework</li> <li>National environmental and social legislation</li> <li>Project specific instruments namely, SEP and ESCP</li> <li>Environmental and social assessments, and preparation and implementation of project and site-specific E&amp;S instruments</li> <li>Monitoring and reporting of E&amp;S aspects of the Borrower's Respective Parts of the Project</li> <li>Stakeholder mapping and engagement</li> <li>Specific aspects of environmental and social assessment</li> <li>Land acquisition, restrictions on land use and involuntary resettlement</li> <li>National Occupational, Health and Safety legislation</li> <li>International requirements for tender procedures</li> <li>Emergency preparedness and response</li> <li>Community health and safety (including SEA/SH and Covid-19 prevention measures)</li> <li>National sanitary norms and regulations</li> <li>Codes of conduct</li> </ul>	days after establishment of the respective PIU and before the start of Project activities in connection with that PIU.  Refresher trainings at least once a year or more frequently if needed, during implementation of the Borrower's Respective Parts of the Project.	and shall cause the PIUs to implement.
CS2	Other relevant topics, as needed.  Training shall be delivered to Project workers under the Borrower's Respective Parts of the Project on occupational health and safety (OHS) including on workplace risk management, prevention of accidents at work sites, use of Personal Protection Equipment's (PPEs), health and safety standards, hazardous waste management, solid and liquid waste management, emergency preparedness and response, community health and safety (including SEA/SH), awareness on communicable diseases (i.e. Covid-19, HIV/AIDS etc.) and etc.	Training shall be provided to all Project workers within one (1 month) of hiring the contractor and before any construction activities begin.	ILBANK PMU shall ensure that each PIU causes its contractors hired under the PIU's respective parts of the Project to provide the said training to their Project workers  ILBANK PMU (responsible for confirming that training acceptable to ILBANK and the Bank has been completed)