

African Risk Capacity Ltd

**Regional Emergency Preparedness & Access  
to Inclusive Recovery Program (REPAIR)**

**Phase 2**

**P508319**

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

**Negotiated Version**

**May 21 2025**

## **ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN**

1. ARC Limited (ARC Ltd or the Recipient) will implement the Regional Emergency Preparedness & Access to Inclusive Recovery (REPAIR) (P508319) MPA Program (the Project) in participating countries, serving as an implementing partner in participating MPA countries, with the support of national Ministries of Finance (MOFs) in each country, as set out in the Financing Agreement. The International Development Association (the Association) has agreed to provide financing for the Project, as set out in the referred agreement.
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. Unless otherwise defined in this ESCP, capitalized terms used in this ESCP have the meanings ascribed to them in the referred agreement.
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 ESS, and in form and substance, and in a manner acceptable to both parties. Once adopted, said E&S instruments may be revised from time to time with prior written agreement by the Association as described at the next paragraph.
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 ARC Ltd and the Association agree to update the ESCP to reflect these changes through an exchange of letters signed between the Association and ARC Ltd, through the Chief Executive Officer, ARC Ltd. The Recipient shall promptly disclose the updated ESCP.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
<b>IMPLEMENTATION ARRANGEMENTS AND CAPACITY SUPPORT</b>			
A	<p><b>ORGANIZATIONAL STRUCTURE</b></p> <p>a) Establish and maintain a second ARC Ltd Environmental and Social (E&amp;S) Specialist to join the one Phase 1 E&amp;S specialist at the regional level, and country-level Project Focal Points in each participating country to ensure that the eligible delivery channels are fit for purpose and effective at all times by:</p> <p>1) Screening activities for which funding is requested by the delivery channels to determine if they are eligible, using the Exclusion list included in the Governance Framework (The Exclusion list is also included in Annex 1 of this ESCP);</p> <p>2) Ensuring funds allocated to designated national delivery channels, including World Bank compliant social cash transfer projects, Micro, Small and Medium Enterprise (MSME) Finance channels, national disaster funds and other sector ministry and agency channels comply with World Bank ESF standards and Project eligibility criteria provided in the Project’s Governance Framework;</p> <p>3) Facilitate the timely collection of relevant E&amp;S compliance and performance data for the ex-ante audit of the delivery channels by ARC Ltd, and for the ex-post audit following disbursement of a Financial Instrument and,</p> <p>4) Mobilize additional ARC Ltd staff or consultants as needed to provide support and capacity building to MoFs and to delivery channels in accordance with capacity building and institutional assessment needs and for monitoring of delivery channels; to ensure compliance with Bank requirements and the Governance Framework</p>	a) ARC Ltd E&S Specialists and Country Focal Points are hired or appointed no later than one month after the Effective Date <sup>1</sup> and thereafter maintain their positions throughout Project implementation.	ARC Ltd

<sup>1</sup> Refer to the financing agreement for the definition of the effective date.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
B	<p><b>CAPACITY BUILDING PLAN/MEASURES</b></p> <p>Training will be provided to ARC Ltd staff and consultants and MOF REPAIR focal points, and other staff and consultants involved in the implementation of the REPAIR Project, and ARC Ltd staff providing technical support. Training may include the following topics (illustrative list):</p> <ul style="list-style-type: none"> <li>• ESF requirements and their application in the context of the REPAIR Project, including SEA/SH measures, stakeholder consultation and grievance redress procedures.</li> <li>• POM Preparation and implementation</li> <li>• ESMF Preparation, implementation and monitoring</li> <li>• Other relevant E&amp;S topics and capacity building needs as identified during assessment of ARC Ltd and MOF needs during project implementation</li> </ul>	Within 12 months of Project Effective Date	ARC Ltd
<b>MONITORING AND REPORTING</b>			
C	<p><b>REGULAR REPORTING</b></p> <p>Prepare and submit to the Association regular monitoring reports on the project's environmental, social, health, and safety (ESHS) performance, including but not limited to the implementation of the ESCP and SEP, and reporting on compliance with ESF E&amp;S requirements by delivery channels receiving funds under the REPAIR Fund for all REPAIR participating countries.</p>	Submit quarterly reports to the Association throughout Project implementation. Submit each report to the Association no later than 15 days after the end of each reporting period.	ARC Ltd MOFs
D	<p><b>INCIDENTS AND ACCIDENTS</b></p> <p>a) Promptly notify the Association of any incident or accident related to MOF or ARC Ltd Project activities 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 in any of the REPAIR participating countries. Provide sufficient details regarding the scope, severity, and possible causes of the incident or accident, indicating immediate measures taken or planned to address it, and any information provided by any contractor and/or supervising firm, as appropriate.</p> <p>b) In the case of significant incidents or accidents occurring at the delivery channels level, those channels are expected to follow the bank guidelines when reporting such occurrences. Where such incidents occur on activities funded through the REPAIR Fund, ARC Ltd should be copied on the delivery channel's notifications and reports sent to the Association.</p> <p>c) Subsequently, at the Association's request, prepare a report on the incident or accident that occurred at ARC Ltd, MOF or delivery channel level and propose any measures to address it and prevent its recurrence.</p>	<p>a) After learning of the incident or accident, notify the Association no later than 48 hours (24 hours' notice for SEA/SH incidents or accidents resulting in fatalities or serious injuries).</p> <p>b) Forward any notifications or reports received from delivery channels to the Association no later than 48 hours (24 hours' notice for SEA/SH incidents or accidents resulting in fatalities or serious injuries) after learning of the incident or accident</p>	ARC Ltd MOFs

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
		c) Provide subsequent report to the Association within a timeframe acceptable to the Association.	
E	<p><b>EXCLUSION LIST</b></p> <p>As per the REPAIR Governance Framework, a number of activities are excluded from the Project. The list of excluded activities can be found in the Annex to this ESCP.</p>	Throughout project implementation	ARC Ltd MOFs Approved REPAIR delivery channels
<b>ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS</b>			
1.1	<p><b>ENVIRONMENTAL AND SOCIAL ASSESSMENTS AND/OR PLANS</b></p> <p>a) Revise, adopt, and implement the SEP in a form and substance acceptable to the Association. SEP for Phase I will be revised to include Phase II countries</p> <p>b) Revise, adopt, and implement the ARC Ltd Project Implementation Manual (PIM) that will cover Bank ESS requirements for activities to be funded by the REPAIR Fund, including Occupational Health and Safety (OHS), SEA/SH and other ESS requirements to be met by ARC Ltd, as well as an Exclusion List of what may be financed under the project.</p> <p>c) PIM shall include procedures to screen, verify and monitor all designated delivery channels to ensure that they have existing E&amp;S instruments for their current (i.e. non-REPAIR) projects, including—but not limited to—Environmental and Social Management Frameworks (ESMFs), Environmental and Social Management Plans (ESMPs), Labor Management Procedures (LMPs), SEA/SH Action Plans, etc.</p> <p>d) For potential current and future delivery channels which do not have any current ESF-compliant E&amp;S risk management procedures or instruments in place, nor similar procedures or instruments which are materially consistent with relevant Bank ESSs, ARC Ltd will help MOFs to prepare and require delivery channels to implement a climate crisis-oriented ESMF which will be similar to the CERC ESMF developed in Mozambique, and adhering to the activity funding eligibility criteria (including an Exclusion List) to be found in the Governance Framework.</p>	<p>a) See 10.1 for timeframe and implementation details.</p> <p>b) and c) Revise and adopt a PIM to be reviewed and cleared by the Association no later than one month after the Project Effective Date. Thereafter, implement PIM guidelines and review and update them as needed throughout Project implementation.</p> <p>d) Prepare and adopt the ESMF no later than three months after the Project Effective Date. Require and monitor the use of the instrument by relevant delivery channels throughout Project implementation.</p>	ARC Ltd MOFs
1.3	<p><b>TECHNICAL ASSISTANCE</b></p> <p>Ensure all Technical Assistance (TA) activities to be carried out for the Project by ARC Ltd are consistent with the ESF, and that TORs to be prepared by ARC Ltd shall include provisions for identifying and addressing potential E&amp;S risks, and are carried out in accordance with terms of reference acceptable to the Association, that are consistent with the ESSs. Thereafter, ensure that the outputs of such activities comply with the terms of reference.</p>	Throughout Project implementation.	ARC Ltd MOFs

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>a) ARC Ltd shall adopt and implement Labor Management Procedures (LMP), including, where relevant, provisions on working conditions, management of workers' relationships, occupational health and safety plans, code of conduct (including relating to SEA/SH), forced labour, child labour, grievance arrangements for Project workers, and applicable requirements for consultants. Where possible, ARC Ltd will utilize its existing policies and procedures. The LMP will be a disclosable section of the PIM.</p> <p>b) Delivery channels already following ESF procedures shall ensure their Labor Management Procedures are followed for all activities funded through the REPAIR Fund, including grievance redress arrangements for their Project workers.</p> <p>c) Support establishing and operating labour management procedures for MOFs and non-compliant distribution channels in REPAIR-participating countries. Where possible, they will utilize its existing policies and procedures.</p>	<p>a) Adopt the Labor Management Procedures contained in the Project PIM no later than one month after the Project Effective Date and implement throughout Project implementation.</p> <p>b) Throughout Project implementation.</p> <p>c) Support the establishment of MOF and Delivery Channel LMPs no later than three-months after the Project Effective Date and thereafter support their maintenance and operation throughout Project implementation.</p>	ARC Ltd MOFs
2.3	<p><b>GRIEVANCE MECHANISM FOR PROJECT WORKERS</b></p> <p>a) Revise and implement the ARC Ltd Worker Grievance Mechanism and ensure the GM is available to all ARC Ltd REPAIR project workers, including ARC Ltd employees, consultants and contractors.</p> <p>b) Support the establishment and operation of worker grievance mechanisms (GMs) for MOFs and non-compliant distribution channels in REPAIR-participating countries.</p>	<p>a) Throughout Project implementation.</p> <p>b) Support the establishment of MOF and DC worker GMs no later than three months after the Project Effective Date and thereafter support their maintenance and operation throughout Project implementation.</p>	ARC Ltd MOFs
<b>ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</b>			
3.1	Ensure that delivery channels receiving REPAIR funds comply with relevant ESS 3 requirements, through their existing instruments and procedures and criteria contained in the REPAIR Project Governance Framework.	Throughout Project Implementation.	ARC Ltd MOFs
<b>ESS 4: COMMUNITY HEALTH AND SAFETY</b>			
4.1	Ensure that delivery channels receiving REPAIR funds comply with relevant ESS 4 requirements, including SEA/SH measures, through their existing instruments and procedures contained in the REPAIR Project Governance Framework.	Throughout Project Implementation.	ARC Ltd MOFs
<b>ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT</b>			
NOT RELEVANT			

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
This standard is not relevant. Activities involving land acquisition, restrictions on land use and involuntary resettlement are excluded from REPAIR project financing.			
<b>ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES</b>			
6.1	Ensure that delivery channels receiving REPAIR funds comply with relevant ESS 6 requirements, through their existing instruments and procedures contained in the REPAIR Project Governance Framework.	Throughout Project Implementation.	ARC Ltd MOFs
<b>ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES</b>			
7.1	Ensure that delivery channels receiving REPAIR funds comply with relevant ESS 7 requirements, through their existing instruments and procedures contained in the REPAIR Project Governance Framework.	Throughout Project Implementation.	ARC Ltd MOFs
<b>ESS 8: CULTURAL HERITAGE</b>			
8.1	Ensure that delivery channels receiving REPAIR funds comply with relevant ESS 8 requirements, including chance find procedures, through their existing instruments and procedures contained in the REPAIR Project Governance Framework.	Throughout Project Implementation.	ARC Ltd MOFs
<b>ESS 9: FINANCIAL INTERMEDIARIES</b>			
9.1	Ensure that MSME delivery channels receiving REPAIR funds comply with relevant ESS 9 requirements, through their existing instruments and procedures contained in the REPAIR Project Governance Framework.	Throughout Project Implementation.	ARC Ltd MOFs
<b>ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE</b>			
10.1	<b>STAKEHOLDER ENGAGEMENT PLAN</b> Revise and implement the ARC Ltd 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 Revised SEP will include both Phase 1 and Phase 2 countries.	Prepare the draft revised SEP by Appraisal, and complete adopt and disclose final version no later than one month after the Project Effective Date. Thereafter update it at least annually and implement it throughout Project implementation.	ARC Ltd
10.2	<b>PROJECT GRIEVANCE MECHANISM</b> a) Publicise, maintain, and operate an accessible grievance mechanism (GM) using existing ARC Ltd systems, to receive and facilitate the resolution of concerns and grievances in relation to MOF's activities and responsibilities within 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.	a) Assess and review existing ARC grievance mechanism no later than one month after the Project's Effective Date, and thereafter maintain and operate the mechanism throughout Project implementation.	ARC Ltd

MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
<p>b) Support establishment and operation of project grievance mechanisms (GMs) for MOFs in REPAIR participating countries. The ARC Ltd and MOF GMs 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.</p> <p>c) ARC Ltd shall ensure Delivery channels that are already following ESF-compliant procedures shall ensure their SEP and GM procedures are followed for all activities funded through the REPAIR program, including grievance arrangements for their end-beneficiaries.</p> <p>d. Ensure, that potential current or future delivery channels with no SEP, GM or similar consultation and grievance redress procedures or instruments which are materially consistent with ESS10 requirements shall, with support from ARC Ltd, prepare and implement ESS 10-compliant stakeholder consultation and GM procedures.</p> <p>d) Ensure that potential current or future Delivery channels with no SEP, GM or similar consultation and grievance redress procedures or instruments which are materially consistent with ESS10 requirements shall, with support from ARC Ltd, prepare and implement ESS 10-complaint consultation and GM procedures.</p>	<p>b) Support establishment of MOF project GMs no later than one month after Project Effective Date and thereafter support their maintenance and operation throughout Project implementation.</p> <p>c) Throughout Project implementation.</p> <p>d) New consultation or grievance mechanisms needed by current or future delivery channels to be developed and implemented before these channels are eligible to receive REPAIR Fund financing.</p>	
<b>INDICATORS FOR IMPLEMENTATION READINESS</b>		
<p>A. – ARC Ltd E&amp;S Specialists and Country Focal Points are hired or appointed.</p> <p>1.1 and 10.1 – Revise and Implement ARC Ltd SEP</p> <p>1.2 and 10.2 – Revise and implement ARC Ltd GM</p> <p>2.1 – Revise and implement ARC Ltd LMP</p> <p>2.2 – Revise and implement ARC Ltd Worker GM</p>		



## Annex 1: Eligibility Criteria for activities to be financed under the REPAIR Project

**Activities financed under the RCRF shall target immediate preparedness, emergency response or recovery.** To ensure alignment with the existing CERC procedures, the activities must be implemented within 12 months maximum from the time MoF has received the funds. In general, funds disbursed under REPAIR, should not be used to i. reimburse activities already implemented through government expenditures: in other words, REPAIR funding from the Reserves layer is expected to be complementary to government expenditures or ii. pay for internal operations/requirements (such as tools, IT equipment, light infrastructure, communication facilities, air tickets etc ...) of government agencies involved in responding to a shock. Exceptions may be discussed with the RCRF manager and/or World Bank on a case-by-case basis and may be entertained on the basis of i.) strong justifications for such requirements and ii) adequate check and balances for procurement and stock management processes within the operations of the requester.

- *Immediate preparedness:* communication to populations ahead of event, preventive evacuation of population, asset protection work, setting up preventive food reserve, purchase of additional equipment for the civil protection ahead of shock, etc. Immediate preparedness means anticipating the occurrence of an imminent shock under reasonable grounds for a high materialisation probability.
- *Emergency response:* cash-transfer, emergency shelters, primary care, food support to affected population, civil protection interventions, emergency repair to infrastructure that is life saving to affected populations, or gives access to those performing critical activities, health care facilities, schools, animal feed and water tankers to herders, partial credit guarantees or emergency loans and saving support to MSMEs, etc.
  - For a fast-onset shock, activities qualifying as emergency response should be carried out in the immediate aftermath of the shock (maximum of 4 weeks after the shock has occurred).
  - For a slow-onset shock, activities qualifying for disbursement under REPAIR should result from the triggering of relevant early warning systems and should be related to the identification of livelihood-based interventions for example, animal feed, water conservation interventions, short cycle seed distributions. Early response strategies should aim to provide anticipatory action, reduces human suffering and builds resilience to future shocks in a manner which is commensurate to the severity of the shock as provided by a broad consensus from different expert data sources.
- *Recovery:* water pumping, removal of debris, temporary relocation of affected population, medium term medical aid, prevention of floodwater disease, funerals, disposal of deceased livestock, distribution of grain and inputs for farmers, replanting of crop/trees, reinstalment of key public services (electricity, roads, communication, waste, etc.)

A full list of activities eligible for financing under the REPAIR project can be found in the REPAIR Governance Framework.

### Excluded Activities

**The following activities and uses for goods and equipment financed by REPAIR are prohibited.** These include but are not limited to illegal activities, activities that do not directly or indirectly support final beneficiaries, activities that could cause significant environmental and social risks to populations or assets impacted.

- Activities associated with human-related and technological hazards risks such as: man-made fires in urban environments, terrorism, war, migration, riots, political crisis, cyber-attacks, financial market crisis, etc
- The construction of new infrastructures, inexistent prior to the disaster or outside the perimeters of the original infrastructure
- Activities which do not provide any direct or indirect benefits to vulnerable households and MSMEs such as capitalizing State-Owned Enterprises (SEOs), payment of sovereign debt, etc
- Activities that would lead to conversion or degradation of critical forest areas, critical natural habitats, and clearing of forests or forest ecosystems
- Activities affecting protected areas (or buffer zones thereof), other than to rehabilitate areas damaged by previous natural disasters
- Land reclamation (i.e., drainage of wetlands or filling of water bodies to create land)
- Land clearance and levelling in areas that are not affected by debris resulting from the eligible crisis or emergency

- River training (i.e., realignment, contraction or deepening of an existing river channel, or excavation of a new river channel)
- Activities that will result in the involuntary taking of land, relocation of households, loss of assets or access to assets that leads to loss of income sources or other means of livelihoods, and interference with households' use of land and livelihoods
- Construction of new roads, realignment of roads, or expansion of roads, or rehabilitation of roads that are currently located on lands that are not in the public domain but will be registered as government assets after rehabilitation
- Use of goods and equipment on lands abandoned due to social tension / conflict, or the ownership of the land is disputed or cannot be ascertained
- Use of goods and equipment to demolish or remove assets, unless the ownership of the assets can be ascertained, and the owners are consulted
- Uses of goods and equipment involving forced labor, child labor, or other harmful or exploitative forms of labor
- Uses of goods and equipment for activities that would affect indigenous peoples, unless due consultation and broad support has been documented and confirmed prior to the commencement of the activities
- Uses of goods and equipment for military or paramilitary purposes
- Uses of goods and equipment in response to conflict, in any area with active military or armed group operations
- Activities related to returning refugees and internally displaced populations
- Activities which, when being carried out, would affect, or involve the use of, water of rivers or of other bodies of water (or their tributaries) which flow through or are bordered by countries other than the Borrower/Recipient, in such a manner as to in any way adversely change the quality or quantity of water flowing to or bordering said countries.

**The Government shall not use the funds financed under REPAIR for military or paramilitary or for any other purposes specifically excluded under the terms of financing.**