**Republic of Indonesia**

**Technical Assistance Grant to Support SINERGIS Implementation Project (P502685)**

**ENVIRONMENTAL and SOCIAL**

**COMMITMENT PLAN (ESCP)**

**March 2024**

**ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN**

1. The Republic of Indonesia (the Recipient) will implement the Technical Assistance Grant to Support SINERGIS Implementation (the Project), with the involvement of the Ministry of Finance (MOF), Ministry of Health (MOH), Ministry of Public Works and Housing (MPWH), Ministry of Home Affairs (MOHA), and Ministry of National Development Planning (Bappenas), as set out in the Grant Agreement.The International Bank for Reconstruction and Development (hereinafter the Bank), acting as the administrator of the Public Financial Management Multi Donor Trust Fund (PFM MDTF), has agreed to provide financing (P502685) 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 Bank. The ESCP is a part of the Grant 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 the Bank. Once adopted, said E&S instruments may be revised from time to time with prior written agreement by the Bank.
4. As agreed by the Bank 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 Ministry of Finance and the Bank agree to update the ESCP to reflect these changes through an exchange of letters signed between the Bank and the Recipient Secretary of the Directorate General of Fiscal Balance of the Ministry of Finance. The Recipient shall promptly disclose the updated ESCP.

| **MATERIAL MEASURES AND ACTIONS** | | **TIMEFRAME** | **RESPONSIBLE ENTITY** |
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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 mechanisms. | Submit six-monthly ESHS performance reports to the Bank throughout Project implementation, commencing after the Grant Agreement Effectiveness Date.  Submit each report to the Bank no later than 45 calendar days after the end of each reporting period. | SINERGIS Secretariat in the Directorate  General of Fiscal Balance,  Ministry of Finance. |
| 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 or serious or multiple injury. 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.  Comply with any additional reporting procedures detailed in the Program Operation Manual (POM). | Notify the Bank no later than 48 hours after learning of the incident or accident.  Provide subsequent report to the Bank within a timeframe acceptable to the Bank. | SINERGIS Secretariat in Directorate General of Fiscal Balance, Ministry of Finance |
| **ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS** | | | |
| 1.1 | **ORGANIZATIONAL STRUCTURE**  Establish and maintain the SINERGIS Secretariat with qualified staff and resources to support the management of ESHS risks and impacts of the Project, including overall implementation of program action plans under the SINERGIS PforR that is being supported by this Grant Agreement. | Appoint at least one (1) E&S focal point no later than 30 days after the Grant Agreement Effective Date, and thereafter maintain the position throughout Project implementation. | SINERGIS Secretariat in Directorate General of Fiscal Balance, Ministry of Finance |
| 1.2 | **MANAGEMENT OF CONTRACTORS**  Incorporate the relevant aspects of the ESCP, including, inter alia, the relevant E&S instruments , and the requirements in the POM including the Labor Management Procedures, and code of conduct, into the ESHS specifications of the procurement documents and contracts with contractors and supervising firms. Thereafter ensure that the contractors and supervising firms comply with the ESHS specifications of their respective contracts. | As part of the preparation of procurement documents and respective contracts.  Supervise contractors throughout Project implementation. | SINERGIS Secretariat in Directorate General of Fiscal Balance, Ministry of Finance |
| 1.3 | **TECHNICAL ASSISTANCE**  Ensure that the consultancies, dissemination events, capacity building, training, and any other technical assistance (TA) activities under the Project are carried out in accordance with terms of reference (ToRs) acceptable to the Bank, that are consistent with the ESSs. Thereafter ensure that the outputs of such activities comply with the terms of reference. | ToRs drafted, approved by the Bank, and adopted by the Implementing Agencies prior to procurement of TA activities and maintained throughout Project implementation. | SINERGIS Secretariat in Directorate General of Fiscal Balance, Ministry of Finance |
| **ESS 2: LABOR AND WORKING CONDITIONS** | | | |
| 2.1 | **LABOR MANAGEMENT PROCEDURES**  Incorporate, adopt and implement the Labor Management Procedures (LMP) for the Project that are consistent with ESS2 and Indonesia’s labor law, as part of the POM, including, inter alia, provisions on working conditions, management of workers relationships, occupational health and safety, code of conduct (including measures to prevent and address harassment, intimidation and/or exploitation), forced labor, child labor, and grievance arrangements for Project workers. | Adopt the LMP, as part of the POM, acceptable to the Bank, prior to hiring of project workers (i.e., experts and consultants) and implement the LMP throughout the project implementation. | SINERGIS Secretariat in Directorate General of Fiscal Balance, Ministry of Finance |
| 2.2 | **GRIEVANCE MECHANISM FOR PROJECT WORKERS**  Establish and operate a grievance mechanism for Project workers, as described in the LMP in the POM approved by the Bank and consistent with ESS2. | Establish a grievance mechanism for Project workers prior to engaging project workers and thereafter maintain and operate it throughout Project implementation. | SINERGIS Secretariat in Directorate General of Fiscal Balance, Ministry of Finance |
| **ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE** | | | |
| 10.1 | **STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION**  Adopt and implement a Stakeholder Engagement Plan (SEP) for the Project, as part of the POM, 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. | Adopt the SEP, as part of the POM, no later than 30 days after the Grant Agreement Effectiveness Date, and thereafter implement the SEP throughout Project implementation. | SINERGIS Secretariat in Directorate General of Fiscal Balance, Ministry of Finance |
| 10.2 | **PROJECT GRIEVANCE MECHANISM**  Establish, publicize, maintain, and operate an accessible Feedback and Grievance  Redress Mechanism (FGRM), to receive and facilitate the resolution of concerns and  grievances in relation to the Project, promptly and effectively, including potential SEA/SH allegations in a prompt, transparent and safe manner that is culturally appropriate and readily accessible to Project stakeholders in a manner consistent with ESS10.  The grievance mechanism 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.  Further procedures on managing FGRM shall be detailed in the POM. | FGRM operational within 30 days  following the Grant Agreement Effectiveness Date and maintained throughout Project implementation. | SINERGIS Secretariat in Directorate General of Fiscal Balance, Ministry of Finance |
| **CAPACITY SUPPORT** | | | |
| CS1 | Capacity building for the SINERGIS Secretariat and Implementing Agencies staff and other government stakeholders involved in the Project implementation:  • Introduction of the ESS requirements. This includes capacity building on various relevant aspects for environmental and social management under the SINERGIS PforR,  • Implementation of relevant clauses of Project’s FGRM and LMP as part of the POM, including awareness raising regarding SEA/ SH, and other topics as identified during Project implementation. | Training prior to commencement of any Project activity and trainings on annual basis (or more often as required). | SINERGIS Secretariat in Directorate General of Fiscal Balance, Ministry of Finance |