

Template of the ESMP mandatorily annexed to the Financing Agreement (FA)

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Project:

General considerations

1. Ministry of Finance through Electricidade de Moçambique, E.P. (EDM) is planning to implement the Mozambique Energy for All (MEFA) Phase II Project (the *Project*). The Bank has agreed to provide financing, implementation support and monitoring for the Project.
2. EDM will implement measures and actions of this Environmental and Social Management Plan¹ (*ESMP*) so that the Project meets all the requirements of the Bank Environmental and Social Operational Safeguards (*OS*) and the National policy and legal requirements.
3. Where the ESMP refers to specific plans, whether they have already been prepared or are to be developed, the ESMP requires compliance with all mandatory provisions of such plans.
4. The table below summarizes the material measures and actions that are required, the basis of the requirement, the timing of the measure or action, and the criteria to be used for determining whether the required measure or action has been successfully achieved. EDM is responsible for compliance with all requirements of the ESMP even when implementation of specific measures and actions is conducted by an entity different from the Project Implementation Unit (PIU). The FA ESMP will be agreed with the Client and Annexed to the PAR and form part of the Financing Agreement.
5. Implementation of the material measures and actions set out in this ESMP will be monitored and reported to the Bank by EDM as required by the ESMP and the conditions of the legal agreement, and the Bank will monitor and assess progress and completion of the measures and actions throughout implementation of the Project.
6. As agreed by the Bank and EDM this ESMP may be revised from time to time during Project implementation, to reflect adaptive risk management of project changes and unforeseen circumstances or in response to assessment of project performance conducted under the ESMP itself. In such circumstances, EDM will discuss these changes with the Bank and consider the Bank's comments, and then update the ESMP to reflect such changes.

¹ The ESMP refers to all the E&S risks/impacts and measures, as approved in all the disclosed E&S documents and agreed between the Bank and Borrower. For projects involving multiple subprojects, that are identified, prepared and implemented during the course of the project, the Borrower will need to demonstrate to the Bank, before the project appraisal, through the preparation of E&S documentation of a sample of subprojects, that it has the capacity to carry out appropriate environmental and social assessment of subprojects, and prepare and implement such subprojects in accordance with the national laws and the OSs. (*Section III.2.3 of Bank's ESP and section D of OSI*)

| Material Actions² to Manage the Project's E&S Risks and Impacts | | Basis for Requirement | Key Performance Indicator | Indicative Timing/Deadline |
|---|--|---|--|--|
| 1 | Periodic E&S implementation report to the Bank | Bank's ESP and OS1 | 4 Quarterly Reports and 1 Annual report submitted in time and in good standard | For the quarterly reports, within Two weeks after each quarter. Annual E&S reports for the 31st March of following year. |
| 2 | Recruitment of E and S specialists as part of the Project implementation unit | Disclosed ESIA, OS1 | Seasoned E&S specialists in the E&S unit with CVs assigned | Already implemented and maintained throughout the project period |
| 3 | Establishment of the Project Grievance Redress Mechanism (GRM) and disclosure to Public | OS1, OS10 and National requirements | GRM functional | GRM already under implementation and maintained throughout the project period |
| 4 | Payment of compensation and reinstallation of affected people | SO10 | Not applicable | Not applicable |
| 5 | Incorporation of site-specific E&S measures in the request for proposals | SO1 & national requirements | E&S risk assessment and categorization. Due diligence conducted | Already under implementation and before civil works commencement for new sub-projects. |
| 6 | Submission of high-risk activity's Contractor ESMP (C-ESMP) to Bank clearance | Bank's ESP and OS1 | Not Applicable | Not Applicable |
| 7 | Establishment of the Contractor's Grievance Mechanism (GM) and information of workers | OS1, OS2, SO10 and Bank's Disclosure and Access to Information Policy | Functional GRM | Before commencement of civil works and throughout the project |
| 8 | Obtaining nationally required licenses prior commencement of subjected activities (excavations, tree-cutting, working at height, working in confined spaces, etc.) | OS1, OS2 and national labor laws | relevant permits and licenses obtained | Already obtained and for new sub-project before commencement of civil works |
| 9 | Preparation, approval, and disclosure of specific E&S documents during Project implementation, including prior review of Category 1 terms of reference by the Bank | Bank's ESP, OS1 and national requirements | Disclosure of E&S documents are required by national law | Already obtained and for new sub-project before commencement of civil works |

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| 10 | Engagement with concerned stakeholders of each relevant specific E&S activity | OS1, OS10, Bank's Disclosure and Access to Information Policy | Number of stakeholders engaged and main issues raised. | E&S Quarterly and Annual Performance Audit report |
| 9.1 | Establishment of Pest Management Plan and training of key stakeholders | OS1 | Not applicable | Not applicable |
| 10 | Establishment of Emergency Preparedness and Response mechanism | OS1 & OS4, national legislation on contingencies et | Emergency Preparedness and Response mechanism prepared and implemented | Before commencement of civil works |
| 11 | Appropriate and timely handling of complaints/grievances | Bank's ESP and OS1 | Process in EDM and FUNAE GRM timely and adequately managed | Already under implementation and maintained throughout the project period |
| 12 | Notification to riparian or alert to downstream exposed peoples | Bank's ESP and OS1, applicable International Treaty/Convention ratified | Not applicable | Not applicable |
| 13 | Capacity building of key project implementers | OS1 | Number of capacity building activities of project implementers undertaken with evidence submitted to the Bank in the periodic reports and or as may be requested by the Bank | E&S Quarterly and Annual Performance reports |
| 14 | Implementation of ESMS/ESAP ³ | OS1 and OS9, national requirements | Not Applicable | Not Applicable |
| 14.1 | <i>Approval of any required E&S management procedure</i> | Ditto | <i>Any required E&S management procedure include in Program Operation Manual</i> | Before commencement of civil works |
| 14.2 | <i>Establishment of the E&S unit</i> | Ditto | E&S unit in place | Unit maintained throughout the project period |
| 14.3 | <i>Capacity Building of the E&S Unit</i> | Ditto | Adequately resourced E&S team in place | Capacity maintained throughout the project period and reported annually |
| 14.4 | <i>Processing the Value Chain E&S due diligence</i> | Ditto | N/A | N/A |

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| 15 | Suspending works in the event of EOHS risk or incident, immediately notify the Bank, and resume works only upon no-objection of the Bank. | Bank's ESP | EDM will advise the Bank of any serious or fatal incident/accident in line with its current business practices. | Immediately and no later than 72 hours after EDM becomes aware of the occurrence report incident to AfDB. |
| 16 | Prepare the root-cause analysis (RCA) of any fatal EOHS incident and implement the Corrective Action Plan (CAP). | Bank's ESP and OS1 | In line with current business practice, EDM will inform of any incidents, including fatalities. EDM will prepare the root-cause analysis (RCA) and implement the Corrective Action Plan (CAP).. | As soon as EDM becomes aware of such occurrences |
| 17 | Disclosure of Project's E&S reports to the public | OS1, OS10, Bank's Disclosure and Access to Information Policy | Disclosure of E&S documents as required by national law and as part of the EDM annual activities/environmental performance reports | Annually and before commencement of civil works |

² Please add any relevant key actions and/or indicate "Not applicable" in the third column ("Basis for requirement") for actions that are not applicable to the project.

³ Applies to non-sovereign operations and public sector projects implemented by permanent autonomous Agencies/Institutions.