BANCO DE DESARROLLO DEL ECUADOR B.P. (BDE B.P.)

Ecuador Resilient Infrastructure Project

(P512096)

ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN (ESCP)

For Negotiations

August 12, 2026

ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The Banco de Desarrollo del Ecuador B.P. (the Borrower) will implement the Ecuador Resilient Infrastructure Project (the Project), as set out in the Loan Agreement (the Agreement). The International Bank for Reconstruction and Development (the Bank) has agreed to provide the original financing for the Project, as set out in the Agreement.

2. The Borrower shall ensure that the Project is carried out in accordance with the Environmental and Social Standards (ESSs) and this Environmental and Social Commitment Plan (ESCP), in a manner acceptable to the Bank. The ESCP is a part of the Agreement. Unless otherwise defined in this ESCP, capitalized terms used in this ESCP have the meanings ascribed to them in the Agreement.

3. Without limitation to the foregoing, this ESCP sets out material measures and actions that the Borrower shall carry out or cause to be carried out, including, as applicable, their respective timeframes; institutional, staffing, training, monitoring and reporting arrangements; and grievance management. The ESCP also sets out the environmental and social (E&S) documents that shall be prepared or updated, consulted, disclosed and implemented under the Project, consistent with the ESSs, in form and substance acceptable to the Bank. Said E&S documents may be revised from time to time with prior written agreement by the Bank. As provided for under the referred Agreement, the Borrower shall ensure that there are sufficient funds available to cover the costs of implementing the ESCP.

4. As agreed by the Bank and the Borrower, this ESCP will be revised from time to time, if necessary, to reflect adaptive management of Project changes or unforeseen circumstances or in response to Project performance. In such circumstances, the Bank and the Borrower agree to update the ESCP to reflect these changes through an exchange of letters signed between the Bank and the Borrower's Representative specified in the Agreement or the Manager of the Products and Programs Division of Banco de Desarrollo del Ecuador B.P. The Borrower shall promptly disclose the updated ESCP.

5. The subsection on "Indicators for Implementation Readiness" below identifies the actions and measures to be monitored to assess Project readiness to begin implementation in accordance with this ESCP. Nevertheless, all actions and measures in this ESCP shall be implemented as set out in the "Timeframe" column below irrespective of whether they are listed in the referred subsection.

	MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
IMPLEMENTATION ARRANGEMENTS AND CAPACITY SUPPORT			
A	**ORGANIZATIONAL STRUCTURE** A.1. Establish and maintain a Project Management Team (PMT) with qualified staff and sufficient resources to manage the environmental, social, health and safety (ESHS) risks and impacts of the Project, including at a minimum: one environmental specialist, one social specialist, and one occupational health and safety (OHS) specialist. The PMT shall coordinate with BDE B.P. Regional Branches and other relevant units, according to the risk profile of the financed operations. A.2. Hire additional environmental and social (E&S) staff in BDE B.P. Regional Branches to strengthen E&S risk management when required by the Project. A.3. Establish arrangements so that, through sub-loan agreements or equivalent instruments, each sub-borrower designates an environmental and social focal point with a level of dedication proportionate to the risk level of the operation, responsible for coordinating ESHS management and liaising with the PMT during subproject appraisal, implementation, and monitoring.	A.1. No later than 60 days after the Effective Date and throughout Project implementation. A.2. To be agreed between the Bank and BDE B.P. during Project implementation. A.3. The obligation shall be included in the sub-loan agreement. The focal point shall be designated before the first disbursement or the start of activities involving ESHS risks, whichever occurs first, and shall be maintained throughout subproject implementation.	BDE B.P.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
B	**CAPACITY BUILDING PLAN/MEASURES** B.1. Prepare and adopt an Environmental and Social Capacity Building Plan for Project implementation, identifying target audiences, minimum content, frequency, responsible parties, and record-keeping arrangements. B.2. Train key staff involved in the appraisal, approval, monitoring, reporting, and closure of financed operations on the World Bank Environmental and Social Framework (ESF), BDE B.P.'s role as a financial intermediary, the Environmental and Social Management System (ESMS), the Environmental and Social Due Diligence Matrix (ESDDM), framework instruments, the ESCP, the Grievance Mechanism (GM), incident management, Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH), and reporting. B.3. Establish arrangements to provide sub-borrowers with guidance on their ESHS obligations and ensure such obligations are passed on to contractors, subcontractors, and supervision firms, including Environmental and Social Management Plans (ESMPs), OHS, code of conduct, SEA/SH, GM, incident management, and corrective measures, according to the risk level of each operation.	B.1. Within 120 days after the Effective Date. Keep updated throughout Project implementation. B.2. Start within 60 days after the Effective Date and complete the first round before approval or financing of the first sub-loan subject to the updated ESMS. Provide periodic refresher training during implementation. B.3. Before the first disbursement of the subproject (under the sub-loan agreement) or the start of activities involving ESHS risks, whichever occurs first. Reinforce the guidance during implementation, as appropriate.	BDE B.P.
MONITORING AND REPORTING			
C	**REGULAR REPORTING** Prepare and submit to the Bank semiannual reports on the ESHS performance of the Project and implementation of the ESMS/ESDDM, including at a minimum: progress in ESCP implementation; status of the ESMS/ESDDM; portfolio by sector and risk category; compliance with ESHS conditions; status of E&S instruments for financed operations; stakeholder engagement; operation of the GM; incidents and accidents; corrective measures; capacity building; and relevant institutional changes. The detailed format and content shall be defined in the Project Operations Manual (POM).	Throughout Project implementation, commencing on the Effective Date. Each report shall be submitted no later than 45 calendar days after the end of each semester.	BDE B.P.

	MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
D	**CONTRACTORS' AND SUPERVISION FIRMS' MONTHLY REPORTS** Require sub-borrowers to include in bidding documents, works contracts, and supervision contracts the obligation for contractors and supervision firms to submit monthly monitoring reports on the ESHS performance of financed operations, in accordance with the ESMS, applicable ESHS instruments, and the relevant contractual obligations. Such reports shall be consolidated by BDE B.P. and included as an annex to the Project semiannual reports submitted to the Bank.	The obligation shall be included in the sub-loan agreements before the first disbursement of each operation. Monthly reports shall be submitted throughout implementation of the works and made available for Bank review upon request.	BDE B.P
E	**INCIDENTS AND ACCIDENTS** a. Notify the Bank of any incident or accident relating to the Project or the financed operations which has, or is likely to have, a significant adverse effect on the environment, the communities, the public or workers, including those resulting in death or significant injury to workers or the public; acts of violence, discrimination or protest; unforeseen impacts to cultural heritage or biodiversity resources; pollution of the environment; child or forced labor; displacement without due process (forced eviction); allegations of SEA/SH; or disease outbreaks. Provide available details to the Bank upon request. b. Require, through sub-loan agreements and applicable contracts, that sub-borrowers, contractors, and supervision firms promptly notify BDE B.P. of any significant incident or accident, in accordance with the reporting chain established in the ESMS and applicable ESHS instruments. c. Establish arrangements so that, for each significant incident or accident, a review of its causes is carried out and, where appropriate, prepare or require the preparation of a Corrective Action Plan in form and substance acceptable to the Bank, setting out the measures needed to address the incident and prevent its recurrence. The detailed procedure for notification, classification, analysis, response, and closure shall be set out in the ESMS.	Notify the Bank within 48 hours after the PMT learns of the incident or accident. Submit the review report and Corrective Action Plan within 10 days following the initial notification, unless otherwise agreed in writing with the Bank.	BDE B.P.
ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
1.1	**ENVIRONMENTAL AND SOCIAL ASSESSMENTS AND/OR PLANS** a. Develop, finalize, and put into use guidance and templates for identifying and assessing the ESHS risks and impacts of financed operations, in form and substance acceptable to the Bank, including refinement of the sector risk assessment tool, in accordance with the World Bank ESSs and in coordination with the ESMS referred to in action 9.1 of this ESCP. b. Establish and apply, through the ESMS guidance and templates, processes for identifying relevant risks and impacts, determining applicable instruments, defining minimum evidence requirements, and formulating ESHS conditions proportionate to the risk level of each financed operation. c. Require sub-borrowers to prepare, adopt, and implement the ESHS instruments required for each financed operation, including, where applicable, Environmental and Social Management Plans (ESMPs) or equivalent instruments, in accordance with the ESMS, the ESDDM, the Project framework instruments, national legislation, and the relevant ESSs. Operations included in the exclusion list that do not meet the eligibility criteria shall not be financed.	a. Before financing or approval of the first operation requiring these procedures and, in any event, within 120 days after the Effective Date. b. Same timeframe as action 1.1.a. c. Before approval, financing, or commencement of each financed operation, and throughout its implementation.	BDE B.P.
1.2	**MANAGEMENT OF CONTRACTORS** a. Require sub-borrowers to incorporate into procurement documents and contracts with contractors and supervision firms the ESHS conditions resulting from due diligence, including labor management procedures, code of conduct, OHS measures, community safety, and SEA/SH prevention and response. b. Establish and apply monitoring arrangements to verify that sub-borrowers supervise compliance with ESHS conditions by their contractors, supervision firms, and subcontractors. c. Make copies of relevant contracts available to the Bank upon request. d. Incorporate into sub-loan agreements the ESHS obligations applicable to each financed operation, including compliance with the ESMS, operation-specific ESHS instruments, disbursement conditions, reporting, GM, incident notification, corrective measures, and consequences for noncompliance.	a. Before the start of activities, works, or interventions under each financed operation. Supervise throughout implementation. b. Same timeframe as action 1.2.a. c. Upon request by the Bank. d. Before signing each sub-loan agreement.	BDE B.P.
1.3	**TECHNICAL ASSISTANCE**	Throughout Project implementation. Terms of reference shall be prepared and validated before procurement or	BDE B.P.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	Carry out consultancies, studies, capacity building, and other technical assistance activities under the Project in accordance with terms of reference acceptable to the Bank and consistent with the ESSs, and finalize the resulting outputs in compliance with such terms of reference.	commencement of each activity. Resulting outputs shall be completed in accordance with the timeframes established in the respective terms of reference.	
1.4	**ASSOCIATED FACILITIES** Assess Associated Facilities functionally linked to financed operations in accordance with the ESMS due diligence requirements. Where an Associated Facility is operated by a third party, BDE B.P. shall carry out a review proportionate to the risk level and define corrective measures where necessary.	Before financing or approval of the corresponding financed operation, where Associated Facilities are identified. Applicable measures shall be implemented before commencement of the relevant activity or in accordance with the agreed schedule.	BDE B.P.
1.5	**ACTIVITIES SUBJECT TO RETROACTIVE FINANCING** a. Incorporate into the POM operational guidelines for the environmental and social assessment of activities subject to retroactive financing, including minimum eligibility requirements, due diligence requirements, and required documentation. b. Submit to the Bank an ESHS due diligence report on activities proposed for retroactive financing, in form and substance acceptable to the Bank, demonstrating compliance with the eligibility criteria and the environmental and social conditions established in this ESCP. Where due diligence identifies material gaps, BDE B.P. shall agree with the Bank on the necessary corrective measures and ensure their implementation before recognition of the corresponding retroactive financing.	a. Before initiating the assessment of any activity proposed for retroactive financing. b. As a disbursement condition for retroactive financing.	BDE B.P.
ESS 2: LABOR AND WORKING CONDITIONS			
2.1	**LABOR MANAGEMENT PROCEDURES** Prepare, adopt, and implement Labor Management Procedures (LMP) for the Project, consistent with ESS2. The LMP shall cover BDE B.P. direct workers involved in the Project and, proportionate to risk, labor arrangements associated with financed operations, and shall include at a minimum: working conditions, terms of employment, nondiscrimination and equal opportunity, prohibition	Same timeframe as action 1.1.a, and thereafter maintain throughout Project implementation.	BDE B.P.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	of child labor and forced labor, OHS, code of conduct, management of contractors and subcontractors, worker grievance mechanism, and measures to prevent and respond to SEA/SH in the workplace.		
2.2	**OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT PLAN** Incorporate into the LMP and the ESMS the minimum OHS requirements applicable to the Project, and require sub-borrowers, contractors, and subcontractors, proportionate to risk, to prepare and implement OHS plans or equivalent measures for financed operations, in accordance with the LMP, the ESMS, applicable ESHS instruments, and relevant national legislation.	Same timeframe as action 1.1.a, and thereafter maintain throughout Project implementation.	BDE B.P.
2.3	**GRIEVANCE MECHANISM FOR PROJECT WORKERS** Establish, publicize, maintain, and operate grievance mechanisms for workers associated with financed operations, in accordance with the LMP and ESS2, and ensure their implementation by sub-borrowers, contractors, and subcontractors, as applicable and proportionate to risk. Such mechanisms shall be accessible, confidential, and free from retaliation, and relevant information shall be incorporated into ESMS monitoring and the Project's regular reports. For BDE B.P. direct workers, existing internal institutional mechanisms may be used provided they are consistent with ESS2. Where gaps are identified in traceability, confidentiality, escalation, or handling of sensitive cases, BDE B.P. shall adopt the necessary adjustments.	Same timeframe as action 1.1.a, and thereafter maintain throughout Project implementation.	BDE B.P.
ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT			
3.1	**WASTE MANAGEMENT PLAN** Incorporate into sub-loan agreements and applicable contractual arrangements the obligation for sub-borrowers, contractors, and subcontractors to prepare and implement, where applicable, a Waste Management Plan (WMP), as part of the ESMP or as an equivalent instrument, consistent with ESS3 and BDE B.P.'s ESMS.	Same timeframe as action 1.1.c, and thereafter maintain throughout implementation.	BDE B.P.
3.2	**RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT** Incorporate into sub-loan agreements and applicable contractual arrangements the obligation for sub-borrowers, contractors, and subcontractors to adopt, where applicable and proportionate to risk, measures for efficient use of natural resources (water, energy, and raw materials) and for	Same timeframe as action 1.1.c.	BDE B.P.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	prevention and management of air, water, and soil pollution, as part of the ESMP or equivalent instrument, consistent with ESS3, the World Bank Group General Environmental, Health, and Safety Guidelines applicable to the relevant sector, and the ESMS.		
ESS 4: COMMUNITY HEALTH AND SAFETY			
4.1	**TRAFFIC AND ROAD SAFETY** Incorporate into sub-loan agreements and applicable contractual arrangements the obligation for sub-borrowers, contractors, and subcontractors to prepare and implement, where applicable, measures to manage traffic and road safety risks, consistent with ESS4, the ESMS, and the ESHS instruments required for each financed operation.	Same timeframe as action 1.1.c.	BDE B.P.
4.2	**COMMUNITY HEALTH AND SAFETY** Incorporate into sub-loan agreements and applicable contractual arrangements the obligation for sub-borrowers, contractors, and subcontractors to assess and manage, where applicable, risks and impacts to community health and safety associated with financed operations, including risks from works, access, machinery, worker-community interaction, exposure to pollutants, emergencies, unsafe infrastructure, and other relevant risks, consistent with ESS4, the ESMS, and the ESHS instruments required for each financed operation.	Same timeframe as action 1.1.c.	BDE B.P.
4.3	**SEA AND SH RISKS** a. Prepare and adopt an Action Plan for the prevention of and response to sexual exploitation and abuse and sexual harassment (SEA/SH), coordinated with the LMP, SEP, GM, and ESMS. b. Incorporate into sub-loan agreements and applicable contractual arrangements the obligation for sub-borrowers, contractors, and subcontractors to implement, proportionate to risk, measures to prevent and respond to SEA/SH in financed operations.	a. Same timeframe as action 1.1.a. b. Same timeframe as action 1.1.c.	BDE B.P.
4.4	**SECURITY MANAGEMENT** Incorporate into sub-loan agreements and applicable contractual arrangements the obligation for sub-borrowers, contractors, and subcontractors to assess and implement measures to manage security risks of financed operations, including risks associated with engaging security personnel	Same timeframe as action 1.1.c.	BDE B.P.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	to safeguard workers, sites, assets, and activities, consistent with ESS4 and the ESMS, as part of the ESMP or equivalent instrument.		
4.5	**EMERGENCY PREPAREDNESS AND RESPONSE** Require sub-borrowers, contractors, and subcontractors to include, where applicable according to the risk level, emergency preparedness and response measures in Environmental and Social Management Plans (ESMPs), OHS plans, contingency plans, or other equivalent instruments, consistent with ESS4 and BDE B.P.'s ESMS.	Same timeframe as action 1.1.c.	BDE B.P.
ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT			
5.1	**RESETTLEMENT FRAMEWORK AND PLANS** a. Prepare and adopt a Resettlement Policy Framework (RPF) for the Project, in form and substance acceptable to the Bank, consistent with ESS5. The RPF shall be subject to the Bank's no objection. The RPF shall include screening criteria, eligibility and compensation criteria for affected persons including occupants without title, consultation and participation protocols, procedures for preparing subproject-specific instruments, roles and responsibilities of BDE B.P. and the GADs, and requirements for preparing resettlement plans, livelihood restoration plans, or other equivalent subproject-level instruments. b. Require sub-borrowers, where a financed operation under Component 1 triggers risks under ESS5, to prepare and implement the applicable specific instrument, including, as appropriate, a resettlement plan, livelihood restoration plan, process framework, or other equivalent instrument, consistent with the RPF and ESS5. No activities under Component 1 that trigger ESS5 shall be financed or commenced unless the corresponding instrument has been prepared, approved, and implemented. Before any land acquisition, taking possession, imposition of restrictions, or commencement of activities, full compensation shall have been provided and, where applicable, displaced people shall have been resettled and provided with moving assistance.	a. Within the same timeframe established for action 1.1.a and, in any event, before any withdrawal under Category (3), the World Bank shall have received the RPF in form and substance satisfactory to the Bank. b. Before any withdrawal under Category (3), the World Bank shall have received the pertinent Involuntary Resettlement and Compensation Plan for Parts 1 and 2 of the Project, in form and substance satisfactory to the Bank. In addition, prior to land acquisition, taking possession, imposition of restrictions, or commencement of the relevant activity, as applicable.	BDE B.P.

	MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES			
6.1	**BIODIVERSITY RISKS AND IMPACTS** Require sub-borrowers to assess, incorporate, and implement measures and procedures to avoid, minimize, mitigate, or offset, as appropriate, adverse impacts on biodiversity, living natural resources, ecosystem services, and environmentally sensitive areas, particularly where financed operations may affect natural or critical habitats, native vegetation, water bodies, ecological connectivity, conservation areas, or other features relevant to biodiversity. Such measures shall be specified in BDE B.P.'s ESMS and further developed, where necessary, in ESIAs, ESMPs, or specific management plans for each financed operation, consistent with ESS6 and applicable national legislation. Where the environmental and social assessment determines that a Biodiversity Management Plan is required, it shall be prepared as part of the operation-specific environmental and social instrument and implemented during the financed operation.	Before the first disbursement of the financed operation under Component 1 that triggers relevant risks under ESS6.	BDE B.P.
ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES			
7.1	**INDIGENOUS PEOPLES FRAMEWORK AND PLANS** a. Prepare, adopt, and implement an Indigenous Peoples Planning Framework (IPPF) for the Project, in form and substance acceptable to the Bank, consistent with ESS7. The IPPF shall be subject to the Bank's no objection. The IPPF shall include screening criteria, culturally appropriate consultation protocols, criteria for applicability of Free, Prior and Informed Consent (FPIC), roles and responsibilities of BDE B.P. and the GADs, and requirements for preparing subproject-level Indigenous Peoples Plans (IPPs). b. Require sub-borrowers, where a financed operation under Component 1 triggers risks under ESS7, to prepare and implement the applicable specific instrument, including, as appropriate, an Indigenous Peoples Plan (IPP) or other equivalent instrument, consistent with the IPPF and ESS7. c. Restrict financing and commencement of financed operations that trigger ESS7 unless the corresponding instrument has been prepared, approved by BDE B.P. and, where applicable, by the Bank, and implemented.	a. Same timeframe as action 1.1.a and maintain throughout implementation. b. Same timeframe as action 1.1.c. c. Same timeframe as action 1.1.c.	BDE B.P.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
ESS 8: CULTURAL HERITAGE			
8.1	**CULTURAL HERITAGE RISKS AND IMPACTS** a. Implement the cultural heritage study as a mandatory pre-screening criterion integrated into the ESDDM, with explicit triggers to activate cultural heritage management instruments for subprojects involving excavation or soil removal. b. Require sub-borrowers, as part of the environmental and social assessment of each financed operation, to assess tangible and intangible cultural heritage present in areas that may be affected, consistent with the ESMS and ESS8. Where the assessment determines that a Cultural Heritage Management Plan is required, it shall be prepared consistent with ESS8. Where subprojects affect culturally sensitive areas, consultation on cultural significance shall be incorporated into the SEP, in coordination with the relevant cultural heritage authorities and in accordance with national legislation.	a and b. Same timeframe as action 1.1.c.	BDE B.P.
8.2	**CHANCE FINDS** a. Ensure that the ESMS and all operation-specific ESMPs for financed operations involving works, excavation, soil removal, or other activities with potential to affect previously unidentified cultural heritage include standardized chance finds procedures, consistent with ESS8. Such procedures shall cover at a minimum: immediate suspension of activities in the area of the find, physical protection of the discovered area, formal notification to Ecuador's National Institute of Cultural Heritage, and a protocol for safe resumption of works following determination by the competent authority. b. Incorporate chance finds procedures as mandatory clauses in works, supervision, and inspection contracts, making them binding on sub-borrowers, contractors, and subcontractors.	a and b. Same timeframe as action 1.1.c.	BDE B.P.
ESS 9: FINANCIAL INTERMEDIARIES			
9.1	**ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM (ESMS)**		

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	a. Update, adopt, and implement an Environmental and Social Management System (ESMS), in form and substance acceptable to the Bank, to manage the environmental and social risks and impacts of financed operations under the Project. The ESMS shall include, inter alia: • an environmental and social policy endorsed by BDE B.P. senior management; • clearly defined procedures for identification, assessment, and management of environmental and social risks and impacts of subprojects, consistent with ESS9; • an exclusion list identifying activities and subprojects ineligible for financing; • organizational capacity and competency to implement the ESMS, with clearly defined roles and responsibilities; • monitoring and reporting on the environmental and social performance of subprojects and the effectiveness of the ESMS; • notification and reporting of incidents and accidents in accordance with this ESCP; • stakeholder consultation and information disclosure, including measures to respond in a timely manner to public inquiries and concerns; • emergency preparedness and response measures; • integration of the Project framework instruments, including the LMP, RPF, IPPF, SEP, and GM. b. Promptly notify the Bank of relevant changes in BDE B.P.'s ESMS and in the national environmental, social, and labor regulatory framework that may materially and adversely affect the Borrower's capacity to screen, identify, classify, and monitor the environmental and social risks of Subprojects in accordance with the requirements of this ESCP and the World Bank ESSs.	a. Before approval or financing of the first financed operation. Implement throughout Project implementation. b. Notification shall be made within 5 business days after BDE B.P. becomes aware of the material change.	BDE B.P.
9.2	**OPERATIONAL PROCEDURES OF THE ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM** a. Operationalize, as part of the ESMS, the minimum procedures and instruments necessary for assessment, eligibility, exclusion list application, risk categorization, determination of applicable instruments, document traceability, monitoring, and reporting, so that all financed operations are assessed in accordance with the ESMS aligned with the World Bank ESSs before financing or approval.	a and b. Same timeframe as action 9.1.	BDE B.P.

	MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
	The ESMS may rely on BDE B.P.'s existing institutional instruments, including the Preliminary Socio-Environmental Assessment Form (FSAEP), the Socio-Environmental Assessment Report (ISAE), the Socio-Environmental Monitoring Report (ISASM), the Final Socio-Environmental Report (ISAF), the ESDDM, or other equivalent instruments updated for the Project. b. Incorporate into the ESMS and put into use the Environmental and Social Due Diligence Matrix (ESDDM), or an equivalent tool acceptable to the Bank, as an operational ESMS instrument applicable to the Project. At a minimum, the ESDDM shall enable application of the exclusion list, verification of eligibility criteria, environmental and social screening, risk categorization, identification of applicable environmental and social instruments, definition of minimum evidence, establishment of environmental and social conditions, and documentation of monitoring and closure traceability for financed operations.		
9.3	**TREATMENT OF OPERATIONS BY RISK CATEGORY** Establish within the ESMS the treatment applicable to financed operations according to their risk category, including criteria for exclusion, review, conditional approval, Bank no objection where applicable, and differentiated monitoring. Operations with High or Substantial environmental and social risks shall not be eligible for retroactive financing. The treatment of High or Substantial Risk operations under other financing arrangements shall be defined in the ESMS and the POM, in terms acceptable to the Bank.	Same timeframe as action 9.1.	BDE B.P.
9.4	**CONTRACTUAL INCORPORATION OF ENVIRONMENTAL AND SOCIAL OBLIGATIONS** Incorporate into Financing and Banking Services Agreements (sub-loan agreements) the clauses and commitments necessary to ensure that eligible sub-borrowers comply with the ESMS, this ESCP, and the environmental and social instruments applicable to each financed operation. Such clauses shall include, as applicable, environmental and social conditions, obligations to implement specific instruments, reporting, GM, incidents, corrective measures, requirements applicable to contractors, and consequences for noncompliance.	Include these clauses in the sub-loan agreements before signing each corresponding financed operation, in accordance with the model agreement included in the POM.	BDE B.P.
9.5	**ADDITIONAL DUE DILIGENCE AND AUDITS**	Throughout Project implementation, according to the portfolio risk profile and the criteria agreed with the Bank.	BDE B.P.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	Implement, as part of the ESMS, external audits or additional due diligence processes for financed operations with Substantial Risk and, where applicable, for a selected group of Moderate Risk operations, in accordance with the ESMS and criteria agreed with the Bank.		
9.6	**ENVIRONMENTAL AND SOCIAL CLOSURE** Include in the ESMS procedures for environmental and social closure of financed operations, including verification of compliance with obligations, closure of corrective measures, status of grievances and incidents, and documentation of residual obligations, where applicable.	Same timeframe as action 9.1.	BDE B.P.
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			
10.1	**STAKEHOLDER ENGAGEMENT PLAN** Update, adopt, and implement a SEP for the Project, in form and substance acceptable to the Bank, consistent with ESS10. The SEP shall: (i) guide information disclosure, (ii) stakeholder engagement, (iii) attention to vulnerable groups, (iv) coordination with the GM, and (v) establish that sub-borrowers implement engagement and disclosure measures proportionate to risk and, where applicable, specific engagement instruments, consistent with the SEP and ESS10.	Same timeframe as action 1.1.a. Maintain operational throughout Project implementation.	BDE B.P.
10.2	**PROJECT GRIEVANCE MECHANISM** Establish, publicize, maintain, and operate a Project Grievance Mechanism (GM), administered by BDE B.P. and coordinated with the SEP, to receive, register, and facilitate resolution of concerns, complaints, and grievances related to the Project in an accessible, transparent, confidential, and non-retaliatory manner, including the possibility of anonymous submissions. BDE B.P. shall ensure that the Project GM is linked to the ESMS and, where applicable, to grievance mechanisms implemented by sub-borrowers at the level of financed operations. It shall also ensure that the mechanism allows for appropriate receipt and referral of sensitive cases, including those related to SEA/SH, in accordance with applicable procedures.	Same timeframe as action 1.1.a. Maintain operational throughout Project implementation.	BDE B.P.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
10.3	**DISCLOSURE AND UPDATING OF ENVIRONMENTAL AND SOCIAL INSTRUMENTS** Disclose the environmental and social policy and a summary of the ESMS on BDE B.P.'s institutional website.	Same timeframe as action 1.1.a and keep updated throughout Project implementation.	BDE B.P.
INDICATORS FOR IMPLEMENTATION READINESS			
1.1.a, 1.1.c, 1.2.a, 5.1.a and b, 10.1, 10.2			