**The Republic of Albania, Ministry of Finance and Economy (Borrower)**

**Ministry of Tourism and Environment**

**Clean and Resilient Environment for Blue Sea Project (P176163)**

**Appraisal**

**ENVIRONMENTAL and SOCIAL**

**COMMITMENT PLAN (ESCP)**

**April, 2023**

**ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN**

1. The Republic of Albania, (the **Borrower**) shall cause the Ministry of Tourism and Environment (MoTE) and Agency for Water Supply, Sanitation and Waste (AKUM), to implement the Clean and Resilient Environment for Blue Sea Project (P176163) (the **Project**). The International Bank for Reconstruction and Development (the **Bank**) has agreed to provide financing for the Project.
2. The Borrower shall cause MoTE and AKUM to implement material measures and actions so that the Project is implemented in accordance with the Environmental and Social Standards (**ESSs**). This Environmental and Social Commitment Plan (**ESCP**) sets out material measures and actions, any specific documents or plans, as well as the timing for each of those.
3. The Borrower shall also cause MoTE and AKUM to comply with the provisions of any other environmental and social (E&S) documents required under the ESSs and referred to in this ESCP, such as the Environmental and Social Management Framework (ESMF), the Environmental and Social Management Plans (ESMP), the Stakeholder Engagement Plan (SEP), Resettlement Policy Framework (RPF), and Labor Management Procedures (LMP), and the timelines specified in those E&S documents.
4. The Borrower is responsible for compliance with all requirements of the ESCP even when the implementation of specific measures and actions is conducted by MoTE and AKUM as well as by consulting firms and contractors needed for the Project.
5. Implementation of the material measures and actions set out in this ESCP shall be monitored and reported to the Bank by MoTE as required by the ESCP and the terms and conditions of the Loan Agreement, and the Bank shall monitor and assess progress and completion of the material measures and actions throughout the implementation of the Project. AKUM will report to MoTE on a bi-annual basis in order for MoTE to compile the report for the whole project.
6. As agreed by the Bank and the Borrower, this ESCP may be revised from time to time during Project implementation, to reflect adaptive management of Project changes and unforeseen circumstances or in response to assessment of Project performance conducted under the ESCP itself. In such circumstances, the Borrower shall cause MoTE and AKUM to agree to the changes with the *Bank* and update the ESCP to reflect such changes. Agreement on changes to the ESCP shall be documented through the exchange of letters signed between the Bank and MoTE. MoTE shall promptly disclose the updated ESCP.
7. Where Project changes, unforeseen circumstances, or Project performance result in changes to the risks and impacts during Project implementation, the Borrower shall provide additional funds, if needed, to implement actions and measures to address such risks and impacts, consistent with the requirements of the Environmental and Social Standards (ESSs).

| **MATERIAL MEASURES AND ACTIONS** | | **TIMEFRAME** | **RESPONSIBLE ENTITY/AUTHORITY** |
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| **MONITORING AND REPORTING** | | | |
| A | **REGULAR REPORTING**  Prepare and submit to the Bank regular monitoring reports on the environmental, social, health and safety (ESHS) performance of the Project, including but not limited to the implementation of the ESCP, status of preparation and implementation of E&S instruments required under the ESCP, stakeholder engagement activities, and functioning of the grievance mechanism. | Submit bi-annual reports to the Bank throughout the Project implementation, commencing after the Effective Date.  Submit each report to the Bank no later than 30 days after the end of each reporting period. | MoTE with its Project Management Team (PMT)  Agency for Water Supply, Sanitation and Waste (AKUM) |
| B | **INCIDENTS AND ACCIDENTS**  Promptly notify the Bank of any incident or accident related to the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public, or workers, including, inter alia, cases of sexual exploitation and abuse (SEA), sexual harassment (SH), and accidents that result in death, serious or multiple injuries. Provide sufficient detail regarding the scope, severity, and possible causes of the incident or accident, indicating immediate measures taken or that are planned to be taken to address it, and any information provided by any contractor and/or supervising firm, as appropriate.  Subsequently, at the Bank’s request, prepare a report on the incident or accident and propose any measures to address it and prevent its recurrence. | Notify the Bank no later than 48 hours after learning of the incident or accident.  If requested, provide subsequent incident/accident investigation report to the Bank within 30 days from the time the incident/accident was reported, unless another timeframe is agreed upon with the Bank. | MoTE/PMT  AKUM/PCU |
| C | **CONTRACTORS MONTHLY REPORTS**  In contracts for works and other activities of environmental and social relevance, including occupational health and safety, MoTE and AKUM shall require contractors to provide monthly monitoring reports. The works supervising firms shall also provide monthly reports to the Project Management Team (PMT)/Project Coordination Unit (PCU). Said monthly reports shall be presented to the Bank by MoTE/AKUM at the request of the Bank. | Request and review monthly reports of the contractors from the commencement of construction works and thereafter throughout Project implementation. MoTE/AKUM shall submit to the Bank such reports upon request*.* | MoTE/PMT  AKUM/PCU |
| **ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS** | | | |
| 1.1 | **ORGANIZATIONAL STRUCTURE**  MoTE shall establish and maintain a Project Management Team (PMT) with qualified staff and resources to support the management of ESHS risks and impacts of the Project. This shall include a full-time environmental specialist, and a full-time social specialist, with qualifications and experience acceptable to the Bank.  AKUM shall establish and maintain a Project Coordination Unit (PCU) with qualified staff and resources to support the management of ESHS risks and impacts of the Project. This shall include a full-time environmental specialist, and a full-time social specialist, with qualifications and experience acceptable to the Bank.  During the project preparation, the borrower had the access to E&S consultancy expertise and will maintain it throughout the Project effectiveness, when the E&S specialists will be hired. | PMT and PCU environmental specialists and social specialists shall be hired or appointed no later than 1 month after the Project’s Effective Date and shall be maintained throughout the Project implementation. | MoTE/PMT  AKUM/PCU |
| 1.2 | **ENVIRONMENTAL AND SOCIAL ASSESSMENT**  a. Finalize, disclose, consult, adopt, and implement an Environmental and Social Management Framework (ESMF) for the works under the Project, in accordance with the ESSs, the Environmental, Health, and Safety Guidelines (EHSGs), and other relevant Good International Industry Practice (GIIP), and in a manner acceptable to the Bank. The ESMF include, inter alia, screening procedures, ESHS risks and impacts assessment, natural disaster risk assessment, and mitigation measures.  b. Prepare, disclose, consult, adopt and implement an RPF to guide the project in dealing with restrictions to access, or any economic and/or physical displacement will be prepared. The RPF will also define the approach on how to deal with potential land acquisition and/or livelihood impacts for the investment activities  c. Prepare, update, disclose and consult site-specific ESIA/ESMP for activities to be defined during the project implementation, in line with ESMF stipulations, in a manner acceptable to the Bank. The preparation of the ESIA/ESMP shall be in accordance with the Terms of Reference (TOR) acceptable to the Bank and, shall include good international industry practices. | 1. The draft ESMF is disclosed, consulted, and adopted in a manner acceptable to the Bank prior to Project appraisal.   https://turizmi.gov.al/projekti-care4bluesea/   1. The draft RFP is disclosed, consulted, and adopted in a manner acceptable to the Bank prior to Project appraisal.   https://turizmi.gov.al/projekti-care4bluesea/   1. ESIAs/ESMPs shall be prepared and sent to the Bank for review and approval. These shall be disclosed, consulted, and adopted before the start of the bidding processes for the corresponding works. ESIAs/ESMPs shall be carried out in parallel to the pre-feasibility, feasibility and design studies during implementation, to guide the site selection, design, and evaluation of the Environmental, Social, Health and Safety (ESHS) aspects and their respective mitigation and monitoring plans as the information becomes available, in accordance with the TOR approved by the Bank. The ESIAs/ESMPs shall be included in the contracts. The ESIAs/ESMPs shall be implemented during the execution of the corresponding works. | MoTE/PMT  AKUM/PCU |
| 1.3 | **TECHNICAL ASSISTANCE**  Ensure that the consultancies, studies, capacity building, training and any other technical assistance activities under the Project are carried out in accordance with terms of reference acceptable to the Bank, that duly incorporate and take into consideration the requirements of the ESSs. | Throughout Project implementation. | MoTE/PMT  AKUM/PCU |
| 1.4 | **MANAGEMENT OF CONTRACTORS**  a. Incorporate relevant aspects of the ESCP, including requirements as per the ESMF, ESIAs, ESMPs and other relevant E&S documents and/or plans, and the Labor Management Procedures (LMP), into the ESHS specifications of respective bidding and contract documents for contractors. Thereafter ensure that contractors prepare the ESMPs specific to the respective works (contractor ESMP), and other plans as necessary, and that they have the capacity to comply with the ESHS specifications in their contracts.  b. Ensure robust supervision of the contractors during the implementation of the Project to ensure that they comply with all relevant ESHS specifications and codes of conduct as specified in their respective contracts, and take the corrective actions as required. | a. As applicable, requirements incorporated into the bidding processes and contracts with contractors and supervisory firms, prior to initiating the relevant activities. Supervise contractors throughout Project implementation.  b. Throughout Project implementation and reported in the monthly and semiannual reports. | MoTE/PMT  AKUM/PCU |
|  | **EXCLUSIONS:**  The ESMF will set out the principles, rules, guidelines, screening criteria and procedures to assess the environmental and social risks and impacts of project activities. The screening questions for Potential Environmental and Social Impacts are part of the ESMF. The results will guide confirmation of the overall E&S risk rating and classification of the activities to be financed based on the screening.  Exclude the activities listed below as ineligible for financing under the Project:  • Activities that involve the significant conversion, clearance or degradation of critical natural habitats, forests, environmentally sensitive areas, significant biodiversity and/or protected conservation zones;[[1]](#footnote-2)  • Activities that will cause, or have the potential to result in, permanent and/or significant damage to nonreplicable cultural property, irreplaceable cultural relics, historical buildings and/or archaeological sites;  • Activities that will negatively affect rare or endangered species;  • Activities that will result in involuntary resettlement and significant land acquisition; or significant physical displacement of affected communities (i.e. more than 100 persons);  • Activities that involve the use of forced labor, child labor, other harmful or exploitative forms of labor activities, involving vulnerable communities including refugees and IDPs”  • Activities that do not meet the minimum design standards as laid out in the feasibility studies for site-specific works and with poor design or construction quality, particularly if located in sensitive areas;  • Activities that require or involve:  - purchase, application or storage of pesticides or hazardous materials  - Use of asbestos-based construction materials for reconstruction works  - land reclamation.  - land that has disputed ownership, tenure, or user rights. | These exclusions shall be applied as part of the E&S screening process conducted under Action 1.2 above. | MoTE/PMT  AKUM/PCU |
| **ESS 2: LABOR AND WORKING CONDITIONS** | | | |
| 2.1 | **LABOR MANAGEMENT PROCEDURES**  Adopt and implement 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 provisions on SEA and SH), forced labor, child labor, grievance arrangements for Project workers, and applicable requirements for contractors, subcontractors, and supervising firms. Implement the LMP, in a manner acceptable to the Bank. | Draft LMP is prepared, consulted and disclosed and finalized before the conclusion of the appraisal, and thereafter implement throughout the Project implementation. | MoTE/PMT  AKUM/PCU |
| 2.2 | **GRIEVANCE MECHANISM FOR PROJECT WORKERS**  Establish, maintain, and operate a grievance mechanism for Project workers, as described in the LMP and consistent with ESS2. | Establish a grievance mechanism for Project workers prior to engaging Project workers and thereafter, maintain and operate it  throughout the Project implementation | MoTE/PMT  AKUM/PCU |
| 2.3 | **OCCUPATIONAL HEALTH AND SAFETY (OHS) MEASURES**  Develop and implement occupational, health and safety (OHS) measures, including measures on emergency preparedness and response, as part of the development and implementation of the ESMPs and ESIAs in accordance with the guidelines contained under action 1.2 above.  Implement trainings for project workers, designed to raise awareness of risks and to mitigate impacts on local communities. This shall include:   * Codes of conduct and other topics within the ESMPs for the risks of influx of labor, for contractors including behavior towards the community, sanctions against acts of discrimination, and gender violence (including sexual harassment, and sexual exploitation and abuse) * OHS including for community members who are contributing to the project with local contributions * Familiarization with the grievance mechanism for all types of workers in the project. | Same timeframe as action 1.2 c above | MoTE/PMT  AKUM/PCU |
| **ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT** | | | |
| 3.1 | **WASTE MANAGEMENT AND HAZARDOUS WASTE MANAGEMENT:** Prepare, adopt, Waste Management Plan (WMP), as part of C-ESMP, to manage hazardous and non-hazardous wastes consistent with ESS3.  Implement Waste Management Plan (WMP) prepared as part of C-ESMP, to manage hazardous and non-hazardous wastes consistent with ESS3 | Same timeframe as action 1.2 c above.  Require Contractors to prepare WMP as part of C-ESMPs before the commencement of the works for which a WMP is required  Implement WMP throughout the implementation of the activities for which a WMP is required. | MoTE/PMT  AKUM/PCU |
| 3.2 | **RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT:**  Resource efficiency and pollution prevention and management measures shall be covered under all the ESMPs to be prepared under action 1.2 above. | Same timeframe as action 1.2 c above. | MoTE/PMT  AKUM/PCU |

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| **ESS 4: COMMUNITY HEALTH AND SAFETY** | | | |
| 4.1 | **TRAFFIC AND ROAD SAFETY:**  Adopt and implement measures and actions to assess and manage traffic and road safety risks as required in the ESMPs to be developed under action 1.2 above. | Same timeframe as action 1.2 c above. | MoTE/PMT  AKUM/PCU |
| 4.2 | **COMMUNITY HEALTH AND SAFETY:**  a. Prepare, adopt, and implement measures and actions to assess and manage specific risks and impacts for the community of Project activities, including, inter alia, codes of conduct for Project workers, measures to prevent and respond to cases of sexual exploitation and abuse, and sexual harassment, and any risk of labor influx. Include these measures in all the ESMPs that shall be prepared under action 1.2 above. | Same timeframe as action 1.2 c above. | MoTE/PMT  AKUM/PCU |

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| **ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT** | | | |
| 5.1 | **RESETTLEMENT POLICY FRAMEWORK (RPF)**  Prepare, disclose, consult, adopt and implement a Resettlement Policy Framework (RPF) that establishes the principles, organizational arrangements and design criteria to carry out the acquisition of land and provide compensation for other activities related to economic and/or physical displacement, in accordance with ESS 5, in a manner acceptable to the Bank. | Draft RPF was prepared, disclosed, consulted and finalized before the conclusion of the appraisal and thereafter implemented throughout the Project implementation.  https://turizmi.gov.al/projekti-care4bluesea/ | MoTE/PMT  AKUM/PCU |
| 5.2 | **RESETTLEMENT ACTION PLANS (RAPS)**  Prepare, disclose, consult, adopt and implement the RAPs in line with the requirements of the RPF that has been prepared for the Project, and, subsequently, adopt and implement the RAPs before carrying out any Project works or other activities that could entail land acquisition, restrictions on land use and/or physical or economic displacement. | Once the need for land acquisition or resettlement has been determined or confirmed, the relevant RAP shall be prepared and consulted. The RAPs shall be submitted to the Bank for approval, and thereafter adopted and disclosed before bidding for the corresponding works. Once approved, the RAPs shall be implemented before carrying out the related Project works or activities that require land acquisition, restrictions on land use and/or physical or economic displacement | MoTE/PMT  AKUM/PCU |
| **ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES** | | | |
| 6.1 | **BIODIVERSITY RISKS AND IMPACTS:**  a. Prepare and implement measures and actions to avoid, minimize or mitigate negative impact on biodiversity and on the sustainable management of living natural resources. These measures and actions shall be part of all ESMPs to be prepared under action 1.2 above.  b. In the event that the ESIA or the ESMPs identifies the need for a Biodiversity Management Plan (PMB) and/or a compensation plan for the loss or degradation of a natural habitat, the plan shall be developed in accordance with ESS 6 and applicable national standards, in a manner acceptable to the Bank and included as part of the respective ESMP. Implement the developed plans and report on progress and results in semi-annual reports to the Bank. | a. Same timeframe as action 1.2 c above.  b. prior to initiating bidding processes for associated works. Thereafter, implement the BMP as indicated. | MoTE/PMT  AKUM/PCU |
| **ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES**  ESS7 is not relevant | | | |
| **ESS 8: CULTURAL HERITAGE** | | | |
| 8.1 | **CULTURAL HERITAGE AND CHANCE FINDS:**  Prepare, adopt and implement a chance finds procedure as part of the ESMPs to be prepared under action 1.2 above. If the ESMPs identify the need to develop, adopt and implement a Cultural Heritage Management Plan (CHMP), this shall be developed in accordance with the requirements of ESS 8. | Same timeframe as action 1.2 c above. | MoTE/PMT  AKUM/PCU |

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| **ESS 9: FINANCIAL INTERMEDIARIES**  ESS9 is not relevant | | | |
| **ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE** | | | |
| 10.1 | **STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION**  Prepare, disclose, consult, update, adopt and implement a Stakeholder Engagement Plan (SEP) for the Project, in a manner acceptable to the Bank. | Draft SEP is prepared, disclosed, consulted and finalized before the conclusion of the appraisal thereafter implement throughout the Project implementation.  https://turizmi.gov.al/projekti-care4bluesea/  The final SEP will be updated periodically, as required, throughout the life of the project. | MoTE/PMT  AKUM/PCU |
| 10.2 | **PROJECT GRIEVANCE MECHANISM:**  Prepare, adopt, maintain and operate a grievance mechanism, as described in the SEP. The grievance mechanism shall be designed to receive complaints related to all Project activities, including environmental and social issues, as well as to receive complaints related to sexual exploitation and abuse, and sexual harassment, in a safe and confidential manner. | Same timeframe as action 10.1 above. The grievance mechanism shall work throughout the Project implementation and shall be applied to all types of grievances related to the Project and its environmental and social performance.  Ensure the grievance mechanism is disseminated in Project locations prior to the commencement of any civil works.  Present semi-annual monitoring reports to the Bank on the operation of the grievance mechanism during Project implementation. The first report must be submitted 6 months after the Effective Date of the Project. | MoTE/PMT  AKUM/PCU |
| **CAPACITY SUPPORT (TRAINING)** | | | |
| CS1 | The training shall focus on Project workers, contractors, community organizations and government agent officials involved in the Project.  The training plan shall include the following:   * ESF and ESMF; * ESMP for each subproject; * SEP and GM; * Performance of the Project (and incidence and accident reporting) * Workers and Community Health and Safety; * SEA/SH Risk Prevention and Management; * COVID-19 Prevention; * Traffic Management; * Emergency Preparedness Plan; * LMP and Labor GM * Codes of Conduct for the contractors’ workers including ESHS, OHS, SEA/SH, SEP and GM. | Throughout the Project implementation | MoTE/PMT  AKUM/PCU |

1. Based on the Albanian Law on Protected area it is prohibited: Land use with intensive technology, with means and manners that cause fundamental changes in biodiversity, structure and functions of ecosystems or that damage irreversibly the land surface; [↑](#footnote-ref-2)