

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

ENVIRONMENTAL AND SOCIAL
COMMITMENT PLAN (ESCP)

Updated Version
July 21, 2026

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 (“MCTI”) and the assistance of the Borrower’s railways infrastructure manager (“IŽS”), railways directorate (RD), railways passenger state company (“Srbijavoz”) and railways cargo state company (“Serbia Cargo”), as set out in the Loan Agreement, as amended (“Loan Agreement”). The International Bank for Reconstruction and Development (the “Bank”) has agreed to provide financing for the Project, as set out in the referred agreement. The project will be co-financed with the Agence Française de Développement (AFD).
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 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 and AFD. As provided for under the referred Agreement, the Borrower shall ensure that there are sufficient funds available to cover the costs of implementing the ESCP.
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 MCTI, and the Bank agree to update the ESCP to reflect these changes through an exchange of letters signed between the Bank and the Borrower. The Borrower shall promptly disclose the updated ESCP..
5. The subsection on “Indicators for Implementation Readiness” below identifies the actions and measures to be monitored to assess Project readiness to begin implementation in accordance with this ESCP. Nevertheless, all actions and measures in this ESCP shall be implemented as set out in the “Timeframe” column below irrespective of whether they are listed in the referred subsection.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
IMPLEMENTATION ARRANGEMENTS AND CAPACITY SUPPORT			
A	ORGANIZATIONAL STRUCTURE a. Maintain Project Implementation Unit (PIU) within the MCTI with qualified staff and resources to support management of environmental, social, health and safety (E&S) risks and impacts of the Project including at least a full-time experienced environmental specialist and a full-time experienced social specialist and a part-time occupational health and safety (OHS) specialist. Social specialist will also have the role of citizen and stakeholder engagement specialist.	For the duration of the Project.	MCTI, through the PIU
B	CAPACITY BUILDING PLAN/MEASURES Continue to undertake capacity building measures for PIU staff, communities, Project workers, other implementing partners, municipalities, and other permitting agencies that shall focus on stakeholder engagement and grievance mechanism, managing adverse impacts from land acquisition past and future, project ESMF approach on E&S risk management; identification of E&S risks and implementation of risks management measures; and E&S monitoring and reporting, application of LMP, including Code of Conduct, incident reporting and occupational health and safety, vulnerable and disadvantaged groups.	For the duration of the project	MCTI, through the PIU
C	REGULAR REPORTING Prepare and submit to the Bank regular monitoring reports on the environmental, social, health and safety (E&S) performance of the Project. The reports shall include: • Status of preparation and implementation of E&S documents required under the ESCP. • Summary of stakeholder engagement activities carried out as per the Stakeholder Engagement Plan. • Complaints submitted to the grievance mechanism(s), the grievance log, and progress made in resolving them. • E&S performance of contractors and subcontractors as reported through [monthly] contractors' and supervision firms' reports. • Number and status of resolution of incidents and accidents reported under action E below. • Summary of trainings carried out under section B above.	Submit semi-annual reports to the Bank throughout Project implementation, no later than 30 calendar days after the end of each reporting period.	MCTI, through the PIU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
D	CONTRACTORS' MONTHLY REPORTS Require contractors and Engineers to provide monthly monitoring reports on E&S 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 Bank as annexes to the reports to be submitted under action C above.	MCTI, through the PIU
E	INCIDENTS AND ACCIDENTS Notify the Bank of any incident or accident relating 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 those resulting in death or significant injury to workers or the public; acts of violence, discrimination or protest; unforeseen impacts to cultural heritage or biodiversity resources; pollution of the environment; dam failure; forced or child labor; displacement without due process (forced eviction); allegations of sexual exploitation or abuse (SEA), or sexual harassment (SH); or disease outbreaks. Provide available details of the incident or accident to the Bank upon request. Arrange for an appropriate review of the incident or accident to establish its immediate, underlying and root causes. Prepare, agree with the Bank, and implement a Corrective Action Plan that sets out the measures and actions to be taken to address the incident or accident and prevent its recurrence.	Notify the Bank no later than 48 hours after learning of the incident or accident. Provide available details upon requests Provide review report and Corrective Action Plan to the bank no later than 10 days following the submission of the initial notice, unless a different timeframe is agreed to in writing by the Bank.	MCTI, through the PIU

ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			
1.1	ENVIRONMENTAL AND SOCIAL ASSESSMENTS AND/OR PLANS 1. Implement the Environmental and Social Framework 1 (ESMF 1) for activities under Parts 1.5(b) and 1.6 of the Project; and Environmental and Social Framework 2 (ESMF 2) for the remaining parts of the Project (as further defined in the Loan Agreement), consistent with the relevant ESSs. 2. Prepare, disclose, consult upon, adopt and implement the site-specific Environmental and Social Impact Assessment (ESIA), and corresponding Environmental and Social Management Plan (ESMP), or ESMP Checklists, consistent with the relevant ESSs, as set out in ESMF 1 and ESMF 2, as applicable, for the Project, 3. Require PIU to undertake detailed screening and assessment as per the procedures in ESMF1 and ESMF 2 as applicable, respectively for proposed activities, to exclude from financing high-risk activities, including those listed in the related ESMF.	1. Maintain, and thereafter implement throughout Project implementation. 2. Prepare the ESMP and incorporate the ESMP as part of the respective bidding documents for the respective Project activity prior to the carrying out of Project activity that requires the preparation of such ESMP. Once finalized, implement the respective ESMP throughout Project implementation. 3. throughout Project implementation	MCTI, through the PIU/
1.2	MANAGEMENT OF CONTRACTORS Incorporate the relevant aspects of the ESCP, including, inter alia, the relevant Environmental and Social Management Plans, 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. Provide copies of the relevant contracts with contractors/subcontractors and supervision firms to the Bank.	As part of the preparation of procurement documents and respective contracts. Supervise compliance by contractors throughout Project implementation. Copies of relevant contracts provided to the Bank upon request.	MCTI, through the PIU

1.3	TECHNICAL ASSISTANCE Carry out the consultancies, studies (including feasibility studies, if applicable), capacity building, training, and any other technical assistance activities under the Project including, inter alia, Environmental and Social Impact Assessment, Environmental and Social Management Plan, Resettlement Action Plan, Stakeholder Engagement Plan, labor Management Procedures to be supported under the TA in accordance with terms of reference acceptable to the Bank, that are consistent with the ESSs. Thereafter prepare and finalize the outputs of such activities in compliance with the terms of referenc	Throughout Project implementation.	MCTI, trough the PIU
1.4	ASSOCIATED FACILITIES If associated facilities are identified, ensure that the activities in the associated facility are carried out in accordance with the applicable requirements of this ESCP and the ESSs.	Same timeframe as for the adoption and implementation of ESMP, ESMP checklists, under Action 1.1.2 above.	MCTI, trough the PIU
ESS 2: LABOR AND WORKING CONDITIONS			
2.1	LABOR MANAGEMENT PROCEDURES Implement, the Labor Management Procedures 1 (LMP 1)) for activities under Parts 1.5(b) and 1.6 of the Project and Labor Management Procedures 2 (LMP 2) for the remaining parts of the Project (as further defined in the Loan Agreement), 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.	Throughout Project Implementation.	MCTI, through the PIU
2.2	OCCUPATIONAL HEALTH AND SAFETY (OHS) PLAN Require that (i) all contractors and subcontractors develop and implement occupational health and safety measures (OHS) in an OHS Management Plan and are included in the Contractor ESMPs for works, including emergency preparedness and response measures; and (ii) Project workers are trained to heighten awareness of possible risks (PPE, first aid, firefighting equipment, etc.), injuries, based on respective environmental and social plans/checklists developed and adopted as described in 1.1.2 above.	Same timeframe as for Action 1.1.2 above.	MCTI, through the PIU
2.3	GRIEVANCE MECHANISM FOR PROJECT WORKERS Maintain and operate a grievance mechanism for project workers, as described in the LMP and in accordance with ESS2.	Prior to engaging Project workers and thereafter maintain and operate it throughout Project implementation.	MCTI, through the PIU

ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT			
3.1	WASTE MANAGEMENT PLAN Incorporate into the ESMP/ESMP checklist for works, a Waste Management Plan (WMP), satisfactory to the Bank, to manage hazardous and non-hazardous waste, consistent with ESS3.	Same timeframe as Action 1.1.2 above and thereafter implement throughout Project implementation.	/MCTI, through the PIU
3.2	RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT Incorporate resource efficiency and pollution prevention and management measures in the ESMP/ESMP checklist to be prepared under action above 3.1.	Same timeframe as Action 1.1.2 above and thereafter implement throughout Project implementation.	/MCTI, through the PIU
ESS 4: COMMUNITY HEALTH AND SAFETY			
4.1	TRAFFIC AND ROAD SAFETY Incorporate, in the ESMPs for works, measures to manage traffic and road safety risks as required in accordance with ESMF1 and ESMF2, as applicable.	Same timeframe as Action 1.1.2 above	/MCTI, through the PIU
4.2	COMMUNITY HEALTH AND SAFETY Assess and manage specific risks and impacts to the community arising from Project activities and include mitigation measures in the ESMP/ESMP checklist to be prepared in accordance with ESMF1 and ESMF 2, as applicable. Inform the population in a timely and transparent manner about project activities that may have an impact on the population.	Same timeframe as Action 1.1.2 above.	/MCTI, through the PIU
4.3	SEA AND SH RISKS Implement a SEA/SH, action Plan as part of the LMP1 and LMP2, as applicable to assess and manage the risks of SEA and SH.	Same timeframe as Action 1.1.2 above.	MCTI, through the PIU
4.4	SECURITY MANAGEMENT Assess and implement measures to manage the security risks of the Project, including the risks of engaging security personnel to safeguard project workers, sites, assets, and activities when it is required in the ESMP/ESMP Checklist(s).	Same timeframe as Action 1.1.2 above.	MCTI, through the PIU

ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT			
5.1	LAND ACQUISITION PLANNING 1. Implement the Resettlement Policy Framework (RPF1)) for activities under Parts 1.5(b) and 1.6 of the Project of the Project and RPF 2 for the remaining parts of the Project for the Project, consistent with ESS5. 2. Prepare and implement a Resettlement Plan (RP) and/or a Livelihood Restoration Plan for each activity under the Project for which the RP and/or LRP is required, as set out in RPF1 and RPF2 as applicable, consistent with ESS5 requirements	1, Throughout Project Implementation. 2. Prepare and implement the respective RP and/or LRP prior to carrying out the relevant works, including ensuring that before taking possession of the land and related assets, full compensation has been provided and, as applicable, displaced people have been resettled and moving allowances have been provided.	MCTI, through the PIU
ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES			
6.1	BIODIVERSITY RISKS AND IMPACTS Include in the site-specific ESMPs and/or ESMP checklists procedures to identify and mitigate potential impacts on biodiversity and living natural resources, consistent with ESS6, and thereafter implement any applicable measures.	Same timeframe as action 1.1.2 above.	MCTI, through the PIU
ESS 8: CULTURAL HERITAGE			
8.1	CULTURAL HERITAGE RISKS AND IMPACTS Prepare and implement a Cultural Heritage Management Plan (CHMP) as standalone or a part of the works ESMP/ESMP Checklist consistent with ESS8.	Same timeframe as Action 1.1.2 above.	MCTI, through the PIU
8.2	CHANCE FINDS Incorporate chance findings procedures consistent with ESS8 n ESMP/ESMP Checklist.	Same timeframe as Action 1.1.2 above.	MCTI, through the 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 PLANNING AND IMPLEMENTATION Update the existing Stakeholder Engagement Plan (SEP) with previously completed activities and make revisions, as necessary, to apply to the specific requirements of the Project. Thereafter disclose, consult, and implement the updated SEP. In accordance with ESS10, include measures in SEP to, inter alia, (i) 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; and (ii) establish site specific engagement requirements to be followed by contractors, sub-contractors, and supervision consultants.	Update and redisclose no later than [July 31, 2026]; and thereafter implement throughout Project implementation.	MCTI, through the PIU
10.2	PROJECT GRIEVANCE MECHANISM		

	Maintain the existing GRM to respond to the specific requirements of the Project. Continue operating an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances in relation to 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. 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. 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.	Throughout Project implementation.	MCTI, through the PIU
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