UNITED REPUBLIC OF TANZANIA

 

**Ministry of Finance - Financial Sector Development Department (FSDD), Mainland and**

**the President’s Office Finance and Planning (POFP), Zanzibar**

**Financial Access for Sustainable and Transformational Growth (FAST) Project (P500471)**

**ENVIRONMENTAL and SOCIAL**

**COMMITMENT PLAN (ESCP)**

**May, 2024**

The United Republic of Tanzania (recipient) through the Ministry of Finance, Financial Sector Development Department (FSDD) will implement the Financial Access for Sustainable and Transformational (FAST) Growth with the involvement of the President’s Office Finance and Planning (POFP), Zanzibar and Participating Financial Intermediaries (PFIs). The International Development Association (has agreed to provide financing for the Project.

1. The Ministry of Finance, Financial Development Department (MOF FSDD), President’s Office Finance and Planning (POFP), Apex Financial Institution (Tanzania Mortgage Refinance Company Limited -TMRC) and relevant Participating Financial Intermediaries (PFIs) including target SMEs shall implement material measures and actions so that the Project is implemented following 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 these.
2. The Recipient shall also comply with the provisions of any other Environmental and Social (E&S) Documents required under the ESF and referred to in this ESCP, including but not limited to the Environmental and Social Management Framework (ESMF), Environmental and Social Management System (ESMS), Stakeholder Engagement Plan (SEP), Labour Management Procedures (LMP), and the timelines specified in those E&S documents.
3. The Recipient is responsible for compliance with all requirements of the ESCP even when the implementation of the specific measures and actions is conducted by MOF (FSDD), the President’s Office Finance and Planning (POFP), APEX Financial Institution (TMRC), Participating Financial Institutions (PFIs), or other entities.
4. Implementation of the material measures and actions set out in this ESCP shall be monitored and reported to the Association (World Bank) by the Recipient as required by the ESCP and the conditions of the legal agreement, and the Association will monitor and assess progress and completion of the material measures and actions throughout the implementation of the Project.
5. As agreed by the Association and the Recipient, 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 the assessment of Project performance conducted under the ESCP itself. In such circumstances, the Recipient will agree to the changes with the Association and will update the ESCP to reflect such changes. Agreement on changes to the ESCP will be documented through the exchange of letters signed between the Association and the Recipient. The Recipient (MOF and POFP) shall promptly disclose the updated ESCP.
6. Where Project changes, unforeseen circumstances, or Project performance result in changes to the risks and impacts during Project implementation, the Recipient shall provide additional funds, if needed, to implement actions and measures to address such risks and impacts, which may include risks and impacts on the environment, community and occupational health and safety, gender-based violence and labour conditions.

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| **MATERIAL MEASURES AND ACTIONS** | **TIMEFRAME** | **RESPONSIBLE****ENTITY/AUTHORITY** |
| **Monitoring and Reporting** |
| A | **REGULAR REPORTING:**1. Prepare and submit to the Association quarterly at least during year one monitoring progress 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 documents required under the ESCP including specifically the various Environmental and Social Management Systems (ESMS), capacity building and training of the Project Implementation Units (PIUs), TMRC and Participating Financial Intermediaries (PFIs) on the Environment and Social Management System (ESMS) and management of environmental and social risks and impacts, stakeholder engagement activities, the functioning of the grievance mechanism and information disclosure.
2. Require and ensure that the Apex FI (TMRC) and participating financial intermediaries (PFIs) and SMEs reporting to FIs and PFIs prepare and submit to MOF regular environmental and social performance reports and information.
3. Prepare and submit training and capacity-building reports. These reports shall be based on the developed environmental and social operational and training manuals (to be developed by the Client in consultation with the Bank before project implementation) for the Apex FI, (TMRC), PFIs and Small and Medium Enterprises (SMEs) that will guide in the operationalization process for the ESMS and management of environmental and social risks and impacts.
 | 1. Every three months throughout the Project implementation
2. quarterly (every 3 months) throughout the Project implementation
3. Semi -annually
 | 1. Ministry of Finance (MOF FSDD), POFP and TMRC
2. Apex (TMRC), PFIs, SIDO and ZEEA
3. Ministry of Finance -Financial Sector Development Department (MOF/FSDD) and President's Office, Finance and Planning (POFP).
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| B | **INCIDENTS AND ACCIDENTS:**1. Promptly notify the World 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* Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH). Provide sufficient detail regarding the incident or accident, indicating immediate measures taken or that are planned to be taken to address it, corrective actions taken, compensation paid, and any information provided by any contractor and supervising entity, as appropriate, findings of the Root Cause Analysis (RCA). Subsequently, as per the Association’s request, prepare a report on the incident or accident and propose any measures to prevent its recurrence. The Recipient shall also impose corresponding reporting obligations on the Apex (TRMC), PFIs and SMEs, including, through provisions in their loan agreements.
2. Develop environmental and social operational toolkit and training manuals for the Apex (TRMC) PFIs, and SMEs to guide in the operationalization process for the ESMS that would include reporting requirements for incidents or accidents.
 | 1. Reporting of incidents and accidents to the World Bank (Association) within 24 hours of becoming aware of such incidents or accidents.
2. Root-cause analysis at the Association’s request for such an analysis, along with measures to prevent recurrence to be provided after WB request.
3. The Ministry of Finance shall obligate the Apex (TMRC), PFIs, and SMEs to report details of any significant incidents or accident within 24 hours of becoming aware of the incident or accident. The Apex (TMRC), PIUs shall provide guidance to PFIs to require SMEs to report details of any significant incidents or accidents.
4. Ministry of Finance (FSDD ) and POFP shall submit the training reports to the Association that cover training of the accidents and incidents notification process every quarter.
 | 1. MOF & POFP, TMRC and PFIs
2. MOF, TMRC, PFIs and SMEs
3. MOF-FSDD, POFP, TMRC, PFIs,
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| **ESS1 Assessment and Management of Environmental and Social Risks and Impacts** |
| 1.1  | **ORGANIZATIONAL STRUCTURE:**1. **For Project Implementation Monitoring and Reporting**, the Ministry of Finance, Financial Development Department (MOF, FSDDD) & POFP shall maintain an organizational structure with qualified staff and resources to support the management of environmental and social risks for the whole project, including expediting the hiring and deployment of a qualified and experienced full-time Environmental and Social officer.
2. For Component 1, (1.1) **upon the establishment and operationalization of a commercial wholesale finance entity**, An Apex Bank Financial Institution (NBFI) under TMRC. TMRC shall be required to maintain an organizational structure and qualified staff and resources to support the management of environmental and social risks; including the hiring and deployment of a qualified and experienced full-time Environmental and Social officer. Other project staff will be trained on ESMS requirement.
3. Throughout the Project implementation period, MOF shall obligate the Apex (TMRC) and the Apex shall cause the PFIs to assign and retain from among its existing staff and/or hire (where expertise does not exist internally) E&S personnel responsible for the coordination of the environmental and social management function, including the management of ESMS, Stakeholder Engagement Plan (SEP) and Grievance Redress Mechanism (GRM), Citizen Engagement, and communication Strategy, gender issues related to sub-projects financed by this project funds. This obligation shall be included as a condition of the loan agreements to the Apex (TMRC), and PFIs.
4. MOF (FSDD) &POFP shall develop environmental and social MSMEs training toolkit and training manuals to guide the capacity building process for the PIUs, Apex (TMRC), PFIs and SMEs
 | 1. MOF-FSDD & POFP Environment and Social officer shall be hired and deployed within 30 days after the Effective Date of the Project.
2. TMRC Environmental and Social officer shall be hired before the commencement of its project activities.
3. Apex (TMRC) shall cause the PFIs to assign an E&S coordinator, gender focal point, and SE/GRM focal point after the signing of loan and subsidiary loan agreements.
4. Prior to commencement of activities under all the components of the Project.
 | 1. MOF- FSDD, POFP
2. TMRC
3. MOF- FSDD, POFP
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| 1.2 | **ENVIRONMENTAL AND SOCIAL ASSESSMENT/ MANAGEMENT PLANS AND INSTRUMENTS/ CONTRACTORS**1. MOF (FSDD) &POFP shall develop the umbrella ESMS for the Project. The ESMS will be implemented and maintained throughout the project implementation and operation period. The ESMS should be consistent with the requirements set out in ESS 9 and proportionate to the on-lending PFI risks.
2. MOF, EFSDD & POFP shall ensure that the requirements of the Project ESMS are cascaded down to the TMRC, PBZ, PFIs and MSMEs through the loan and sub- loan agreements and the Project implementation meets the ESSs, including ESS2 and ESS 9 requirements.
3. TMRC/PBZ under the Apex role shall develop an ESMS for Component 1, TMRC shall be required to develop, implement and maintain the ESMS consistent with the requirements set out in the ESS9 and proportionate to the lending FI risks.
 | 1. An ESMF to address all environmental & social risks will be required before commencement of project implementation
2. Develop an ESMS for components 1 and 2, and have it disclosed prior to the fund’s disbursement for Component 1 and 2.
3. ESMSs for PIUs, TMRC to be assessed and approved by the Association (World bank) prior to the approval of loans to the Apex TMRC, PFIs and sub-loans.
4. Develop an ESMSs for Component 1,2 & 4, and have it disclosed before the commencement of the activities under Component 1.
5.
6. Throughout project implementation
 | MOF, FSDD&POFP WB, MOF, TMRCWorld Bank, TMRC and PFIsTMRC, PFIs & SMEs PFIs, MSMEs |

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|  | 1. In accordance with the existing national laws and the ESMS, and in a manner acceptable to the Association, during credit appraisal, the PFIs shall ensure that SMEs are compliant with the existing environment and social laws and where applicable ensure that the SMEs adhere to ESMSs and prepare Summary Project Reports (SPRs) for the purpose of managing environmental and social risks related to the respective sub-projects as required by the ESMSs before approval of the sub-loans by the PFIs and prior to obtaining the relevant license.
2. Any or revised policies developed under technical assistance (TA) of the Project (component 4) shall be developed with broad stakeholder consultations consistent with the ESS 10 and subject to Strategic Environmental and Social Assessment in accordance with ESS 1 and national law requirements.
3. Carry out all TA activities in accordance with the relevant requirements of the ESF and with Terms of Reference (TOR) agreed upon with the Association. A Guidance note specific to a list for TA activities will be developed.
4. Carry out the Social Assessment (SA) and integrate the agreed results in the ESMSs and the SEP. The SA will cover Indigenous People/Vulnerable and Marginalized Groups (IP/VMGs) issues as outlined in ESS7, as well as matters related to ESS2 such as labor and working conditions, child labour, Gender Based Violence (GBV) and other social risks and measures and resources to mitigate them as related to ESS1 and ESS4.
 | 1. Prepare a Social Assessment for Components 1 and 2 consult upon and disclose prior to the disbursement for Component 1.
2. The SA measures are integrated into the SEP and ESMS before the disbursement for Component 1.
 | TMRC, PFI, SMEsMOF- FSDD, TMRC POFP&PFIs |
| 1.3 | **EXCLUSIONS:**i. The ESMSs and the environmental and social operational and training manuals shall integrate and build upon the Exclusion List below to ensure that the SMEs, TMRC and PFIs understand specificity and comply with the various terms mentioned in exclusion list. | i. During the development of the ESMS. | MOF- FSDD, POFP &TMRC |

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|  | 1. The following list of activities shall be ineligible for financing under the Project:
	* Any activities involving adverse impacts on biodiversity conservation and sustainable management of living natural resources.
	* Any activities that have adverse impacts on cultural heritage as defined under ESS 8.
	* SMEs that are not compliant with in country EHS regulatory requirements
	* Trade in wildlife or wildlife products regulated under Convention on International Trade in Endangered Species (CITES)
	* Production or trade in radioactive materials (this does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where the Association considers the radioactive source to be trivial and/or adequately shielded).
	* Drift net fishing in the marine environment using nets in excess of 2.5 km in length.
	* Purchase of logging equipment for use in cutting forests.
	* Production or trade in wood or other forestry products other than from sustainably managed forests
	* Production or trade in pharmaceuticals subject to international phase

outs or bans. | ii. Throughout Project implementation as part of the assessment process conducted under action 1.2 above. | TMRCPFIs and SMEs |

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|  | * Production or trade in pesticides/herbicides subject to international phase outs or bans.
* Fishing in the marine environment using electric shocks and explosive materials.
* Any activities that would curtail workers fundamental rights. These would include: (i) all forms of forced or compulsory labor; (iii) child labor, including without limitation persons under 18 working in hazardous conditions (which includes construction activities), persons under 18 working at night, and that persons under 18 be found fit to work via medical examinations.
* Commercial logging operations in primary tropical moist forests
* Production or trade in products containing Polychlorinated biphenyls (PCBs).
* Production or trade in ozone depleting substances subject to international phase out.
* Production, trade, storage, or transport of hazardous chemicals, or commercial scale usage of hazardous chemicals (includes gasoline, kerosene, and other petroleum products).
* Production or trade or use or storage of dyeing chemicals and dye intermediaries.
* Production or activities that impinge on the lands owned or claimed.

under adjudication, by indigenous peoples, without full documented consent of such peoples |  |  |

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| **ESS2 Labor and Working Conditions** |  |
| 2.1 | i. Relevant aspects of this standard shall be considered, as needed, under action 1.2 above. | i. Throughout Project implementation | MOF, FSDD, POFP, TMRC, PFIs and SMEs |
| 2.2 | **LABOR MANAGEMENT PROCEDURES:**1. MOF (FSDD) & POFP shall prepare, adopt, and disclose Labour Management Procedures (LMP) in line with existing national laws, regulations, and consistent with ESS 2 that will guide MOF -FSDD, POFP1, Apex TMRC, PFIs and SMEs in managing labor issues including OHS
2. Maintain and implement Project LMP consistent with national legislation and ESS2 (including inter alia codes of conduct addressing Sexual Exploitation and Abuse/ Sexual Harassment (SEA/SH) and measures to monitor and prevent child labour) and ensure that all Project workers are aware of it and it is accessible to them.
3. Ensure the MOF - FSDD, TMRC and PFIs adopt and implement applicable parts of the LMP, consistent with the Project LMP and ESS2 in a manner acceptable to the Association and national legislation.
 | 1. MOF -FSDD and POFP to develop the LMP for the Project and disclosed prior to the disbursement for Component 1. LMP to be implemented throughout Project implementation.
2. Implement and monitor LMP throughout Project life and report through semi- annual progress reports.
3. Adopted by the TMRC and PFIs prior to signing loan and subsidiary loan agreements respectively
 | MOF-FSDD, POFP, TMRC, PFIs and SMEs |

1 In accordance with ESS 2, clause 8, MOF/government civil servants working on the project will remain subject to the terms and conditions of their existing public sector employment agreement or arrangement except for protecting the work force and occupational health and safety.

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|  | iv. In accordance with the ESMS and relevant national laws, require and ensure that the SMEs comply with relevant LMP, including carrying out scoping, screening and prepare the appropriate environmental and social risk management tools e.g. ESMP and obtaining the necessary licenses and permits during the signing of financial agreement | iv. Prior to disbursement of funds to SMEs | PFIs and SMEs |
| 2.3 | **OCCUPATIONAL HEALTH AND SAFETY (OHS) MEASURES:** |  |  |
|  | i. Adopt, and implement Project-specific occupational health and safety (OHS) measures consistent with ESS2 and such national laws as consistent with ESS2, to be specified in the project LMP as well as in the ESMS.  | i. Adopt prior to commencement of Project activities and implement throughout Project implementation. | MOF-FSDD, POFP, TMRC |
|  |  |  | and PFIs |
|  | ii. Ensure the TMRC, PFIs and SMEs implement OHS measures as perthe World Bank Group General Environmental Health and Safety Guidelines, national laws, and any applicable sector –specific EHSG | 1. Throughout project

implementation1. Prior to the disbursement of funds to SMEs
 | SMEs |
|  | iii. In accordance with the ESMS, LMP and relevant national laws, MOF shallrequire the TMRC and PFIs to cause the SMEs to comply with relevant OHS measures, including carrying out scoping, screening and prepare the appropriate tools e.g. ESMP incorporating OHS measures and obtaining the necessary OHS-related licenses and business permits prior to the time of signing of financial agreement for the sub-projects. |  |  |
| 2.4 | **GRIEVANCE MANAGEMENT:**1. MOF-FSDD, POFP, TMRC and PFIs will establish, maintain, and operate an accessible GRM for Project workers as described in the LMP, in line with national labour law and consistent with ESS2. This will involve reviewing the already existing GRMs within MOF-FSDD, POFP, TMRC and PFIs and aligning these to ESS2.
2. Require and ensure that the TMRC and PFIs require that the beneficiary SMEs have in place a worker’s grievance redress mechanism as described in the LMP, in line with national labour law and consistent with ESS2.
 | 1. An interim GRM to be operational prior to engaging Project workers and commencement of project activities, and such interim GRM to be updated in accordance with the LMP and maintained throughout project implementation.
2. Report semi-annually through Project Progress Reports.
 | MOF, FSDD, POFP, TMRC and PFIsTMRC, PFIs and SMEs |
| **ESS3 Resource Efficiency and Pollution Prevention and Management** |  |
| 3.1 | 1. Include resource efficiency and pollution prevention and management measures consistent with ESS3 into all PIUs and PFI ESMSs (including assessment of cumulative impacts/risks due to financing of various SMEs in an area) and the SMEs sub-loan agreements.
2. Where applicable and in accordance with the national laws, the approved ESMS and in a manner acceptable to the Association as per the ESS3 requirements, prepare, adopt, and implement measures and actions to assess and manage specific risks and impacts on resource efficiency and pollution prevention and management (as defined in ESS3) to the community arising from sub-projects, and include these measures in the ESMPs.
 | i. Throughout Project implementation. | MOF-FSDD, POFP, TMRC, PFIs and SMEs |
| **ESS4 Community Health and Safety** |  |
| 4.1 | 1. In accordance with the existing national framework for addressing GBV and in collaboration with the ministry responsible for gender, MOF - FSDD, POFP shall mainstream the management of GBV issues by preparing a GBV Action Plan that meets the requirement of the Association to establish GBV reporting channels and survivor- centric referral pathways that will cover the MOF, POFP, TMRC, PFIs, and the SMEs. MOF shall further require the Apex (TMRC), PFIs and the SMEs to mainstream and adopt the identified GBV actions /measures during the implementation of the Project.
2. PIU shall require the Apex (TMRC) and PFIs to ensure that SMEs as applicable prepare, adopt, and implement measures and action to assess and manage specific risks and impacts on community health and safety arising from sub-projects and include these measures in the ESMPs in accordance with the approved ESMS, the ESS4 requirements -including Infrastructure and Equipment Design and Safety; Safety of Services; Traffic and Road Safety; Ecosystem Services (assuming some SME financing); Community Exposure to Health Issues; Management and Safety of Hazardous Materials (including pesticides); Emergency Preparedness and Response (both in FI and PFI buildings and for SME natural and man-made disasters and the national law, in a manner acceptable to the Association.
3. Require PFIs to ensure that the SMEs carry out scoping, screening and prepare the appropriate tools e.g.; ESMP, ESIA during project planning phase and prior to commencement of sub-project implementation. SMEs should also comply with the Environmental Law 2004 and the subsequent Regulations 2005 (Amendment 2018). NEMC has 12 zonal offices within the geographical zones in Tanzania which could be consulted to ensure efficient execution of activities.
 | 1. Prepare GBV action plan for the Project and have it disclosed prior to the funds disbursements for Component 1
2. As part of the ESMS and throughout Project implementation.
3. During project planning phase and prior to commencement of sub-project implementation.
 | MOF-FSDD, POFP TMRCand PFIs |
| **ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement** |  |
| 5.1 | 1. In accordance with action 1.3 above, any activities resulting or anticipated to result in permanent or temporary physical or economic displacement shall be ineligible for Project financing.

This will be based on a screening mechanism that excludes subprojects with land acquisition and resettlement impacts during credit appraisal by the TMRC and PFIs. The screening mechanism will also include a protocol requiring subproject application to include documentation that they own any land they will use or will be acquired by the subprojectexclusively on a willing buyer/willing seller basis. This screening process will be outlined in the ESMS. | i. Screening process by the TMRC and PFIs prior to signing loan and subsidiary loan agreements respectively | TMRC PFIs SMEs |
| **ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources** |  |
| 6.1 | 1. Where applicable and in accordance with the relevant national laws, the ESMS, and in a manner acceptable to the Association as per the ESS6 requirements, prepare, adopt, and implement measures and actions to assess and manage specific risks and impacts on biodiversity, including identification of different habitats that may be affected from sub-project, and include these measures in the ESMP.
 | i. Throughout Project implementation | MOF-FSDD, POFPTMRCand PFIs |
| **ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities** |  |
| 7.1 | 1. Prepare a Social Assessment (as described in Section 1.2 above) to identify barriers to entry particularly those related to discrimination, bias, literacy and numeracy for disadvantaged groups including the Indigenous Peoples/Vulnerable and Marginalized Groups (IP/VMGs) and determine if there are technically feasible measures that can be implemented to facilitate access by disadvantaged groups and eliminate discrimination.
2. Integrate the results of the SA in the Project including the ESMSs.
3. The Project shall be implemented in all regions of Tanzania Mainland and Zanzibar, including where Traditional Local Communities are present (who meet the requirements of ESS7). The Recipient shall ensure that these communities are appropriately informed and can share in the Project benefits in an inclusive and culturally appropriate manner with provisions included in

the SEP.iv. As applicable and in accordance with the relevant national laws and the ESMS, and in line with ESS7 requirements. The TMRC and PFIs, shall cause the SMEs to carry out scoping, screening and prepare the appropriate tools e.g. ESMP prior to disbursement of funds. | 1. Prepare a Social Assessment for Component 1 and 2, consult upon, and disclose it prior to the disbursement for Component 1 and 2.
2. Before the disbursement for Component 1.
3. Throughout Project implementation

iv. Prior to disbursement of funds to SMEs | MOF-FSDD, POFP, TMRC, PFIs and SMEs |
| **ESS8 Cultural Heritage** |  |
| 8.1 | i. In accordance with the relevant national laws, the approved ESMS, and in a manner acceptable to the Association as per the ESS8 requirements, prepare, adopt, and implement and require the TMRC and PFIs as applicable to mainstream measures and actions to assess and manage risks and impacts on cultural heritage arising from sub-projects and include these measures in the ESMPs. | i. Throughout Project implementation | MOF-FSDD, POFPTMRC and PFIs |
| **ESS9 Financial Intermediaries** |  |
| 9.1 | **ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM:**1. MOF-FSDD & POFP shall develop, adopt, maintain, and implement the Project ESMS and for all specific types of project financial instruments compliant with ESS9 and in a manner acceptable to the Association as a condition of disbursement.
2. Once the MOF - FSDD & POPI ESMS is established, TMRC shall develop, maintain, and implement an ESMS consistent with the Project ESMS and for all the specific types of project financial instruments and ESS9 and in a manner acceptable to the Association and MoF – FSDD
3. TMRC & PBZ shall maintain and implement an ESMS consistent with the Project ESMS developed by MOF, FSDD&POFP and ESS9.
4. Develop and implement any additional E&S instruments and for all the specific types of project financial instruments (such as SEP) and LMP) or any amendments in the ESMS to support its successful application as may be needed to implement the Project in accordance with the ESSs and to the Association’s satisfaction.

v. As applicable, require TMRC and PFIs ensure that SMEs prepare sub-project specific ESMPs in accordance with the relevant national laws, the approved ESMS, and in a manner acceptable to the Association. | 1. MOF-FSDD ESMS to be in place prior to the fund’s disbursement for Component 1 and 2, and thereafter maintained and operated throughout Project implementation.
2. TMRC ESMS to be disclosed prior to the disbursement for Component 1 and maintained and operated, throughout Project implementation
3. ESMS for the TMRC and PFIs assessed and approved by the Association before approval of loans to TMRC and sub-loans by PFIs, and thereafter to be maintained and operated, throughout Project implementation.
4. Complementary instruments to be maintained and operationalized throughout Project implementation.
5. As applicable, ESMPs to be prepared by SMEs and approved by PFIs before signing sub-loan agreements.
 | MOF - FSDD, POFPTMRC and PFIs |
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| 9.2 | **TMRC and PFIs ORGANIZATIONAL CAPACITY**i. TMRC and PFIs in accordance with ESS9, shall establish and maintain an organizational capacity and competency for implementing the ESMS with clearly defined roles and responsibilities described under action 1.2. | i. Throughout the implementation | Project |   MOF- FSDD, POFPTMRC and PFIs |
| 9.3 | **SENIOR MANAGEMENT REPRESENTATIVE**i. In accordance with ESS9, the TMRC and the PFIs shall designate a senior management representative to have overall accountability for the environmental and social performance of PFI subprojects. | i. Throughout the implementation | Project | MOF - FSDD, POFPTMRC and PFIs |
| 9.4 | **TMRC and PFIs**i. The requirements of the Project ESMS prepared by MOF- FSDD & POFP shall be cascaded down to the TMRC, PFIs and SMEs, in accordance with ESS9 and in a manner acceptable to the Association. Oblige the TMRC and PFIs to operationalize their ESMS (screening, monitoring, and reporting) in a manner acceptable to MOF and the Association. PFIs should oblige SMEs to comply with the ESMSs | i. Prior to the signing of loan agreements with TMRC and PFIs and implemented throughout the Project. | MOF -FSDD, POFPTMRC and PFIs |
| **ESS10 Stakeholder Engagement and Information Disclosure** |
| 10.1 | **STAKEHOLDER ENGAGEMENT PLAN:**1. The Project shall adopt, disclose and implement a SEP consistent with ESS10, in a manner acceptable to the Association.
2. The SEP shall be updated to include input from the social assessment and the GBV action plan.
 | 1. SEP disclosed prior to Appraisal and implemented throughout Project implementation.
2. Prior to disbursement of funds to SMEs and during implementation
 | MOF- FSDD, POFPTMRC and PFIs |
| 10.2 | **STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE:**1. Implement the SEP(s) consistent with ESS10, including the use of different, culturally appropriate communication approaches to ensure communication also with the most vulnerable, including members of VMGs per ESS7, illiterate stakeholders and people with disabilities.
2. Develop a communication plan for MOF -FSDD, POFP, TMRC and PFIs for Components 1 and 2 of the Project. The communication plan should

have dedicated outreach and tailored sessions for womenentrepreneurs, youth and PwDs.iii. Monitoring of the SEP and information disclosure. | i. Throughout Project implementation1. prior to disbursement of loans to PFIs and SMEs
2. Every quarter throughout the Project implementation
 | MOF - FSDD, POFPTMRC and PFIs |
| 10.3 | **GRIEVANCE MECHANISM:**1. Accessible grievance arrangements shall be made publicly available to receive and facilitate the resolution of concerns and grievances in relation to the Project, consistent with ESS10, in a manner acceptable to the Association.
2. GRM shall be updated to reflect the results of the social assessment
 | 1. Throughout Project implementation
2. The SA measures shall be integrated in the GRM prior to disbursement for Component 1.
 | MOF -FSDD, POFPTMRC |
| 10.4 | 1. The Recipient shall ensure that the GRM shall be used to address GBV-related issues and mechanisms to ensure confidentiality and anonymity in reporting with safe and ethical documenting of GBV issues. Further, the GRM shall immediately notify both the MOF- FSDD, POFP and the Association of any GBV complaints, with the consent of the survivor.
2. A protocol for handling GBV cases shall be developed and adopted as part of the ESMS.
 | 1. Throughout Project implementation.
2. Adopted prior to the fund’s disbursement for Component 1 and prior to sub loan approval and financing. Thereafter implemented throughout Project implementation.
 | MOF- FSDD & POFP |
| **CAPACITY BUILDING (TRAINING)** |
| 11.1 | 1. MOF - FSDD & POFP shall develop environmental and social SMEs training toolkit and training manuals.
2. MOF- FSDD &POFP will be responsible for the training of the TMRC and PFIs on the project’s ESMS and management of environmental and social risks and impacts consistent with the ESMS and the ESSs.
3. Training and capacity building reports for the TMRC, PFIs and SMEs will be submitted to the Association.
 | 1. Before disbursement for Component 1, 2 or 3
2. Prior to signing of loan agreements with TMRC and PFIs and implemented throughout the Project.
3. Semi-annually (every 6 months) throughout the Project implementation
 | MOF- FSDD/POFP, TMRCand PFIs |
| 11.2 | i. TMRC shall require PFIs to train SMEs on the Project ESMS preferably those receiving financing and the Environmental and Social requirements under the ESSs. This training will consider the capacity of the SMEs. The scope of the training will also include the E&S national requirements and contractual and supervision mechanisms to ensure proper due diligence and compliance monitoring and reporting. The training will also impart knowledge on how SMEs shall train their workers and primary material suppliers. | i. Prior to financing the beneficiary SMEs | TMRC, PFIs and SMEs |