

[TCX Equity Investment II - P-Z1-HB0-090]
Environmental & Social Management Plan (ESMP)

General considerations

1. The Currency Exchange Fund N.V. is planning to implement the **TCX Equity Investment II Project** (the *Project*). The Bank has agreed to provide financing, implementation support and monitoring for the Project.
2. The Currency Exchange Fund N.V. will implement measures and actions of this Environmental and Social Management Plan¹ (*ESMP*) so that the Project meets all the requirements of the Bank Environmental and Social Operational Safeguards (*OS*) and the National policy and legal requirements.
3. Where the ESMP refers to specific plans, whether they have already been prepared or are to be developed, the ESMP requires compliance with all mandatory provisions of such plans.
4. The table below summarizes the material measures and actions that are required, the basis of the requirement, the timing of the measure or action, and the criteria to be used for determining whether the required measure or action has been successfully achieved. The Currency Exchange Fund N.V. is responsible for compliance with all requirements of the ESMP even when implementation of specific measures and actions is conducted by an entity different from the Project Implementation Unit (PIU).
5. Implementation of the material measures and actions set out in this ESMP will be monitored and reported to the Bank by The Currency Exchange Fund N.V. as required by the ESMP and the conditions of the legal agreement, and the Bank will monitor and assess progress and completion of the measures and actions throughout implementation of the Project.
6. As agreed by the Bank and The Currency Exchange Fund N.V., this ESMP may be revised from time to time during Project implementation, to reflect adaptive risk management of project changes and unforeseen circumstances or in response to assessment of project performance conducted under the ESMP itself. In such circumstances, The Currency Exchange Fund N.V. will propose and agree changes with the Bank and then update the ESMP to reflect such changes.

¹ The ESMP refers to all the E&S risks/impacts and measures, as approved in all the disclosed E&S documents and agreed between the Bank and Borrower. For projects involving multiple subprojects, that are identified, prepared and implemented during the course of the project, the Borrower will need to demonstrate to the Bank, before the project appraisal, through the preparation of E&S documentation of a sample of subprojects, that it has the capacity to carry out appropriate environmental and social assessment of subprojects, and prepare and implement such subprojects in accordance with the national laws and the OSs. (*Section III.2.3 of Bank's ESP and section D of OSI*)

Material Actions² to Manage the Project's E&S Risks and Impacts		Basis for Requirement	Key Performance Indicator	Indicative Timing/Deadline
Periodic E&S implementation report to the Bank		Bank's ESP and OS1, OS9	Quarterly Reports submitted in time, in good standard (Bank Template)	Quarterly (15 days after the due period)
1	Recruitment of E and S specialists as part of the E&S Function	OS1, OS9	Seasoned E&S specialists in the E&S Function	By Project effectiveness date
2	Establishment of the Project Grievance Redress Mechanism (GRM) and disclosure to Public	OS1, OS2, OS10 and National requirements	Internal and external procedure for complaints in the Operational Guidelines, confidential counsel in the HR Manual	By Project effectiveness date
3	Payment of compensation and reinstallation of affected people	SO5	n/a	n/a
4	Incorporation of site-specific E&S measures in the request for proposals	SO1 & national requirements	n/a	n/a
5	Submission of high-risk activity's Contractor ESMP (CESMP) to Bank clearance	Bank's ESP and OS1	n/a	n/a
6	Establishment of the Contractor's Grievance Mechanism (GM) and information of workers	OS1, OS2 et Bank's Disclosure and Access to Information Policy	n/a	n/a
7	Obtaining nationally required licenses prior commencement of subjected activities (excavations, tree-cutting, working at height, working in confined spaces, etc.)	OS1, OS2 and national labor laws	TIM license under EU AFMD in place	By Project effectiveness date
8	Preparation, approval, and disclosure of specific E&S documents during Project implementation, including prior review of Category 1 terms of reference by the Bank	Bank's ESP, OS1 and national requirements	n/a	n/a
9	Engagement with concerned stakeholders of each relevant specific E&S activity	OS1, OS10, Bank's Disclosure and Access to	Disclosure of annual Impact Report and E&S Guidelines	Annually/ Periodically

² Please add any key relevant action and/or indicate 'Not applicable' in the third column ('Basis for requirement') for those actions that are not applicable to the project.

Material Actions² to Manage the Project's E&S Risks and Impacts		Basis for Requirement	Key Performance Indicator	Indicative Timing/Deadline
		Information Policy		
10	Establishment of Emergency Preparedness and Response mechanism	OS1 & OS4, national legislation on contingencies et civil protection	Business Continuity Plan in place	By Project effectiveness date
11	Appropriate and timely handling of complaints/grievances	Bank's ESP and OS1, OS2 and national labor laws	% of Timely handling of complaints	As per the GRM standards
12	Notification to riparian or alert to downstream exposed peoples	Bank's ESP and OS1, applicable International Treaty/Convention ratified	n/a	n/a
13	Capacity building of key project implementers	OSI	n/a	n/a
14	Implementation of ESMS/ESAP ³	OS1 and OS9, national requirements	Updates on the implementation of the ESAP included in the Quarterly reports & AESRs	Quarterly
14.1	Approval of any required E&S management procedure	OS1 and OS9, national requirements	Periodic review (and if applicable, updates) of E&S policies and or E&S Guidelines	Periodically
14.2	Establishment of the E&S unit Capacity Building of the E&S Unit	OS1 and OS9	Evidence of the presence of dedicated E&S specialists in the E&S Unit	By Project effectiveness date
14.4	Processing the Value Chain E&S due diligence		n/a	n/a
15	Disclosure of Project's E&S reports to the public	Bank's ESP OS1 and OS9	Quarterly E&S Reporting, Annually recurring impact reports shared on TCX website and with AfDB	Quarterly Annually

³ Apply to Non-sovereign operations and public sector project implemented by permanent/autonomous Agency/Institution.

Material Actions² to Manage the Project's E&S Risks and Impacts		Basis for Requirement	Key Performance Indicator	Indicative Timing/Deadline
16	Prepare the root-cause analysis (RCA) of any fatal EOHS incident and implement the Corrective Action Plan (CAP).	Bank's ESP and OS1, OS2, OS4 and OS9	n/a	n/a
17	Disclosure of Project's E&S reports to the public	OS1, OS10, Bank's Disclosure and Access to Information Policy	Quarterly E&S Reporting, Annually recurring impact reports shared on TCX website and with AfDB	Quarterly Annually