

**Republic of Sierra Leone**

**Sierra Leone Second Financial Inclusion Project  
(P177947)**

**[Draft]**  
**ENVIRONMENTAL AND SOCIAL  
COMMITMENT PLAN (ESCP)**

**April 2023**

## ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The Republic of Sierra Leone (the Recipient) will implement activities under the Sierra Leone Financial Inclusion Project, Phase 2 (the Project), with the involvement of the Bank of Sierra Leone (BSL), as set out in the Financing Agreement and the Project Agreement. The International Development Association (Association) has agreed to provide financing for the implementation of the Project, as set out in the referred agreement(s). This ESCP shall apply solely to the Project.
2. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards (ESSs) and this Environmental and Social Commitment Plan (ESCP), in a manner acceptable to the Association. The ESCP is a part of the Financing Agreement and the Project Agreement. Unless otherwise defined in this ESCP, capitalized terms used in this ESCP have the meanings ascribed to them in the referred agreement(s).
3. Without limitation to the foregoing, this ESCP sets out material measures and actions that the Recipient shall carry out or cause to be carried out, including, as applicable, the timeframes of the actions and measures, institutional, staffing, training, monitoring, and reporting arrangements, and grievance management. The ESCP also sets out the environmental and social (E&S) instruments that shall be adopted and implemented under the Project, all of which shall be subject to prior consultation and disclosure, consistent with the ESSs, and in form and substance, and in a manner acceptable to the Association. Once adopted, said E&S instruments may be revised from time to time with prior written agreement by the Association.
4. As agreed by the Association and the Recipient, this ESCP will be revised from time to time if necessary, during Project implementation, to reflect adaptive management of Project changes and unforeseen circumstances or in response to Project performance. In such circumstances, the Recipient through the Bank of Sierra Leone and the Association agree to update the ESCP to reflect these changes through an exchange of letters signed between the Association and the Recipient through the Bank of Sierra Leone. The Recipient shall promptly disclose the updated ESCP.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
<b>MONITORING AND REPORTING</b>			
A	<p><b>REGULAR REPORTING</b></p> <p>Prepare and submit to the Association regular monitoring reports on the environmental, social, health and safety (ESHS) performance of the Project, including but not limited to the implementation of the ESCP, status of preparation and implementation of E&amp;S instruments required under the ESCP, stakeholder engagement activities, and functioning of the grievance mechanism(s)</p>	<p>Submit quarterly reports to the Association throughout Project implementation, commencing after the Effective Date. Submit each report to the Association no later than three months after the end of each reporting period.</p>	Bank of Sierra Leone
B	<p><b>INCIDENTS AND ACCIDENTS</b></p> <p>Promptly notify the Association of any incident or accident related to the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including, inter alia, cases of sexual exploitation and abuse (SEA), sexual harassment (SH), and accidents that result in death, serious or multiple injury, crashes and mismanagement of project activities including handling of waste during minor civil works. Provide sufficient detail regarding the scope, severity, and possible causes of the incident or accident, indicating immediate measures taken or that are planned to be taken to address it, and any information provided by any contractor and/or supervising firm, as appropriate.</p> <p>Subsequently, at the Association’s request, prepare a report on the incident or accident and propose any measures to address it and prevent its recurrence.</p>	<p>Notify the Association no later than 48 hours after learning of the incident or accident.</p> <p>Provide subsequent report to the Association a timeframe acceptable to the Association.</p>	Bank of Sierra Leone
C	<p><b>CONTRACTORS’ MONTHLY REPORTS</b></p> <p>Require contractors and supervising firms to provide monthly monitoring reports on ESHS performance in accordance with the metrics specified in the respective bidding documents and contracts, and submit such reports to the Association.</p>	<p>Submit the monthly reports to the PIU regularly, and to the Association upon request [As annexes to the reports to be submitted under action A above].</p>	Bank of Sierra Leone
D	<p><b>NOTIFICATIONS RELATING TO DAAB COMPLIANCE REVIEW OF CONTRACTOR COMPLIANCE WITH SEA/SH PREVENTION AND RESPONSE OBLIGATIONS</b></p> <p>Notify the Association of any referral submitted to the Dispute Avoidance and Adjudication Board (DAAB) to initiate a process of compliance review in relation to a contractor’s obligations to prevent and respond to sexual exploitation and abuse (SEA), and/or sexual harassment (SH) specified in the respective works contract with such contractor; and, in the event of any such referral, notify the Association of: (i) the DAAB’s decision on such referral; (ii) the contractor’s Notice of Dissatisfaction, if any, with such DAAB decision; (iii) any notification received on the commencement of an emergency arbitration proceeding or full arbitration proceeding in relation to the DAAB’s decision; and (iv) the resulting emergency arbitration order and/or full arbitration order, if any.</p>	<p>No later than 7 days after the issuance or receipt, as applicable, of the relevant document (i.e., referral to the DAAB, issuance of DAAB decision, Notice of Dissatisfaction, notice of commencement of emergency/full arbitration, emergency/full arbitration order, as applicable).</p>	Bank of Sierra Leone
<b>ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS</b>			

MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
<p>1.1 <b>ORGANIZATIONAL STRUCTURE</b></p> <p>Establish and maintain an E&amp;S Unit within the PIU with qualified staff and resources to support management of E&amp;S risks and impacts of the Project including an environmental specialist and social specialist with experience of SEA/SH risks management and stakeholder consultations.</p> <p>ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM of BANK OF SIERRA LEONE to design, adopt and implement an ESMS for due diligence and supervision of the E&amp;S aspects of the subprojects supported as part of the Project to the Bank's satisfaction. The ESMS will include, among others, the elements detailed under ESS9. Through the ESMS, Bank of Sierra Leone (BSL) will ensure that eligible subprojects, to be financed both directly by BSL and through the FIs, develop the necessary environmental and social management tools and instruments to meet both the requirements of national regulations and of the ESSs of the World Bank.</p>	<p>Establish and maintain a PIU and ESMS, as set out in the legal agreement but not later than the Effective Date. Hire one environmental and one social risk management specialist with experience in SEA/SH risks management and consultation/engagement with stakeholders prior to the Effective Date, and thereafter maintain these positions throughout the Project implementation</p>	<p>Bank of Sierra Leone</p>
<p>1.2 <b>ENVIRONMENTAL AND SOCIAL INSTRUMENTS</b></p> <ol style="list-style-type: none"> <li>1. Prepare, consult on, disclose, adopt and implement an Environmental and Social Management Framework (ESMF), for the Project, consistent with the relevant ESSs.</li> <li>2. FIs shall adopt and implement an ESMS to manage E&amp;S risks related to the sub-projects</li> <li>3. Cause project beneficiaries that would need to adopt the ESMPs, if applicable, to adopt and implement the sub project site-specific Environmental and Social Management Plans (ESMPs) as set out in the ESMF.</li> <li>4. The proposed sub projects/activities described in the exclusion list set out in the ESMF shall be ineligible to receive financing under the Project.</li> </ol>	<ol style="list-style-type: none"> <li>1. The ESMF shall be prepared, disclosed, consulted upon, and adopted within one month of the project effectiveness and thereafter implement the throughout Project implementation</li> <li>2. Establish and operationalize ESMS before carrying out screening of any proposed FI subproject. Once established, maintain and implement the ESMS throughout Project implementation].</li> <li>3. Adopt the ESMPs prior to the carrying out of sub project/activities that require the adoption of such ESMPs. Once adopted, implement the respective ESMP throughout Project implementation.</li> <li>4. Throughout Project implementation</li> </ol>	<p>Bank of Sierra Leone</p>

MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
<p>1.3 <b>MANAGEMENT OF CONTRACTORS</b></p> <ul style="list-style-type: none"> <li>a. Incorporate the relevant aspects of the ESCP, including the relevant E&amp;S documents and/or plans, and the updated Labor Management Procedures, into the ESHS specifications of the procurement documents with contractors. Thereafter ensure that the contractors comply with the ESHS specifications of their respective contracts.</li> <li>b. Codes of conduct are required of contractors and subcontractors and their workers to prohibit sexual harassment and exploitation and training of workers on their obligations under the Code of conduct.</li> <li>c. All contractors and sub-contractors shall be required to prepare and submit to the PIU for approval and subsequent implementation, of the approved Contractor’s Environmental and Social Management Plan (C-ESMPs). Bank of Sierra Leone/PIU will ensure C-ESMP is costed, with enough budget to mitigate E&amp;S risks.</li> <li>d. Monitor Contractors commitment and compliance</li> <li>e. Ensure contractors provide details on contractor’s oversight of ESHS performance</li> </ul> <p>Contractors to develop workers’ grievance redress mechanisms to handle the concerns of their employees. Ensure that the contractors or sub-contractors – including contracted workers, community workers, and primary supply workers, as appropriate – comply with the ESHS specifications of their respective contracts.</p>	<ul style="list-style-type: none"> <li>a. All relevant aspects of the ESCP including relevant E&amp;S documents/ instruments/ plans will be incorporated into the ESHS specifications of the procurement document prior to the commencement of the bidding process. Compliance with these specifications will be ensured through the supervision of the Bank of Sierra Leone throughout Project implementation.</li> <li>b. Sexual harassment and exploitation-related codes of conduct, including training of their workers shall be provided by the concerned contractors prior to the commencement of their respective contracts and will be implemented throughout the Project duration.</li> <li>c. A costed C-ESMP with enough budget to mitigate identified risks and approved by the Bank of Sierra Leone will be in place prior to the commencement of Project works and throughout contract implementation.</li> <li>d. Prior to the commencement of contractors’ works and throughout contract implementation.</li> <li>e. A GRM will be developed by contractors prior to the commencement of their respective contracts and will be maintained throughout Project implementation thereafter.</li> </ul>	<p>Bank of Sierra Leone</p>

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
1.4	<p><b>TECHNICAL ASSISTANCE</b></p> <p>Ensure that the consultancies for technical studies, capacity building, and any other technical assistance activities under the Project are carried out in accordance with terms of reference acceptable to the Association. The technical assistances, consistent with the ESSs , ensure that the outputs of such activities comply with the terms of reference.</p>	Throughout Project implementation.	Bank of Sierra Leone
1.5	<p><b>CONTINGENT EMERGENCY RESPONSE FINANCING</b></p> <p>(a) Ensure that the CERC Manual as specified in the legal agreement including ESHS assessment and management arrangements, if required CERC-ESMF / ESMF Addendum for the implementation of CERC Part, in accordance with the ESSs.</p> <p>b) Prepare, consult on, disclose, and adopt any environmental and social (E&amp;S) instruments which may be required for activities under CERC Part of the Project, in accordance with the CERC Manual or CERC-ESMF or CERC-ESMF Addendum and the ESSs, and thereafter implement the measures and actions required under said E&amp;S instruments, within the timeframes specified in said E&amp;S instruments.</p>	<p>a) the CERC manual and other safeguards instruments as required in form and substance acceptable to the Association shall be prepared and adopted prior to the effectiveness of the CERC as condition under Section [XX] of Schedule 2 of the legal agreement for the Project.</p> <p>b) prepare, after clearance from the Bank, disclosed and adopt any required E&amp;S instrument and include it as part of the respective bidding process, if applicable, and in any case, before the carrying out of the relevant Project activities for which the E&amp;S instrument is required.</p> <p>c) Implement the E&amp;S instruments in accordance with their terms, throughout Project implementation.</p>	Bank of Sierra Leone

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
<b>ESS 2: LABOR AND WORKING CONDITIONS</b>			
2.1	<p><b>LABOR MANAGEMENT PROCEDURES</b></p> <p>Prepare, consult on, disclose, adopt and implement the Labor Management Procedures (LMP) for the Project, including, inter alia, provisions on working conditions, management of workers relationships, occupational health and safety (including personal protective equipment, and emergency preparedness and response), code of conduct (including relating to SEA and SH), forced labor, child labor, grievance arrangements for Project workers, and applicable requirements for contractors, subcontractors, and supervising firms.</p>	Prepare, disclose, consult upon, adopt the LMP no later than one month of the Effective Date, and thereafter implemented throughout Project implementation.	Bank of Sierra Leone / sub-contractor
2.2	<p><b>OCCUPATIONAL HEALTH AND SAFETY (OHS) MEASURES</b></p> <p>Incorporate and implement project relevant OHS measures in the project ESMP, including measures related to mitigating COVID-19 risks.</p>	Contractor’s OHS plan will be prepared before commencement of work and enforced throughout implementation	
2.3	<p><b>GRIEVANCE MECHANISM FOR PROJECT WORKERS</b></p> <p>Establish and operate a grievance mechanism for Project workers, as described in the LMP and consistent with ESS2. BSL will share this GRM with participating financial institutions to ensure that their staff members are aware of the means of reporting any labor related issues.</p>	Establish and operationalize the grievance mechanism prior to engaging Project workers and thereafter maintain and operate it throughout Project implementation.	Bank of Sierra Leone/contractor (s)
<b>ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</b>			
3.1	<p><b>WASTE MANAGEMENT PLAN</b></p> <p>1. Incorporate Waste Management Plan in the project ESMP to manage waste generated.</p> <p>2. Adopt and implement a Waste Management Plan (WMP) as part of sub project-site specific ESMPs to manage hazardous and non-hazardous wastes, consistent with ESS3, if necessary.</p>	<p>1. <i>Project ESMP incorporates a Waste Management Plan to be prepared with site specific WMP.</i></p> <p>2. Adopt the WMP as part of sub project specific ESMP, if applicable, and in any case, before the carrying out of the relevant Project activities/sub project that will generate hazardous and non-hazardous waste and thereafter implement the WMP throughout Project implementation.</p>	<p>The Bank of Sierra Leone/</p> <p>Project Beneficiaries (MSMEs)</p>

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
3.2	<p><b>RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</b></p> <p>Incorporate resource efficiency and pollution prevention and management measures in the ESMP to be prepared under action [1.2] above. Develop and incorporate a strategy for pest control and “negative list” to prohibit funding for pollution-generating activities in the ESMP.</p>	Adopt the ESMP prior to the carrying out of sub project/project activity that requires the adoption of such ESMP. Once adopted, implement the respective ESMP throughout Project implementation.	Bank of Sierra Leone
<b>ESS 4: COMMUNITY HEALTH AND SAFETY</b>			
4.1	<p><b>TRAFFIC AND ROAD SAFETY</b></p> <p>Incorporate measures to manage traffic and road safety risks as required in the ESMP to be prepared under action 1.2 above.</p>	Adopt the ESMP carrying out of sub project/project activity that requires the adoption of such ESMP. Once adopted, implement the respective ESMP throughout Project implementation.	Bank of Sierra Leone through beneficiary ESMEs
4.2	<p><b>COMMUNITY HEALTH AND SAFETY</b></p> <p>Assess and manage specific risks and impacts to the community arising from Project activities including, inter alia, fire outbreak, risks of labor influx, response to emergencies, prevent or minimize the spread of infectious diseases/COVID-19 to the community and among workers/beneficiaries by following national and WHO guidelines of social distancing and other measures and include mitigation measures in the ESMPs to be prepared in accordance with the ESMF.</p>	<i>Prepare and adopt ESMP in accordance with the ESMF, before subproject implementation and implemented throughout project implementation.</i>	Bank of Sierra Leone through ESMEs
4.3	<p><b>SEA AND SH RISKS</b></p> <p>Prepare, consult on, disclose, adopt and implement a SEA/SH Action Plan, to assess and manage the risks of SEA and SH Action Plan.</p> <p><i>Include recommended relevant measures in C-ESMPs and thereafter supervise their implementation, all consistent with ESS4.</i></p>	<p><i>Prepare, disclose, consult upon, and adopt the SEA/SH action plan one month after the Effective Date, and implement the plan throughout the project implementation.</i></p> <p><i>Include relevant measures in C-ESMPs prior to start of the work and ensure their implementation thereafter throughout Project implementation.</i></p>	Bank of Sierra Leone
<b>ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT</b>			
This Standard is not relevant for this project. During project implementation, the project E&S screening tool shall be used to screen out such sub-projects.			
<b>ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES</b>			
6.1	This Standard is not relevant for this project		



MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
<p>In the situation that any Project activities involve impacts to biodiversity or living natural resources, an appropriate instrument shall be prepared, disclosed, consulted upon, adopted, and implemented consistent with ESS6.</p>		
<b>ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES</b>		
7.1	This Standard is not relevant for this project	
<b>ESS 8: CULTURAL HERITAGE</b>		
8.	<p><b>CHANCE FINDS</b> The project activities under MSMEs may impact cultural resources, thus a chance find approach will be adopted</p>	<p>chance find procedures in the ESMF shall be adopted and implemented within a month of the project effectiveness</p> <p>Bank of Sierra Leone</p>
<b>ESS 9: FINANCIAL INTERMEDIARIES</b>		
9.1	<p><b>ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM (ESMS)</b> FI shall develop, maintain, and implement ESMS to identify, assess, manage, and monitor the environmental and social risks and impacts of the activities that receive support from the Project. The ESMS shall include, inter alia, the following elements:</p> <ul style="list-style-type: none"> <li>• Identification of the E&amp;S Impacts and risks</li> <li>• An environmental and social policy endorsed by the senior management of Bank of Sierra Leone, including zero tolerance for discrimination, child and forced labor and gender-based violence and commitment to environmental conservation and protection as well as fair, participatory time-bound grievance mechanisms for affected stakeholders and workers, conduct stakeholder engagement and arrange for disclosure as per requirements of ESS9 &amp; 10</li> <li>• Conduct Screening of the activities of sub-projects as per the exclusion list available and direction available in in ESMF.</li> <li>• Develop organizational capacity and competency for implementing the ESMS with clearly defined roles and responsibilities</li> <li>• Monitoring, reporting of environmental performance and effectiveness of the ESMS.</li> <li>• Incidents and accidents notification and subsequent reporting requirements</li> <li>• An external communications mechanism, including measures to respond to public enquiries and concerns in a timely manner.</li> </ul> <p>Disclose a summary of each of the elements of the ESMS through the BSL’s website.</p>	<p>Establish and operationalize ESMS during contracting PFI and maintain the ESMS throughout Project implementation.</p> <p>Bank of Sierra Leone</p>
9.2	<p><b>EXCLUSIONS</b> Screen all proposed activities subprojects against the exclusion list set out in the Project ESMS and Project Implementation Manual (PIM) where the exclusions are detailed. The project will require an exclusion list (to be found in the operational manual and attached to participation agreements with financial institutions), as well as a provision that no substantial to high risk sub-projects will be eligible for financing.</p>	<p>Screen subprojects before determining whether they are eligible to receive support from the Project. No substantial or high-risk sub-projects will be financed by the line of credit.</p> <p>Bank of Sierra Leone/ Participating Financial Institutions</p>
9.3	<b>FI ORGANIZATIONAL CAPACITY</b>	Bank of Sierra Leone/

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	Establish and maintain an organizational capacity and competency for implementing the ESMS with clearly defined roles and responsibilities. Each PFI should appoint a focal point for operational coordination and training as needed.	During contracting of PFI	Participating Financial Institutions
9.4	<b>SENIOR MANAGEMENT REPRESENTATIVE</b> Designate a senior management representative to have overall accountability for environmental and social performance of FI subprojects that receive support from the Project.	During contracting of PFIs	Bank of Sierra Leone Participating Financial Institutions
<b>ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE</b>			
10.1	<b>STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION</b> Prepare, disclose, consult upon, adopt and implement a Stakeholder Engagement Plan (SEP) for the Project, consistent with ESS10, which shall include measures to, inter alia, provide stakeholders with timely, relevant, understandable and accessible information, and consult with them in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation.	The SEP is prepared, cleared and disclosed and thereafter disclose and implement the SEP throughout Project implementation.	Bank of Sierra Leone
10.2	<b>PROJECT GRIEVANCE MECHANISM</b> Establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances in relation to the Project, promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all Project-affected parties, at no cost and without retribution, including concerns and grievances filed anonymously, in a manner consistent with ESS10.  The grievance mechanism shall be equipped to receive, register, and facilitate the resolution of SEA/SH complaints, including through the referral of survivors to relevant gender-based violence service providers, all in a safe, confidential, and survivor-centered manner.	Establish and operationalize the grievance mechanism before commencement of the project and maintain throughout of the project life	Bank of Sierra Leone/ Participating Financial Institutions
<b>CAPACITY SUPPORT</b>			
CS1	Capacity building of the implementing agency and its staff will include trainings on the following: : <ul style="list-style-type: none"> <li>World Bank ESF and its implementation</li> <li>stakeholder mapping and engagement</li> <li>Specific aspects of environmental and social screening and assessment.</li> <li>emergency preparedness and response</li> <li>Occupational Health and Safety</li> <li>Community health and safety</li> <li>Grievance Redress Mechanisms</li> </ul>	During Project Implementation develop a training manual within six months of project effectiveness  Develop training materials prior to commencement of training	Bank of Sierra Leone

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	<ul style="list-style-type: none"> <li>• GBV/SEA/SH Risk identification and management</li> </ul>		
CS2	<p><b>Issues Related to COVID-19</b></p> <ul style="list-style-type: none"> <li>• Use and disposal of PPE (for all)</li> <li>• Working/training in COVID-19 environment (All workers and beneficiaries)</li> <li>• COVID-19 Infection Prevention and Control mechanism</li> <li>• Standard precautions for COVID-19 (social distancing, etc.)</li> <li>• Risk communication, prevention, and community engagement (Administrative and operational personnel)</li> <li>• WHO and CDC guidelines on quarantine</li> </ul>	<p>Training to be delivered throughout the life of the project.</p>	