Public Disclosure Authorized

Republic of Serbia
Ministry of Construction, Transport, and Infrastructure
Serbia Railways Sector Modernization Phase 2 (P179703)

ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN (ESCP)
Draft version
June 13, 2023

ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The Republic of Serbia (the Borrower) will implement the Serbia Railways Sector Modernization Phase 2 (the Project), with the involvement of the Ministry of Construction, Transport and Infrastructure (MoCTI) and the assistance of Serbia's railways infrastructure manager (IZS), Serbia's railways passenger State company (Serbia Voz) and Serbia's railways cargo State company (Serbia Cargo), as set out in the Loan Agreement. The International Bank for Reconstruction and Development (the Bank) has agreed to provide financing (P179703) for the Project, as set out in the referred agreement.

2. The Borrower 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 Loan 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 Borrower 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 Borrower, 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 Borrower through the MoCTI and the Bank agree to update the ESCP to reflect these changes through an exchange of letters signed between the Bank and the Borrower, represented by the Project Director of the Project Implementation Unit (PIU) within the MoCTI. The Borrower shall promptly disclose the updated ESCP.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
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 mechanism(s), that takes into account the necessary measures to handle grievances related to Gender Based Violence, Sexual Exploitation and Abuse, and Sexual Harassment (GBV/SEA/SH).	Submit semi-annual reports to the Bank throughout Project implementation, commencing after the Effective Date. Submit each report to the Bank no later than 30 calendar days after the end of each reporting period.	Project Implementation Unit within MoCTI (PIU)
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, 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. Develop internal incidents and accidents reporting procedures compliant to the ESCP. 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.	Notify the Bank no later than 48 hours after learning of the incident or accident. Prior to start of on-ground activities. Provide subsequent report to the Bank within a timeframe acceptable to the Bank	PIU
C	**CONTRACTORS' MONTHLY REPORTS** Require contractors and supervising firms to provide monthly monitoring reports on ESHS performance in accordance with the metrics specified in the respective bidding documents and contracts, and submit such reports to the Bank.	Submit the monthly reports to the World Bank upon request.	PIU
ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
1.1	**ORGANIZATIONAL STRUCTURE** Maintain the PIU established for the Phase 1 with qualified staff and resources to support management of ESHS risks and impacts of the Project, including an experienced environmental expert, an experienced social expert and OHS expert.	Maintain the PIU as set out in the Loan Agreement. Ensure experienced environmental experts and an experienced social expert and OHS expert engagement is maintained throughout Project implementation.	PIU, MoCTI
1.2	**ENVIRONMENTAL AND SOCIAL INSTRUMENTS** 1. Update and implement Phase 1 Environmental and Social Management Framework (ESMF) to reflect changes in scope and activities in the Phase 2; disclose, consult upon, adopt and implement phase 2 ESMF, consistent with the relevant ESSs. 2. Update, consult upon adopt and implement SEP, LMP and RPF to reflect changes in scope and activities envisaged under Phase 2. 2. Prepare, disclose, consult upon, adopt and implement the Subproject-specific appropriate Environmental and Social Instruments, as set out in the ESMF for the Phase 2, including, *inter alia*, Environmental and Social Management Plan (ESMP), ESMP checklists, Control List of Materials, a Cultural Heritage Management Plan (CHMP), when required according to the ESMF, and prepare and submit regular compliance semi-annual reports on the ESHS performance of the Subproject. The proposed Subprojects described in the exclusion list set out in the Phase 2 ESMF shall be ineligible to receive financing under the Project. Only low and moderate E&S risk sub-projects shall be eligible for financing. Further eligibility conditions are defined in the Phase 2 ESMF. PIU shall retain supervision over the preparation and implementation of the sub-project level E&S instruments.	The draft Environmental and Social Management Framework (ESMF), SEP, LMP and RPF for the Phase 2 have been reviewed by the Bank and disclosed by appraisal. Appropriate stakeholder consultations, revisions and re-disclosure shall follow after appraisal, but no later than start of the effectiveness. Thereafter implement the ESMF, SEP, LMP, RPF throughout Project implementation. Before launching the bidding process for the respective Subproject that requires the adoption of such E&S instrument. Once adopted, cause the Beneficiaries to implement the respective E&S instrument.	PIU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
1.3	**MANAGEMENT OF CONTRACTORS** Incorporate the relevant aspects of the ESCP, including, inter alia, the relevant E&S instruments, 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 and cause subcontractors to comply with the ESHS specifications of their respective contracts.	As part of the preparation of procurement documents and respective contracts . sSupervise compliance by contractors throughout Project implementation.	PIU
1.4	**TECHNICAL ASSISTANCE** Ensure that the consultancies, studies (including feasibility studies, if applicable), designs, capacity building, training, and any other technical assistance (TA) activities under the Project are carried out in accordance with terms of reference acceptable to the Bank, that are consistent with the ESSs. Thereafter ensure that the outputs of such activities comply with the terms of reference.	Throughout Project implementation.	PIU
1.5	**ASSOCIATED FACILITIES** In the event that associated facilities are identified during the screening of subprojects, ensure that the activities in the identified associated facility are carried out in accordance with the applicable requirements of this ESCP and the ESSs, including, inter alia, the preparation and implementation of relevant ESF instruments (e.g., the ESMP, LMP, CHMP, ESMP Checklist, Control List of Materials, management of contractors, SEP, etc.). The project does not envisage associated facilities at this stage.	Prior to bidding of contracts for the associated facility.	PIU
1.6	**ACTIVITIES SUBJECT TO RETROACTIVE FINANCING** In the case of retroactive financing of a past or ongoing activity, conduct an E&S audit and take any remedial actions required to mitigate the E&S risks identified in the E&S audit report in a manner acceptable to the Bank.	Prior to the submission of a withdrawal application for expenditures related to the activity subject to retroactive financing.	PIU
ESS 2: LABOR AND WORKING CONDITIONS			
2.1	**LABOR MANAGEMENT PROCEDURES**		PIU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	Update disclose, consult upon, and implement, the Labor Management Procedures (LMP) for the Phase 2, including inter alia, provisions on working conditions, management of worker relationships, occupational health and safety (including personal protective equipment, and emergency preparedness and response), code of conduct (including related to SEA and SH), forced labor, child labor, grievance arrangements for Project workers, and applicable requirements for contractors, subcontractors, and supervising firms	The same timeframe as for the adoption and implementation of E&S instruments under Action 1.2 (2) above. Applied prior to hiring project workers (direct and contracted), and engaging firms for contractual services, and thereafter implement throughout Project implementation.	
2.2	**OCCUPATIONAL HEALTH AND SAFETY (OHS) MEASURES** Ensure that all contractors develop occupational health and safety measures (OHS) in the OHS Management Plan and are included in the ESMPs for Subprojects, including emergency preparedness and response measures, project workers training to heighten awareness of possible risks (PPE, first aid, firefighting equipment, etc.), injuries, based on Phase 2 ESMF defined principles and procedures commensurate with the risks and impacts of the sub-project. Monitor that OHS standards are met at workplaces in line with national occupational health and safety legislation, ESS2 OHS requirements, WB EHS guidelines, and WHO and WB guidelines on COVID-19 prevention.	Same timeframe as for the adoption and implementation of E&S instruments under Action 1.2 (2) above.	PIU
2.3	**GRIEVANCE MECHANISM FOR PROJECT WORKERS** Upgrade the existing workers' GRM to reflect any changes associated with phase 2 and implement the existing grievance mechanism for project workers, as described in the LMP and in accordance with ESS2	Grievance mechanism available for any new project and contracted workers and maintained throughout Project implementation. Information about grievance mechanism is disseminated to all workers prior to start of work.	PIU
ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT			
3.1	**WASTE MANAGEMENT PLAN** Cause Beneficiaries to incorporate into the E&S instruments s for Subprojects a Waste Management Plan (WMP), satisfactory to the Bank, to manage hazardous and non-hazardous wastes, consistent with ESS3.	Same timeframe as for the adoption and implementation of ESMPs under Action 1.2 (2) above.	PIU
3.2	**RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT** Cause Beneficiaries to incorporate resource efficiency and pollution prevention and management measures in the E&S instruments to be prepared under action 1.2 above.	Same timeframe as for the adoption and implementation of ESMPs under Action 1.2 (2) above	PIU
ESS 4: COMMUNITY HEALTH AND SAFETY			

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
4.1	TRAFFIC AND ROAD SAFETY Cause Beneficiaries to incorporate into the ESMPs for Subprojects measures to manage traffic and road safety risks as required in accordance with the Phase 2 ESMF.	Same timeframe as for the adoption and implementation of ESMPs under Action 1.2 (2) above	PIU
4.2	COMMUNITY HEALTH AND SAFETY Cause Beneficiaries to assess and manage specific risks and impacts to the community arising from Project activities and include mitigation measures in the E&S instruments to be prepared in accordance with the ESMF.	Same timeframe as for the adoption and implementation of ESMPs under Action 1.2 (2) above.	PIU
ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT			
5.1	RESTRICTION ON LAND USE The Resettlement Policy Framework will be updated for Phase 2 to guide the preparation and implementation of adequate plans in case of any direct or indirect impact on access to land. The plans will be prepared, adopted in accordance with ESS 5, and consistent with the RPF.	The same timeframe as for the adoption and implementation of E&S instruments under Action 1.2 (2) above. Implemented in a manner acceptable to the Bank, before carrying out the associated activities.	PIU
ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES			
6.1	BIODIVERSITY RISKS AND IMPACTS Not relevant as the Project will bot finance activities that can impact nature protected and/or sensitive areas, and biodiversity.		
ESS 8: CULTURAL HERITAGE			
8.1	CULTURAL HERITAGE RISKS AND IMPACTS Adopt and implement a Cultural Heritage Management Plan (CHMP) as standalone or a part of the Sub-project ESMP/ESMP Checklist consistent with ESS8.	Same timeframe as for the adoption and implementation of ESMPs under Action 1.2 (2) above	PIU
8.2	CHANCE FINDS Incorporate chance finds procedures consistent with ESS8 shall be included to all E&S instruments (ESMP/ESMP Checklist/CHMP). In the case of chance finds the Bank and competent authorities shall be notified within 48 hours, and works will be ceased. Works shall recommence upon approval of the competent authorities.	Same timeframe as for the adoption and implementation of ESMPs under Action 1.2 (2) above	PIU
ESS 9: FINANCIAL INTERMEDIARIES			
9.1	Not relevant as this Project will not finance financial intermediaries.	N/A	N/A
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			
10.1	STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION Adapt, disclose, consult, and implement the existing Stakeholder Engagement Plan (SEP) to align with the specific requirements of Phase 2, particularly regarding information disclosure, stakeholder mapping, and engagement, as outlined in accordance with ESS10	Same timeframe as for the adoption and implementation of ESMPs under Action 1.2 (2) above	PIU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	Based on updated SEP, create relevant subproject SEPs and outline requirements for site specific engagement by implementing agencies such as contractors and sub-contractors as well as supervision consultant.	Prior to work commencement	
10.2	**PROJECT GRIEVANCE MECHANISM** Upgrade the existing GRM to respond to Phase 2 requirements and operate a grievance mechanism, as described in the SEP. Communicate to any new stakeholder the establishment of the grievance mechanism to ensure that affected stakeholders are aware of its existence and familiar with the process for submitting grievances to such grievance mechanism.	Same timeframe as for the adoption and implementation of ESMPs under Action 1.2 (2) above	PIU
CAPACITY SUPPORT			
CS1	ESF training shall be provided to members of the PIU, the PIU E&S specialists, relevant MoCTI staff, community stakeholders, Beneficiaries, Project workers, including: • general ESF training • focused ESS1, ESS2, ESS3, ESS4, and ESS8 training • focused ESS10 training, • emergency preparedness and response • community health and safety	For PIU E&S specialists, within 1 month into effectiveness. For beneficiaries, community stakeholders and project workers, this training shall be provided if needed once subprojects are awarded and prior to implementation of the Subproject.	PIU
CS2	Specific training shall be provided to contractor workers and Beneficiaries by PIU on E&S instrument implementation, monitoring and reporting under ESF, waste management, GRM, OHS and asbestos when deem needed.	Once subprojects are awarded and prior to implementation of the Subproject.	PIU