

**Honduras**  
**Urban Water Supply Strengthening Project**  
**(P173125)**

**Negotiated Version**  
**ENVIRONMENTAL AND SOCIAL**  
**COMMITMENT PLAN (ESCP)**

**May 19, 2020**

## ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The Republic of Honduras will implement the “Sustainability of Urban Potable Water Services in Honduras Project” (the **Project**), through the Honduran Strategic Investment Office (INVEST-H) and with the collaboration of the beneficiary municipalities; watershed, sub-watershed, and micro-watershed management boards; water organizations (*juntas de agua*); and other stakeholders involved in the governance of water resources in the target impact areas of the Project. The International Development Association (hereinafter, the **Bank**) has agreed to provide financing for the Project.
2. The Republic of Honduras, through INVEST-H, will implement material measures and actions so that the Project is implemented in accordance with the World Bank's Environmental and Social Standards (**ESSs**). This Environmental and Social Commitment Plan (**ESCP**) sets out the material measures and actions, any specific documents or plans required, as well as the timing for each of these.
3. The Republic of Honduras, through INVEST-H, will also comply with the provisions of any other environmental and social (E&S) documents required under the ESSs and referred to in this ESCP which include the Environmental and Social Management Framework (ESMF), Environmental and Social Management Plans (ESMPs), Labor Management Procedures (LMP), Resettlement Framework (RF), Resettlement Action Plans (RAPs), Indigenous Peoples Planning Framework (IPPF), Indigenous Peoples Plans (IPPs), Stakeholder Engagement Plan (SEP), and other E&S provisions set out in the Operational Manual (OM), and the timelines specified in the present ESCP and the listed environmental and social documents. The environmental and social documents referenced in the ESCP may be updated with the prior written agreement of the Bank.
4. The recipient, is responsible to ensure compliance with all the requirements of the ESCP to be carried out by INVEST-H or any other organization or unit referenced in 1 above,
5. Implementation of the material measures and actions set out in this ESCP will be monitored and reported to the Bank by the Republic of Honduras, through INVEST-H, as required by the ESCP and the conditions of the legal agreement, and the Bank will monitor and assess progress and completion of the material measures and actions throughout implementation of the Project.
6. As agreed by the Bank and the Republic of Honduras, 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, INVEST-H will agree to the changes with the Bank and will update the ESCP to reflect such changes. Agreements on the changes to the ESCP will be documented through the exchange of letters signed between the Bank and the Executive Director of INVEST-H. INVEST-H shall promptly disclose the updated ESCP.
7. Where there are Project changes, unforeseen circumstances, or where Project performance results in changes to the risks and impacts during Project implementation, the Republic of Honduras, through INVEST-H, shall provide additional funds, if needed, to implement actions and measures to address such risks and impacts, which may include environmental, health, and safety impacts and gender-based violence.

MATERIAL MEASURES AND ACTIONS		TIME FRAME	RESPONSIBLE ENTITY/AUTHORITY
<b>MONITORING AND REPORTING</b>			
<b>A</b>	<p><b>REGULAR REPORTING</b></p> <p>Prepare and submit to the Bank as part of the Project Reports, regular monitoring reports on the environmental, social, health and safety (ESHS) performance of the Project and implementation of the ESCP, including on the status of preparation and implementation of the environmental and social documents required for the Project, stakeholder engagement activities, and the functioning of the grievance redress mechanism.</p>	<p>Six-monthly reporting throughout Project implementation, as set out in Section II of Schedule 2 of the legal agreement for the Project.</p>	<p>INVEST-H</p>
<b>B</b>	<p><b>INCIDENTS AND ACCIDENTS</b></p> <p>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. Provide sufficient detail regarding 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 supervising entity, as appropriate. Subsequently, as per the Bank's request, prepare a report on the incident or accident and propose any measures to prevent its recurrence.</p> <p>The guidelines for providers: "Responses to Environmental, Social, and Occupational Health and Safety Incidents for Projects Financed by the World Bank (WB)" shall be included as an annex to the Project Operational Manual (POM).</p>	<p>Within 48 hours after learning of any fatality or other incident or accident. Timing of the subsequent report will be provided within a timeframe acceptable to the Bank, as requested.</p>	<p>INVEST-H</p>
<b>C</b>	<p><b>CONTRACTORS MONTHLY REPORTS</b></p> <p>Contractors will be required to provide monthly monitoring reports to INVEST-H. The monitoring reporting will include a section on environmental, social, health and safety (ESHS) of the construction sites. The supervisory firms shall also provide monthly monitoring reports to INVEST-H. Such monthly reports will be submitted to the Association by INVEST-H upon request.</p>	<p>Monthly reports submitted to the Bank upon request.</p>	<p>INVEST-H (which will require from contractors, and supervision firms)</p>

MATERIAL MEASURES AND ACTIONS		TIME FRAME	RESPONSIBLE ENTITY/AUTHORITY
<b>ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS</b>			
1.1	<p><b>ORGANIZATIONAL STRUCTURE</b>                      INVEST-H shall establish and maintain, as a part of its Project Management Unit (PMU), an organizational structure with qualified staff and resources to support, among others, the management of environmental and social risks. This will include, at minimum, the following key E&amp;S staff:</p> <ul style="list-style-type: none"> <li>• One (1) Environmental Specialist</li> <li>• One (1) Social Specialist</li> </ul> <p>Support staff may be contracted as needed and as determined by INVEST-H in the areas of labor, health and safety, involuntary resettlement, gender issues, or any other topics related to the environmental, social, labor, and health &amp; safety environment of the Project.</p>	<p>The key staff shall be hired no later than thirty (30) business days after the Effective Date. This organizational structure shall remain in place throughout Project implementation.</p>	INVEST-H
1.2	<p><b>ENVIRONMENTAL AND SOCIAL ASSESSMENT</b>                      Screen each and other relevant Project activities, and thereafter carry out an Environmental and Social Impact Assessment (ESIA), including an Environmental and Social Management Plan (ESMP), in accordance with the Environmental and Social Management Framework (ESMF), and in a manner acceptable to the Bank.</p>	<p>Prior to initiating the bidding process for works related to the corresponding subproject and other relevant Project activities.</p>	INVEST-H
1.3	<p><b>MANAGEMENT TOOLS AND INSTRUMENTS</b>                      INVEST-H shall ensure that the Project is executed in accordance with the following requirements, and in a manner acceptable to the Bank:</p> <p>a) All instruments, including procedures and processes for environmental and social management, shall be referenced and functionally integrated into the Project's Operations Manual (POM).</p> <p>b) Adopt and ensure the implementation of the ESMPs for each sub-project and other relevant Project activities as required, in a manner acceptable to the Bank.</p>	<p>a) The preparation of the POM is an Additional Condition of Effectiveness.</p> <p>b) The ESMPs are to be applied during the implementation of each corresponding sub-project and other relevant Project activities.</p> <p>c) The environmental and social screening checklists and management plans shall be included with the municipalities' applications for resources for immediate response to the COVID-19 emergency under part 1.5.</p>	INVEST-H

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<p>c) Verify that the applications from the municipalities for immediate response resources for the COVID-19 emergency under part 1.5 include adequate environmental and social screening checklists and management plans, in accordance with the guidelines of the ESMF. Upon approval, ensure their implementation through the receipt and verification of periodic monitoring reports from the municipalities.</p>	<p>Implementation of specified management measures, including monitoring and reporting, shall continue throughout the implementation of the activities under the part 1.5.</p>	
<p><b>MANAGEMENT OF CONTRACTORS</b></p> <p>1.4 a) Incorporate the relevant aspects of this ESCP, including, inter alia, the relevant requirements in the ESMF, ESMPs, Labor Management Procedures (LMP), and codes of conduct in the environmental, social, and health &amp; safety, specifications of the bidding and procurement documents with consulting firms, contractors, and supervision firms and in their respective contracts.</p> <p>b) Ensure that all consulting firms, contractors, and supervision firms comply with the environmental, social, and health &amp; safety specifications as well as the codes of conduct of their respective contracts.</p>	<p>a) Prior to commencing the corresponding bidding processes.</p> <p>b) Throughout the implementation period of the Project.</p>	<p>a) INVEST-H</p> <p>b) INVEST-H (which will require from, consulting firms, contractors, and supervision firms).</p>
<p><b>CONTINGENT EMERGENCY RESPONSE</b></p> <p>1.5 a) Ensure that the Contingency Emergency Response Manual (CER Manual) incorporates environmental and social management arrangements and requirements in a manner consistent with the ESSs, including the preparation of any necessary environmental and social instruments for activities supported under Part 4 of the Project.</p> <p>b) Prepare, adopt, and disclose any environmental and social instrument which may be required for activities under Part 4 of the Project, in accordance with the CER Manual and the ESSs, and thereafter implement the measures and actions required under said instruments, within the timeframes specified in said instruments, all in manner acceptable to the World Bank.</p>	<p>a) The adoption of the CER Manual in form, substance and manner acceptable to the Bank is a withdrawal condition under Section 1 E(a) of Schedule 2 of the legal agreement for the Project.</p> <p>b) The E&amp;S instruments will be submitted for the Bank's prior review and approval, and thereafter adopted before the carrying out of any activity under Part 4 of the Project that requires the preparation of these instruments. Once adopted, the instruments shall be implemented in accordance with their terms, in a manner acceptable to the Bank.</p>	<p>The entity/ministry/agency designated by the Republic of Honduras for Part 4 of the Project.</p>

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<b>ESS 2: LABOR AND WORKING CONDITIONS</b>			
2.1	<p><b>LABOR MANAGEMENT PROCEDURES</b></p> <p>a) Update the initial Labor Management Procedures (LMP) developed during the preparation of the Project, in a manner acceptable to the Bank.</p> <p>b) Implement the LMP.</p>	<p>a) During the first year of Project implementation, and on a yearly basis as per the Annual Operational Plan (AOP).</p> <p>b) For the duration of the Project.</p>	<p>a) INVEST-H</p> <p>b) INVEST-H (which will also require from consulting firms, contractors, and supervision firms).</p>
2.2	<p><b>GRIEVANCE MECHANISM FOR PROJECT WORKERS</b></p> <p>Update as required and implement the grievance mechanism for Project workers, in accordance with the LMP.</p>	Put into place the GRM before contracting workers to work on the Project and keep it in place for the duration of the Project.	INVEST-H
2.3	<p><b>OCCUPATIONAL HEALTH AND SAFETY (OHS) MEASURES</b></p> <p>a) As a part of the ESIA for each sub-project and other relevant Project activities, develop subproject-specific OHS measures (including preparation and response to emergencies), and include these measures in the respective ESMPs.</p> <p>b) Incorporate relevant OHS measures in bid and contract documents for all consulting firms, contractors, and supervision firms.</p> <p>c) Ensure that the OHS measures specified are implemented at each of the individual worksites.</p>	<p>a) During the development of each ESIA and ESMP.</p> <p>b) Prior to commencing the corresponding bidding process of each works package.</p> <p>c) Throughout implementation of each individual sub-project.</p>	<p>a) INVEST-H</p> <p>b) INVEST-H</p> <p>c) INVEST-H (which will require from consulting firms, contractors, and supervision firms)</p>
<b>ESS 3: RESOURCES USAGE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</b>			
3.1	<p><b>WATER QUALITY</b></p> <p>a) Carry out water quality studies as part of ESIA's, as specified in the ESMF.</p> <p>b) Provide training to staff of the participating Urban Water Supply Providers (UWPs) on monitoring of water quality (physical, chemical, and bacteriological) during the operation phase, and monitor quality through monthly reports from the operators.</p>	<p>a) Same timeframe than action 1.2 above.</p> <p>b) Provide training prior to handing over Project-financed infrastructure to the operators. Follow-up on the results of the monitoring for the duration of Project implementation.</p>	INVEST-H
<b>ESS 4: COMMUNITY HEALTH AND SAFETY</b>			
4.1	<b>COMMUNITY HEALTH AND SAFETY</b>	During the development and implementation	INVEST-H (which will require from

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	Develop, as a part of the ESIA's, incorporate within the ESMPs, and implement measures and actions to manage specific risks and impacts for the community which may arise in the course of Project activities. These shall include, among others: behavior of the Project workers, changes in the provision of water services and routines of the users, management of traffic disruptions during construction works, and response to emergency situations.	of the respective ESMPs.	consulting firms, contractors, and supervision firms).
<b>ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT</b>			
5.1	<b>RESETTLEMENT PLANS</b> Develop, disclose, consult, adopt, and implement Resettlement Action Plans (RAPs) in accordance with the requirements of the Resettlement Policy Framework (RPF) of the Project and ESS5, in a manner acceptable to the Bank.	The RAPs must be approved by the Bank prior to the bidding process for the corresponding subprojects and other relevant Project activities.  Once approved, implement RAPs, including compensation measures and the corresponding assistance, prior to contractor mobilization.	INVEST-H
5.2	<b>WILLING SELLER / WILLING BUYER TRANSACTIONS</b> Provide evidence to demonstrate that the sale-purchase of land for the implementation of civil works was voluntary and informed, in which the seller has a real opportunity to keep the land and refuse to sell it, and that the negotiations were based on market prices and will not have any adverse effects on third parties (i.e., occupants or users), in line with the RPF and in accordance with ESS 5.	Evidence must be submitted to the Bank prior to the transaction and prior to the initiation of the bidding process for subprojects and other relevant Project activities.	INVEST-H
5.3	<b>LAND DONATIONS</b> In line with the RPF and in accordance with ESS 5, for any land donations for investments, evidence shall be provided on: a) potential donors have been adequately informed and consulted regarding the Project and the options available to them; b) potential donors are aware that refusal is an option and they have confirmed in writing their willingness to proceed with the donation; c) the amount of land being donated is small and will not reduce the remaining surface area of land of the donor below the necessary amount to maintain their current livelihood levels; d) no relocation of homes is involved; e) it is expected that the donor will benefit directly from the Project, f) for community or collectively owned land, the donation can take place only with the agreement of the individuals who use or occupy the land,	Evidence must be submitted to the Bank prior to the land donation and prior to the initiation of the bidding process for subprojects and other relevant Project activities.	INVEST-H

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	g) there exist alternative areas for installation/construction of project infrastructure; and h) besides the legal owner, the occupants or users that will be physically or economically displaced have been consulted and their impacts compensated in accordance with ESS 5.		
<b>ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES</b>			
6.1	<p><b>BIODIVERSITY RISKS AND IMPACTS</b></p> <p>a) In the event that any ESIA for any sub-project or other relevant Project activity identifies the need to develop, adopt and implement a Biodiversity Management Plan (BMP) and/or compensation/offset plan for damages to or loss of natural habitat, the plan shall be developed in accordance with the requirements of the ESMF and ESS6 in a manner acceptable to the Bank, and also in compliance with all relevant national regulations.</p> <p>b) Implement the BMPs and report on progress and results of the monitoring in the six-monthly reports to the Bank.</p>	<p>a) BMPs shall be approved by the Bank prior to launching the corresponding bidding process.</p> <p>b) Once approved, the BMPs shall be implemented in accordance with their terms and own specified schedule.</p>	INVEST-H
<b>ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES</b>			
7.1	<p><b>INDIGENOUS PEOPLES PLAN</b></p> <p>Develop, disclose, consult, adopt and implement Indigenous Peoples Plans (IPPs), in accordance with the Indigenous Peoples Planning Framework (IPPF) developed for the Project and ESS 7, in a manner acceptable to the Bank.</p>	IPPs shall be approved by the Bank prior to initiating the bidding process of any subprojects and other relevant Project activities which require the preparation of an IPP, in accordance with the requirements of the IPPF. Implement as per each IPP's indicated schedule.	INVEST-H
7.2	<p><b>GRIEVANCE MECHANISM</b></p> <p>Develop, consult, disclose, adopt, and implement measures under the Project Grievance Mechanism (as described in the SEP) to ensure cultural appropriateness for indigenous peoples, as required in the IPPF. Adjust and describe the specific arrangements (when different from those already established in the SEP), in the event of indigenous peoples' presence, in their respective IPP.</p>	Grievance Mechanism shall be maintained for the duration of each investment, as shall be detailed in the corresponding IPP.	INVEST-H



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<b>ESS 8: CULTURAL HERITAGE</b>			
8.1	<p><b>CHANCE FINDS</b></p> <p>Develop, adopt, and ensure implementation of a chance finds procedure as part of the ESMPs, as described in the ESMF.</p>	As per the development and implementation of each ESMP.	INVEST-H (which will require from contractors)
<b>ESS 9: FINANCIAL INTERMEDIARIES</b>			
This standard is not relevant.			
<b>ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE</b>			
10.1	<p><b>STAKEHOLDER ENGAGEMENT PLAN</b></p> <p>a) Review and update the Project’s Stakeholder Engagement Plan (SEP).                      b) Implement the SEP.                      c) Report on the implementation of the SEP</p>	<p>a) At the beginning of the planning stage for each sub-project and other relevant Project activities, with updates made as needed.                      b) Throughout Project implementation.                      c) Six-monthly reporting as set out in action A above.</p>	INVEST-H
10.2	<p><b>PROJECT GRIEVANCE MECHANISM</b></p> <p>a) Implement the Grievance Mechanism described in the SEP.                      b) Report on project-level GRM implementation.</p>	<p>Throughout the Project implementation.</p> <p>Quarterly reports submitted on GRM functioning and GRM reporting also included as part of the six-monthly reports required under action A above.</p>	INVEST-H
<b>CAPACITY SUPPORT (TRAINING)</b>			
A	<p>Develop a training plan for the Project, in a manner acceptable to the Bank. Once approved, implement the plan and update it on an annual basis, in accordance with the emerging needs of the Project.</p>	<p>Present a detailed plan no later than three (3) months after the Effective Date.</p> <p>Annually, present an updated version of the plan, including a schedule of the training activities planned for the upcoming year.</p> <p>Report on the implementation of the training plan in the biannual reports to the Bank (see action A above).</p>	INVEST-H