

**International Association of Water Service  
Companies in Danube River Catchment Area  
(Recipient Executed TF)**

=====

**Danube Water program Phase IV – Fostering  
Water Security and Resilient Recovery in the  
Danube Region, P178678**

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

**November 2, 2022**

## ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The International Association of Water Service Companies in the Danube River Catchment Area (IAWD) (hereafter the Recipient) will implement the Danube Water program Phase IV – Fostering Water Security and Resilient Recovery in the Danube Region (the Project), as set out in the Grant Agreement. The International Bank for Reconstruction and Development and the International Development Association, acting as administrator of grant funds provided under the Danube Region Water Supply and Wastewater Utilities Capacity Building Program Multi-Donor Trust Fund (hereinafter the Bank) has agreed to provide financing for the Project, as set out in the referred agreement.
2. The Recipient 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 Grant 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 Recipient 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 Recipient, 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 Recipient and the Bank agree to update the ESCP to reflect these changes through an exchange of letters signed between the Bank and the Recipient. The Recipient shall promptly disclose the updated ESCP.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
<b>MONITORING AND REPORTING</b>			
A	<p><b>REGULAR REPORTING</b></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&amp;S instruments required under the ESCP, and any E&amp;S due diligence document prepared or to be prepared and implemented (E&amp;S screening and assessment of TA activities and other; depending on the type of the activity), stakeholder engagement activities, functioning of the grievance mechanism(s). E&amp;S reporting within the Project Progress Report, shall be in form and substance acceptable to the Bank.</p> <p>Ensure frequency and content of monitoring reports are detailed in the Project Implementation Manual (PIM) and implemented accordingly.</p>	<p><i>Every six months throughout Project implementation period, starting from the Grant Agreement Effective Date</i></p>	IAWD
B	<p><b>INCIDENTS AND ACCIDENTS</b></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 the workers including, inter alia, cases of sexual exploitation and abuse (SEA), sexual harassment (SH), and accidents that result in death, serious or multiple injury, and other significant events. 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, IAWD shall prepare a report on the incident or accident and propose any measures to address it and prevent its recurrence.</p>	<p><i>Notify the Bank within 48 hours after learning of the incident or accident</i></p> <p><i>Provide subsequent report to the Bank within a timeframe acceptable to the Bank.</i></p>	IAWD
C	<p><b>CONTRACTORS’ MONTHLY REPORTS</b></p> <p>Not relevant</p>		
D	<p><b>NOTIFICATIONS RELATING TO DAAB COMPLIANCE REVIEW OF CONTRACTOR COMPLIANCE WITH SEA/SH PREVENTION AND RESPONSE OBLIGATIONS</b></p> <p>SEA/SH risk is assessed as low. Section not relevant.</p>		
<b>ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS</b>			
1.1	<p><b>ORGANIZATIONAL STRUCTURE</b></p> <p>Establish and maintain an organizational structure IAWD with appointed Environmental and Social Focal Point (one person) responsible for ensuring full compliance with relevant instruments (this ESCP).</p>	<p><i>Appoint an environmental and social specialist in advance of the Grant Agreement Effective Date and thereafter, maintain throughout Project implementation.</i></p>	IAWD
1.2	<p><b>ENVIRONMENTAL AND SOCIAL INSTRUMENTS</b></p>	<p><i>Only low E&amp;S risk activities will be financed under the Project.</i></p>	IAWD

MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
<p>The Project will support TA but will not finance the implementation of its recommendations. Detailed screening and assessment procedures will be developed in the PIM.</p> <p>IAWD (through Environmental and Social Focal Point) is obliged to submit all terms of reference, work plans or other documents defining TA objectives, the scope and outputs of technical assistance activities under Program components to WB E&amp;S Specialists for E&amp;S review and to implement WB recommendations in the final outputs. It will be a responsibility of WB E&amp;S specialists to ensure that all aforementioned deliverables are drafted so that the support provided is consistent with the requirements under the Bank’s Environmental and Social Framework (ESF), in line with the WB Policy for Investment Project Financing and WB Advisory Note on TA and ESF.</p>	<p><i>Implemented throughout Project implementation.</i></p> <p><i>PIM (with detail screening and assessment procedures) will be prepared before the Grant Agreement Effective Date and thereafter, maintained throughout Project implementation.</i></p>	
<p>1.3 <b>MANAGEMENT OF CONTRACTORS</b> Not relevant</p>		
<p>1.4 <b>TECHNICAL ASSISTANCE</b> Ensure that the consultancies, 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.</p>	<p><i>Relevant provisions will be included in PIM. PIM will be prepared before the Grant Agreement Effective Date and thereafter, maintained throughout Project implementation.</i></p> <p><i>Implemented throughout Project duration.</i></p>	IAWD
<p>1.5 <b>CONTINGENT [EMERGENCY] [EARLY] RESPONSE FINANCING</b> Not relevant</p>		
<p>1.6 <b>ASSOCIATED FACILITIES</b> Not relevant</p>		
<p>1.7 <b>ACTIVITIES SUBJECT TO RETROACTIVE FINANCING</b></p>	<p>E&amp;S screening and audit will be carried out and approved prior to disbursement of funds.</p>	IAWD

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	Retroactive financing of eligible expenditures under the Recipient Executed Activities will be a subject to E&S screening and E&S audit. Disbursement of funds will be a subject to approval of E&S Screening Report and E&S Audit Report if applicable.		
<b>ESS 2: LABOR AND WORKING CONDITIONS</b>			
2.1	<b>LABOR MANAGEMENT PROCEDURES</b> The Project shall be carried out in accordance with national legislation and applicable requirements of ESS2, in a manner acceptable to the Bank, including through, inter alia, implementing adequate occupational health and safety measures (including emergency preparedness and response measures), grievance arrangements for Project workers, and incorporating labor requirements into the ESHS specifications of the procurement documents and contracts with consulting firms.	All bidding documents and contracts to include ESHS requirements in line with World Bank Procurement Guidelines.	IAWD
2.2	<b>GRIEVANCE MECHANISM FOR PROJECT WORKERS</b> Establish and operate a grievance mechanism for Project workers consistent with national labor legislation and the ESS2 requirements. Ensure the grievance mechanism is easily accessible and promptly disclosed to Project workers, in line with ESS2 and labor laws.	Grievance mechanism operational prior to engaging Project workers and maintained throughout Project implementation.	IAWD
<b>ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</b>			
3.1	<b>WASTE MANAGEMENT PLAN</b> Not relevant		
3.2	<b>RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</b> Relevant aspects of this standard shall be considered, as needed, under action 1.2 above, including potential impact downstream. Any activity (only TA envisaged in the Project) that could have an adverse impact from waste management, hazardous waste management, to resource efficiency, water and soil quality, and other environmental and nature components will not be financed. Only low E&S risk activities can be financed under the Project. When setting standards, limits, measures and requirements for the sector, in addition to EU sectoral directives, Program beneficiaries will be guided by ESF, World Bank’s Environmental and Social Health and Safety Guidelines (WB ESHG) and Good International Industry Practice (GIIP).	<i>Relevant provisions will be included in PIM. Implemented throughout Project duration.</i>	IAWD
<b>ESS 4: COMMUNITY HEALTH AND SAFETY</b> Not relevant			
<b>ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT</b> Not relevant			
<b>ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES</b>			
6.1	<b>BIODIVERSITY RISKS AND IMPACTS</b>	<i>Relevant provisions will be included in PIM.</i>	<i>Environmental and Social Focal Point</i>

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	Relevant aspects of this standard shall be considered, as needed, under action 1.2 above, including potential impact downstream. All Program activities documentation, such as the terms of reference, work plans or other documents defining the scope and outputs of technical assistance activities will be drafted so that the advice and other support provided is consistent with the requirements of ESS6 under the Bank’s Environmental and Social Framework (ESF).	<i>Implemented throughout Project duration</i>	
<b>ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES</b>			
Not relevant			
<b>ESS 8: CULTURAL HERITAGE</b>			
Not relevant			
<b>ESS 9: FINANCIAL INTERMEDIARIES</b>			
Not relevant			
<b>ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE</b>			
10.1	<p><b>STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION</b></p> <p>Stakeholder engagement is deeply enshrined in Project design, a standalone SEP will not be required for this Project. A separate standalone SEP risks that these activities will not be seen as core activities enshrined in the project design and may cause duplication and confusion in their implementing arrangements. Hence it is recommended that the stakeholder engagement activities remain integrated as part of project design. A short summary document describing the different outreach activities will be prepared and implemented.</p>	<p><i>Summary document describing outreach activities prepared.</i></p> <p><i>Implemented throughout Project duration.</i></p>	IAWD
10.2	<p><b>PROJECT GRIEVANCE MECHANISM</b></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>	GM adopted within 3 months from effectiveness and to be maintained throughout Project implementation.	IAWD

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
<b>CAPACITY SUPPORT</b>			
CS1	<ul style="list-style-type: none"> <li>Short training on screening, assessment and approval procedures WB will provide to IAWD E&amp;S Focal Point.</li> </ul>	<i>Training will be carried out once before effectiveness and in the case of new appointment of E&amp;S Focal Point, within 2 weeks from the appointment.</i>	<i>Environmental and Social Focal Point</i>