

**FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA  
ETHIOPIAN ELECTRIC POWER  
AND  
ETHIOPIAN ELECTRIC UTILITY**



**Power Sector Reform, Investment and  
Modernization in Ethiopia (PRIME-1)  
(P176731)**

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

**January 31, 2023**

## ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The Federal Democratic Republic of Ethiopia (the Recipient) will implement the Power Sector Reform, Investment and Modernization in Ethiopia (PRIME-1) Project (P176731) (the Project), with the involvement of the, Ethiopian Electric Power (EEP) and Ethiopian Electric Utility (EEU) 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 the Association. Once adopted, said E&S instruments may be revised from time to time with prior written agreement by the Association.
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 and the Association agree to update the ESCP to reflect these changes through an exchange of letters signed between the Association and the Recipient's designated officials, the Chief Executive Officers (CEOs) of EEP and EEU. The Recipient shall promptly disclose the updated ESCP.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
MONITORING AND REPORTING			
A	<b>REGULAR REPORTING</b> Prepare and submit to the Association 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 quarterly reports to the Association throughout Project implementation, commencing after the Project Effective Date. Submit each report to the Association no later than 15 days after the end of each reporting period.	EEU and EEP
B	<b>INCIDENTS AND ACCIDENTS</b> Promptly notify the Association 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), forced displacement, occupational and traffic incidents or accidents, child labor, forced labor, acts of violence/protest, disease outbreaks, unexpected impact on heritage resources, unexpected impact on biodiversity resources, environmental pollution, large spill of hazardous chemicals, and any accidents that result in death, kidnapping, 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 contractors and/or supervising firm, as appropriate.  Subsequently, at the Association's request, prepare a report on the incident or accident and propose any measures to address it and prevent its recurrence.	Notify the Association no later than 48 hours after learning of the incident or accident.  Provide subsequent detailed report to the Association within 4 weeks of the original notification, unless otherwise agreed with the Association.	EEU and EEP
C	<b>CONTRACTORS' MONTHLY REPORTS</b> Require contractors and supervising firms to provide monthly monitoring reports on ESHS performance to EEP and EEU in accordance with the metrics specified in the respective bidding documents and contracts and submit such reports quarterly to the Association.	Submit the monthly reports to the Association as annexes to the reports to be submitted under action A above and/or upon request.	EEU and EEP
ESS1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			
1.1	<b>ORGANIZATIONAL STRUCTURE</b> 1) Establish and maintain Project Implementation Units (PIUs) at EEP and EEU with the following minimum E&S personnel:	1) Establish and maintain a PIU at EEU and a PIU at EEP as set out in the Financing Agreement.	EEU, and EEP

MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
<p>2) For implementation of Component 1 activities of the Project, EEU PIU shall hire and maintain qualified staff and resources to support the management of ESHS risks and impacts of the Project including two Environmental Specialists, two Social Specialists, two Occupational Health and Safety (OHS) Specialists, and one Sexual Exploitation and Abuse (SEA/SH) Specialist; in addition EEU will assign one E&amp;S expert at each region, including Addis Ababa and Dire Dawa City Administration.</p> <p>3) For implementation of Components 2 and 3 activities of the Project, EEP PIU shall recruit and maintain qualified staff and resources to support the management of ESHS risks and impacts of the Project including seven Environmental Specialists, seven Social Specialists, seven OHS Specialists, and one Gender and one Sexual Exploitation and Abuse (SEA/SH) Specialist.</p> <p>4) EEP shall work with PEA for Component 4 of the Project, to coordinate and ensure integration of E&amp;S risk management (ESRM) of potential downstream E&amp;S risks and impacts of the technical assistance (TA) activities.</p>	<p>2a) Hire the Environmental, Social, OHS, and SEA/SH Specialists with the EEU PIU within one month of the Project Effective Date, and thereafter maintain these positions throughout Project implementation.</p> <p>2b) Assign one E&amp;S expert at each region, including Addis Ababa and Dire Dawa City Administration.</p> <p>3) Recruit the Environmental, Social, OHS, and Gender and SEA/SH Specialists with the EEP PIU within one month of the Project Effective Date, and thereafter maintain these positions throughout Project implementation.</p> <p>4) Throughout Project implementation</p>	

MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
<p>1.2 <b>ENVIRONMENTAL AND SOCIAL INSTRUMENTS</b></p> <p>1. Adopt and implement an Environmental and Social Management Framework (ESMF) for the Project, consistent with the relevant ESSs including the following annexes: the Labor Management Procedures (LMP), Sexual Exploitation and Abuse (SEA)/ Sexual Harassment (SH) Prevention and Response Action Plan, Social Assessment (SA), chance-finds procedures, procedures for managing contractors, OHS Plan, and ToR for Environmental and Social Management System (ESMS).</p> <p>2. Adopt, disclose, and implement Environmental and Social Impact Assessments (ESIAs) and corresponding Environmental and Social Management Plans (ESMPs) for Part 2 of the Project consistent with the relevant ESSs.</p> <p>3. Adopt, disclose and implement the subproject site-specific ESIAs/ESMPs, as set out in the ESMF for Part 1 of the Project, and remaining subprojects under Parts 2 and 3 of the Project. The proposed subproject activities described in the exclusion list set out in the ESMF shall be ineligible to receive financing under the Project.</p> <p>4. Undertake the Institutional ESRM Capacity Assessment and adopt and implement the ESRM Capacity Strengthening Program under Parts 1.3 and 2.3 of the Project.</p>	<p>1. The ESMF was disclosed on 10<sup>th</sup> February 2024.</p> <p>2a. Adopt and publicly disclose the ESIAs/ESMPs for Bure - Injibara, Haromaya-Chelenko, and Woliso Transmission-substation subprojects before Project appraisal, and thereafter implement the ESIAs/ESMPs throughout Project implementation.</p> <p>2b. Adopt and publicly disclose the ESIAs/ESMPs for Hawassa - Shashemene Arsi Robe - Assela, and Durame Transmission-substation subprojects within three months after the Project Effective Date, and thereafter implement the ESIAs/ESMPs throughout Project implementation.</p> <p>3. Adopt and publicly disclose the ESIAs/ESMPs before launching the bidding process for the respective subproject that requires the adoption of such instruments, and thereafter implement them throughout the subproject implementation period.</p> <p>4. Adopt the assessment within six months of Project Effective Date and implement the output of the Institutional ESRM Capacity Assessment throughout Project implementation as part of the Capacity Strengthening Program for EEU and EEP.</p>	<p>1, 3, and 4 both by EEU and EEP</p> <p>2 and 5 by EEP</p>

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	5. Adopt and disclose a Strategic Environmental and Social Assessment (SESA) that supports renewable energy generation including studies and investments under future PRIME phases in accordance with the terms of reference (ToR) agreed with the Association.	5. Adopt and publicly disclose the SESA within one year of the Project Effectiveness, and thereafter implement throughout Project implementation.	
1.3	<p><b>MANAGEMENT OF CONTRACTORS</b></p> <p>1. Incorporate the relevant aspects of the ESCP, including, inter alia, the relevant E&amp;S instruments, the Labor Management Procedures (LMP), and code of conduct (CoC), 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.</p> <p>2. Cause contractors and consultants to establish and maintain organizational structures for ESHS management, proportionate to the ESHS risks of the specific activity under Parts 1, 2, and 3 of the Project, which shall be determined based on action 1.2 above.</p>	<p>1. As part of the preparation of procurement documents and respective contracts. Supervise contractors throughout Project implementation.</p> <p>2. ESHS management structure shall be included in contractors' and consultants' bidding documents. Contractors and consultants shall establish the ESHS organizational structure within 30 days of contract award, and thereafter maintain it throughout the contract period.</p>	EEU and EEP
1.4	<p><b>TECHNICAL ASSISTANCE</b></p> <p>1. Ensure that the consultancies, studies (including feasibility studies, if applicable), capacity building, training, and any other technical assistance activities under the Project, including, inter alia, sector reforms and institutional capacity strengthening are carried out in accordance with ToR acceptable to the Association and consistent with the ESSs. Thereafter ensure that the outputs of such activities comply with the ToR and the relevant ESSs.</p>	Throughout Project implementation.	1. EEU and EEP
<b>ESS2: LABOR AND WORKING CONDITIONS</b>			
2.1	<p><b>LABOR MANAGEMENT PROCEDURES</b></p> <p>1. Adopt and implement the Labor Management Procedures (LMP) for the Project, including, inter alia, provisions on working conditions, management of workers relationships, occupational health and safety (including personal protective equipment, and emergency preparedness and response), code of conduct (including relating to SEA and SH), forced labor, child labor, grievance arrangements for Project workers, and applicable requirements for contractors, subcontractors, and supervising firms.</p>	1. Adopt the LMP as part of the ESMF under action 1.2 above, and thereafter implement the LMP throughout Project implementation.	EEU and EEP

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	2. Adopt and implement OHS measures as part of the ESMF and ESIAs/ESMPs prepared under action 1.2 above.	2. Adopt the OHS measures before launching the bidding process for the respective Project activities, and thereafter implement throughout Project implementation.	
2.2	<p><b>GRIEVANCE MECHANISM FOR PROJECT WORKERS</b></p> <p>1. Establish and operate a grievance redress mechanism (GRM) for Project workers, as described in the LMP and consistent with ESS2.</p> <p>2. Ensure establishment, operation and update as needed of a GRM for Project workers at the level of each civil work contract, as described in the LMP and consistent with ESS2.</p>	<p>1. Establish a GRM prior to engaging Project workers, and thereafter maintain and operate it throughout Project implementation.</p> <p>2. Ensure operation of an adequate GRM for Project workers under each civil work contract prior to engaging workers.</p>	EEU and EEP
<b>ESS3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</b>			
3.1	<p><b>WASTE MANAGEMENT PLAN</b></p> <p>Adopt and implement measures for waste including hazardous and non-hazardous wastes, consistent with ESS3. Incorporate the waste management measures in the ESMF and site specific ESIAs/ESMPs to be prepared under action 1.2 above.</p>	Same timeframe as for the adoption and implementation of the ESMF and site specific ESIAs/ESMPs under action 1.2 above.	EEU and EEP
3.2	<p><b>RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</b></p> <p>Incorporate resource efficiency and pollution prevention and management measures in the ESMF and ESMPs prepared under action 1.2 above.</p>	Same timeframe as for the adoption and implementation of the ESMF and ESIAs/ESMPs under action 1.2 above.	EEU and EEP
<b>ESS4: COMMUNITY HEALTH AND SAFETY</b>			
4.1	<p><b>TRAFFIC AND ROAD SAFETY</b></p> <p>Incorporate measures to manage traffic and road safety risks as required in the ESIAs/ESMPs prepared under action 1.2 above.</p>	Same timeframe as for the adoption and implementation of the ESIAs/ESMPs under action 1.2 above.	EEU and EEP
4.2	<p><b>COMMUNITY HEALTH AND SAFETY</b></p> <p>1. Assess and manage specific risks and impacts to the community arising from Project activities, including, inter alia, the behavior of Project workers, prevention of communicable diseases, risks of labor influx, response to emergencies, and include mitigation measures in the ESMF and ESIAs/ESMPs prepared under action 1.2 above.</p>	1. Same timeframe as for the adoption and implementation of the ESMF and ESIAs/ESMPs under action 1.2 above.	EEU and EEP

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	2. Adopt and implement community health and safety measures as part of the ESMF and ESIAs/ESMPs to be prepared under action 1.2 above.	2. Adopt and disclose the community health and safety measures before launching the bidding process for the respective Project activities, and thereafter implement them throughout Project implementation.	
4.3	<p><b>GENDER-BASED VIOLENCE (GBV)/SEA AND SH RISKS</b></p> <p>1. Adopt and implement a GBV/SEA/SH Prevention and Response Action Plan, to assess and manage the risks of GBV, SEA, and SH, as part of the ESMF.</p> <p>2. Incorporate GBV/SEA/SH procedures into the ESIAs/ESMPs to be prepared under action 1.2 above, consistent with the ESMF.</p>	<p>1. Same timeframe as for the adoption and implementation of the ESMF under action 1.2 above.</p> <p>2. Same timeframe as for the adoption and implementation of ESIAs/ESMPs under action 1.2 above.</p>	EEU and EEP
4.4	<p><b>SECURITY MANAGEMENT</b></p> <p>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, and prepare, adopt, implement, and update as needed a Security Risk Assessment and Management Plan (SRAMP), guided by the principles of proportionality and good international industry practices (GIIP), and by applicable law, in relation to hiring, rules of conduct, training, equipping, and monitoring of such personnel.</p>	Adopt and disclose the SRAMP by Project Effective Date, and thereafter implement it throughout Project implementation.	EEU and EEP
<b>ESS5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT</b>			
5.1	<p><b>RESETTLEMENT FRAMEWORK</b></p> <p>1. Adopt and implement a Resettlement Framework (RF) for the Project, consistent with ESS5.</p> <p>2. Put in place arrangements to ensure that woreda and city administrations will have the capacity, resources, and commitments necessary to ensure the proper implementation of the RF.</p>	<p>1. The RF was disclosed on XX of January 2024. Implement the RF throughout Project implementation.</p> <p>2. Obtain memorandums of understanding or similar from local governments prior to approving subprojects in their jurisdictions.</p>	EEU and EEP



MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
5.2	<p><b>RESETTLEMENT PLANS</b></p> <p>Adopt, implement, and update as needed Resettlement Plans (RPs) for each activity in coordination with the local government under the Project for which RPs are required, as set out in the RF, and consistent with ESS5.</p>	Adopt, disclose and implement the respective RPs prior to the commencement of any civil works, including by ensuring that before taking possession of the land and related assets, full compensation has been provided and displaced people have been resettled and moving allowances have been provided.	EEU and EEP
5.3	<p><b>GRIEVANCE MECHANISM</b></p> <p>Develop, disclose, update as needed, and implement arrangements for the GRM to address resettlement-related complaints, as described in the RF and SEP.</p>	Establish the GRM prior to commencement of resettlement activities and maintain throughout Project implementation.	EEU and EEP
<b>ESS6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES</b>			
6.1	<p><b>BIODIVERSITY RISKS AND IMPACTS</b></p> <p>1. Adopt, disclose, implement, and update as needed Biodiversity Management Plans (BMPs) for subprojects requiring such plans, in accordance with guidelines provided in the ESMF and ESIAs/ESMPs prepared for the subprojects, and consistent with ESS6.</p> <p>2. Incorporate mitigation measures for potential adverse impacts on biodiversity in the ESIAs/ESMPs to be prepared under action 1.2 above.</p>	<p>1. Adopt and disclose the BMPs prior to launching the bidding process for the respective Project activities that require the adoption of such BMPs, and thereafter implement the BMPs throughout Project implementation.</p> <p>2. Same timeframe as for the adoption and implementation of ESIAs/ESMPs under action 1.2 above.</p>	EEU and EEP
<b>ESS7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES</b>			
7.1	<p><b>SOCIAL ASSESSMENT (SA)</b></p> <p>Adopt, disclose and implement a Social Assessment (SA) for the Project, as part of the ESMF, prepared under action 1.2 above, and consistent with ESS7, including reference to development of site-specific Social Development Plans (SDPs).</p>	Adopt and disclose the SA as part of the ESMF under action 1.2 above, and thereafter implement it throughout Project implementation.	EEU and EEP

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
7.2	<p><b>SOCIAL DEVELOPMENT PLANS (SDPs)</b></p> <p>Prepare, adopt, disclose and, implement site-specific SDPs for each activity under the Project for which a SDP is required, as set out in the SA, and consistent with ESS7.</p>	Prepare and adopt and disclose the SDPs as part of the site-specific ESIs/ESMPs under action 1.2 above and implement them throughout Project implementation.	EEU and EEP
7.3	<p><b>GRIEVANCE MECHANISM</b></p> <p>Adopt and implement arrangements for GRM for Historically Underserved Communities (HUCs) as required under the ESS7. A GRM is developed within the SEP, as per the requirements of ESS10, that will be accessible to these communities.</p> <p>The GRM shall be established in areas where HUCs meet the criteria of ESS7 and shall have distinctive features from the one established under ESS10.</p>	Establish each GRM with distinctive features prior to commencement of activities in the areas where HUCs are present or have collective attachment, and thereafter implement it throughout Project implementation.	EEU and EEP
<b>ESS8: CULTURAL HERITAGE</b>			
8.1	<p><b>CULTURAL HERITAGE RISKS AND IMPACTS</b></p> <p>Adopt and implement measures to address risks to cultural heritage, in accordance with the ESMF and ESIs/ESMPs under Part 2 and 3 of the Project, and consistent with ESS8.</p>	Same timeframes as for the adoption and implementation of ESIs/ESMPs under action 1.2 above.	EEU and EEP
8.2	<p><b>CHANCE FINDS</b></p> <p>Describe and implement the chance finds procedures, in accordance with the procedure outlined the ESMF and as part of the respective ESIs/ESMPs of the subprojects, and consistent with ESS8.</p>	Same timeframe as for the ESMF and ESIs/ESMPs under action 1.2 above.	EEU and EEP
<b>ESS9: FINANCIAL INTERMEDIARIES</b>			
ESS9 is not relevant to the Project.			
<b>ESS10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE</b>			
10.1	<p><b>STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION</b></p> <p>Adopt, implement a 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</p>	Adopt and disclose the SEP prior to Project appraisal, and thereafter implement the SEP throughout Project implementation.	EEU and EEP

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination, and intimidation. EEU and EEP PIUs shall appoint (as stated in 1.1.) and maintain the required human resource and adequate budget to support the implementation of the SEP activities.	Appoint staff, allocate adequate budget to implement the SEP throughout the Project cycle.	
10.2	<p><b>PROJECT GRIEVANCE MECHANISM</b></p> <p>Establish, publicize, maintain, and operate an accessible GRM, 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.</p> <p>The GRM shall be equipped to receive, register, and facilitate the resolution of GBV/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>	Establish the GRM prior to the commencement of subproject activities, and thereafter maintain and operationalize it throughout Project implementation.	EEU and EEP
CAPACITY SUPPORT			
CS1	<p>Training shall be provided to implementing agencies EEU and EEP and E&amp;S team, PIU staff, Project workers, stakeholders, and communities, on:</p> <ul style="list-style-type: none"> <li>• Environmental and Social Management Framework (ESMF) and Resettlement Framework (RF) of the Project</li> <li>• Preparation and implementation of site-specific environmental and social risk management instruments (ESIAs, ESMPs, RPs, BMP, etc.)</li> <li>• Specific aspects of environmental and social risk assessment</li> <li>• Stakeholder mapping and engagement</li> <li>• Emergency preparedness and response</li> <li>• OHS and community health and safety</li> <li>• GBV, SEA, and SH prevention and response</li> <li>• Monitoring and evaluation of (sub)projects</li> <li>• Environment and social management performance audit</li> <li>• Additional training needs will be identified during Project implementation.</li> <li>• Training on resettlement framework including compensation, valuation, procedures, and grievance handling mechanisms for Woreda Compensation Committees and Grievance Redress Committees.</li> </ul>	Training shall be delivered within 6 months of Project Effective Date, and annually thereafter throughout Project implementation. Training on specific topics shall be delivered in accordance with advance of related Project activities.	EEU and EEP

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
CS2	Training shall be provided for Project workers on occupational health and safety including emergency prevention and preparedness and response arrangements to emergency situations.	Within the first year starting after Project Effective Date, and annually thereafter throughout Project implementation.	EEU and EEP