November 1, 2017

DRAFT FOR PUBLIC COMMENT
Guidance Note for ESS1
Assessment and Management of Environmental and Social Risks and Impacts

The Guidance Notes provide guidance for the Borrower on the application of the Environmental and Social Standards (ESSs), which form part of the World Bank's 2016 Environmental and Social Framework. The Guidance Notes help to explain the requirements of the ESSs;they are not Bank policy, nor are they mandatory. The Guidance Notes do not substitute for theneed to exercise sound judgment in making project decisions. In case of any inconsistency or conflict between theGuidance Notes and the ESSs, the provisions of the ESSs prevail. Each paragraph of the Standard is highlighted in a box, followed by the corresponding guidance.

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Introduction

1. ESS1 sets out the Borrower's responsibilities for assessing, managing and monitoring environmental and social risks and impacts associated with each stage of a project supported by the Bank through Investment Project Financing, in order to achieve environmental and social outcomes consistent with the Environmental and Social Standards (ESSs).

2. The ESSs are designed to help Borrowers to manage the risks and impacts of a project, and improve their environmental and social performance, through a risk and outcomes based approach. The desired outcomes for the project are described in the objectives of each ESS, followed by specific requirements to help Borrowers achieve these objectives through means that are appropriate to the nature and scale of the project and proportionate to the level of environmental and social risks and impacts.

3. Borrowers[1] will conduct environmental and social assessment of projects proposed for Bank financing to help ensure that projects are environmentally and socially sound and sustainable. The environmental and social assessment will be proportionate to the risks and impacts of the project. It will inform the design of the project, and be used to identify mitigation measures and actions and to improve decision making.

Footnote 1. It is recognized that the Borrower may not be the entity directly implementing the project. Nevertheless, the Borrower is responsible for ensuring that the project is prepared and implemented so that it meets all applicable requirements of the ESSs in a manner and timeframe agreed with the Bank. The Borrower will ensure that any entity involved in implementing the project supports all obligations and commitments of the Borrower in accordance with the requirements of the ESSs and the specific conditions of the legal agreement, including the ESCP. Contractors retained by or acting on behalf of the Borrower or an implementing agency are considered to be under the direct control of the Borrower.

4. Borrowers will manage environmental and social risks and impacts of the project throughout the project life-cycle in a systematic manner, proportionate to the nature and scale of the project and the potential risks and impacts.

5. In assessing, developing and implementing a project supported by Investment Project Financing, the Borrower may, where appropriate, agree with the Bank to use all or part of the Borrower's national environmental and social framework to address the risks and impacts of the project, providing such use will enable the project to achieve objectives materially consistent with the ESSs.

6. ESS1 includes the following annexes, which form part of ESS1, and set out certain requirements in more detail:

- *Annex 1: Environmental and Social Assessment;*
- *Annex 2: Environmental and Social Commitment Plan; and*
- *Annex 3: Management of Contractors.*

Objectives

- *To identify, evaluate and manage the environment and social risks and impacts of the project in a manner consistent with the ESSs.*
- *To adopt a mitigation hierarchy approach to:*
  - *(a) Anticipate and avoid risks and impacts;*
  - *(b) Where avoidance is not possible, minimize or reduce risks and impacts to acceptable levels;*

(c) Once risks and impacts have been minimized or reduced, mitigate; and *(d) Where significant residual impacts remain, compensate for or offset them, where technically[2] and financially[3] feasible.* • *To adopt differentiated measures so that adverse impacts do not fall disproportionately on the disadvantaged or vulnerable, and they are not disadvantaged in sharing development benefits and opportunities resulting from the project.* • *To utilize national environmental and social institutions, systems, laws, regulations and procedures in the assessment, development and implementation of projects, whenever appropriate.* • *To promote improved environmental and social performance, in ways which recognize and enhance Borrower capacity.*
Footnote 2.Technical feasibility is based on whether the proposed measures and actions can be implemented with commercially available skills, equipment, and materials, taking into consideration prevailing local factors such as climate, geography, demography, infrastructure, security, governance, capacity, and operational reliability.
Footnote 3.Financial feasibility is based on relevant financial considerations, including relative magnitude of the incremental cost of adopting such measures and actions compared to the project's investment, operating, and maintenance costs, and on whether this incremental cost could make the project nonviable for the Borrower.

Scope of Application

7. ESS1 applies to all projects[4, 5] supported by the Bank[6] through Investment Project Financing.[7]
Footnote 4.These are projects to which OP/BP 10.00 Investment Project Financing applies. The World Bank Environmental and Social Policy for Investment Project Financing and ESSs do not apply to operations supported by Development Policy lending (for which the environmental and social provisions are set out in OP/BP 8.60 Development Policy Lending), or those supported by Program-for-Results Financing (for which the environmental and social provisions are set out in OP/BP 9.00 Program-for-Results Financing).
Footnote 5.These projects may include technical assistance supported by the Bank through Investment Project Financing, whether provided through a stand-alone project or as part of a project. The requirements set out in paragraphs 14-18 of ESS1 will be applied to technical assistance activities as relevant and appropriate to the nature of the risks and impacts. 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 ESSs 1-10. Activities implemented by the Borrower following the completion of the project that are not financed by the Bank, or activities that are not directly related to the technical assistance, are not subject to the World Bank Environmental and Social Policy for Investment Project Financing.
Footnote 6.As set out in the World Bank Environmental and Social Policy for Investment Project Financing, paragraph 7, the Bank will only support projects that are consistent with, and within the boundaries of, the Bank's Articles of Agreement.
Footnote 7.Where the project involves the provision of a guarantee under OP 10.00, the scope of application of the ESSs will depend on the activities or commitments covered by the guarantee.

GN7.1 (Footnote 5).IPFmay be used by Borrowers to finance technical assistance**.** Technical assistance is normally provided through consulting services maytake different forms.For example, it can be used for preparing technical or engineering designs or feasibility studies relating to the construction of infrastructure,or for draftingpolicies, strategies, laws or regulations which, normally, should consider societal and environmental issues and may have environmental or social impacts.

GN7.2. How the ESSs apply to IPF technical assistance depends on its nature, purpose and risks.For example, an IPF might finance technical assistance to prepare a feasibility study for a water treatment plant that requires acquisition of land on which there are informal settlers. In such a case, ESS5 would be applicable. It is thus important for the Borrower to understand the actual and potential environmental and social risks and impacts of the work that the technical assistance will support. This guides the use of the relevant ESSs and the development of the technical assistance terms of reference, work plans and outputs.

GN7.3. The ESF Policy does not replace OP/BP 4.03, *Performance Standards for Private Sector Activities* (see Footnote 1 of the ESF Policy). Consequently, unless the Borrower objects, projects or components of projects that meet the criteria set forth in OP 4.03 may be governed by the WB Performance Standards set forth in OP 4.03 instead of the ESF.

GN7.4.A Borrower may be a sovereign or non-sovereign party, and this affects what obligations the Borrower may assume. A Borrower's ability to achieve environmental or social outcomes may depend on the activities of other government agencies or thirdparties, such as a government agency acting as a regulator, or contractual party or the operator of an Associated Facility. The Borrower often hasvarying levels of control or influence over such parties. Where possible, the environmental and social assessment of the project would identify and evaluate the potential limitations on the Borrower in this regard and consider ways to support the desired environmental and social outcomes.

8. The term "project" refers to the activities for which the Bank financing referred to in paragraph 7 is sought by a Borrower and as defined in the legal agreement between the Borrower and the Bank.[8]
Footnote 8. The scope of activities for which Investment Project Finance can be provided, together with the approval process, is set out in OP 10.00.

GN8.1. A clear description of the activities of the proposed IPF project provides the basis of theassessment of potential environmental and social risks and impacts and the application of the ESSs. The description of project activities may evolve during project preparation and this may affect the assessment of risks and impacts. The legal agreementbetween the Bank and Borrower describes the activities financed by the Bank.

9. Where the Bank is jointly financing a project with other multilateral or bilateral funding agencies,[9] the Borrower will cooperate with the Bank and such agencies in order to agree on a common approach for the assessment and management of environmental and social risks and impacts of the project. A common approach will be acceptable, provided that such approach will enable the project to achieve objectives materially consistent with the ESSs.[10] The Borrower will be required to apply the common approach to the project.
Footnote 9. Such agencies will include IFC and MIGA.
Footnote 10. In determining whether the common approach or the requirements referred to in paragraphs 9, 12 and 13 are acceptable, the Bank will take into account the policies, standards and implementation procedures of the multilateral or bilateral funding agencies. The measures and actions that have been agreed under the common approach will be included in the ESCP.

GN9.1. The concept ofthe *common approach*is commonly used when the Bank is Jointlyfinancing a project with other donorsand is a way to describe the approach and requirements agreed by funding

agencies and the Borrower for the assessment and management of environmental and social risks and impacts of a proposed project. It aims to facilitate cooperation between the Borrower, the Bank and otherfinancing agencies, avoid duplication and encourage efficient use of resources for the project. The Environmental and Social Commitment Plan (ESCP)describesthe use of the *common approach*so that those implementing the project clearly understand which measures and actions have been agreed to under the approach.

GN9.2. It is important for the Borrower to share with the Bank information on existing collaboration with other funding agencieson the projects for which it seeks IPF.This allows the Bank to determine whetheran already agreed approach to assessment and management of environmental and social risks can enable the project to achieve objectives materially consistent with the ESSs.

10. ESS1 also applies to all Associated Facilities. Associated Facilities will meet the requirements of the ESSs, to the extent that the Borrower has control or influence over such Associated Facilities.[11]
Footnote 11. The Borrower will be required to demonstrate the extent to which it cannot exercise control or influence over the Associated Facilities by providing details of the relevant considerations, which may include legal, regulatory and institutional factors.

GN10.1. The nature of control or influence is complex, and goes beyond a simple understanding of ownership, regulatory authority or whether the Associated Facilities arein a sovereign territory. As indicated by GN Footnote 11, there may be many reasons why a Borrower cannot exercise control or influence. For example, the entity implementing the project, such as a Ministry of Water and Sanitation, may have no control over an Associated Facility maybe inanother country.

Commented [Q1]: The case of multi-countries projects (e.g a project funded to the Autorité du Bassin de la Volta, that implies 6 counties) are considered somewhere?

GN10.2. Where the Borrower has limited or no control or influence over other entities or third parties, the environmental and social assessment wouldidentify these parties and their roles with respect to the Associated Facilities.The risks and impacts that the Associated Facilities, and such lack of control or influence,present to the project would be considered in the assessment of the environmental and social risksand impacts of the project (as per paragraph 32 of ESS1).

11. For the purpose of this ESS, the term "Associated Facilities" means facilities or activities that are not funded as part of the project and are: (a) directly and significantly related to the project; and (b) carried out, or planned to be carried out, contemporaneously with the project; and (c) necessary for the project to be viable and would not have been constructed, expanded or conducted if the project did not exist.[12]
Footnote 12. For facilities or activities to be Associated Facilities, they must meet all three criteria.

GN11.1. There are many circumstances in which other facilities or activities are relevant for a project to function properly but are not funded as part of the project. In complex infrastructure projects, various facilities and activities may be required for the project to function fully, but not all of these may satisfy the definition of Associated Facilities. To be an Associated Facility, all 3 criteria of paragraph 11 of ESS1 should mustbe met.

GN11.2. "*Directly and significantly related*" means that the facilities or activities may be physically, geographically, or functionally related to the project in a direct and significant way. For example, a transmission line may be directly and significantly related to a power plant.

GN11.3. Facilities or activities that are *"carried out, or planned to be carried out, contemporaneously with the project,"*do not need to exist or occur in precisely the same period of time as the proposed project.The most common period of time for consideration of Associated Facilities would be from projectidentificationto the project completion.

GN11.4. For the third criterion that the facilities or activities are *"necessary for the project to be viable and would not have been constructed, expanded or conducted if the project did not exist",* the key consideration is whether the facilities or activities are both essential for the project and dependent on it.

12. Where: *(a) A common approach has been agreed for the project, the common approach will apply to the Associated Facilities;* *(b) Associated Facilities are being funded by other multilateral or bilateral funding agencies, the Borrower may agree with the Bank to apply the requirements of such other agencies to the Associate Facilities, provided that such requirements will enable the project to achieve objectives materially consistent with the ESSs.*

13. Where the Bank is financing a project involving a Financial Intermediary (FI), and other multilateral or bilateral funding agencies[13] have already provided financing to the same FI, the Borrower may agree with the Bank to rely on the requirements of such other agencies for the assessment and management of environmental and social risks and impacts of the project, including the institutional arrangements already established by the FI, provided that, such requirements will enable the project to achieve objectives materially consistent with the ESSs.
Footnote 13. Such agencies will include IFC and MIGA.

GN13.1.ESS9 sets out the approach of the ESF to financial intermediaries.

Requirements

14. The Borrower will assess, manage and monitor the environmental and social risks and impacts of the project throughout the project life-cycle so as to meet the requirements of the ESSs in a manner and within a timeframe acceptable to the Bank.[14]
Footnote 14. In establishing the manner and an acceptable timeframe, the Bank will take into account the nature and significance of the potential environmental and social risks and impacts, the timing for development and implementation of the project, the capacity of the Borrower and other entities involved in developing and implementing the project, and the specific measures and actions to be put in place or taken by the Borrower to address such risks and impacts.

GN14.1 Each ESS sets out specific requirements that can help the Borrower to assess, manage and monitor the environmental and social risks and impacts throughout the project life-cycle.The ways in which the requirements of the ESSs are met and the time frame for doing so differ for each project, reflecting a range of considerations, such as thoseset out in ESS1, Footnote 14. Based on these, the Borrower and the Bank would agree on the manner the risks and impacts of the project will be assessed and managed, and appropriate timing for this assessment. The type of project, the schedule for project

implementation and the entities that may be involved in implementing the projectare key factors in determining how the requirements of the ESSs will be met.

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15. The Borrower will:
- *(a) Conduct an environmental and social assessment of the proposed project, including stakeholder engagement;*
- *(b) Undertake stakeholder engagement and disclose appropriate information in accordance with ESS10;*
- *(c) Develop an ESCP, and implement all measures and actions set out in the legal agreement including the ESCP; and*
- *(d) Conduct monitoring and reporting on the environmental and social performance of the project against the ESSs.*

GN15.1. Paragraph 15 summarizes the key responsibilities of the Borrower under ESSs:

(a) **Environmental and social assessment**is the process of analysis and planning used by the Borrower to identify, assess and managethepotential environmental and social risks and expected impacts of a project. Mitigation measures are identified in accordance with the mitigation hierarchy. Paragraphs 23-35 of ESS1and Annex 1 of ESS1 provide further information on environmental and social assessment.

Commented [Q2]: A specific guidance note with some examples of social and environmental risks should be added here

(b) **Stakeholder engagement** is an important aspect of developing an environmentally and socially sustainable project. ESS10 emphasizes the importance of open engagement with stakeholders, and providing opportunities for stakeholders' views to be considered in the project design and during implementation. Further information on identifying stakeholders, preparing stakeholder engagement plans, information disclosure and consultation are provided in ESS10.

(c) The **Environmental and Social Commitment Plan**(ESCP) is asummary developed by the Borrower which identifies the material measures and actions that will carried out in an agreed timeframe. Paragraphs 36-44of ESS1 and Annex 2 of ESS1 provide further information on the ESCP.

(d) **Monitoring and reporting**provide the basis for tracking performance of the project and verifying compliance with the ESCP and the requirements of the ESSs. They also help identify actions or measures that may be needed to remedy or improve the environmental and social performance of a project. The extent and mode of monitoring and reporting reflect the nature of the project and the significance of its environmental and social risks and impacts. Paragraphs 45-50 of ESS1 provide further information on monitoring and reporting.

16. Where the ESCP requires the Borrower to plan or take specific measures and actions over a specified timeframe to avoid, minimize, reduce or mitigate specific risks and impacts of the project, the Borrower will not carry out any activities in relation to the project that may cause material adverse environmental or social risks or impacts until the relevant plans, measures or actions have been completed in accordance with the ESCP.

17. If the project comprises or includes existing facilities or existing activities that do not meet the requirements of the ESSs at the time of Board approval, the Borrower will adopt and implement measures satisfactory to the Bank so that specific aspects of such facilities and activities meet the requirements of the ESSs

in accordance with the ESCP.

GN17.1. When a project includes facilities or activities that already exist, measures may be needed to enable the facilities or activities to meet the ESS requirements. It is recommended in such cases to focus on aspects that present significant risks.Measures to be implemented by the project are incorporated into the ESCP.

18. The project will apply the relevant requirements of the Environmental Health and Safety Guidelines (EHSGs). When host country requirements differ from the levels and measures presented in the EHSGs, the Borrower will be required to achieve or implement whichever is more stringent. If less stringent levels or measures than those provided in the EHSGs are appropriate in view of the Borrower's limited technical or financial constraints or other specific project circumstances, the Borrower will provide full and detailed justification for any proposed alternatives through the environmental and social assessment. This justification must demonstrate, to the satisfaction of the Bank, that the choice of any alternative performance level is consistent with the objectives of the ESSs and the applicable EHSGs, and is unlikely to result in any significant environmental or social harm.

A. Use of Borrower's Environmental and Social Framework

19. When a project is proposed for Bank support, the Borrower and the Bank will consider whether to use all, or part, of the Borrower's ES Framework in the assessment, development and implementation of a project. Such use may be proposed provided this is likely to address the risks and impacts of the project, and enable the project to achieve objectives materially consistent with the ESSs.

20. If the Borrower and the Bank propose to use all, or part, of the Borrower's ES Framework, the Bank will review the Borrower's ES Framework[15] in accordance with the requirement of paragraph 19. The Borrower will provide information to the Bank in connection with the assessment.[16]

Footnote 15.The Borrower's ES Framework will include those aspects of the country's policy, legal and institutional framework, consisting of its national, subnational, or sectoral implementing institutions and applicable laws, regulations, rules and procedures and implementation capacity relevant to the environmental and social risks and impacts of the project. Where there are inconsistencies or lack of clarity within the Borrower's ES Framework as to relevant authorities or jurisdiction, these will be identified and discussed with the Borrower. The aspects of the Borrower's existing ES Framework that are relevant will vary from project to project, depending on such factors as the type, scale, location and potential environmental and social risks and impacts of the project and the role and authority of different institutions.

Footnote 16.The information provided by the Borrower will assist in determining whether and to what extent the Borrower's ES Framework can be used to enable the project to address the risks and impacts of the project, and achieve objectives materially consistent with the ESSs. The Borrower will provide to the Bank recent studies and assessments conducted by the Borrower or reputable third parties, including on other projects developed in the country, to the extent these are relevant to the proposed project.

GN19.1. Use of a Borrower's environmental and social (ES) Framework aims to strengthen the Borrower's approach to managing environmental and social risks and impacts. Where environmental and social risks and impacts are assessed and managed through national processes and requirements, it enhances ownership and capacity, builds institutions over the long term, and provides opportunities for collaboration and learning. It also helps toavoid duplication of Borrower and Bank requirements.

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GN20.1. If it is proposed to use the Borrower's ES Framework, the Bank conductsits own assessment of the relevant aspects of the Borrower's ES Framework. The assessment is conducted in reference to the proposed project and considers whether using the Borrower's ES Framework is likely to address the environmental and social risks and impacts of the projectand support the design and implementation of mitigation measures consistent with the mitigation hierarchy, andenable the project to achieve objectives materially consistent with the ESSs.Depending on the significance of specific risks and impacts of the project, the Bank's assessment may involve a more detailed analysis against the relevant specific requirements of the ESSs. The Bank discloses a summary of the key findings from its assessmenton the bank's website.

GN20.2. The scope of assessment, and the aspects of the Borrower's ES Framework to be reviewed, vary from project to project, depending on relevant factors including the type, scale and complexity of the project and its potential environmental and social risks and impacts (including, but not limited to, those identified in the ESSs).There is no single, uniform approach to assessing Borrowers' ES Frameworks. Different country and project contexts can call for different approaches. The assessment would consider the following, among other things, and based on information available to the Bank:

(a) The country's policy, legal and institutional framework, as these are relevant to the specific environmental and social risks and impacts of the project;

(b) Laws, regulations, rules and procedures (including permits and approval requirements) applicable to the project, including regional and local requirements that are relevant to the environmental and social risks and impacts of the project;

Commented [Q3]: Overlaps with (a) (laws and regulations are part of the legal framework).
O suggest "Further regulations, rules and procedures…"

(c) Inconsistencies, lack of clarity or conflict as to relevant authorities or jurisdiction, including differences between national and regional/local authorities or jurisdictions;

(d) Available experience with the Bank or other multilateral or bilateral financing agencies and the performance of the Borrower and the national, subnational, sectoral and local institutions involved in the preparation and/or implementation of similar previous projects; and

(e) Technical and institutional capacity of the Borrower and relevant national, subnational or sectoral implementing institutions or agencies related to the preparation and implementation of the project.

GN20.3. To inform the assessment as well as design of measures needed to address any identified gaps, Bank may need to discuss with relevant stakeholdersidentified with input from the Borrower. Such consultations may include discussions with government officials and other development partners, engagement with civil society and project affected persons.

Commented [Q4]: , entrepreneurs and scientific community could be explicitly added

GN20.4. While each assessment is specific to the proposed project, it also takes into account available information regarding the Borrower's ES Framework that isrelevant to the proposed project, including assessments from previous projects or analytical work. Where the Bank has conducted an overview

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assessment of the Borrower's existing policy, legal and institutional framework for addressing environmental and social risks and impacts, the Bank may take the conclusions of such assessment into account, providing it isstill applicable to the Borrower's ES Framework, pertinent to the project under preparation and the Bank is not aware of any material change to the conclusions reached.

21. If the assessment identifies gaps in the Borrower's ES Framework, the Borrower will work with the Bank to identify measures and actions to address such gaps. Such measures and actions may be implemented during project preparation or project implementation and will include, where necessary, measures and actions to address any capacity development issues pertaining to the Borrower, any relevant national, subnational or sectoral implementing institution, and any implementing agency. The agreed measures and actions, together with the timeframes for their completion, will form part of the ESCP.

22. The Borrower will take all actions necessary to maintain the Borrower's ES Framework, as well as acceptable implementation practices, track record, and capacity, in accordance with the measures and actions identified in the ESCP, throughout the project life-cycle. The Borrower will notify and discuss with the Bank any significant changes in the Borrower's ES Framework that may affect the project.[17] If the Borrower's ES Framework is changed in a manner inconsistent with the requirement of paragraph 19 and the ESCP, the Borrower will carry out, as appropriate, additional assessment and stakeholder engagement in accordance with the ESSs, and propose changes, for approval by the Bank, to the ESCP.

Footnote 17. If, in the opinion of the Bank, such changes serve to improve the Borrower's ES Framework, the Borrower will apply such changes to the project.

B. Environmental and Social Assessment

23. The Borrower will carry out an environmental and social assessment[18] of the project to assess the environmental and social risks and impacts of the project throughout the project life-cycle.[19] The assessment will be proportionate to the potential risks and impacts of the project, and will assess, in an integrated way, all relevant direct,[20] indirect[21] and cumulative[22] environmental and social risks and impacts throughout the project life-cycle, including those specifically identified in ESSs2–10.

Footnote 18.The Borrower, in consultation with the Bank, will identify and use appropriate methods and tools, including scoping, environmental and social analyses, investigations, audits, surveys and studies, to identify and assess the potential environmental and social risks and impacts of the proposed project. These methods and tools will reflect the nature and scale of the project, and will include, as appropriate, a combination (or elements of) the following: environmental and social impact assessment (ESIA); environmental audit; hazard or risk assessment; social and conflict analysis; environmental and social management plan (ESMP); environmental and social management framework (ESMF); regional or sectoral EIA; strategic environmental and social assessment (SESA). Specific features of a project may require the Borrower to utilize specialized methods and tools for assessment, for example a Cultural Heritage Management Plan. Where the project is likely to have sectoral or regional impacts, a sectoral or regional EIA will be required.

Footnote 19.This may include preconstruction, construction, operation, decommissioning, closure and reinstatement/ restoration.

Footnote 20.A direct impact is an impact which is caused by the project, and occurs contemporaneously in the location of the project.

Footnote 21.An indirect impact is an impact which is caused by the project and is later in time or farther removed in distance than a direct impact, but is still reasonably foreseeable, and will not include induced impacts.

Footnote 22. The cumulative impact of the project is the incremental impact of the project when added to impacts from other relevant past, present and reasonably foreseeable developments as well as unplanned but

predictable activities enabled by the project that may occur later or at a different location. Cumulative impacts can result from individually minor but collectively significant activities taking place over a period of time. The environmental and social assessment will consider cumulative impacts that are recognized as important on the basis of scientific concerns and/or reflect the concerns of project-affected parties. The potential cumulative impacts will be determined as early as possible, ideally as part of project scoping.

GN23.1. The environmental and social assessmentstarts as early as possible during project identification and preparation. The assessment informs project design.

GN23.2. Environmental and social risks and impacts may be different at different stages of the project, depending on the activities that are being conducted and from the project context dynamics.The environmental and social assessment should look at each stage (and, anyway, periodically – see also GN47.1) and identify the relatedenvironmental and socialrisks and impacts and their appropriate mitigation measures.

Commented [Q5]: It is important to consider that, independently from the project, social and environmental risks can evolve over time

GN23.3. Different methods and tools can be used to identify and assess the environmental and socialrisks and impacts of a project. Thesecan vary depending on the baseline dataavailable and the nature and significance of the environmental and socialrisks and impacts. Footnote 18 and Annex 1 of ESS1 identify methods and tools that are commonly used.

GN23.4 (Footnote 21). Induced impacts are indirect economic impacts that may be generated by a project, both positive and negative, that are not associated with the physical footprint of the project, and not a direct result of the project'sphysical impact/activities.

24. The environmental and social assessment will be based on current information, including an accurate description and delineation of the project and any associated aspects, and environmental and social baseline data at an appropriate level of detail sufficient to inform characterization and identification of risks and impacts and mitigation measures. The assessment will evaluate the project's potential environmental and social risks and impacts; examine project alternatives; identify ways of improving project selection, siting, planning, design and implementation in order to apply the mitigation hierarchy for adverse environmental and social impacts and seek opportunities to enhance the positive impacts of the project. The environmental and social assessment will include stakeholder engagement as an integral part of the assessment, in accordance with ESS10.

25. The environmental and social assessment will be an adequate, accurate, and objective evaluation and presentation of the risks and impacts, prepared by qualified and experienced persons. For High and Substantial Risk projects, as well as situations in which the Borrower has limited capacity, the Borrower will retain independent specialists to carry out the environmental and social assessment.

GN25.1. It is important when engaging independent specialists for the assessment that they have the relevant technical expertise, competency and substantive experience in projects with similar environmental and socialrisks and impacts.It is also appropriate to engage independent specialiststo undertake the parts of an assessment that address specific risks and impacts of concern, such as biodiversity or resettlement.

GN25.2.'Independent' means that the specialistis able to provide professional, objective and impartial advice, without consideration of future work, and avoiding conflicts with other assignments or their own business or personal interests. Such independence supports the objectivity of the environmental and social assessment, without regard to vested interests and without reason to influence the outcome of the assessment.In certain circumstances, where the specialisthas been involved in the preparation, design and implementation of the project (for example, early feasibility studies), they may be still engaged in conducting the assessment if the Borrower can demonstrate to the satisfaction of the Bank that there is no conflict of interest, and that to engage such a specialist would be of benefit for the assessment.

26. The Borrower will ensure that the environmental and social assessment takes into account in an appropriate manner all issues relevant to the project, including: (a) the country's applicable policy framework, national laws and regulations, and institutional capabilities (including implementation) relating to environment and social issues; variations in country conditions and project context; country environmental or social studies; national environmental or social action plans; and obligations of the country directly applicable to the project under relevant international treaties and agreements; (b) applicable requirements under the ESSs; and (c) the EHSGs, and other relevant Good International Industry Practice (GIIP).[23] The assessment of the project, and all proposals contained in the assessment, will be consistent with the requirements of this paragraph.
Footnote 23. Good International Industry Practice (GIIP) is defined as the exercise of professional skill, diligence, prudence, and foresight that would reasonably be expected from skilled and experienced professionals engaged in the same type of undertaking under the same or similar circumstances globally or regionally. The outcome of such exercise should be that the project employs the most appropriate technologies in the project-specific circumstances.

GN26.1. Consideration of national law requirements as they relate to the design and implementation of the project, and the identification of mitigation measures is particularly important. Where the Borrower has entered into international obligations or treaties that are directly applicable to the project, the assessment should consider the way in which these could inform project design and implementation.

GN26.2. Sometimes Borrowers have begun to prepare a project prior to the Bank's involvement, where environmental and social assessments have already been conducted and environmental and social risk management documents (such as an environmental management plan) have been prepared and approved by national authorities. In such cases, especially in the case of recent documents, the Bank would review the environmental and social assessment process and related documents for consistency with the ESS requirements and would help the Borrower to address gaps,such as preparation of supplemental assessments, focused studies or additional environmental and socialdocumentation.

27. The environmental and social assessment will apply a mitigation hierarchy,[24] which will: *(a) Anticipate and avoid risks and impacts;* *(b) Where avoidance is not possible, minimize or reduce risks and impacts to acceptable levels;* *(c) Once risks and impacts have been minimized or reduced, mitigate;[25] and* *(d) Where significant residual impacts remain, compensate for or offset them, where technically and financially feasible.[26]*
Footnote 24.The mitigation hierarchy is further discussed and specified in the context of ESSs2-10, where relevant.
Footnote 25.The requirement to mitigate impacts may include measures to assist affected parties to improve or

at least restore their livelihoods as relevant in a particular project setting.
Footnote 26. The Borrower will make reasonable efforts to incorporate the costs of compensating and/or offsetting for the significant residual impacts as part of project costs. The environmental and social assessment will consider the significance of such residual impacts, the long-term effect of these on the environment and project-affected people, and the extent to which they are considered reasonable in the context of the project. Where it is determined that it is not technically or financially feasible to compensate or offset for such residual impacts, the rationale for this determination (including the options that were considered) will be set out in the environmental and social assessment.

GN27.1. The mitigation hierarchy represents a systematic and phased approach to addressing the risks and impacts of a proposed project. The environmental and social assessment would use the hierarchy to manage environmental and social risks and impacts through early identification of possible mitigation measures.

GN27.2. The mitigation hierarchy consists of a series of sequential steps that are applicable to risks and impacts identified at any stage of the project.The steps are as follows:

- **Step 1. Anticipation and Avoidance:**Measures to anticipate or avoid negative or adverse impacts could include design and spatial or temporal placement of infrastructure. For example, this might involve changing the route of a road or the location of a wind farmto avoid a national park or the need to resettle people. Avoidance is often the most effective way of reducing potential adverse environmental and socialimpacts, though it might have additional costs. However, it usually means considering risks and impacts in the early stages of project design.

- **Step 2. Minimization or reduction:**Measures would seek toreduce the size, duration, intensity or extent of negative or adverse impacts that cannot beavoided.For example, this could include reducing the physical footprint of a project or introducing energy efficiency measures.Selection of the type of infrastructure, equipment, technology and operations can also minimize impacts.

- **Step 3. Mitigation**: Measures to mitigate environmental and social risks and negative or adverse impacts,for example, in the case of a road project, could include building wildlife crossings, or in the case of resettlement, compensation and livelihood restoration measures as described in ESS5.

Steps 1 to 3 (avoidance, minimization and mitigation)are undertaken first to addressthe environmental and social risks and impacts of a project.If significant residual negative or adverse impacts remain that cannot be mitigated, then Step 4 is taken. It is important to apply Steps 1-3 insofar as possible before proceeding to Step 4 – Compensation and/or Offset.

GN27.3. If, as part of the environmental andsocial assessment, a project site, design ortechnology is proposed that has higher environmental or social risks and negative or adverse impacts than other

technically and/oror financially feasible options, the rationale and decision is documented, for example through an economic cost-benefit analysis,in the environmental and social assessment.

28. The environmental and social assessment, informed by the scoping of the issues, will take into account all relevant environmental and social risks and impacts of the project, including:

(a) Environmental risks and impacts, including: (i) those defined by the EHSGs; (ii) those related to community safety (including dam safety and safe use of pesticides); (iii) those related to climate change and other transboundary or global risks and impacts; (iv) any material threat to the protection, conservation, maintenance and restoration of natural habitats and biodiversity; and (v) those related to ecosystem services[27] and the use of living natural resources, such as fisheries and forests;

(b) Social risks and impacts, including: (i) threats to human security through the escalation of personal, communal or inter-state conflict, crime or violence; (ii) risks that project impacts fall disproportionately on individuals and groups who, because of their particular circumstances, may be disadvantaged or vulnerable;[28] (iii) any prejudice or discrimination toward individuals or groups in providing access to development resources and project benefits, particularly in the case of those who may be disadvantaged or vulnerable; (iv) negative economic and social impacts relating to the involuntary taking of land or restrictions on land use; (v) risks or impacts associated with land and natural resource tenure and use,[29] including (as relevant) potential project impacts on local land use patterns and tenurial arrangements, land access and availability, food security and land values, and any corresponding risks related to conflict or contestation over land and natural resources; (vi) impacts on the health, safety and well-being of workers and project-affected communities; and (vii) risks to cultural heritage.

Footnote 27. Ecosystem services are the benefits that people derive from ecosystems. Ecosystem services are organized into four types: (i) provisioning services, which are the products people obtain from ecosystems and which may include food, freshwater, timbers, fibers, medicinal plants; (ii) regulating services, which are the benefits people obtain from the regulation of ecosystem processes and which may include surface water purification, carbon storage and sequestration, climate regulation, protection from natural hazards; (iii) cultural services, which are the nonmaterial benefits people obtain from ecosystems and which may include natural areas that are sacred sites and areas of importance for recreations and aesthetic enjoyment; and (iv) supporting services, which are the natural processes that maintain the other services and which may include soil formation, nutrient cycling and primary production.

Footnote 28.Disadvantaged or vulnerable refers to those who may be more likely to be adversely affected by the project impacts and/or more limited than others in their ability to take advantage of a project's benefits. Such an individual/group is also more likely to be excluded from/unable to participate fully in the mainstream consultation process and as such may require specific measures and/or assistance to do so. This will take into account considerations relating to age, including the elderly and minors, and including in circumstances where they may be separated from their family, the community or other individuals upon which they depend.

Footnote 29.Due to the complexity of tenure issues in many contexts, and the importance of secure tenure for livelihoods, careful assessment and design is needed to help ensure that projects do not inadvertently compromise existing legitimate rights (including collective rights, subsidiary rights and the rights of women) or have other unintended consequences, particularly where the project supports land titling and related issues. In such circumstances, the Borrower will at a minimum demonstrate to the Bank's satisfaction that applicable laws and procedures, along with project design features (a) provide clear and adequate rules for the recognition of relevant land tenure rights; (b) establish fair criteria and functioning, transparent and participatory processes for resolving competing tenure claims; and (c) include genuine efforts to inform affected people about their rights and provide access to impartial advice.

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GN28.1. Risks and negative or adverse impacts identified in paragraph 28 of ESS1 and in ESSs2–10, while wide-ranging, can never be exhaustive. It is advisable to carefully scope the project for environmental and social risks and impacts that are specific to it, and to identify risks and impacts that are not covered in ESS1-10.Annex 1 of ESS1 providesadditionaldetails on how to conduct the environmental and social assessment, and identifies methods and tools that may be used.

Commented [Q6]: I suggest to add: "Attention should be paid also on positive impacts and on the potential capacity of a project to mitigate some social and environmental risks"

GN28.2. Scoping of project issues means identifying the extent and complexity of potential environmental and social risks and impacts, including the socio-economic characteristics of people in the project area.For projects where the scoping indicates significant adverse environmental and social impacts, it is good practice for the environmental and social assessment to focus on identifying baseline indications and available baseline data, identifying and analyzing projected impacts to the extent possible, and developing appropriate mitigation measures. Baseline data describes relevant existing physical, biological, and socio-economic conditions, and cultural heritage. It is important for baseline datato be up-to-date, as rapidly changing situations, such as in-migration of people in anticipation of a project or lack of data on disadvantaged and vulnerable groups within a community, can affect the success of social mitigation measures. Socio-economic analysis may be used to: (a) understand the characteristics and dynamics of the project area; (b) establish the conditions of people that may be affected by the project; (c) identify events, including potential for conflict, that could affect project implementation; and (d) identify opportunities for enhancing project development benefits.

29. Where the environmental and social assessment of the project identifies specific individuals or groups as disadvantaged or vulnerable, the Borrower will propose and implement differentiated measures so that adverse impacts do not fall disproportionately on the disadvantaged or vulnerable, and they are not disadvantaged in sharing any development benefits and opportunities resulting from the project.

GN29.1. Severalof the ESSs address specific issues that may be relevant to individuals or groups, and suggestways in which the risks and impacts may be mitigated.For example, communityhealth and safety is addressed in ESS4 and land acquisition and involuntary resettlement in ESS5.

30. For projects involving multiple small subprojects,[30] that are identified, prepared and implemented during the course of the project, the Borrower will carry out appropriate environmental and social assessment of subprojects, and prepare and implement such subprojects, as follows:

(a) High Risk subprojects, in accordance with the ESSs;
(b) Substantial Risk, Moderate Risk and Low Risk subprojects, in accordance with national law and any requirements of the ESSs that the Bank deems relevant to such subprojects.[31]

Footnote 30. Paragraphs 30 to 31 apply to a Bank-supported project with multiple small subprojects, as in the case of community-driven development projects, projects involving matching grant schemes, or similar projects designated by the Bank. These provisions do not apply to FI subprojects which are addressed in ESS9.

Footnote 31. Where subprojects are likely to have minimal or no adverse environmental or social risks and impacts, such subprojects do not require further environmental and social assessment following the initial scoping.

31. If the risk rating of a subproject increases to a higher risk rating, the Borrower will apply the relevant requirements of the ESSs[32] and the ESCP will be updated as appropriate.

Footnote 32. The 'requirements of the ESSs' will relate to the reasons for which the risk rating has increased.

32. The environmental and social assessment will also identify and assess, to the extent appropriate, the potential environmental and social risks and impacts of Associated Facilities. The Borrower will address the risks and impacts of Associated Facilities in a manner proportionate to its control or influence over the Associated Facilities. To the extent that the Borrower cannot control or influence the Associated Activities to meet the requirements of the ESSs, the environmental and social assessment will also identify the risks and impacts the Associated Facilities may present to the project.

33. For projects that are High Risk or contentious, or that involve serious multidimensional environmental or social risks or impacts, the Borrower may be required to engage one or more internationally recognized independent experts. Such experts may, depending on the project, form part of an advisory panel or be otherwise employed by the Borrower, and will provide independent advice and oversight to the project.[33]

Footnote 33. This requirement relates to independent advice and oversight of such projects, and is not related to circumstances in which the Borrower will be required to retain independent specialists to carry out environmental and social assessment, set out in paragraph 25.

GN 33.1. Paragraph 33 refers to the engagement of internationally recognized independent experts in circumstances in which there is a need for a higher degree of independent advice to a project.The Bank and the Borrower work together to agree on the appropriate form that such independent advice and oversight could take the terms of reference for the assignment and the expertise and qualifications needed.

34. The environmental and social assessment will also consider risks and impacts associated with the primary suppliers[34] as required by ESS2 and ESS6. The Borrower will address such risks and impacts in a manner proportionate to the Borrower's control or influence over its primary suppliers as set out in ESS2 and ESS6.

Footnote 34. Primary suppliers are those suppliers who, on an ongoing basis, provide directly to the project goods or materials essential for the core functions of the project. Core functions of a project constitute those production and/or service processes essential for a specific project activity without which the project cannot continue.

GN34.1. The requirements in paragraph 34 regarding primary suppliers apply when there is an ongoing, extended contractual relationship between the project and the supplier, through which the Borrower has the potential to influence the supplier's operational practices. The environmental and social assessment should consider the nature and potential sources of goods or materials that are required for critical project activities. This may include, for example, timber for railroad ties, gravel and asphalt for road construction.

GN34.2. Primary suppliers in relation to labor and biodiversity, are discussedin ESS2 (paragraphs 27 through 29) and its accompanying Guidance Note 2, and ESS6 (paragraph 30) and its accompanying Guidance Note 6.

35. The environmental and social assessment will consider potentially significant project related transboundary and global risks and impacts, such as impacts from effluents and emissions, increased use or contamination of international waterways, emissions of short- and long-lived climate pollutants,[35] climate change mitigation, adaptation and resilience issues, and impacts on threatened or depleted migratory species and their habitats.

Footnote 35. This includes all greenhouse gases (GHGs) and black carbon (BC).

GN35.1. Transboundary impacts are impacts that extend to multiple countries, beyond thecountry in which the project is located, but are not global in nature. Examples include air pollution extending to surrounding countries and pollution of international waterways.

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C. Environmental and Social Commitment Plan

36. The Borrower will develop and implement an ESCP, which will set out measures and actions required for the project to achieve compliance with the ESSs over a specified timeframe.[36] The ESCP will be agreed with the Bank and will form part of the legal agreement. The draft ESCP will be disclosed as early as possible, and before project appraisal.

Footnote 36.The Bank will assist the Borrower in identifying appropriate methods and tools to assess and manage the potential environmental and social risks and impacts of the project, and developing the ESCP.

37. The ESCP will take into account the findings of the environmental and social assessment, the Bank's environmental and social due diligence, and the results of engagement with stakeholders. It will be an accurate summary of the material measures and actions required to avoid, minimize, reduce or otherwise mitigate the potential environmental and social risks and impacts of the project.[37] A completion date for each action will be specified in the ESCP.

Footnote 37. This will include any mitigation and performance improvement measures and actions already developed; actions that may be completed prior to approval by the Bank Board of Directors; actions required by national law and regulation that satisfy the requirements of the ESSs; actions to address gaps in the Borrower's ES Framework; and any other actions that are considered necessary for the project to achieve compliance with the ESSs. The gaps will be assessed by reference to what would be required in the relevant ESS.

38. Where a common approach [38] has been agreed, the ESCP will include all measures and actions that have been agreed by the Borrower to enable the project to meet the common approach.

Footnote 38. See paragraph 9.

GN38.1. Annex 2 of ESS1 provides details of the recommended content of the ESCP, such as plans and measures, together with their costs and financing sources, timelines, and roles and responsibilities.

39. The ESCP will set out a process that allows for adaptive management of proposed project changes or unforeseen circumstances. The process will set out how such changes or circumstances will be managed and reported and any necessary changes will be made to the ESCP and relevant management tools.

GN39.1. Environmental and social assessments are expected to be conducted and mitigation measures proposed based onscoping or other experience-based assumptions about a project andits potential environmental and socialrisks and impacts. Throughout the project, changes can occur due to the variability of the natural or social environment, unforeseen project implementation challenges (for example, a mitigation measure may not work as envisaged), new information or new risks and impacts that occur during implementation.

GN39.2. Adaptive managementis a systematic approach for improving management by learning from projectoutcomes and new information. It focuses on learning and adapting and can be applied to respond to project changes or unforeseen circumstances.For example, an adaptive management approach incorporates processes tomonitor environmental and social mitigation measures compared to expected outcomes, to detect and learn from changes to those outcomes, and to make decisions to realign project outcomes with ESS objectives. Adaptive management processes are by designflexible and

iterative, and support systematic monitoring and modifications. It is useful to define such learning and adaptation mechanisms during project preparation and then outline them in the ESCP.

40. The Borrower will implement diligently the measures and actions identified in the ESCP in accordance with the timeframes specified, and will review the status of implementation of the ESCP as part of its monitoring and reporting.[39]
Footnote 39. See Section D.

41. The ESCP will describe the different management tools[40] that the Borrower will use to develop and implement the agreed measures and actions. These management tools will include, as appropriate, environmental and social management plans, environmental and social management frameworks, operational policies, operational manuals, management systems, procedures, practices and capital investments. All management tools will apply the mitigation hierarchy, and incorporate measures so that the project will meet the requirements of applicable laws and regulations and the ESSs[41] in accordance with the ESCP throughout the project life-cycle.
Footnote 40. The level of detail and complexity of the management tools will be proportionate to the project's risks and impacts, and the measures and actions identified to address such risks and impacts. They will take into account the experience and capacity of the parties involved with the project, including the implementing agencies, project-affected communities and other interested parties, and aim to support improved environmental and social performance.
Footnote 41. Including relevant GIIP.

42. The management tools will define desired outcomes in measurable terms (for example, against baseline conditions) to the extent possible, with elements such as targets and performance indicators that can be tracked over defined time periods.

GN42.1. See paragraphs 45-50of ESS1 on Project Monitoring and Reporting.

43. Recognizing the dynamic nature of the project development and implementation process, the management tools will take a long-term and phased approach, and be designed to be responsive to changes in project circumstances, unforeseen events, regulatory changes and the results of monitoring and review.

44. The Borrower will notify the Bank promptly of any proposed changes to the scope, design, implementation or operation of the project that are likely to cause an adverse change in the environmental or social risks or impacts of the project. The Borrower will carry out, as appropriate, additional assessment and stakeholder engagement in accordance with the ESSs, and propose changes, for approval by the Bank, to the ESCP and relevant management tools, as appropriate, in accordance with the findings of such assessments and consultation. The updated ESCP will be disclosed.

GN44.1. This paragraph refers to situations where changes in the project maycause additional adverse impacts, and is different to the process of adaptive management which is described in paragraph 39.For example, the Borrower may wish to acquire more land entailing resettlement, or to increase the capacity of a power station. In such circumstances, the Borrower may be required to conduct additional stakeholder engagement as set out in paragraph 53 and notify the Bank.

D. Project Monitoring and Reporting

45. The Borrower will monitor the environmental and social performance of the project in accordance with the legal agreement (including the ESCP). The extent and mode of monitoring will be agreed upon with the Bank, and will be proportionate to the nature of the project, the project's environmental and social risks and impacts, and compliance requirements. The Borrower will ensure that adequate institutional arrangements, systems, resources and personnel are in place to carry out monitoring. Where appropriate and as set out in the ESCP, the Borrower will engage stakeholders and third parties, such as independent experts, local communities or NGOs, to complement or verify its own monitoring activities. Where other agencies or third parties are responsible for managing specific risks and impacts and implementing mitigation measures, the Borrower will collaborate with such agencies and third parties to establish and monitor such mitigation measures.

GN45.1. Monitoring helps track the environmental and social performance of the project, to see whether it is achieving its outcomesand meeting various environmental and social requirements, and whether additional measures need to be implemented. It is important to document the monitoring of mitigation measures set out in the ESCP. Paragraphs 45 to 50 of ESS1 describe the key elements of monitoring and reporting to the Bank on the monitoring resultsin accordance with the project's legal agreement, the ESCP and the ESSs. ESS10 provides information on how the monitoring program results can be communicated to stakeholders.

GN45.2. The project's environmental and social management plan (either a stand-alone document or as captured in the ESCP) sets out the monitoring objectives and types of monitoring for the project's environmental and social impacts and mitigation measures. Establishing monitoring systems, resources and personnel, and collecting baseline dataearly in project preparation,are useful for effective monitoring, reporting and managing environmental and social performance throughout the project. Indicators selected for monitoring are based on the project's baseline data.

GN45.3. If stakeholders and third parties (such as project-affected parties) are engaged to assist in monitoring activities, it is good practice to provide guidance and training as needed to enhance their capacity for such participatory monitoring.

46. Monitoring will normally include recording information to track performance, and establishing relevant operational controls to verify and compare compliance and progress. Monitoring will be adjusted according to performance experience, as well as actions requested by relevant regulatory authorities and feedback from stakeholders such as community members. The Borrower will document monitoring results.

47. The Borrower will provide regular reports as set out in the ESCP (in any event, no less than annually) to the Bank of the results of the monitoring. Such reports will provide an accurate and objective record of project implementation, including compliance with the ESCP and the requirements of the ESSs. Such reports will include information on stakeholder engagement conducted during project implementation in accordance with ESS10. The Borrower, and the agencies implementing the project, will designate senior officials to be responsible for reviewing the reports.

GN47.1. The Borrower and Bank agree on the format, content and frequency of the reports, which can vary depending on the nature of the project and the significance of the environmental and social risks,

impacts and mitigation measures. Monitoring results may bemade available to third parties involved in implementing the project and project affected parties, where appropriate.

48. Based on the results of the monitoring, the Borrower will identify any necessary corrective and preventive actions, and will incorporate these in an amended ESCP or the relevant management tool, in a manner acceptable to the Bank. The Borrower will implement the agreed corrective and preventive actions in accordance with the amended ESCP or relevant management tool, and monitor and report on these actions.

49. The Borrower will facilitate site visits by Bank staff or consultants acting on the Bank's behalf.

50. The Borrower will notify the Bank promptly of any incident or accident relating to the project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers. The notification will provide sufficient detail regarding such incident or accident, including any fatalities or serious injuries. The Borrower will take immediate measures to address the incident or accident and to prevent any recurrence, in accordance with national law and the ESSs.

E. Stakeholder Engagement and Information Disclosure

51. As set out in ESS10, the Borrower will continue to engage with, and provide sufficient information to stakeholders throughout the life-cycle of the project, in a manner appropriate to the nature of their interests and the potential environmental and social risks and impacts of the project.

52. For High Risk and Substantial Risk projects, the Borrower will provide to the Bank and disclose documentation, as agreed with the Bank, relating to the environmental and social risks and impacts of the project prior to project appraisal [42]. The documentation will address, in an adequate manner, the key risks and impacts of the project, and will provide sufficient detail to inform stakeholder engagement and Bank decision-making. The Borrower will provide to the Bank and disclose final or updated documentation as specified in the ESCP.

Footnote 42. In agreeing with the Borrower the documentation to be provided and disclosed prior to project appraisal and following Board approval, the Bank will take into account paragraphs 51 and 52 of the Policy.

53. If there are significant changes to the project that result in additional risks and impacts, particularly where these will impact project-affected parties, the Borrower will provide information on such risks and impacts and consult with project-affected parties as to how these risks and impacts will be mitigated. The Borrower will disclose an updated ESCP, setting out the mitigation measures.

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ESS1-ANNEX 1. Environmental and Social Assessment

A. General

1. The Borrower will undertake an environmental and social assessment to assess the environmental and social risks and impacts of a project throughout the project life-cycle. The term 'environmental and social assessment' is a generic term that describes the process of analysis and planning used by the Borrower to ensure the environmental and social impacts and risks of a project are identified, avoided, minimized, reduced or mitigated.

2. The environmental and social assessment is the primary means of ensuring projects are environmentally and socially sound and sustainable, and will be used to inform decision making. The environmental and social assessment is a flexible process, that can use different tools and methods depending on the details of the project and the circumstances of the Borrower (see paragraph 5 below).

3. The environmental and social assessment will be conducted in accordance with ESS1, and will consider, in an integrated way, all relevant direct, indirect and cumulative environmental and social risks and impacts of the project, including those specifically identified in ESS1-10. The breadth, depth, and type of analysis undertaken as part of the environmental and social assessment will depend on the nature and scale of the project, and the potential environmental and social risks and impacts that could result. The Borrower will undertake the environmental and social assessment at the scale and level of detail appropriate to the potential risks and impacts.[1]

Footnote 1. See ESS1 Section B.

4. The manner in which the environmental and social assessment will be conducted and the issues to be addressed will vary for each project. The Borrower will consult with the Bank to determine the process to be used, taking into account a number of activities, including scoping, stakeholder engagement, potential environmental and social issues and any specific issues raised between the Bank and Borrower. The environmental and social assessment will include and take into account coordination and consultation with affected people and other interested parties, particularly at an early stage, to ensure that all potentially significant environmental and social risks and impacts are identified and addressed.

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5. The different methods and tools used by the Borrower to carry out the environmental and social assessment and to document the results of such assessment, including the mitigation measures to be implemented, will reflect the nature and scale of the project [2]. As specified in ESS1 [3], these will include, as appropriate, a combination or elements of the following:

a. Environmental and Social Impact Assessment (ESIA)
Environmental and social impact assessment (ESIA) is an instrument to identify and assess the potential environmental and social impacts of a proposed project, evaluate alternatives, and design appropriate mitigation, management, and monitoring measures.

b. Environmental and Social Audit
Environmental and social audit is an instrument to determine the nature and extent of all environmental and social areas of concern at an existing project or activities. The audit identifies and justifies appropriate measures and actions to mitigate the areas of concern, estimates the cost of the measures and actions, and recommends a schedule for implementing them. For certain projects, the environmental and social assessment may consist of an environmental or social audit alone; in other cases, the audit forms part of the environmental and social assessment.

c. Hazard or Risk Assessment
Hazard or risk assessment is an instrument for identifying, analyzing, and controlling hazards associated with the presence of dangerous materials and conditions at a project site. The Bank requires a hazard or risk assessment for projects involving certain inflammable, explosive, reactive, and toxic materials when they are present in quantities above a specified threshold level. For certain projects, the environmental and social assessment may consist of the hazard or risk assessment alone; in other cases, the hazard or risk assessment forms part of the environmental and social assessment.

d. Cumulative Impact Assessment
Cumulative Impact Assessment is an instrument to consider cumulative impacts of the project in combination with impacts from other relevant past, present and reasonably foreseeable developments as well as unplanned but predictable activities enabled by the project that may occur later or at a different location.

e. Social and Conflict Analysis
Social and conflict analysis is an instrument that assesses the degree to which the project may (a) exacerbate existing tensions and inequality within society (both within the communities affected by the project and between these communities and others); (b) have a negative effect on stability and human security; (c) be negatively affected by existing tensions, conflict and instability, particularly in circumstances of war, insurrection and civil unrest.

f. Environmental and Social Management Plan (ESMP)
Environmental and social management plan (ESMP) is an instrument that details (a) the measures to be taken during the implementation and operation of a project to eliminate or offset adverse environmental and social impacts, or to reduce them to acceptable levels; and (b) the actions needed to implement these measures.

g. Environmental and Social Management Framework (ESMF)
Environmental and social management framework (ESMF) is an instrument that examines the risks and impacts when a project consists of a program and/or series of sub-projects, and the risks and impacts cannot be determined until the program or sub-project details have been identified. The ESMF sets out the principles, rules, guidelines and procedures to assess the environmental and social risks and impacts. It contains measures and plans to reduce, mitigate and/or offset adverse risks and impacts, provisions for estimating and budgeting the costs of

such measures, and information on the agency or agencies responsible for addressing project risks and impacts, including on its capacity to manage environmental and social risks and impacts. It includes adequate information on the area in which subprojects are expected to be sited, including any potential environmental and social vulnerabilities of the area; and on the potential impacts that may occur and mitigation measures that might be expected to be used.

h. Regional ESIA

Regional ESIA examines environmental and social risks and impacts, and issues, associated with a particular strategy, policy, plan, or program, or with a series of projects, for a particular region (e.g., an urban area, a watershed, or a coastal zone); evaluates and compares the impacts against those of alternative options; assesses legal and institutional aspects relevant to the risks, impacts and issues; and recommends broad measures to strengthen environmental and social management in the region. Regional ESIA pays particular attention to potential cumulative risks and impacts of multiple activities in a region but may not include the site-specific analyses of a specific project, in which case the Borrower must develop supplemental information.

i. Sectoral ESIA

Sectoral ESIA examines environmental and social risks and impacts, and issues, associated with a particular sector in a region or across a nation; evaluates and compares the impacts against those of alternative options; assesses legal and institutional aspects relevant to the risks and impacts; and recommends broad measures to strengthen environmental and social management in the region. Sectoral ESIA also pays particular attention to potential cumulative risks and impacts of multiple activities. A Sectoral ESIA may need to be supplemented with project- and site-specific information.

j. Strategic Environmental and Social Assessment (SESA)

Strategic environmental and social assessment (SESA) is a systematic examination of environmental and social risks and impacts, and issues, associated with a policy, plan or program, typically at the national level but also in smaller areas. The examination of environmental and social risks and impacts will include consideration of the full range of environmental and social risks and impacts incorporated in ESS 1 through 10. SESAs are typically not location-specific. They are therefore prepared in conjunction with project and site -specific studies that assess the risks and impacts of the project.

Footnote 2. These will also reflect national regulatory requirements, which may be relied on by the Borrower to the extent they meet the requirements of the ESSs.

Footnote 3.See ESS1, paragraph 23.

6. Specific features of a project may require the Borrower to utilize specialized methods and tools for assessment, such as a Resettlement Plan, Livelihood Restoration Plan, Indigenous Peoples Plan, Biodiversity Action Plan, Cultural Heritage Management Plan, and other plans as agreed with the Bank.

7. Borrowers should initiate the environmental and social assessment as early as possible in project processing. Borrowers will consult with the Bank as early as possible so the environmental and social assessment is designed from the outset to meet the requirements of the ESSs.

8. The environmental and social assessment will be closely integrated with the project's economic, financial, institutional, social, and technical analyses so that environmental and social considerations are taken into consideration in project selection, siting, and design decisions. The Borrower will take measures to ensure that when individuals or entities are engaged to carry out environmental and social assessment, any conflict of interest is avoided. The environmental and social assessment will not be carried out by the consultants who

prepare the engineering design, unless the Borrower can demonstrate that no conflict of interest exists and such consultants include qualified environmental and social specialists.

9. When the Borrower has completed or partially completed environmental and social assessment prior to the Bank's involvement in a project, the environmental and social assessment is subject to the Bank's review to ensure that it meets the requirements of the ESSs. If appropriate, the Borrower is required to conduct additional work, including public consultation and disclosure.

B. Institutional Capacity

10. Environmental and social assessment can provide opportunities for coordinating environmental and social-related responsibilities and actions in the host country in a way that goes beyond project boundaries/responsibilities and, as a result, where feasible should be linked to other environmental and social strategies and action plans, and free-standing projects. The environmental and social assessment for a specific project can thereby help strengthen environmental and social management capability in the country and both Borrowers and the Bank are encouraged to take advantage of opportunities to use it for that purpose.

11. The Borrower may include components in the project to strengthen its legal or technical capacity to carry out key environmental and social assessment functions. If the Bank concludes that the Borrower has inadequate legal or technical capacity to carry out such functions, the Bank may require strengthening programs to be included as part of the project. If the project includes one or more elements of capacity strengthening, these elements will be subject to periodic monitoring and evaluation as required by ESS1.

C. Other requirements for certain projects

12. Where relevant, the environmental and social assessment will take into account the requirements of OP 7.50 for projects on international waterways and OP 7.60 for projects in disputed areas.

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D. Indicative Outline of ESIA

13. Where an environmental and social impact assessment is prepared as part of the environmental and social assessment, it will include the following:

(a) Executive summary
- *Concisely discusses significant findings and recommended actions.*

(b) Legal and institutional framework
- *Analyzes the legal and institutional framework for the project, within which the environmental and social assessment is carried out, including the issues set out in ESS1, paragraph 26 4.*
- *Compare the Borrower's existing environmental and social framework and the ESSs and identify the gaps between them.*
- *Identifies and assesses the environmental and social requirements of any co-financiers.*

(c) Project description
- *Concisely describes the proposed project and its geographic, environmental, social, and temporal context, including any offsite investments that may be required (e.g., dedicated pipelines, access roads, power supply, water supply, housing, and raw material and product storage facilities), as well as the project's primary suppliers.*
- *Through consideration of the details of the project, indicates the need for any plan to meet the requirements of ESS 1 through 10.*
- *Includes a map of sufficient detail, showing the project site and the area that may be affected by the project's direct, indirect, and cumulative impacts.*

(d) Baseline data
- *Sets out in detail the baseline data that is relevant to decisions about project location, design, operation, or mitigation measures. This should include a discussion of the accuracy, reliability, and sources of the data as well as information about dates surrounding project identification, planning and implementation.*
- *Identifies and estimates the extent and quality of available data, key data gaps, and uncertainties associated with predictions;*
- *Based on current information, assesses the scope of the area to be studied and describes relevant physical, biological, and socioeconomic conditions, including any changes anticipated before the project commences.*
- *Takes into account current and proposed development activities within the project area but not directly connected to the project.*

(e) Environmental and social risks and impacts
- *Takes into account all relevant environmental and social risks and impacts of the project. This will include the environmental and social risks and impacts specifically identified in ESS2 – 8, and any other environmental and social risks and impacts arising as a consequence of the specific nature and context of the project, including the risks and impacts identified in ESS1, paragraph 28.*

(f) Mitigation measures
- *Identifies mitigation measures and significant residual negative impacts that cannot be mitigated and, to the extent possible, assesses the acceptability of those residual negative impacts.*
- *Identifies differentiated measures so that adverse impacts do not fall disproportionately on the disadvantaged or vulnerable.*
- *assesses the feasibility of mitigating the environmental and social impacts; the capital and recurrent costs of proposed mitigation measures, and their suitability under local*

conditions; the institutional, training, and monitoring requirements for the proposed mitigation measures.
- *specifies issues that do not require further attention, providing the basis for this determination.*

(g) Analysis of alternatives
- *systematically compares feasible alternatives to the proposed project site, technology, design, and operation--including the "without project" situation--in terms of their potential environmental and social impacts;*
- *assesses the alternatives' feasibility of mitigating the environmental and social impacts; the capital and recurrent costs of alternative mitigation measures, and their suitability under local conditions; the institutional, training, and monitoring requirements for the alternative mitigation measures.*
- *For each of the alternatives, quantifies the environmental and social impacts to the extent possible, and attaches economic values where feasible.*

(h) Design measures
- *sets out the basis for selecting the particular project design proposed and specifies the applicable EHSGs or if the ESHGs are determined to be inapplicable, justifies recommended emission levels and approaches to pollution prevention and abatement that are consistent with GIIP.*

(i) Key measures and actions for the Environmental and Social Commitment Plan (ESCP)
- *Summarizes key measures and actions and the timeframe required for the project to meet the requirements of the ESSs. This will be used in developing the Environmental and Social Commitment Plan (ESCP).*

(j) Appendices
- *List of the individuals or organizations that prepared or contributed to the environmental and social assessment.*
- *References—setting out the written materials both published and unpublished, that have been used.*
- *Record of meetings, consultations and surveys with stakeholders, including those with affected people and other interested parties. The record specifies the means of such stakeholder engagement that were used to obtain the views of affected people and other interested parties.*
- *Tables presenting the relevant data referred to or summarized in the main text.*
- *List of associated reports or plans.*

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Footnote 4. ESS1, paragraph 26, states that the environmental and social assessment takes into account in an appropriate manner all issues relevant to the project, including: (a) the country's applicable policy framework, national laws and regulations, and institutional capabilities (including implementation) relating to environment and social issues; variations in country conditions and project context; country environmental or social studies; national environmental or social action plans; and obligations of the country directly applicable to the project under relevant international treaties and agreements; (b) applicable requirements under the ESSs; and (c) the EHSGs, and other relevant GIIP.

E. Indicative Outline of ESMP

14. An ESMP consists of the set of mitigation, monitoring, and institutional measures to be taken during implementation and operation of a project to eliminate adverse environmental and social risks and impacts, offset them, or reduce them to acceptable levels. The ESMP also includes the measures and actions needed to implement these measures. The Borrower will (a) identify the set of responses to potentially adverse impacts; (b) determine requirements for ensuring that those responses are made effectively and in a timely manner; and (c) describe the means for meeting those requirements.

15. Depending on the project, an ESMP may be prepared as a stand-alone document [5] or the content may be incorporated directly into the ESCP. The content of the ESMP will include the following:

(a)Mitigation

- *The ESMP identifies measures and actions in accordance with the mitigation hierarchy that reduce potentially adverse environmental and social impacts to acceptable levels. The plan will include compensatory measures, if applicable. Specifically, the ESMP:*
  - *(i) identifies and summarizes all anticipated adverse environmental and social impacts (including those involving indigenous people or involuntary resettlement);*
  - *(ii) describes--with technical details--each mitigation measure, including the type of impact to which it relates and the conditions under which it is required (e.g., continuously or in the event of contingencies), together with designs, equipment descriptions, and operating procedures, as appropriate;*
  - *(iii) estimates any potential environmental and social impacts of these measures; and*
  - *(iv) takes into account, and is consistent with, other mitigation plans required for the project (e.g., for involuntary resettlement, indigenous peoples, or cultural heritage).*

(b) Monitoring

- *The ESMP identifies monitoring objectives and specifies the type of monitoring, with linkages to the impacts assessed in the environmental and social assessment and the mitigation measures described in the ESMP 6. Specifically, the monitoring section of the ESMP provides(a) a specific description, and technical details, of monitoring measures, including the parameters to be measured, methods to be used, sampling locations, frequency of measurements, detection limits (where appropriate), and definition of thresholds that will signal the need for corrective actions; and (b) monitoring and reporting procedures to (i) ensure early detection of conditions that necessitate particular mitigation measures, and (ii) furnish information on the progress and results of mitigation.*

(c) Capacity development and training

- *To support timely and effective implementation of environmental and social project components and mitigation measures, the ESMP draws on the environmental and social assessment of the existence, role, and capability of responsible parties on site or at the*

agency and ministry level.

- *Specifically, the ESMP provides a specific description of institutional arrangements, identifying which party is responsible for carrying out the mitigation and monitoring measures (e.g. for operation, supervision, enforcement, monitoring of implementation, remedial action, financing, reporting, and staff training).*
- *To strengthen environmental and social management capability in the agencies responsible for implementation, the ESMP recommends the establishment or expansion of the parties responsible, the training of staff and any additional measures that may be necessary to support implementation of mitigation measures and any other recommendations of the environmental and social assessment.*

(d) Implementation schedule and cost estimates

- *For all three aspects (mitigation, monitoring, and capacity development), the ESMP provides (a) an implementation schedule for measures that must be carried out as part of the project, showing phasing and coordination with overall project implementation plans; and (b) the capital and recurrent cost estimates and sources of funds for implementing the ESMP. These figures are also integrated into the total project cost tables.*

(e) Integration of ESMP with project

- *The Borrower's decision to proceed with a project, and the Bank's decision to support it, are predicated in part on the expectation that the ESMP (either stand alone or as incorporated into the ESCP) will be executed effectively. Consequently, each of the measures and actions to be implemented will be clearly specified, including the individual mitigation and monitoring measures and actions and the institutional responsibilities relating to each, and the costs of so doing will be integrated into the project's overall planning, design, budget, and implementation.*

Footnote 5. This may be particularly relevant where the Borrower is engaging contractors, and the ESMP sets out the requirements to be followed by contractors. In this case the ESMP should be incorporated as part of the contract between the Borrower and the contractor, together with appropriate monitoring and enforcement provisions.

Footnote 6. Monitoring during project implementation provides information about key environmental and social aspects of the project, particularly the environmental and social impacts of the project and the effectiveness of mitigation measures. Such information enables the Borrower and the Bank to evaluate the success of mitigation as part of project supervision, and allows corrective action to be taken when needed.

F. Indicative Outline of Environmental and Social Audit

16. The aim of the audit is to identify significant environmental and social issues in the existing project or activities, and assess their current status, specifically in terms of meeting the requirements of the ESSs.

(a) Executive summary

- *Concisely discusses significant findings and set out recommended measures and actions and timeframes.*

(b) Legal and institutional framework

- *Analyzes the legal and institutional framework for the existing project or activities, including the issues set out in ESS1, paragraph 26, and (where relevant) any applicable environmental and social requirements of existing financiers.*

(c) Project description

- *Concisely describes the existing project or activities, and the geographic, environmental,*

social, and temporal context and any Associated Facilities.

- *Identifies the existence of any plans already developed to address specific environmental and social risks and impacts (e.g. land acquisition or resettlement plan, cultural heritage plan, biodiversity plan)*
- *Includes a map of sufficient detail, showing the site of the existing project or activities and the proposed site for the proposed project.*

(d) Environmental and social Issues associated with the existing project or activities

- *The review will consider the key risks and impacts relating to the existing project or activities. This will cover the risks and impacts identified in ESSs1-10, as relevant to the existing project or activities. The audit will also review issues not covered by the ESSs, to the extent that they represent key risks and impacts in the circumstances of the project.*

(e) Environmental and social analysis

- *The audit will also assess (i) the potential impacts of the proposed project (taking into account the findings of the audit with regard to the existing project or activities); and (ii) the ability of the proposed project to meet the requirements of the ESSs.*

(f) Proposed environmental and social measures

- *Based on the findings of the audit, this section will set out the suggested measures to address such findings. These measures will be included in the Environmental and Social Commitment Plan (ESCP) for the proposed Project. Measures typically covered under this section include the following:*
  - *specific actions required to meet the requirements of the ESSs*
  - *corrective measures and actions to mitigate potentially significant environmental and/or social risks and impacts associated with the existing project or activities*
  - *measures to avoid or mitigate any potential adverse environmental and social risks or impacts associated with the proposed project*

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ESS1-ANNEX 2. Environmental and Social Commitment Plan

A. Introduction

1. The Borrower will agree on an Environmental and Social Commitment Plan (ESCP) with the Bank. The ESCP forms part of the legal agreement. It is designed to consolidate into one summary document the material measures and actions that are required for the project to achieve compliance with the ESSs over a specified timeframe in a manner satisfactory to the Bank.

2. The Borrower will agree on an Environmental and Social Commitment Plan (ESCP) with the Bank. The ESCP forms part of the legal agreement. It is designed to consolidate into one summary document the material measures and actions that are required for the project to achieve compliance with the ESSs over a specified timeframe in a manner satisfactory to the Bank.

B. Content of an ESCP

3. The ESCP will be an accurate summary of the material measures and actions to address the potential environmental and social risks and impacts of the project in accordance with the mitigation hierarchy. It will form the basis for monitoring the environmental and social performance of the project. All requirements will be set out clearly, so that there is no ambiguity around compliance, timing and monitoring. Depending on the project, the ESCP may specify funding to be made available for completion of a measure or action, and include other details relevant to completion.

4. The ESCP will also include a process that allows for adaptive management of proposed project changes or unforeseen circumstances. The process will set out how such changes or circumstances will be managed and reported and any necessary changes will be made to the ESCP and relevant management tools.

5. The ESCP will also set out a summary of the organizational structure that the Borrower will establish and maintain to implement the actions agreed in the ESCP. The organizational structure will take into account the different roles and responsibilities of the Borrower and the agencies responsible for implementing the project, and identify specific personnel with clear lines of responsibility and authority.

6. The ESCP will set out a summary of the training that the Borrower will provide to address the specific actions required under the ESCP, identifying the recipients of such training and the required human and financial resources.

7. The ESCP will set out the systems, resources and personnel that the Borrower will put in place to carry out monitoring, and will identify any third parties that will be used to complement or verify the Borrower's monitoring activities.

8. The content of an ESCP will differ from project to project. For some projects, the ESCP will capture all relevant obligations of the Borrower, and there will be no requirement for additional plans. For other projects, the ESCP will refer to other plans, either plans that already exist or plans to be prepared (e.g. an ESMP, a resettlement plan, a hazardous waste plan) which set out detailed project requirements. In such circumstances, the ESCP will summarize key aspects of the plans. Where plans are to be developed, the ESCP will set out timeframes for completion of such plans.

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9. Where, and to the extent that, the project is relying on use of the Borrower's existing environmental and social framework, the ESCP will identify the specific aspects of the national framework with reference to the relevant ESSs.

C. Implementation of ESCP

10. The Borrower will implement diligently the measures and actions identified in the ESCP in accordance with the timeframes specified, and will review the status of implementation of the ESCP as part of its monitoring and reporting.[1]

Footnote 1. See ESS1 Section D.

11. The Borrower will maintain, and strengthen as necessary throughout the project life-cycle, the organizational structure established to oversee environmental and social aspects of the project. Key social and environmental responsibilities will be well-defined, and communicated to all personnel involved. Sufficient high-level commitment, and human and financial resources, will be provided on an ongoing basis to implement the ESCP.

12. The Borrower will ensure that persons with direct responsibility for activities relevant to the implementation of the ESCP are adequately qualified and trained so that they have the knowledge and skills necessary to perform their work. The Borrower, either directly or through agencies responsible for implementing the project, will provide training to address the specific measures and actions required by the ESCP, and to support effective and continuous social and environmental performance.

13. The Borrower will notify the Bank promptly of any proposed changes to the scope, design, implementation or operation of the project that are likely to cause an adverse change in the environmental or social risks or impacts of the project. The Borrower will carry out, as appropriate, additional assessment and stakeholder engagement in accordance with the ESSs, and propose changes, for approval by the Bank, to the ESCP and relevant management tools, as appropriate, in accordance with the findings of such assessments and consultation. The updated ESCP will be disclosed.

D. Timing for conducting project activities

14. If the Borrower is required to plan or take specific measures and actions over a specified timeframe to avoid, minimize, reduce or mitigate specific risks and impacts of the project, the Borrower may not carry out any activities in relation to the project that may cause material adverse environmental or social risks or impacts, until the relevant plans, measures or actions have been completed in accordance with the ESCP, including satisfying applicable requirements on consultation and disclosure.

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ESS1-ANNEX 3. Management of Contractors

The Borrower will require that all contractors engaged on the project operate in a manner consistent with the requirements of the ESSs, including the specific requirements set out in the ESCP. The Borrower will manage all contractors in an effective manner, including:

(a) Assessing the environmental and social risks and impacts associated with such contracts;
(b) Ascertaining that contractors engaged in connection with the project are legitimate and reliable enterprises, and have knowledge and skills to perform their project tasks in accordance with their contractual commitments;
(c) Incorporating all relevant aspects of the ESCP into tender documents;
(d) Contractually requiring contractors to apply the relevant aspects of the ESCP and the relevant management tools, and including appropriate and effective non-compliance remedies;
(e) Monitoring contractor compliance with their contractual commitments; and
(f) In the case of subcontracting, requiring contractors to have equivalent arrangements with their subcontractors.

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Guidance Note for ESS2
Labor and Working Conditions

The Guidance Notes provide guidance for the Borrower on the application of the Environmental and Social Standards (ESSs), which form part of the World Bank's 2016 Environmental and Social Framework. The Guidance Notes help to explain the requirements of the ESSs; they are not Bank policy, nor are they mandatory. The Guidance Notes do not substitute for the need to exercise sound judgment in making project decisions. In case of any inconsistency or conflict between the Guidance Notes and the ESSs, the provisions of the ESSs prevail. Each paragraph of the Standard is highlighted in a box, followed by the corresponding guidance.

ES S2

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Introduction

1. ESS2 recognizes the importance of employment creation and income generation in the pursuit of poverty reduction and inclusive economic growth. Borrowers can promote sound worker management relationships and enhance the development benefits of a project by treating workers in the project fairly and providing safe and healthy working conditions.

Objectives

- *To promote safety and health at work.*
- *To promote the fair treatment, non-discrimination and equal opportunity of project workers.*
- *To protect project workers, including vulnerable workers such as women, persons with disabilities, children (of working age, in accordance with this ESS) and migrant workers, contracted workers, community workers and primary supply workers, as appropriate.*
- *To prevent the use of all forms of forced labor and child labor.[1]*
- *To support the principles of freedom of association and collective bargaining of project workers in a manner consistent with national law.*
- *To provide project workers with accessible means to raise workplace concerns.*

Footnote 1. Paragraphs 17 to 19 specify the circumstances in which a child may be employed or engaged in connection with a project.

Scope of Application

2. The applicability of ESS2 is established during the environmental and social assessment described in ESS1.[2]

Footnote 2. In conducting the environmental and social assessment and depending on the significance of the potential issues in the project relating to labor and working conditions, the views of representative workers' and employers' organizations may be sought.

GN2.1. Application of ESS2 promotes the implementation of a systematic approach to improving the management of risks and impacts related to labor and working conditions in projects. The environmental and social assessment identifies the ways in which national law and the requirements of ESS2 are applied to the project.

GN2.2. ESS2 is in part informed by several International Labour Organization (ILO) and United Nations (UN) Conventions. These include:

- ILO Convention 87 on Freedom of Association and Protection of the Right to Organize
- ILO Convention 98 on the Right to Organize and Collective Bargaining
- ILO Convention 29 on Forced Labor
- ILO Convention 105 on the Abolition of Forced Labor
- ILO Convention 138 on Minimum Age (of Employment)
- ILO Convention 182 on the Worst Forms of Child Labor

- ILO Convention 100 on Equal Remuneration
- ILO Convention 111 on Discrimination (Employment and Occupation).

Many of these conventions and other international instruments are incorporated into the national law of ratifying countries.

GN2.3 (Footnote 2). As discussed in Footnote 2 of ESS2, engaging with project workers and their representatives on labor issues, including with representatives of workers' organizations where they exist, helps inform the assessment of labor risks and impacts, by providing useful context and additional information. Depending on the project, engagement may also include workers' organizations at a global, national or sector level, and labor inspectorates.

3. The scope of application of ESS2 depends on the type of employment relationship between the Borrower and the project workers. The term "project worker" refers to: *(a) people employed or engaged directly by the Borrower (including the project proponent and the project implementing agencies) to work specifically in relation to the project (direct workers);* *(b) people employed or engaged through third parties[3] to perform work related to core functions[4] of the project, regardless of location (contracted workers);* *(c) people employed or engaged by the Borrower's primary suppliers[5] (primary supply workers);* *(d) people employed or engaged in providing community labor[6] (community workers).* *ESS2 applies to project workers including full-time, part-time, temporary, seasonal and migrant workers.[7]*
Footnote 3. 'Third parties' may include contractors, subcontractors, brokers, agents or intermediaries. *Footnote 4. 'Core functions' of a project constitute those production and/or service processes essential for a specific project activity without which the project cannot continue.*
Footnote 5. 'Primary suppliers' are those suppliers who, on an ongoing basis, provide directly to the project goods or materials essential for the core functions of the project.
Footnote 6. See paragraph 34 *Footnote 7. 'Migrant workers' are workers who have migrated from one country to another or from one part of the country to another for purposes of employment.*

GN3.1. Project workers can be engaged in many different ways. It is important to identify the different types of workers that may be engaged in the project and describe them in the *labor management procedures* that are prepared for the project (see Paragraph 9 of ESS2), together with the way in which the ESS2 requirements apply to each type of project worker. The four categories of project workers referred to in Paragraph 3 of ESS2 recognize the differing degrees of control and influence that a Borrower may have over the working conditions and treatment of different types of project workers. The requirements under ESS2 are different depending on the type of project worker involved.

GN3.2. Identifying the nature of the employment relationships with project workers is important for categorizing workers appropriately. Determining the existence of an employment relationship is guided primarily by the facts relating to performance and organization of the work and the type of workers' remuneration.

GN3.3. Several indicators may be considered in determining whether and between which parties an employment relationship exists; these may include the following:

(a) **Organization of the work.** Whether work:

- is carried out according to the instructions and under the control of the Borrower or another party;
- involves the integration of the worker in the organization of the borrower (or the entity involved in implementing the project, such as the project implementation unit);
- is performed solely or mainly for the benefit of the Borrower or another party;
- must be carried out personally by the worker;
- is carried out within specific working hours or at a workplace specified or agreed by the Borrower or another party requesting the work;
- is of a particular duration and has a certain continuity;
- requires the worker's availability; or
- involves the provision of tools, materials and machinery by the party requesting the work.

(b) **Remuneration and other benefits**, which may include:

- periodic payment of remuneration to the worker;
- the fact that such remuneration constitutes the worker's sole or principal source of income;
- provision of payment in kind, such as food, lodging or transport;
- recognition of entitlements such as weekly rest and annual holidays;
- payment by the party requesting the work for travel undertaken by the worker to carry out the work; or
- absence of financial risk for the worker.

GN3.4. Contractual arrangements, particularly those involving multiple parties, should be clear as to which party is responsible for ensuring that the requirements of ESS2 are met for each type of project worker. This is particularly important where several different parties are involved in implementing the project. For example, the construction of a large infrastructure project may include a main contractor, several subcontractors, representatives of the Borrower, and various engineers.

GN3.5 (Footnote 3). A range of third parties may be used to source or provide labor for a project. It is important to understand the nature of the relationship between the third party and the project worker to decide how the requirements of ESS2 apply to the worker. In some circumstances, even where the worker is engaged on the project long term, the control and legal responsibility for the worker remains with the third party. In such circumstances, the worker is a "*contracted worker*" for the purposes of ESS2, and the responsibilities of the Borrower are as set out in Section E (Paragraphs 31-33) of ESS2. This is the case, for example, where a contractor brings its own workforce to work on a project. In other circumstances, the third party may source and recruit the worker on behalf of the Borrower (or the entity involved in implementing the project, such as the project implementation unit). In these circumstances, such workers are "*direct workers*" for the purposes of ESS2. This is the case, for example,

where a labor broker or agent acts as an intermediary for the placement and recruitment of workers in one country to be employed on a project in another country.

Direct Workers
4. The requirements of paragraphs 9 to 30 of this ESS will apply to direct workers.

GN4.1. A "*direct worker*" is a worker with whom the Borrower has a directly contracted employment relationship and specific control over the work, working conditions and treatment of the project worker. The worker is employed or engaged by the Borrower, paid directly by the Borrower and subject to the Borrower's day-to-day instruction and control. Examples of direct workers may include persons employed by the Borrower's project implementation unit to carry out design and supervision, monitoring and evaluation, or community engagement in relation to the project.

Contracted Workers
5. The requirements of paragraphs 9 to 33 of this ESS will apply to contracted workers, as specified in Section E.

GN5.1. A "*contracted worker*" is a worker employed or engaged by a third party to perform work or provide services that are essential for the core function of the project, where the third party exercises control over the work, working conditions and treatment of the person. In such circumstances, the employment relationship is between the third party and the project worker, even if the project worker is working on an ongoing basis on project activities.

Community Workers
6. The requirements of paragraphs 34 to 38 of this ESS will apply to community workers, as specified in Section F.

Primary Supply Workers
7. The requirements of paragraphs 39 to 42 of this ESS will apply to primary supply workers, as specified in Section G.

GN7.1. A "*primary supply worker*" is a worker employed or engaged by a primary supplier, providing goods and materials to the project, over which a primary supplier exercises control over the work, working conditions and treatment of the person. Footnote 5 of ESS2 sets out the definition of a "primary supplier." As part of the definition, there is a requirement that the goods or materials be provided directly to the project for its core functions on an ongoing basis. This means that second, third and further levels of the supply chain (sometimes referred to as Tier 2 and Tier 3 suppliers) are not covered by ESS2. See also ESS1 for discussion of what constitutes a primary supplier.

8. Where government civil servants are working in connection with the project, whether full-time or part-time, they will remain subject to the terms and conditions of their existing public sector employment agreement or arrangement, unless there has been an effective legal transfer of their employment or engagement to the project.[8] ESS2 will not apply to such government civil servants, except for the provisions of paragraphs 17 to 20 (Protecting the Work Force) and paragraphs 24 to 30 (Occupational Health and Safety).

Footnote 8. Such transfer will be conducted in accordance with all legal requirements and transferred workers will be subject to all requirements of this ESS.

GN8.1. ESS2 does not seek to interfere in the relationship between the Government and its civil service employees, who are normally employed under specific terms and conditions that may reflect mandatory legal requirements. While government civil servants may work on the project, for example, in the project implementing unit or project management office, their status as government civil servants is not affected.

GN8.2. In the case of an effective legal transfer of employment or engagement of a government civil servant to the project or of a government civil servant who takes a formal unpaid leave of absence to work on the project, ESS2 applies. In these cases, for purposes of the project, workers are no longer subject to the legal requirements relating to civil servants, and are instead employed directly by the project and subject to the provisions of ESS2 relating to direct workers.

GN8.3. There may be situations in which government civil servants have no employment relationship with the project, but are involved in project activities in their governmental capacity. For example, they may be involved in training activities, such as teachers in education sector projects, or health care service providers in health sector projects. While ESS2 does not apply to such persons, the potential risks and impacts of the project to such persons should be assessed in accordance with ESS1, including any occupational and health and safety considerations.

Requirements

A. Working Conditions and Management of Worker Relationships

9. The Borrower will develop and implement written labor management procedures applicable to the project. These procedures will set out the way in which project workers will be managed, in accordance with the requirements of national law and this ESS.[9] The procedures will address the way in which this ESS will apply to different categories of project workers, including direct workers, and the way in which the Borrower will require third parties to manage their workers in accordance with paragraphs 31-33.

Footnote 9. To the extent that provisions of national law are relevant to project activities and satisfy the requirements of this ESS, the Borrower will not be required to duplicate such provisions in labor management procedures.

GN9.1. The purpose of the *labor management procedures* is to facilitate planning for the project and help identify the resources necessary to address the labor issues associated with the project. The *labor management procedures* help to (a) identify the different types of project workers that are likely to be involved in the project, and (b) set out the ways of meeting the requirements of ESS2 that apply to the different types of workers.

GN9.2. Where project workers are employed or engaged by different parties, the *labor management procedures* set out the responsibilities of the Borrower in relation to each category of project worker,

identifying the way in which different parties will meet with the requirements on labor and working conditions set out in ESS2.

GN9.3. The *labor management procedures* set out a systematic approach to the management of labor issues in the project and reflect the requirements of national law, applicable collective agreements and requirements of ESS2. The amount of detail set out in the procedures reflects the type of project, the type, size and location of the workforce, and the extent to which national law satisfies the requirements of ESS2. It is good practice to review and update the *labor management procedures* as needed during the preparation and implementation of the project. The *labor management procedures* may be prepared as a stand-alone document, or form part of other environmental and social management documents.

GN9.4. Where relevant in the context of the project and the potential risks and impacts, the *labor management procedures* may contain measures to address risks that may arise from interaction between project workers and local communities. These may include measures to raise awareness of such risks, communicate expectations regarding appropriate conduct, together with disciplinary measures, and depending on the nature of the project, adoption of a formal code of conduct. For additional guidance, see Guidance Note on Managing Risks Related to Labor Influx on the World Bank's website**.**

GN9.5. Where national law requires the collection and retention of information about project workers, this is included in the *labor management procedures,* with an explanation of the type of information that is collected.

GN9.6 (Footnote 9). In many countries, particularly those that have ratified conventions and other international instruments relating to labor and working conditions, national law reflects many of the requirements of ESS2. Where this is the case, the *labor management procedures* refer to the relevant national law provisions. Further, ESS2 does not preclude provision of higher levels of protection for workers in countries where such protections are set out in national law. It is important to review national laws applicable to the project periodically to ensure that they continue to satisfy the relevant ESS2 requirements (both with respect to substance and implementation). The *labor management procedures* are amended or updated as necessary, if national laws change.

Terms and Conditions of Employment

10. Project workers will be provided with information and documentation that is clear and understandable regarding their terms and conditions of employment. The information and documentation will set out their rights under national labor and employment law (which will include any applicable collective agreements), including their rights related to hours of work, wages, overtime, compensation and benefits, as well as those arising from the requirements of this ESS. This information and documentation will be provided at the beginning of the working relationship and when any material changes to the terms or conditions of employment occur.

GN10.1. Documentation should be appropriate and relevant to the length and nature of the employment or engagement. For example, a public notice of the job to be done, the number of hours, pay, and other key terms and working conditions may be adequate for seasonal project workers

provided copies of such information are available at the request of the project workers. For longer-term employment, the material terms of the employment relationship are documented in more detail, and a copy of the documentation (for example, the signed contract) should be provided to the project worker. In many countries, individual contracts are a legal requirement.

GN10.2. Information provided to workers at the start of employment is normally covered by relevant provisions of national law. Documents and contracts include information on the following, as appropriate:

- the name and legal domicile of the employer;
- the worker's name;
- the worker's job title;
- the date employment began;
- where the employment is not permanent, the anticipated duration of the contract;
- the place of work or, where the work is mobile, the main location;
- housing provisions and payment required, if any;
- provisions regarding food and payment required, if any;
- hours of work, rest breaks, leave entitlements and other related matters;
- rules relating to overtime and overtime compensation;
- the levels and rules relating to the calculation of salary, wages and other benefits, including any rules related to timing of payment and deductions;
- the pension and other welfare arrangements applicable to the worker;
- the length of notice which the worker can expect to give and receive on termination of employment;
- the disciplinary procedures that are applicable to the worker, including details of representation available to the worker and any appeals mechanism;
- details of grievance procedures, including the person to whom grievances should be addressed; and
- any collective bargaining arrangements that apply to the worker.

GN10.3. In addition to documentation, oral communication and explanation of working conditions and terms of employment will be appropriate where project workers do not read or have difficulties understanding the documentation, or where the documentation is in an unfamiliar language to workers, for example migrant workers. In such cases, a summary of key terms and conditions in a language understandable to the workers is provided. Where there is a collective agreement that applies to the project workers, that information is communicated to them as well. Documentation regarding such communication and explanation, for example, through records of meetings held or notices placed on a workers' bulletin board should be retained.

GN10.4. The working conditions and terms of employment of migrant workers (domestic or foreign) should be the same or substantially equivalent to those of non-migrant project workers performing the same type of work. This applies to migrant project workers employed or engaged directly by the Borrower or through a third party. Such terms include, for example, remuneration, overtime, hours of work, weekly rest, holidays with pay, safety, health, termination of the employment relationship and any

other relevant conditions of work. Other terms of employment include requirements to protect the workforce, as set out in Section B below.

11. Project workers will be paid on a regular basis as required by national law and labor management procedures. Deductions from payment of wages will only be made as allowed by national law or the labor management procedures, and project workers will be informed of the conditions under which such deductions will be made. Project workers will be provided with adequate periods of rest per week, annual holiday and sick, maternity and family leave, as required by national law and labor management procedures.

GN11.1. In circumstances where national law does not mandate periods of rest, annual holiday, sick, maternity or family leave for specific types of employment, the Borrower should consider providing such periods of rest and leave, taking into account the type and duration of the employment, and the scope, risks and impacts of the project. Where provided, these conditions should be included in the *labor management procedures*.

12. Where required by national law or the labor management procedures, project workers will receive written notice of termination of employment and details of severance payments in a timely manner.[10] All wages that have been earned, social security benefits, pension contributions and any other entitlements will be paid on or before termination of the working relationship, either directly to the project workers or where appropriate, for the benefit of the project workers. Where payments are made for the benefit of project workers, project workers will be provided with evidence of such payments.

Footnote 10. Entitlement to such payments will depend on the nature of the employment relationship, including whether the project workers are employed on a fixed term contract, or are full-time, part-time, temporary or seasonal.

GN12.1. Where national law mandates the transfer of certain payments to specific third parties for the benefit of the worker (for example, government agencies or institutions such as a pension fund administration or health funds), the worker is provided with written evidence of such payment.

Non-Discrimination and Equal Opportunity

13. Decisions relating to the employment or treatment of project workers will not be made on the basis of personal characteristics unrelated to inherent job requirements. The employment of project workers will be based on the principle of equal opportunity and fair treatment, and there will be no discrimination with respect to any aspects of the employment relationship, such as recruitment and hiring, compensation (including wages and benefits), working conditions and terms of employment,[11] access to training, job assignment, promotion, termination of employment or retirement, or disciplinary practices. The labor management procedures will set out measures to prevent and address harassment, intimidation and/or exploitation. Where national law is inconsistent with this paragraph, the project will seek to carry out project activities in a manner that is consistent with the requirements of this paragraph to the extent possible.

Footnote 11. The Borrower will consider, to the extent technically and financially feasible, reasonable measures to adapt the workplace in relation to project workers with disabilities.

GN13.1. Discrimination in employment as it relates to project workers is any distinction, exclusion, or preference with respect to recruitment, hiring, termination of employment, working conditions, or

terms of employment made on the basis of personal characteristics unrelated to inherent work requirements that nullify or impair equality of opportunity or treatment in employment. Inherent work requirements refer to genuine occupational qualifications that are necessary to perform the work.

GN13.2. Equal opportunity is the principle of basing all employment decisions, such as hiring and promotion, on the ability of a person to perform the work, without regard to personal characteristics that are unrelated to the inherent work requirements.

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Commented [Q1]: Should be more clear. I suggest to add "such as gender, religion, affiliation to ethnic/cultural groups, sexual preferences, etc." (already considered in GN13.4 from another point of view)

GN13.3. The extent to which national provisions support implementation in the project of the principles of equal opportunity and fair treatment is assessed by the Borrower in developing the project's *labor management procedures*. Where the national law is inconsistent with the requirements set out in Paragraph 13 of ESS2, the aim is to support the application of such principles in the project to the extent possible.

GN13.4. Discrimination can occur in the work place in various ways. For example, recruitment of new project workers may impose requirements that are not necessary for a job but may result in excluding a specific group. It can relate to decisions on how much to pay a project worker, for example, a female or migrant project worker. Discrimination can also occur in training and development, where selection may be based on criteria that are discriminatory. It can relate to termination of employment, where a specific group may be disproportionately affected, for example, based on considerations relating to age or gender. Finally, it can arise with respect to inappropriate treatment or harassment of project workers related, for example, to gender, age, disability, ethnicity or religion.

GN13.5. The Borrower identifies measures that support equal opportunities for women and men, with emphasis on equal criteria for selection, remuneration and promotion, and equal application of those criteria. There should be measures to prevent harassment of project workers, including sexual harassment, in the workplace. If migrant workers are engaged by the project, to the Borrower implements appropriate measures to prevent any discriminatory treatment of them.

GN13.6 (Footnote 11). Measures that address working conditions, accessibility of the built environment and information communication for project workers with disabilities include, for example, the provision of wheelchair ramps or elevators, or alternative formats of communication, such as large print, Braille, accessible digital formats or audio tape. Specific project measures are included in the *labor management procedures.* It is important to make information about the measures available to disabled workers.

14. Special measures of protection and assistance to remedy discrimination or selection for a particular job based on the inherent requirements of the job or the objectives of the project[12] will not be deemed as discrimination, provided they are consistent with national law.
Footnote 12. For example, where the project or a component of the project is designed to target a specific group or set of individuals, such as in projects with a local hiring requirement, social safety net projects or work for peace projects. This may also include positive affirmative measures as required by national law.

GN 14.1. Where allowed by national law, the Borrower may implement specific measures that provide for preferential treatment of individuals or groups of project workers who have been the subject of prior

discrimination or disadvantage. Such measures could include training, management schemes, targeted outreach for recruitment or financial assistance for specific individuals or groups.

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15. The Borrower will provide appropriate measures of protection and assistance to address the vulnerabilities of project workers, including specific groups of workers, such as women, people with disabilities, migrant workers and children (of working age in accordance with this ESS). Such measures may be necessary only for specific periods of time, depending on the circumstances of the project worker and the nature of the vulnerability.

GN15.1. Many project workers are able to undertake different kinds of employment regardless of specific vulnerabilities, but there may be circumstances where measures may need to be taken to provide protection and assistance, for example for women while they are pregnant. It is important that women be protected from dismissal and other forms of prejudice in employment on the grounds of pregnancy, maternity leave or marital status.

Commented [Q2]: Measures that allow work-life balance (particularly, but not exclusively, for women) should be considered too

GN15.2. People with defined disabilities may require particular adjustments. When considering changes to physical aspects of the workplace, the extent and cost of such changes are important factors in determining the suitability and reasonableness of proposed measures, compared to the degree of the discrimination that may otherwise affect project workers. Appropriate expertise may help to identify measures that minimize cost or disruption while still meeting the objectives of access or protection.

Worker's Organizations

16. In countries where national law recognizes workers' rights to form and to join workers' organizations of their choosing and to bargain collectively without interference, the project will be implemented in accordance with national law. In such circumstances, the role of legally established workers' organizations and legitimate workers' representatives will be respected, and they will be provided with information needed for meaningful negotiation in a timely manner. Where national law restricts workers' organizations, the project will not restrict project workers from developing alternative mechanisms to express their grievances and protect their rights regarding working conditions and terms of employment. The Borrower should not seek to influence or control these alternative mechanisms. The Borrower will not discriminate or retaliate against project workers who participate, or seek to participate, in such workers' organizations and collective bargaining or alternative mechanisms.

GN16.1. In many countries workers have the legal right to form unions or other workers' organizations of their own choosing and to bargain collectively with their employers. National laws often reflect a number of international agreements that recognize and protect these rights.

GN16.2. A workers' organization is any organization of workers for the purpose of furthering and defending their interests, in particular with regard to working conditions and terms of employment. Workers' organizations can be called by different terms in different countries, for example, trade unions, labor unions or workers' associations. They are usually formed and organized by workers, and should operate without outside control or interference. Workers' organizations should be representative of the work force and operate pursuant to the principles of fair and reasonable representation of workers and their interests in the context of the project.

GN16.3. Collective bargaining consists of discussions and negotiations between employers, employers' organizations and workers' organizations for the purpose of determining working conditions and terms of employment by joint agreement. It also includes instructions on the implementation and administration of any agreements that may result from collective bargaining and the resolution of other issues and grievances that arise in the employment relationship with respect to workers represented by the workers' organization. Collective bargaining can take place in different ways, depending on the country. Many countries have multi-level bargaining systems, which might include project, company and sectoral levels.

GN16.4. Where workers' freedom of association and/or collective bargaining are prohibited or restricted under national law, the Borrower and third parties should engage with workers to address relevant issues relating to their working conditions and terms of employment. Alternative mechanisms may include recognizing worker committees, and allowing workers to choose their own representatives for dialogue and negotiation on terms and conditions of employment in a manner that does not contravene national law.

GN16.5. Where national law recognizes the worker's rights to form and workers' organizations of their choosing, project workers should not be discouraged from, or discriminated or retaliated against, for forming or joining (or attempting to form or join) such organizations. Where national law restricts such organizations, project workers should not be discouraged from, discouraged from, or discriminated or retaliated against, for developing and participating in alternative mechanisms referred to in paragraph 16 of ESS2. Examples of discrimination or retaliation against workers who participate, or seek to participate, in workers' organizations and collective bargaining or alternative mechanisms include an employer's refusal to hire project workers who have been members or leaders of workers' organizations at other firms (for reasons unrelated to qualifications or job performance); dismissing, demoting or re-assigning such project workers, or outsourcing or modifying the delivery of work, in response to worker organizational activities.

B. Protecting the Work Force

Child Labor and Minimum Age

17. A child under the minimum age established in accordance with this paragraph will not be employed or engaged in connection with the project. The labor management procedures will specify the minimum age for employment or engagement in connection with the project, which will be the age of 14 unless national law specifies a higher age.

GN17.1. With regard to risks relating to child labor, the environmental and social assessment considers any inherent risks within the country, the region, the sector or industry in which the project is developed. See also GN39.1.

GN17.2. The project's *labor management procedures* specify the minimum age for employment or engagement in connection with the project as the age specified in law or the age of 14, whichever is higher, and include measures to prevent employing or engaging children under this age. Documentation and verification of age are important steps in preventing employment or engagement of child labor and, as appropriate to the project circumstances, may include the following, which are undertaken prior to the employment or engagement of a project worker and kept on file:

- obtaining written confirmation from the applicant of their age; and
- where there is any reasonable doubt as to the age of the applicant, requesting and reviewing available documents to verify age (such as a birth certificate, national identification card, medical, school record, or other document or community verification demonstrating age).

GN17.3. If a child under the minimum age is discovered working on the project, measures will be taken to terminate the employment or engagement of the child in a responsible manner. Such measures will be outlined in *labor management procedures*.

18. A child over the minimum age and under the age of 18 may be employed or engaged in connection with the project only under the following specific conditions:

(a) the work does not fall within paragraph 19 below;
(b) an appropriate risk assessment is conducted prior to the work commencing; and
(c) the Borrower conducts regular monitoring of health, working conditions, hours of work and the other requirements of this ESS.

GN.18.1. To support monitoring, a separate record of all project workers over the minimum age and under 18 should be created and maintained. This record may include details of their enrolment in school or vocational training programs.

19. A child over the minimum age and under the age of 18 will not be employed or engaged in connection with the project in a manner that is likely to be hazardous[13] or interfere with the child's education or be harmful to the child's health or physical, mental, spiritual, moral or social development.

Footnote 13. Work considered hazardous for children is work that, by its nature or the circumstances in which it is carried out, is likely to jeopardize the health, safety, or morals of children. Examples of hazardous work activities prohibited for children include work: (a) with exposure to physical, psychological or sexual abuse; (b) underground, underwater, working at heights or in confined spaces; (c) with dangerous machinery, equipment or tools, or involving handling or transport of heavy loads; (d) in unhealthy environments exposing children to hazardous substances, agents, or processes, or to temperatures, noise or vibration damaging to health; or (e) under difficult conditions such as work for long hours, during the night or in confinement on the premises of the employer.

GN19.1. In paragraph 19 of ESS2, the reference to a child's education is to compulsory education under national law. The reference to the child's health includes consideration of the child's safety.

GN19.2. If a child between the minimum age and 18 years old is working in the project in a manner that is likely to be hazardous, a first step is to consider whether the hazard can be removed. If this is not possible, the child is removed in a responsible manner and, if possible, transferred to an alternative

position for which a risk assessment has been undertaken, as required by Paragraph 18 of ESS2. Where no such alternatives are possible, the project no longer employs or engages the child.

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Forced Labor

20. Forced labor, which consists of any work or service not voluntarily[14] performed that is exacted from an individual under threat of force or penalty, will not be used in connection with the project. This prohibition covers any kind of involuntary or compulsory labor, such as indentured labor, bonded labor, or similar labor-contracting arrangements. No trafficked persons will be employed in connection with the project.[15]

Footnote 14. Work is on a voluntary basis when it is done with the free and informed consent of a worker. Such consent must exist throughout the employment relationship and the worker must have the possibility to revoke freely given consent. In particular, there can be no "voluntary offer" under threat or other circumstances of restriction or deceit. To assess the authenticity of a free and informed consent, it is necessary to ensure that no external constraint or indirect coercion has been carried out, either by an act of the authorities or by an employer's practice.

Footnote 15. Trafficking in persons is defined as the recruitment, transportation, transfer, harboring or receipt of persons by means of the threat or use of force or other forms of coercion, abduction, fraud, deception, abuse of power, or of a position of vulnerability, or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purposes of exploitation. Women and children are particularly vulnerable to trafficking practices.

GN20.1. Forced labor practices may not be immediately apparent. If forced labor is discovered in the project's workforce, it is important to act promptly to address the practice that has coerced the worker and not recreate conditions of coercion. Any cases of forced labor discovered in the project's workforce are referred to relevant government authorities and support services, as appropriate, to be addressed in accordance with national law. If national law is inadequate to effectively regulate and implement prohibitions against forced labor, the *labor management procedures* set out measures to address incidents of forced labor and remedy the situation.

GN20.2. Examples of conditions which may amount to forced labor include bonded labor (work in satisfaction of a debt of an amount that would be difficult or impossible to pay off), excessive limitations on freedom of movement, excessive notice periods, retaining the worker's identity and other government-issued documents (such as passports) or personal belongings, imposition of recruitment or employment fees payable by the worker at the commencement of employment, loss or delay of wages that impede the workers' right to end employment within their legal rights, substantial or inappropriate fines, physical punishment, use of security personnel to force or extract work from project workers, or other restrictions that compel a project worker to work on a non-voluntary basis.

C. Grievance Mechanism

21. A grievance mechanism will be provided for all direct workers and contracted workers[16] (and, where relevant, their organizations) to raise workplace concerns.[17] Such workers will be informed of the grievance mechanism at the time of recruitment and the measures put in place to protect them against reprisal for its use. Measure will be put in place to make the grievance mechanism easily accessible to all such project workers.

Footnote 16. For community workers, see paragraph 36.

Footnote 17. This grievance mechanism will be provided separately from the grievance mechanism required under ESS10.

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GN21.1. Workplace concerns are usually different from issues raised by project affected parties and other stakeholders, and therefore call for a separate mechanism to address them, as noted in Footnote 17 of ESS2. Further details on the design and implementation of a grievance mechanism are set out in ESS10 and the accompanying guidance.

GN21.2. The grievance mechanisms established under ESS2 do not replace or override the requirements to provide workplace processes to report work situations that a project worker believes are not safe or healthy. Project workers should be able to raise concerns regarding unsafe or unhealthy work situations though the grievance mechanism, if they wish to.

GN21.3. The Borrower and third parties inform direct and contracted workers, respectively, about the available grievance mechanisms, and how they work. The relevant information should be made available throughout project duration in manner that is clear, understandable, and accessible to workers, for example by including it in workers' handbooks, on notice boards, or similar communication mechanisms.

GN21.4. The *labor management procedures* include reasonable measures so that direct and contracted workers are not subjected to any form of retaliation as a result of any grievance raised.

22. The grievance mechanism will be proportionate to the nature and scale and the potential risks and impacts of the project. It will be designed to address concerns promptly, using an understandable and transparent process that provides timely feedback to those concerned in a language they understand, without any retribution, and will operate in an independent and objective manner. The grievance mechanism may utilize existing grievance mechanisms, providing that they are properly designed and implemented, address concerns promptly, and are readily accessible to such project workers. Existing grievance mechanisms may be supplemented as needed with project-specific arrangements.

GN22.1. To the extent possible, the project grievance mechanism uses or supplements existing grievance mechanisms. It is important that the grievance mechanism be accessible to all direct and contracted workers, taking into account their different characteristics, for example female workers, migrant workers or workers with disabilities. Where appropriate, consideration can be given to allowing concerns to be raised anonymously and/or to a person other than an immediate supervisor. An effective and appropriate grievance mechanism operates with independence and objectivity, informs workers of the steps being taken to address their concerns, and allows for feedback about the response, within the timeframes specified in the grievance mechanism procedure.

23. The grievance mechanism will not impede access to other judicial or administrative remedies that might be available under the law or through existing arbitration procedures, or substitute for grievance mechanisms provided through collective agreements.

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D. Occupational Health and Safety (OHS)

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24. Measures relating to occupational health and safety will be applied to the project. The OHS measures will include the requirements of this Section, and will take into account the General EHSGs and, as appropriate, the industry-specific EHSGs and other GIIP. The OHS measures applying to the project will be set out in the legal agreement and the ESCP.[18]

Footnote 18. Section 2 of the General Environmental Health and Safety Guidelines (EHSGs) on Occupational Health and Safety applies to all projects and can be found at http://www.ifc.org/wps/wcm/connect/9aef2880488559a983acd36a6515bb18/2%2BOccupational%2BHealth%2Band%2BSafety.pdf?MOD=AJPERES. *Each of the industry-specific guidelines addresses the OHS issues relevant to the particular industry. Links to each of these guidelines can be found at* http://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/ifc+sustainability/our+approach/risk+management/ehsguidelines

GN24.1. Measures relating to occupational health and safety (OHS) are aimed at protecting project workers from injury, illness or impacts associated with exposure to hazards encountered in the workplace or while working. Such measures take into account national law requirements on OHS and workplace conditions as they apply to the project, together with the requirements of ESS2. Additional guidance on the management of OHS issues according to GIIP is provided in the World Bank Group Environmental, Health and Safety Guidelines (EHS Guidelines).

GN24.2. The way in which the OHS provisions apply in projects depends on the type of project, the nature and severity of the risks and impacts and the types of workers involved. Appropriate OHS measures are incorporated into the design and implementation of the project to prevent and protect workers from occupational injuries and illness.

25. The OHS measures will be designed and implemented to address: (a) identification of potential hazards to project workers, particularly those that may be life-threatening; (b) provision of preventive and protective measures, including modification, substitution, or elimination of hazardous conditions or substances; (c) training of project workers and maintenance of training records; (d) documentation and reporting of occupational accidents, diseases and incidents; (e) emergency prevention and preparedness and response arrangements to emergency situations;[19] *and (f) remedies for adverse impacts such as occupational injuries, deaths, disability and disease.*[20]

Footnote 19. These arrangements will be coordinated with the Emergency Preparedness and Response measures established under ESS4.

Footnote 20. Such remedies should take into account, as applicable, the wage level and age of the project worker, the degree of adverse impact, and the number and age of dependents concerned.

GN25.1. Hazards may arise from materials (for example, chemical, physical and biological substances and agents), environmental or working conditions (for example, working at heights or in confined spaces, excessive hours of work, night work, mental or physical factors, oxygen-deficient environments, excessive temperatures, improper ventilation, poor lighting, faulty electrical systems or trenches), or work processes (for example, tools, machinery and equipment). OHS measures include the identification

of potential hazards and responses including design, testing, choice, substitution, installation, arrangement, organization, use and maintenance of workplaces, working environment and work processes to eliminate sources of risk or minimize project workers' exposure.

GN25.2. It is good practice to avoid or eliminate sources of hazards to project workers' health and safety, rather than simply addressing the hazard through preventive and protective measures such as personal protective equipment. However, when it is not feasible to avoid or eliminate the hazard, appropriate protective measures are included in the project's OHS measures, such as controlling the hazard at its source through the use of protective solutions (for example, exhaust ventilation systems, isolation rooms, machine guarding, acoustic insulation), and providing adequate personal protective equipment at no cost to the project worker. Protective measures would include hazard labeling in languages understandable to the project workers, training and equipment to prevent occupational exposure to hazardous materials.

GN25.3. Some OHS risks may be specific to women workers. It is recommended to include a balanced representation of women on OHS committees to help design policies and practices responding to the needs of female project workers.

GN25.4. Project workers should receive OHS training at the start of their employment or engagement, thereafter on a regular basis and when changes are made in the workplace, with records of the training kept on file. Training covers the relevant aspects of OHS associated with daily work, including the ability to stop work without retaliation in situations of imminent danger (as set out in Paragraph 27 of ESS2) and emergency arrangements. Where project workers carry out potentially hazardous activities, more specific training may be appropriate. It is good practice for OHS briefings to be conducted for all visitors and other third parties accessing the project site.

GN25.5. In emergency situations, it is important that both project workers and the community understand their roles and responsibilities. Emergency responsiveness is most effective if the Borrower also communicates with other parties who may be involved in prevention, preparedness and response arrangements, for example, local authorities and services, so that they understand their roles and responsibilities and can identify and mobilize the resources that may be required. See also ESS4.

26. All parties who employ or engage project workers will develop and implement procedures to establish and maintain a safe working environment, including that workplaces, machinery, equipment and processes under their control are safe and without risk to health, including by use of appropriate measures relating to chemical, physical and biological substances and agents. Such parties will actively collaborate and consult with project workers in promoting understanding, and methods for, implementation of OHS requirements, as well as in providing information to project workers, training on occupational safety and health, and provision of personal protective equipment without expense to the project workers.

GN26.1. A number of methods can be used to collaborate and consult with project workers regarding OHS, and to facilitate an awareness and understanding of, and support for, OHS requirements. These include, for example, inviting project workers to appoint safety officers or representatives, or forming health and safety committees, to support collaboration in achieving safety and effective communication of information. In designing and implementing these methods, it is important to consider the experience

of the project workers, their level of knowledge, their familiarity with OHS requirements and the languages in which they communicate.

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27. Workplace processes will be put in place for project workers to report work situations that they believe are not safe or healthy, and to remove themselves from a work situation which they have reasonable justification to believe presents an imminent and serious danger to their life or health. Project workers who remove themselves from such situations will not be required to return to work until necessary remedial action to correct the situation has been taken. Project workers will not be retaliated against or otherwise subject to reprisal or negative action for such reporting or removal.

GN27.1. The information and training on OHS provided to project workers under Paragraph 26 of ESS2 includes details of the workplace processes that are available to them to report the hazardous work situations referred to Paragraph 27 of ESS2, and to remove themselves from such situations.

28. Project workers will be provided with facilities appropriate to the circumstances of their work, including access to canteens, hygiene facilities, and appropriate areas for rest. Where accommodation services[21] are provided to project workers, policies will be put in place and implemented on the management and quality of accommodation to protect and promote the health, safety, and well-being of the project workers, and to provide access to or provision of services that accommodate their physical, social and cultural needs.

Footnote 21. Those services might be provided either directly by the Borrower or by third parties.

GN28.1. The Borrower may use existing policies and services on the management and quality of accommodation or may develop a policy specifically for the project that responds to Paragraph 28 of ESS2. These are clearly communicated to and required of any contractor or accommodation providers. Monitoring conditions with respect to project-provided accommodation and services is an important element of managing OHS risks and promoting health, safety and well-being of project workers.

GN28.2. Services provided to project workers (for example, canteen facilities or a camp store on a construction site), whether directly or through a contractor, are provided in a non-discriminatory manner, and comply with national law and EHSGs, particularly in relation to quality, security and safety. Where there are charges to project workers for such services, these should be reasonable and, unless the context of the project makes it necessary, project workers are not required to use the services.

Commented [Q3]: places for breastfeeding and nursing could be added

29. Where project workers are employed or engaged by more than one party and are working together in one location, the parties who employ or engage the workers will collaborate in applying the OSH requirements, without prejudice to the responsibility of each party for the health and safety of its own workers.

GN29.1. Collaboration may be achieved in a number of different ways, with the aim of protecting the health and safety of all project workers in the location. When all parties and project workers understand the respective roles and responsibilities of each party and the structure of authority at a project location or site, coordination in applying the project's OHS requirements is made easier.

GN29.2. Different types of projects have different types of hazards and levels of risks in connection with OHS, and may require different people to be responsible for coordination. Coordination on, for example,

construction projects is important in effectively applying OHS requirements. It is best to assign overall responsibility for the worksite, and the obligation to continuously supervise and coordinate the work being performed, to a specified manager on site, for example a project manager, construction manager or supervising engineer. It is important that the role of the site manager is clearly understood and communicated to all contractors and their workers and that procedures are put in place to facilitate communication between contractors and the site manager.

30. A system for regular review of occupational safety and health performance and the working environment will be put in place and include identification of safety and health hazards and risks, implementation of effective methods for responding to identified hazards and risks, setting priorities for taking action, and evaluation of results.

GN30.1. A system for reviewing and responding to identified hazards and risks normally includes a procedure for documenting specific incidents such as project-related occupational injuries, illnesses and lost time accidents. The Borrower maintains, and requires all third parties and primary suppliers to maintain, such records. Such records form an input into the regular review of OHS performance and working conditions and other actions called for in Paragraph 30 of ESS2.

GN30.2. In the event of an occupational fatality, the Borrower reports to the Bank as soon as becoming aware of the fatality. This is supported by similar reporting obligations by third parties and primary suppliers to the Borrower.

GN30.3. Corrective actions are identified and implemented in response to project-related incidents or accidents. Where appropriate, these are included in agreements with third parties, including contractors. The Borrower or, where relevant the third party, may conduct, and upon request share with the Bank, a root cause analysis, to be used as the basis for designing and implementing further corrective actions.

E. Contracted Workers

31. The Borrower will make reasonable efforts to ascertain that third parties[22] who engage contracted workers are legitimate and reliable entities and have in place labor management procedures applicable to the project that will allow them to operate in accordance with the requirements of this ESS, except for paragraphs 34-42.

Footnote 22. See footnote 3: this may include contractors, subcontractors, brokers, agents or intermediaries.

GN31.1. Information obtained as part of the process to contract third parties who engage contracted workers helps to ascertain the legitimacy and reliability of the third party. Depending on the nature of the project and the potential risks and impacts, information provided by the third party or otherwise obtained may include:

- information in public records, for example, corporate registers;
- business licenses, registrations, permits and approvals;

- documents relating to a labor management system, including OHS issues, for example, labor management procedures;
- identification of labor management, safety and health personnel, their qualifications and certifications;
- workers' certifications/permits/training to perform required work;
- records of safety and health violations, and responses;
- accident and fatality records and notifications to authorities;
- records of legally-required worker benefits and proof of workers' enrollment in relevant programs;
- worker payroll records, including hours worked and pay received;
- identification of safety committee members and records of meetings;
- copies of previous contracts with contractors and suppliers, showing inclusion of provisions and terms reflecting ESS2.

32. The Borrower will establish procedures for managing and monitoring the performance of such third parties in relation to the requirements of this ESS. In addition, the Borrower will incorporate the requirements of this ESS into contractual agreements with such third parties, together with appropriate non-compliance remedies. In the case of subcontracting, the Borrower will require such third parties to include equivalent requirements and non-compliance remedies in their contractual agreements with subcontractors.

GN32.1. The project's *labor management procedures* set out the ways in which the Borrower will manage and monitor the performance of third parties in relation to contracted workers, focusing on compliance by such third parties with their contractual agreements (obligations, representations and warranties). As appropriate to the project, this may include periodic audits, inspections and/or spot checks of project locations or work sites and/or of labor management records and reports compiled by third parties. Third parties' labor management records and reports may include: (i) a representative sample of employment contracts or arrangements between third parties and contracted workers; (ii) records relating to grievances received and their resolution; (iii) reports relating to safety inspections, including fatalities and incidents and implementation of corrective actions; (iv) training provided for contracted workers to explain labor and working conditions and OHS for the project.

33. Contracted workers will have access to a grievance mechanism. In cases where the third party employing or engaging the workers is not able to provide a grievance mechanism to such workers, the Borrower will make the grievance mechanism provided under Section C of this ESS available to the contracted workers.

GN33.1. If the grievance mechanism is provided by the third party for contracted workers, the third party reports regularly on concerns raised by the contracted workers, and the way in which they were resolved.

GN33.2. If a third party is not able to deal with workers' concerns, as indicated in Paragraph 33 of ESS2, the project's grievance mechanism is made available to the contracted workers and the Borrower brings any concerns received through the project grievance mechanism to the attention of the third party for resolution.

F. Community Workers

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34. Projects may include the use of community workers in a number of different circumstances, including where labor is provided by the community as a contribution to the project, or where projects are designed and conducted for the purpose of fostering community-driven development, providing a social safety net[23] or providing targeted assistance in fragile and conflict-affected situations. Given the nature and objectives of such projects, the application of all requirements of ESS2 may not be appropriate. In all such circumstances, the Borrower will require measures[24] to be implemented to ascertain whether such labor is or will be provided on a voluntary basis as an outcome of individual or community agreement.[25]

Footnote 23. For example, food-for-work programs and public works as safety nets programs.

Footnote 24. These measures will be documented in the labor management procedures.

Footnote 25. See footnote 14.

35. Accordingly, where the project includes the provision of labor by community workers, the Borrower will apply the relevant provisions of this ESS in a manner which reflects and is proportionate to:

(a) the nature and scope of the project;
(b) the specific project activities in which the community workers are engaged; and
(c) the nature of the potential risks and impacts to the community workers.

Paragraphs 9 to 15 (Working Conditions) and paragraphs 24 to 30 (Occupational Health and Safety) will be assessed in relation to community labor, and will be applied in a manner which reflects (a) to (c) above. The way in which these requirements will apply in the circumstances of the project will be set out in the labor management procedures.

GN34.1. The type of projects in which community workers are involved can vary considerably in terms of complexity, duration and type of work, number of workers involved, types of project benefits, and the way in which ESS2 applies to the participation of community workers. Examples range from projects where the objective is to construct small-scale community infrastructure to regional or national projects designed to provide a social safety net to address unemployment or underemployment. The application of ESS2 to such projects is designed to address the relevant risks and impacts in a proportionate manner, tailored to the specific context, objectives and design of the project.

GN34.2. For example, where the objective of the project is the construction of community infrastructure for the benefit of an identified community, with labor being provided directly by members of that community, ESS2 requirements relating to OHS (Section D) and child and forced labor (Section B), may be of most relevance. While the community may be contributing its labor, it would be important to check the safety of the working environment, the age of community workers, and the terms on which labor is being mobilized.

GN34.3. Other projects may be of broader scope and more long-term, such as those aimed at addressing structural issues of unemployment or underemployment, including training, or providing assistance as a response in fragile or conflict-affected situations. In such projects, the elements of ESS2 that may be most relevant may relate to wages, terms and conditions of employment, and training (Section A).

GN34.4. It is important that the labor in a project involving community workers is provided on a voluntary basis. The definition of voluntary work is provided in Footnote 14 of ESS2. It is good practice, where appropriate, to document the agreement that is reached with community workers on an individual basis, setting out the details of what has been agreed, the way in which the community workers are to be treated, and how the community workers may be represented. See ESS10 for a further discussion on representation. It also is good practice to prepare minutes of meetings with the community and community workers to discuss and agree the terms of their engagement with the project and to share the minutes with the community workers and their representatives.

GN35.1. Issues to be taken into account in assessing how to apply ESS2 in a proportionate manner include consideration of the age, gender, and specific vulnerability of the individual or group of community workers in relation to the nature of the project's risks and impacts and the project activities to be conducted by those workers. From a health and safety perspective, it may be appropriate to assess the health and safety risks to which the community workers may be exposed, the ability to prevent or eliminate such risks or, if the risk cannot be prevented or eliminated, the ability to protect community workers from exposure.

36. In preparing the labor management procedures, the Borrower will clearly identify the terms and conditions on which community labor will be engaged, including amount and method of payment (if applicable) and times of work. The labor management procedures will also specify the way in which community workers can raise grievances in relation to the project. The Borrower will assess the potential risks and impacts of the activities to be conducted by community workers and, at a minimum, apply the relevant requirements of the General EHSGs and industry-specific EHSGs.

GN36.1. While community workers can raise grievances in relation to the project, in many cases the nature of such grievances and the way in which they are addressed and resolved may differ from those of other project workers. For this reason, the project grievance mechanism may be adapted to reflect the specific characteristics of the community workers and the project.

GN36.2. Where community workers are expected in the project, the project's *labor management procedures* set out details relating to the terms and conditions of engaging community workers, the way in which grievances will be addressed and any additional measures designed to mitigate specific risks and impacts relating to the community workers under the project.

37. The Borrower will assess whether there is a risk of child labor or forced labor within community labor, identifying those risks consistent with paragraphs 17 to 20 above. The labor management procedures will set out roles and responsibilities for monitoring community workers. If cases of child labor or forced labor are identified, the Borrower will take appropriate steps to remedy them.

GN37.1. See GN Paragraphs 17 to 20 of ESS2 on child and forced labor.

38. The review system established pursuant to paragraph 30 will take into account the provision of labor by community workers in the project, and that adequate training is provided to such workers, tailored to their particular needs and the potential risks and impacts of the project.

GN38.1. Communication with community workers, in a language and form understandable to them, is important, so that they know what to expect from the project, and their own responsibilities under the project. It is recommended to conduct tailored training of community workers on a regular basis, as appropriate to the potential risks and impacts of the project.

G. Primary Supply Workers

39. As part of the environmental and social assessment, the Borrower will identify potential risks of child labor, forced labor and serious safety issues which may arise in relation to primary suppliers.

GN39.1. The environmental and social assessment identifies, to the extent possible, the types of goods and materials to be obtained from primary suppliers. Where potential child labor, forced labor and serious safety risks are identified or are prevalent or known to exist in a specific sector, industry or region in connection with the supply of such goods and materials, a mapping exercise may be appropriate, to identify possible suppliers and the extent to which they may present such risks.

GN39.2. Where it is not possible to identify specific primary suppliers, it may be helpful to review industry labor issues relating to the supply of such goods and materials, and the risks. It is also useful to periodically update the assessment of potential risks that may arise in relation to primary suppliers of the project during project implementation. Tracking of suppliers' performance helps inform whether procedures and mitigation measures are being appropriately implemented and provide feedback on performance and any new areas of risk.

GN39.3. Where appropriate, specific requirements on child labor, forced labor and work safety issues are included in all purchasing orders and contracts with suppliers.

40. Where there is a significant risk of child labor or forced labor related to primary supply workers, the Borrower will require the primary supplier to identify those risks consistent with paragraphs 17 to 20 above. The labor management procedures will set out roles and responsibilities for monitoring primary suppliers. If child labor or forced labor cases are identified, the Borrower will require the primary supplier to take appropriate steps to remedy them.

41. Additionally, where there is a significant risk of serious safety issues related to primary supply workers, the Borrower will require the relevant primary supplier to introduce procedures and mitigation measures to address such safety issues. Such procedures and mitigation measures will be reviewed periodically to ascertain their effectiveness.

42. The ability of the Borrower to address these risks will depend upon the Borrower's level of control or influence over its primary suppliers. Where remedy is not possible, the Borrower will, within a reasonable period, shift the project's primary suppliers to suppliers that can demonstrate that they are meeting the relevant requirements of this ESS.

GN42.1. The Borrower's ability to influence its primary suppliers depends on the terms and conditions of contracts with the primary supplier. Except in exceptional circumstances, the Borrower's influence is not deemed to include the ability, as a sovereign state, to regulate such activities outside of the project.

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November 1, 2017

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Guidance Note for ESS10
Stakeholder Engagement and Information Disclosure

The Guidance Notes provide guidance for the Borrower on the application of the Environmental and Social Standards (ESSs), which form part of the World Bank's 2016 Environmental and Social Framework. The Guidance Notes help to explain the requirements of the ESSs;they are not Bank policy, nor are they mandatory. The Guidance Notes do not substitute for theneed to exercise sound judgment in making project decisions. In case of any inconsistency or conflict between theGuidance Notes and the ESSs, the provisions of the ESSs prevail. Each paragraph of the Standard is highlighted in a box, followed by the corresponding guidance.

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November 1, 2017

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Guidance Note for ESS10
Stakeholder Engagement and Information Disclosure

Introduction

1. This ESS recognizes the importance of open and transparent engagement between the Borrower and project stakeholders as an essential element of good international practice. Effective stakeholder engagement can improve the environmental and social sustainability of projects, enhance project acceptance, and make a significant contribution to successful project design and implementation.

2. Stakeholder engagement is an inclusive process conducted throughout the project life-cycle. Where properly designed and implemented, it supports the development of strong, constructive and responsive relationships that are important for successful management of a project's environmental and social risks. Stakeholder engagement is most effective when initiated at an early stage of the project development process, and is an integral part of early project decisions and the assessment, management and monitoring of the project's environmental and social risks and impacts.

3. This ESS must be read in conjunction with ESS1. Requirements regarding engagement with workers are found in ESS2. Special provisions on emergency preparedness and response are covered in ESS2 and ESS4. In the case of projects involving involuntary resettlement, Indigenous Peoples or cultural heritage, the Borrower will also apply the special disclosure and consultation requirements set out in ESS5, ESS7 and ESS8.

Objectives

- *To establish a systematic approach to stakeholder engagement that will help Borrowers identify stakeholders and build and maintain a constructive relationship with them, in particular project-affected parties.*
- *To assess the level of stakeholder interest and support for the project and to enable stakeholders' views to be taken into account in project design and environmental and social performance.*
- *To promote and provide means for effective and inclusive engagement with project-affected parties throughout the project life-cycle on issues that could potentially affect them.*
- *To ensure that appropriate project information on environmental and social risks and impacts is disclosed to stakeholders in a timely, understandable, accessible and appropriate manner and format.*
- *To provide project-affected parties with accessible and inclusive means to raise issues and grievances, and allow Borrowers to respond to and manage such grievances.*

Scope of Application

4. ESS10 applies to all projects supported by the Bank through Investment Project Financing. The Borrower will engage with stakeholders as an integral part of the project's environmental and social assessment and project design and implementation, as outlined in ESS1.

GN 4.1. Stakeholder engagement is the continuingprocess by which the Borrower identifies and communicates with the people affected by its decisions and activities, and others with an interest in the implementation and outcomes of its decisions. It takes into account the differentaccess and communication needs of various groups and individuals, especially those more vulnerable or disadvantaged. Engagement begins as early as possible in project preparation,because early

identificationofand consultation with affected and interested parties allows stakeholders' views and concernsto be considered inthe design of the project.

GN4.2. Meaningful stakeholder engagement throughout the project cycle is an essential aspect of good project management. Stakeholderconsultations provide input for the environmental and social assessment of the project, the Environmental and Social Commitment Plan (ESCP), and any project plans that may be prepared. The level and frequency of stakeholder engagement conducted is proportionate to the risks and impacts of the project.

GN4.3. Thetechniques and practices described in this Guidance Noteare applied both to the specific requirements of ESS10, as well as any engagement, consultation and disclosure requirements set out in the other ESSs (whether or not such techniques and practices are described in the respective Guidance Notes).

5. For the purpose of this ESS, "stakeholder" refers to individuals or groups who:
(a) are affected or likely to be affected by the project (project-affected parties); and
(b) may have an interest in the project (other interested parties).

GN5.1. The term 'project affected parties' includesthose likely to be affected by the project because of actual impacts or potential risks to their physical environment, health, security, well-being or livelihoods. These stakeholders may include individuals or groups, includinglocal communities.

GN5.2. The term 'other interested parties' refers to individuals, groups or organizations withan interest in the project, which may be because of the project location, its characteristics, its impacts, or matters related to public interest. For example, these parties may include regulators, government officials, the private sector and civil society organizations.

Requirements

6. Borrowers will engage with stakeholders throughout the project life-cycle, commencing such engagement as early as possible in the project development process and in a timeframe that enables meaningful consultations with stakeholders on project design. The nature, scope and frequency of stakeholder engagement will be proportionate to the nature and scale of the project and its potential risks and impacts.

7. Borrowers will engage in meaningful consultations with all stakeholders. Borrowers will 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.

8. The process of stakeholder engagement will involve the following, as set out in further detail in this ESS: (i) stakeholder identification and analysis; (ii) planning how the engagement with stakeholders will take place; (iii) disclosure of information; (iv) consultation with stakeholders; (v) addressing and responding to grievances; and (vi) reporting to stakeholders.

9. The Borrower will maintain, and disclose as part of the environmental and social assessment, a documented record of stakeholder engagement, including a description of the stakeholders consulted, a

summary of the feedback received and a brief explanation of how the feedback was taken into account, or the reasons why it was not.

GN9.1. Documentationof stakeholder engagement includes the following, as appropriate:

Commented [Q1]: A sub-point (g) "agreed further steps" could be added

(a) date and location of each meeting, with copy of the notification to stakeholders;
(b) the purpose of the engagement (for example, to inform stakeholders of an intended project or to gather their views on potential environmental and social impacts of an intended project);
(c) the form of engagement and consultation (for example, face-to-face meetings such as town halls or workshops, focus groups, written consultations, online consultations);
(d) number of participants and categories of participants;
(e) summary of main points and concerns raised by stakeholders;
(f) summary of how stakeholder concerns were responded to and taken into account; and
(g) issues and activities that require follow up actions, including clarifying how stakeholders are informed of decisions.

A. Engagement during Project Preparation

Stakeholder Identification and Analysis

10. The Borrower will identify the different stakeholders, both project-affected parties and other interested parties[1]. As set out in paragraph 5, individuals or groups that are affected or likely to be affected by the project will be identified as 'project-affected parties' and other individuals or groups that may have an interest in the project will be identified as 'other interested parties'.

Footnote 1. The stakeholders of a project will vary depending on the details of the projects. They may include local communities, national and local authorities, neighboring projects, and nongovernmental organizations.

GN10.1. The process to identify stakeholdersmay include the following:

(a) At the beginning of the environmental and social assessment for the project, the Borrower develops a list of project-affected and other interested parties, paying special attention to identifying disadvantaged and vulnerable groups.

(b) Second, other interested parties are identified by listing relevant interest groups, and consideringhistorical issues, social relations, relationships between localcommunities and the projectimplementer,and any other relevant factors related to the sector and location that help anticipate local and external responses to the project.

(c) Third, discussions are conducted with representatives of the stakeholders identified and with persons knowledgeable about the local, country and sector contexts and undertake media and social media searches to verify the list and identify any other project-affected or interested parties and to find out how to contact them.

Commented [Q2]: I suggest to add: "Specific attention should be paid also to informal groups that could be not recognized or also known by public (local) authorities; these groups can play a core role in the everyday life of the involved communities"

11. The Borrower will identify those project-affected parties (individuals or groups) who, because of their

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particular circumstances, may be disadvantaged or vulnerable.[2] Based on this identification, the Borrower will further identify individuals or groups who may have different concerns and priorities about project impacts, mitigation mechanisms and benefits, and who may require different, or separate, forms of engagement. An adequate level of detail will be included in the stakeholder identification and analysis so as to determine the level of communication that is appropriate for the project.

Footnote 2. Disadvantaged or vulnerable refers to those who may be more likely to be adversely affected by the project impacts and/or more limited than others in their ability to take advantage of a project's benefits. Such an individual/group is also more likely to be excluded from/unable to participate fully in the mainstream consultation process and as such may require specific measures and/or assistance to do so. This will take into account considerations relating to age, including the elderly and minors, and including in circumstances where they may be separated from their family, the community or other individuals upon which they depend.

12. Depending on the potential significance of environmental and social risks and impacts, the Borrower may be required to retain independent third party specialists to assist in the stakeholder identification and analysis to support a comprehensive analysis and the design of an inclusive engagement process.

GN12.1. Guidance in relation to the nature and role of independent third parties is provided in ESS1, paragraph 25 and its related Guidance Note.

Stakeholder Engagement Plan

13. In consultation with the Bank, the Borrower will develop and implement a Stakeholder Engagement Plan (SEP)[3]proportionate to thenature and scale of the project and its potential risks and impacts.[4]A draft of the SEP will be disclosed as early as possible, and before project appraisal, and the Borrower will seek the views of stakeholders on the SEP, including on the identification of stakeholders and the proposals for future engagement. If significant changes are made to the SEP, the Borrower will disclose the updated SEP.

Footnote 3. Depending on the nature of the scale of the risks and impacts of the project, the elements of a SEP may be included as part of the ESCP and preparation of a stand –alone SEP may not be necessary.

Footnote 4. Where possible, stakeholder engagement will utilize engagement structures within the national system e.g. community meetings, supplemented as needed with project-specific arrangements.

14. The SEP will describe the timing and methods of engagement with stakeholders throughout the life-cycle of the project as agreed between Bank and Borrower, distinguishing between project-affected parties and other interested parties. The SEP will also describe the range and timing of information to be communicated to project-affected parties and other interested parties, as well as the type of information to be sought from them.

GN13.1. The process of preparing the SEP is inclusive, and the draft SEP is designed to accommodate the needs and circumstances of different stakeholders. It identifies the information and types of interaction to be conducted in each phase of the project, and includesany other stakeholder engagement required by the other ESSs.

GN13.2. As appropriate for the nature and scale of the project andits potential risks, the SEP will include a description of the project; a list of the stakeholder groups identified; the proposed stakeholder engagement program (including topics stakeholders will be engaged on, how stakeholders will be notified, the methods of engagement, list of information/documents that will be in the public domain, languages they will be available in, length of consultation period, and opportunities to comment);

indication of resources required for implementing stakeholder engagement activities; summary description of the grievance mechanism; and contact information and process for seeking further information.

GN13.3. The draft SEP is made available to stakeholders in formats and through channels that are appropriate for them. As relevant to theproject, the draft SEP invites inputon aspects such as:(a) whether the list of identified stakeholders is accurate; (b) the proposed methods of notification and engagement (for example, where meetings and workshops may be held and how to communicate with disadvantaged or vulnerable groups); (c) the proposed extent and format of engagement (for example, the type of meetings and duration of the consultation period); and (d) the format and language of information to be provided.Stakeholder feedback on these aspects is reviewed and incorporated in the SEP as appropriate.If significantchanges are made to the SEP, a revised SEP is publicly disclosed.

GN13.4. The SEP is proportionate to the stakeholder concerns regarding the risks and impacts associated with the project. Where the elements of the SEP are included in the ESCP, it is important to ensure that the specific stakeholder engagement arrangements are communicated in formats suitable and understandable for the identified stakeholders. This may include, for example, a factsheet or brochure that alerts stakeholders to the information to be provided, along with locations of consultation meetings, channels for providing comments, deadlines for comments, contact information, and a summary of the grievance redress mechanism.

GN13.5. Because project circumstances and stakeholder concerns canchangeor new ones mayemerge, stakeholder engagement is conducted throughout the project cycle. The SEP may need to be updated during project implementation. This allows improvement toproject implementation based on stakeholder feedback, and proactivemanagement of concerns.

15. The SEP will be designed to take into account the main characteristics and interests of the stakeholders, and the different levels of engagement and consultation that will be appropriate for different stakeholders. The SEP will set out how communication with stakeholders will be handled throughout project preparation and implementation.

16. The SEP will describe the measures that will be used to remove obstacles to participation, and how the views of differently affected groups will be captured. Where applicable, the SEP will include differentiated measures to allow the effective participation of those identified as disadvantaged or vulnerable. Dedicated approaches and an increased level of resources may be needed for communication with such differently affected groups so that they can obtain the information they need regarding the issues that will potentially affect them.

17. When the stakeholder engagement with local individuals and communities depends substantially on community representatives,[5]the Borrower will make reasonable efforts to verify that such persons do, in fact, represent the views of such individuals and communities, and that they are facilitating the communication process in an appropriate manner.[6]

Footnote 5. For example, village heads, clan heads, community and religious leaders, local government representatives, civil society representatives, or teachers.

Footnote 6. For example, by conveying, in an accurate and timely manner, information provided by the Borrower to the communities and the comments and concerns of such communities to the Borrower.

18. In certain circumstance,[7] depending on the level of information available about the project, the SEP will take the format of a framework approach, outlining general principles and a collaborative strategy to identify stakeholders and plan for an engagement process in accordance with this ESS that will be implemented once the location is known.

Footnote 7. For example, where the exact location of the project is not known.

GN18.1. The use of the SEP framework approach is appropriate where the design and location of the project cannot be known during project preparation, or when a project has multiple subprojects that will only be designed during project implementation. In such cases, the framework sets out the principles to be followed for stakeholder engagement, indicates how people are notified as key information becomes known. The SEP is updated as and when specific detailsbecome known, for example the specific locations, stakeholders and schedule of activities.

Information Disclosure

19. The Borrower will disclose project information to allow stakeholders to understand the risks and impacts of the project, and potential opportunities. The Borrower will provide stakeholders with access to the following information, as early as possible before the Bank proceeds to project appraisal, and in a timeframe that enables meaningful consultations with stakeholders on project design:

- *(a) The purpose, nature and scale of the project;*
- *(b) The duration of proposed project activities;*
- *(c) Potential risks and impacts of the project on local communities, and the proposals for mitigating these, highlighting potential risks and impacts that might disproportionately affect vulnerable and disadvantaged groups and describing the differentiated measures taken to avoid and minimize these;*
- *(d) The proposed stakeholder engagement process highlighting the ways in which stakeholders can participate;*
- *(e) The time and venue of any proposed public consultation meetings, and the process by which meetings will be notified, summarized, and reported; and*
- *(f) (f) The process and means by which grievances can be raised and will be addressed.*

GN19.1. Meaningful stakeholder engagement depends on timely, accurate and comprehensible information. Making available project-related information as early as possible in the project cycle and in a manner and language appropriate for each stakeholder group is important. It is good practice to make special efforts to inform disadvantaged and vulnerable groups about the impacts of the project on them, the means of obtaining access to compensation and benefits, and how and when to raise grievances.

GN19.2. It is important to remain responsive to requests for information from project-affected parties and other interested parties through the project cycle, and set up appropriate systems to make available project information.

20. The information will be disclosed in relevant local languages and in a manner that is accessible and culturally appropriate, taking into account any specific needs of groups that may be differentially or disproportionately affected by the project or groups of the population with specific information needs (such as, disability, literacy, gender, mobility, differences in language or accessibility).

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Meaningful Consultation

21. The Borrower will undertake a process of meaningful consultation in a manner that provides stakeholders with opportunities to express their views on project risks, impacts, and mitigation measures, and allows the Borrower to consider and respond to them. Meaningful consultation will be carried out on an ongoing basis as the nature of issues, impacts and opportunities evolves.

22. Meaningful consultation is a two-way process, that:
- *(a) Begins early in the project planning process to gather initial views on the project proposal and inform project design;*
- *(b) Encourages stakeholder feedback, particularly as a way of informing project design and engagement by stakeholders in the identification and mitigation of environmental and social risks and impacts;*
- *(c) Continues on an ongoing basis, as risks and impacts arise;*
- *(d) Is based on the prior disclosure and dissemination of relevant, transparent, objective, meaningful and easily accessible information in a timeframe that enables meaningful consultations with stakeholders in a culturally appropriate format, in relevant local language(s) and is understandable to stakeholders;*
- *(e) Considers and responds to feedback;*
- *(f) Supports active and inclusive engagement with project-affected parties;*
- *(g) Is free of external manipulation, interference, coercion, discrimination, and intimidation; and*
- *(h) Is documented and disclosed by the Borrower.*

GN22.1. The aim of consultations is to inform the Borrower's decisions, where appropriate. Not all stakeholder groups can agree on impacts and mitigation, so the goal of the engagement is not always to achieve consensus, but to hear from stakeholder groups and to take their comments and concerns into account in making project decisions. Security and accessibility are expected to be considered when designing a consultation program, especially in fragile and conflict situations.

Commented [Q3]: I full agree. However, to increase the level of consensus (if possible and relevant) could be also important. At this regard a relevant process of negotiation could be foreseen.

B. Engagement during Project Implementation and External Reporting

23. The Borrower will continue to engage with, and provide information to, project-affected parties and other interested parties throughout the life-cycle of the project, in a manner appropriate to the nature of their interests and the potential environmental and social risks and impacts of the project.[8]

Footnote 8. Additional information may need to be disclosed at key stages in the project cycle, for example prior to start-up of operations, and on any specific issues that the disclosure and consultation process or grievance mechanism have identified as of concern to stakeholders.

GN23.1. As implementationof a project progresses, new impacts may arise, while other impacts may be eliminated. Borrowers provide regular updates to stakeholders on project performance and changes in scope or schedule.

Commented [Q4]: To foresee forms of negotiation with stakeholders could be important during the project implementation especially if there are difficulties or if new actual or potential adverse impacts will emerge

24. The Borrower will continue to conduct stakeholder engagement in accordance with the SEP, and will build upon the channels of communication and engagement already established with stakeholders. In particular,the Borrower will seek feedback from stakeholders on the environmental and social performance of the project, and the implementation of the mitigation measures in the ESCP.

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GN24.1. Stakeholder feedback is useful to assess the effectiveness of the measures designed to mitigate environmental and social risks and impacts. Consultationscan also be used to assess whether the requirements of the ESCP regarding mitigation measures have been fulfilled and whether additional issues have arisen and how these are addressed.

25. If there are significant changes to the project that result in additional risks and impacts, particularly where these will impact project-affected parties, the Borrower will provide information on such risks and impacts and consult with project-affected parties as to how these risks and impacts will be mitigated. The Borrower will disclose an updated ESCP, setting out any additional mitigation measures.

C. Grievance Mechanism

26. The Borrower will respond to concerns and grievances of project-affected parties related to the environmental and social performance of the project in a timely manner. For this purpose, the Borrower will propose and implement a grievance mechanism[9] to receive and facilitate resolution of such concerns and grievances.

Footnote 9. The grievance mechanism to be provided under this ESS may be utilized as the grievance mechanism required under other ESSs (see ESSs 5 and 7). However, the grievance mechanism for project workers required under ESS2 will be provided separately.

GN26.1. A grievance mechanism is a system, process or procedure that receives and acts upon complaints and suggestions for improvement, and facilitates resolution of concerns and grievances arising in connection with a project. An effective grievance mechanism provides project-affected parties redress, and helps address issues at an early stage.

27. The grievance mechanism will be proportionate to the potential risks and impacts of the project and will be accessible and inclusive. Where feasible and suitable for the project, the grievance mechanism will utilize existing formal or informal grievance mechanisms, supplemented as needed with project-specific arrangements. Further details on grievance mechanisms are set out in Annex 1.

(a) The grievance mechanism is expected to address concerns 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. The mechanism, process or procedure will not prevent access to judicial or administrative remedies. The Borrower will inform the project-affected parties about the grievance process in the course of its community engagement activities, and will make publicly available a record documenting the responses to all grievances received; and

(b) Handling of grievances will be done in a culturally appropriate manner and be discreet, objective, sensitive and responsive to the needs and concerns of the project-affected parties. The mechanism will also allow for anonymous complaints to be raised and addressed.

GN27.1.A grievance mechanism is designed based on an understanding ofthe issues that are likely to be the subject of concerns and grievances. The appropriate design and scale of the grievance mechanism is project-specific. The design depends upon factors such as the project context, scale and scope, the number of project beneficiaries, capacity, cultural attitudes toward lodging grievances, available human and financial resources, and technological constraints. Existing formal and/or informal mechanisms may be used,provided they are deemed suitable for the project's purposes and, as needed, can be

supplemented with project-specific arrangements. In some instances, it may be cost-effective and sustainable to build on and improve such formal or informal mechanisms for grievance redress, identified as part of the environmental and social assessment under ESS1.

GN27.2. An effective grievance mechanismprovidesspecific places and wayswhereby grievances wouldbe received and meansby which they can be submitted (for example, mail, e-mail, website, telephone, suggestion/complaint boxes); a person, an office, or an institution responsible for processing grievances; and a process for registering and monitoring grievances. Grievance mechanismsfor larger or more complex projectsmay have multiple locations, means and methods to receive, process and monitor grievances, an adequately staffed team, and an appeals process.

GN27.3. To make grievance mechanisms accessible to all stakeholders,it is helpful to: make the procedures to submit grievances simple and easy to understand;advertise them publicly;and indicatethe expected length of timelines for acknowledgement, response and resolution.The grievance mechanism is free of charge to stakeholders. Accessibility fordisadvantaged and vulnerable individuals or groupsis important.

GN27.4. An effective grievance mechanismis responsive, and the action taken on the grievance or suggestion is informed and balanced. The timeframe for grievance resolution dependsonfactors such as theurgency of the complaint;need for research, investigation, consultation, and funding;and capacity. The grievance mechanism sets out indicative timeframes for acknowledgement, interim responses, and, where possible, final resolution of grievances. Some grievances may require coordination between multiple departments/agencies, often outside the control of the project, or require detailed investigations.Such grievances may take longer to address and this should be communicated to the parties concerned when acknowledging receipt of the grievances. Supporting documents needed to achieve resolution form part of the files related to the grievance/feedback.

GN27.5.A good grievance mechanism requires all grievances to be treated confidentially, impartially, and objectively. In countries where the submission of anonymous grievances is not permitted, it is important to ensure confidentiality;in those cases,the Borrower may consider engaging third party entitiesto facilitate submission of grievances. Users of a grievance mechanism may not be subject to retaliation, abuse or any kind of discrimination. Allegations of retaliation, abuse or discrimination are expected to be addressed and corrected promptly by the Borrower.

Commented [Q5]: I suggest to ad: "and should always include a feedback (also if negative"; (as a matter of fact, some grievance could be groundless)

D. Organizational Capacity and Commitment

28. The Borrower will define clear roles, responsibilities and authority as well as designate specific personnel to be responsible for the implementation and monitoring of stakeholder engagement activities and compliance with this ESS.

GN28.1. The Borrower should designate qualified staff to design, implement and monitor stakeholder engagement activities and, if necessary, consider supplementing the staff with external expert assistance. The number of staff should be proportionate to the nature of the project, and the types and levels of risks and impactsthat are anticipated.

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ESS10-ANNEX 1. Grievance Mechanism

1. The scope, scale and type of grievance mechanism required will be proportionate to the nature and scale of the potential risks and impacts of the project.

2. The grievance mechanism may include the following:

(a) Different ways in which users can submit their grievances, which may include submissions in person, by phone, text message, mail, email or via a web site;

(b) A log where grievances are registered in writing and maintained as a database;

(c) Publicly advertised procedures, setting out the length of time users can expect to wait for acknowledgement, response and resolution of their grievances;

(d) Transparency about the grievance procedure, governing structure and decision makers; and

(e) An appeals process (including the national judiciary) to which unsatisfied grievances may be referred when resolution of grievance has not been achieved.

3. The Borrower may provide mediation as an option where users are not satisfied with the proposed resolution.

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