

# ***Independent review of Ethiopian Railway Project against environmental and social performance standards: Environmental and social action plan***

This "Independent review of Ethiopian Railway Project against environmental and social performance standards: Environmental and social action plan" is the Environmental and Social Action Plan (as defined in the CFA (as defined below)) to be delivered pursuant to paragraph 6(c) of Schedule 2 (*Conditions precedent*) to the CFA (as defined below) and is the Environmental and Social Action Plan (as defined in the CTA (as defined below)) to be delivered pursuant to paragraph 6(c) of Part I of Schedule 3 (*Conditions precedent*) to the CTA (as defined below).

## **Definitions**

In this Environmental and Social Action Plan:

"**AfDB OS**" means the African Development Bank (AfDB) Safeguards System's Operational Safeguards Standards (OS Standards), as the same may be amended or supplemented from time to time;

"**approved by the Agents**" or "**agreed by the Agents**" means approved or agreed (as the case may be) by (i) the CTA Facilities Agent (as defined in the CTA) acting pursuant to the instructions as set out in clause 23.9 of the CTA and (ii) the Facility Agent (as defined in the CFA) acting pursuant to instructions as set out in clause 23.9 of the CFA; and "**in a form satisfactory to the Agents**" shall be construed accordingly;

"**CFA**" means the USD450,000,000 commercial facility agreement entered into between, *inter alios*, ERC and Credit Suisse AG, London Branch as facility agent relating to the Project;

"**Construction Phase**" means the process of physical field work relating to the Project, excluding any work undertaken prior to the commencement of such field work for the purposes of surveys, design and mobilization;

"**CTA**" means the export credit agency backed common terms agreement entered into between, *inter alios*, ERC and Credit Suisse AG, London Branch as CTA facilities agent relating to the Project;

"**CWCE**" means Civil Works Consulting Engineers Plc, Bole Sub City Kebele 03, Addis Ababa, Ethiopia;

"**E&S**" means environmental and social;

"**E&S Committee Terms of Reference**" means a defined scope, including vision, objectives, roles and responsibilities for an E&S committee, comprising representatives from ERC, the Nominated Supplier and sub-contractors who are responsible for governing, overseeing and administering how E&S requirements are incorporated into the Project including its design, and the operation of the railway line between the towns of Awash and Weldia;

**"Environmental and Social Action Plan"** means this "Independent review of Ethiopian Railway Project against environmental and social performance standards: Environmental and social action plan";

**"Environmental and Social Consultant(s)"** means a person that has, pursuant to this Environmental and Social Action Plan, the CTA and the CFA, been approved and appointed to review and monitor the Project and provide periodic Progress Reports to the Agents;

**"Equator Principles"** means those principles so entitled and described in "The 'Equator Principles' - a financial industry benchmark for determining, assessing and managing social and environmental risk in project financing" (4 June 2013), as the same may be amended or supplemented from time to time;

**"ERC"** means Ethiopian Railways Corporation, a company incorporated under the laws of Ethiopia whose registered address is Bole Sub City Kebele 02, Addis Ababa, Ethiopia;

**"ERC Archaeological Chance Finds Procedures"** means a procedure specific to the Project that outlines what will happen if previously unknown heritage resources, particularly, archaeological resources, are encountered during Project or the operation of the railway line between Awash and Weldia. The procedure includes record keeping and expert verification procedures, chain of custody instructions for movable finds, and clear criteria for potential temporary work stoppages that could be required for rapid disposition of issues related to the finds;

**"ERC E&S Policy"** means a statement that outlines ERC's commitment to the laws, regulations, standards set and other policy mechanisms concerning E&S issues;

**"ESIA"** means environmental and social impact assessment;

**"ESIA Reports"** means the environmental and social impact assessment reports produced by each ESIA Consultant that focuses on the significant issues of the Project and predict and assesses the Project's likely positive and negative impacts and risks, in quantitative terms to the extent possible;

**"ESIA Consultant"** means the four local Ethiopian consultants who conducted the ESIA's in relation to each Lot and prepared the ESIA Reports;

**"ESMS"** means the environmental and social management system referred to in principles 4 and 7 of the Equator Principles III; defined as the overarching environmental, social, health and safety management system which may be applicable to ERC or the Project. The system is designed to identify, assess and manage risks and impacts in respect to the Project on an ongoing basis;

**"ESMPs"** means the environmental and social management plan referred to in principles 4 and 7 of the Equator Principles III; defined as a document(s) that summarises the ERC's commitments to address and mitigate risks and impacts identified as part of the impact assessment process, through avoidance, minimisation, and compensation/offset;

**"External Communications and Grievance Mechanism"** means 1) a mechanism to communicate Project updates; 2) a mechanism to receive and facilitate resolution of concerns and grievances about the ERC 's environmental and social performance; 3) a mechanism for workers (and their organisations, if applicable) to raise reasonable workplace concerns; and 4) a mechanism to communicate, receive and address specific concerns about compensation and relocation that are raised by displaced persons or members of host communities;

"**Health & Safety Policy**" means a statement of practices and commitments regarding the management of occupational health and safety in the workplace and/or health and safety of affected communities;

"**HR Policy**" means a statement of practices regarding the management of employees. The statement contains, at a minimum, information on the employees' rights under national labour and employment law;

"**HSE Management System**" means the health, safety and environmental (HSE) management system, which defines and includes the organisational structure, responsibilities, policies, procedures and practices, and resources. A good management system enable continuous improvement of the Project's health, safety and environmental performance, and can lead to improved economic, financial, social and environmental Project outcome;

"**IFC Performance Standards**" or "**IFC PS**" means the "Performance Standards on Environmental and Social Sustainability" published by the International Finance Corporation (1 January 2012), as the same may be amended or supplemented from time to time;

"**Independent Review**" means the report dated 6 June 2014 produced by PricewaterhouseCoopers LLP as an independent review of the four ESIA Reports and associated and supplementary documents, to determine their alignment with the underlying IFC Performance Standards, OECD Common Approaches and with the AfDB OS;

"**Lot**" means each of the four separate lots (Lot 10, Lot 11, Lot 12, and Lot 13) into which the Project was divided for the purposes of the ESIA's.

"**Nominated Supplier**" means Yapı Merkezi İnşaat ve Sanayi A.Ş. or any other person proposed as a Nominated Supplier from time to time under the CFA or the CTA;

"**OECD Common Approaches**" means the recommendations of the counsel on common approaches for officially supported export credits and environmental and social due diligence published by the trade and agriculture directorate of the Organisation for Economic co-operation and , as the same may be amended or supplemented from time to time;

"**Progress Report**" means a periodic audit report from the Environmental and Social Consultant(s), provided pursuant to this Environmental and Social Action Plan and in a form satisfactory to the Agents, on the compliance of the Project with the Equator Principles, the IFC Performance Standards and other specified international standards and local legislation regarding, *inter alia*, biodiversity, resettlement, security, health and safety, employment and recruitment, the management of environmental issues, stakeholder engagement, material accidents and incidents relating to the Project and the resolution of grievances and complaints as further set out in Annex B;

"**Project**" means the construction of the standard gauge single track railway (to be used for both freight and passenger transport) measuring approximately 404 kilometres, between the towns of Awash and Weldia;

"**Resettlement Action Plans**" means the document in which ERC specifies the procedures that it will follow and the actions that it will take to mitigate adverse effects, compensate losses, and provide development benefits to persons and communities affected by the Project;

"**Resettlement Action Plan Template**" means the template document which sets out a framework and a description of content to be developed as the Project progresses which is provided as Annex A to this Environmental and Social Action Plan;

**"Security Management Plan"** means a plan guiding the overall management of all physical security arrangements (e.g. fencing, gates, use of guards, etc) during the construction and operation of the railway line. A security management plan usually consists of objectives, goals, standards and guidelines, management actions, and monitoring plans;

**"shared with the Agents"** or **"supplied to the Agents"** means shared with or supplied to (as the case may be) (i) each ECA Facility Agent with sufficient copies for all relevant Lenders and each ECA (in each case, as defined in the CTA) and (ii) the Facility Agent with sufficient copies for all Lenders (in each case, as defined in the CFA); and **"Agents to receive"** shall be construed accordingly;

**"Stakeholder Engagement Plan"** means each of the stakeholder engagement plan of ERC and the stakeholder engagement plan of the Nominated Supplier; and

**"Voluntary Principles on Security and Human Rights"** means the Voluntary Principles on Security and Human Rights established in 2000 as currently available under (<http://www.voluntaryprinciples.org/what-are-the-voluntary-principles/>), as the same may be amended or supplemented from time to time.

Item	Related Standard & Sub-Heading	Action Description	Applicable Lots	Responsible	Documentation/ Indicator of Completion	Monitoring requirements	Required completion date	Comments
1	IFC PS1 / Policy	Develop and commence implementation of ERC E&S Policy including project specific social (e.g. human rights, gender) elements aligned with IFC PS requirements.	All	ERC	<ul style="list-style-type: none"> <li>a) ERC E&amp;S Policy</li> <li>b) Appointment of Environmental and Social Consultant(s)</li> <li>c) Definition of scope of work of Environmental and Social Consultant(s)</li> <li>d) Progress Report on ERC E&amp;S Policy implementation/ compliance</li> </ul>	<ul style="list-style-type: none"> <li>a) ERC to share final ERC E&amp;S Policy with Agents</li> <li>b) ERC to appoint Environmental and Social Consultant approved by the Agents in accordance with the Scope of Work set out at Annex B</li> <li>c) ERC and Environmental and Social Consultant(s) to agree the scope of work of the Environmental and Social Consultant(s) with the Agents in accordance with the Scope of Work set out in Annex B</li> <li>d) Environmental and Social Consultant(s) to audit ERC E&amp;S Policy compliance on a 6 monthly basis and supply Progress Reports to ERC, Agents and ECAs</li> </ul>	<ul style="list-style-type: none"> <li>a) As soon as possible following the earlier of the date of the CFA and the date of the CTA and not later than one month prior to the expected date for decision of final alignment of the route.</li> <li>b) Environmental and Social Consultant(s) to be appointed no later than 3 Months after the earlier of the date of the CFA and the date of the CTA</li> <li>c) Scope of work, in accordance with the Scope of Work set out in Annex B, to be agreed with the Agents prior to the appointment of the Environmental and Social Consultant(s)</li> <li>d) Environmental and Social Consultant(s) to supply Progress Reports to the Agents and ECAs</li> </ul>	<ul style="list-style-type: none"> <li>a) Not yet due for completion</li> <li>b) Not yet due for completion</li> </ul>

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2	IFC PS 1 / Management Programmes IFC PS 2 / Occupational Health and Safety, Workers Engaged by Third Parties IFC PS4 / Community Health and Safety	Design and implement environmental and social management systems, for both ERC and Nominated Supplier, to cover the period throughout the design phase, the Construction Phase & operation phase (the latter, ERC only). The management system must set out clear standards, tools, and processes to implement the mitigation measures identified as part of the impact assessments, and to respond to stakeholder views, and local regulatory requirements, the IFC PS, AfDB OS and OECD Common Approaches.	All	Nominated Supplier	a) High level management system documentation b) Detailed management system to include procedures/field manual c) Progress Reports on HSE Management System implementation and compliance	a) Nominated Supplier to share high level management system documentation with ERC and Agents b) ERC and Nominated Supplier to develop more detailed management system documents (including standards, tools, processes and procedures, field manuals etc) to implement the high level management system requirements relevant to the detailed design phase and the Construction Phase respectively. c) Environmental and Social Consultant(s) to audit HSE Management System on a 6 monthly basis and supply Progress Reports to ERC, Agents and ECAs (in accordance with the scope of work, which is to be agreed with the Agents).	a) Draft completed by 4 <sup>th</sup> April / Final completed by 25 <sup>th</sup> April b) To be developed and approved by the Environmental and Social Consultant relative to two milestones: i) prior to detailed design, and ii) prior to the commencement of the Construction Phase. c) Environmental and Social Consultant(s) to be appointed no later than 3 Months after the earlier of the date of the CFA and the date of the CTA	a) Completed (subject to sharing of Nominated Supplier ESMS with ERC and Agents) b) Not yet due for completion c) Not yet due for completion
3	IFC PS1 / Identification of Risks and Impacts	Undertake a confirmatory scoping assessment to determine whether any material E&S issues were not included in the scope of the existing ESIA Reports.	All	ESIA Consultants	Signed confirmation letter from each ESIA Consultant	Ensure each ESIA Consultant supply a confirmation letter explaining why certain E&S issues were not deemed to be material and therefore not assessed in their restated ESIA Reports	a) Finalised by 25 <sup>th</sup> April	b) Completed (subject to sharing of each confirmation letter with Agents)

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4	IFC PS1 / Identification of E&S Risks and Impacts	<p>Undertake supplemental E&amp;S impact assessments to cover:</p> <ul style="list-style-type: none"> <li>If applicable, those material E&amp;S issues that were not included or were not fully assessed in the scope of the original ESIA Reports (as revealed through confirmation letter from each ESIA Consultant in item 3 above)</li> <li>The project's full "area of influence" as determined by IFC PS1</li> <li>The project's final route and engineering design, including any final designs for access roads, construction camps, rolling stock depots, maintenance depots, and power facilities.</li> </ul> <p>The supplemental impact assessments should include a robust baseline of E&amp;S data (quantified where possible) and assessment of the project's impacts on this baseline based on impact assessment methodologies that are "consistent with good international industry practice". See also item 19.</p>	All	ESIA Consultants/ Nominated Supplier	<p>a) Signed confirmation letter from each ESIA Consultant covering the following E&amp;S issues:</p> <ul style="list-style-type: none"> <li>Water resources impact (see item 10)</li> <li>Biodiversity and natural resources impacts (see item 14)</li> <li>Indigenous peoples (see item 15)</li> <li>Cultural heritage (see item 16)</li> <li>Gender Issues (see item 17)</li> </ul> <p>b) Map illustrating the "area of influence" to include final route and locations of access roads, construction camps, rolling stock depots, maintenance depots and power facilities</p>	<p>a) ESIA Consultants to provide signed letters to evidence conclusions stated in their restated ESIA Reports. These letters will reference baseline assessments and site work undertaken for outstanding E&amp;S issue areas</p> <p>Nominated Supplier to provide a summary document that states design research undertaken on water availability and use along the entire length of the railway line</p> <p>If the letters and summary document do not, as outlined in the Independent Review materially satisfy the required standards (IFC PS etc) then additional studies may be required.</p> <p>b) Map illustrating the "area of influence" of the project to include final route and locations of access roads, construction camps, rolling stock depots, stations maintenance depots and power facilities</p> <p>c) If, in the future, there is a shift in the alignment outside of the "area of influence" for any of the restated ESIA Reports then require that a new E&amp;S assessment is conducted and mitigation measures appropriately incorporated in ESMPs</p>	<p>a) Finalised by 25<sup>th</sup> April</p> <p>b) Dependent on final project design but in any case prior to the commencement of the Construction Phase.</p> <p>c) Updates to impact assessment and ESMPs to be included in Progress Reports supplied to the Agents as soon as possible following any route amendments (see item 21).</p>	<p>a) Completed (evidenced by confirmation letters)</p> <p>b) Completed (evidenced by "Scale 1/75.000 maps showing locations of huts with coordinates (Buildings AWR)")</p> <p>N.B. Both of the above are subject to the finalisation of the route, as any changes may require additional assessment.</p> <p>c) Not yet due for completion</p>
5	IFC PS 1 / Management Programmes	Based on the restated ESIA Reports and supplemented ESIA Reports referred to in 4 above, determine effective mitigation measures that respond to the identified E&S impacts.	All	Nominated Supplier responsible for transposing mitigation measures into ESMPs	ESMPs that address all mitigation measures, detailed within all ESIA documentation	Ensure that any mitigation measures detailed in restated ESIA Reports and supplementary ESIA documentation are translated into detailed ESMPs	Draft completed by 4 <sup>th</sup> April Final completed by 25 <sup>th</sup> April	<p>Completed (evidenced by ERC and Nominated Supplier ESMPs)</p> <p>N.B. The ESMPs from both ERC and Nominated Supplier should be updated as the project progresses. See item 2b (Required Completion Date column)</p>

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6	IFC PS 1 / Stakeholder Engagement	Design and implement an on-going Stakeholder Engagement Plan, based on the IFC PS 1 requirements (See IFC Stakeholder Engagement Good Practice Handbook at www.ifc.org) to consult with affected communities on the outcomes of the original ESIA Reports/supplemental ESIA Reports and the proposed ESMP Establish programmes for ongoing consultation with affected communities during design phase, the Construction Phase and the operation phase of the railway. The Stakeholder Engagement Plans of ERC and YM respectively, shall include description of clear division of roles, responsibilities and authorisations between the two parties.	All	ERC / Nominated Supplier	a) Stakeholder Engagement Plans b) Incorporation of Stakeholder Engagement Plan in ERC's overall ESMP	a) Ensure that the development of the Stakeholder Engagement Plans considers/includes the following: <ul style="list-style-type: none"> <li>• Systematic identification of project stakeholders and their interests;</li> <li>• Review of regulatory requirements for stakeholder engagement on projects;</li> <li>• Evidence of input from stakeholders on how they wish to be consulted;</li> <li>• Confirmation of information provided to stakeholders ahead of consultations on environmental and social impacts;</li> <li>• Use of consultation to enhance mitigation and agree compensation and benefits.</li> <li>• Evidence of consultation with stakeholders following any changes to the project design;</li> <li>• Documentation to confirm the process and results of consultation; and</li> <li>• Integrate stakeholder information across the project planning functions.</li> </ul> <p>Additional information on specific elements of stakeholder engagement (e.g. gender, community and grievance mechanism) can be found in items 17, 19 and 20 respectively.</p> b) See 2 – ensure ESMP incorporates the Stakeholder Engagement Plans, and that roles, responsibilities and authorisations as between ERC and Nominated Supplier are made clear.	a) Draft completed by 4 <sup>th</sup> April / Final completed by 25 <sup>th</sup> April b) See item 2	a) Completed (evidenced by Stakeholder Engagement Plans contained in Nominated Supplier's ESMS) b) See item 2



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7	IFC PS 1 / Organisational Capacity & Competency	<p>Appoint/recruit Environmental and Social Consultant(s) for the Project to advise on environmental, health and safety, and social issue management in relation to the IFC PS, local regulations and the efficacy of the proposed E&amp;S mitigation measures / ESMPs.</p> <p>Ensure that organisational structures are in place (between ERC, Nominated Supplier and any sub-contractors employed on the Project) that allow for E&amp;S requirements for the Project to be incorporated through the design phase, the Construction Phase and operational phase.</p> <p>Convene an E&amp;S committee (comprising representatives from ERC, Nominated Supplier and sub-contractors) to meet on a quarterly basis to agree and report on how E&amp;S requirements are incorporated into these phases.</p>	All	<p>a) ERC</p> <p>b) ERC/ Nominated Supplier</p> <p>c) ERC</p>	<p>a) Appointment/recruitment of Environmental and Social Consultant(s) or engagement of consultants with knowledge and previous experience of IFC PS, local regulations and ESIA mitigation action plans to be appointed.</p> <p>b) Nominated Supplier and ERC organograms showing appointees and reporting lines to senior management and clear definition of roles, responsibilities and authorizations</p> <p>c) E&amp;S Committee Terms of Reference and meeting minutes</p>	<p>a) Receive confirmation of appointment/recruitment of Environmental and Social Consultant(s) and other specialists or consultants, including the individual's CVs which should demonstrate experience in IFC PS, local regulations and ESIA mitigation action plan for both environmental and social aspects. The appointment of the Environmental and Social Consultant(s) and such other specialists and consultants shall be in accordance with the Scope of Work set out in Annex Band in accordance with the criteria agreed with the Agents.</p> <p>b) Ensure Nominated Supplier and ERC organograms are outlined in the ESMP/ESMS (see Item 2)</p> <p>c) Receive E&amp;S Committee Terms of Reference and finalised meeting minutes. E&amp;S Committee Terms of Reference should include objectives of the E&amp;S committee, roles and responsibilities and member lists with contact details.</p>	<p>a) Environmental and Social Consultant(s) to be appointed as soon as possible after no later than 3 Months after the earlier of the date of the CFA and the date of the CTA</p> <p>b) (see Item 2)</p> <p>c) E&amp;S Committee Terms of Reference to be finalised prior to the commencement of the Construction Phase.</p>	<p>a) Not yet due for completion</p> <p>b) (see Item 2)</p> <p>c) Not yet due for completion</p>
8	IFC PS 1 / Emergency Preparedness and Response	<p>As part of the supplementary impact assessment, referred to in 3 above identify areas where accidents and emergency situations may occur and develop an appropriate Emergency Preparedness and Response Program as part of the overall management plan.</p>	All	Nominated Supplier	Emergency Preparedness and Response Plan	<p>Confirm that the Emergency Preparedness and Response Plan includes the following elements:</p> <ul style="list-style-type: none"> <li>Assessment planning: identification of hazards, risks, and assets for the plan</li> <li>Preparedness: Development of a plan for readiness</li> <li>Response: Development of a plan for action</li> <li>Recovery: Development of a plan for resuming operations</li> <li>Testing the plan: Training, drills, and exercises</li> <li>Plan maintenance: Ensuring the plan is kept current and up to date</li> </ul> <p>Ensure there is a notification obligation in the loan agreement for the prompt reporting of material incidents/accidents together with compensation plan.</p>	Draft completed by 4 <sup>th</sup> April Final completed by 25 <sup>th</sup> April	Completed (evidenced by Emergency Preparedness and Response Plans contained in Nominated Supplier's ESMS)

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9	IFC PS 2 / Labour and Working Conditions	<p>Develop Health &amp; Safety Policy and HR Policies and HSE Management System system in line with IFC PS2 (Labour and Working Conditions). These should clarify how the project will manage:</p> <ul style="list-style-type: none"> <li>a) Health and safety arrangements</li> <li>b) employment practices and terms, including working hours, wages, overtime, etc. for employees and non-employee workers (i.e. sub-contractors);</li> <li>c) support for collective bargaining;</li> <li>d) approach to workers' organisations;</li> <li>e) non-discrimination and equal opportunity (including the equal treatment of migrant and non-migrant labour;</li> <li>f) fair and transparent retrenchment/redundancy;</li> <li>g) child and forced labour practices;</li> <li>h) grievance mechanisms available to workers;</li> <li>i) the quality of accommodation arrangements and services provided (by ERC or construction sub-contractors); and</li> <li>j) Security arrangements</li> </ul>	All	<ul style="list-style-type: none"> <li>a) ERC to develop policy</li> <li>b) ERC, Nominated Supplier and construction sub-contractors to implement policy through development and implementation of management systems</li> </ul>	<ul style="list-style-type: none"> <li>a) Health &amp; Safety Policy and HR Policy incorporating PS 2 referenced requirements (including the prevention of child or forced labour in the primary supply chain) drafted and included in employment contracts for Nominated Supplier and construction sub-contractors (and for ERC staff newly recruited for the operational phase)</li> <li>b) Policies implemented through incorporation of issues in ERC/ Nominated Supplier management systems</li> </ul>	<ul style="list-style-type: none"> <li>a) Confirm the development of a Health &amp; Safety Policy and HR Policy that incorporates the requirements of PS2 and clarifies how the project will manage the issues listed a)-j).</li> <li>b) Nominated Supplier to develop more detailed management system documents (including standards, tools, and processes plans, procedures, field manuals etc) to implement the Policy requirements – see 2</li> </ul>	<ul style="list-style-type: none"> <li>a) Draft completed by 4<sup>th</sup> April / Final completed by 25<sup>th</sup> April</li> <li>b) See 2</li> </ul>	<ul style="list-style-type: none"> <li>a) Completed (evidenced by HR Policies contained in ESMSs)</li> <li>b) See 2</li> </ul>

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10	IFC PS3 / Resource Efficiency	<p>As part of the supplemental impact assessment:</p> <p>a) Conduct/confirm a robust assessment of the Project's impact on water resources and those communities that depend on them, and identify measures that can be adopted to minimise the impact on the affected communities.</p> <p>b) Confirm that the annual GHG emissions during the use phase do not exceed the thresholds stipulated by the IFC Standards and EP III (i.e. where combined "Scope 1" and "Scope 2" Emissions are expected to be more than 100,000 tonnes of CO2 equivalent annually.</p> <p>c) Undertake an alternatives analysis considering feasibility of design options to reduce GHG emissions.</p>	All	ESIA Consultants and Nominated Supplier	<p>Signed confirmation letter from each ESIA Consultant</p> <p>Summary report on water availability and use</p>	<p>a) All consultants to prepare and sign a one page document stating baseline activities conducted and why they believe water impact is not an issue for the project.</p> <p>Nominated Supplier to provide a summary document that states design research undertaken on water availability and use along the entire length of the railway line</p> <p>b) Receive confirmation letter from Nominated Supplier stating whether annual GHG emissions during the use phase of the project along the entire railway line are likely to exceed 100,000 tonnes of CO2 equivalent per annum for Scope 1 and Scope 2 Emissions. If they do then ensure that the bank receives annual GHG emissions throughout the life of the project</p> <p>c) Nominated Supplier to submit alternative analysis to Environmental and Social Consultants for review and approval (if required)</p>	<p>a) Finalised by 25<sup>th</sup> April (see item 4)</p> <p>b) Finalised by 25<sup>th</sup> April (see item 3)</p> <p>c) Prior to design finalisation</p>	<p>a) Completed (evidenced by confirmation letters and summary of water availability document)</p> <p>b) Completed (evidenced by summary of climate change vulnerability document)</p> <p>c) Not yet due for completion</p>

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11	IFC PS4 / Security Personnel	As part of the supplemental ESIA documentation, undertake an assessment of security risks to employees and local communities. Consult affected communities on the use and deployment of security personnel and provide a grievance mechanism for communities and employees to express concerns about security arrangements.	All	ERC/ Nominated Supplier	<ul style="list-style-type: none"> <li>a) (HR Policy inclusion and Security Management Plan with detailed description of security arrangements</li> <li>b) Evidence of consultation with local communities on the use and deployment of security forces</li> <li>c) Grievance mechanism documented and in place for communities to express concerns about security arrangements and personnel</li> <li>d) Evidence of independent annual review of security performance (including grievances received from local communities</li> </ul>	<ul style="list-style-type: none"> <li>a) Confirm that the use of Federal Police, supported by Community Security and very limited use of private security is outlined in the HR Policy and the Security Management Plan. These should be in compliance with the Voluntary Principles on Security and Human Rights.</li> <li>b) Confirm evidence of consultation with local communities on the use and deployment of security forces. See item 6 for more details on the development and monitoring of a Stakeholder Engagement Plan, including engagement with local communities.</li> <li>c) ERC grievance mechanism to include consideration of security arrangements. See item 20 for more details on the development and monitoring of grievance mechanisms.</li> <li>d) Receive Progress Reports from Environmental and Social Consultant(s) that considers security arrangements (including grievances received from local communities). See item 21 for more information.</li> </ul>	<ul style="list-style-type: none"> <li>a) Draft completed by 4th April, final completed by 25th April</li> <li>b) Draft completed by 4th April, final completed by 25th April (See item 6)</li> <li>c) Draft by 4th April, final to be completed by 25th April (See item 20)</li> <li>d) See item 21</li> </ul>	<ul style="list-style-type: none"> <li>a) Completed (evidenced by HR Policy and Security Management Plans contained in ESMSs)</li> <li>b) Completed (evidenced by Stakeholder Engagement Plan and Security Management Plan contained in ESMSs)</li> <li>c) Completed (evidenced by Security Management Plan in ESMSs)</li> <li>d) Not yet due for completion</li> </ul>

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12	IFC PS 4 / Security Personnel	Security personnel should be recruited, trained and required to act in a manner that is consistent with local laws and regulations and industry good practice standards such as the Voluntary Principles on Security and Human Rights.	All	ERC, Nominated Supplier	<ul style="list-style-type: none"> <li>a) HR Policy inclusion</li> <li>b) Security staff personal training records</li> <li>c) Training materials provided showing compliance with requirements of the Voluntary Principles on Security and Human Rights</li> </ul>	<ul style="list-style-type: none"> <li>a) Confirm inclusion of security personnel/arrangements in the HR Policy</li> <li>b) Receive security training records and ensure these are kept accurate and updated on a regular basis</li> <li>c) Receive training materials and seek confirmation that these materials are in compliance with the requirements of the Voluntary Principles on Security and Human Rights</li> </ul>	<ul style="list-style-type: none"> <li>a) Draft completed by 4th April, final completed by 25th April</li> <li>b) During the Construction Phase and operation phase (updates to be included in the Progress Reports supplied to the Agents)</li> <li>c) Prior to the use of private security forces (updates to be included in the Progress Reports supplied to the Agents)</li> </ul>	<ul style="list-style-type: none"> <li>a) Completed (evidenced by HR Policies contained in ESMSs)</li> <li>b) Not yet due for completion</li> <li>c) Not yet due for completion</li> </ul>

Item	Related Standard & Sub-Heading	Action Description	Applicable Lots	Responsible	Documentation/ Indicator of Completion	Monitoring requirements	Required completion date	Comments
13	IFC PS 5 / Land Acquisition and Involuntary Resettlement AfDB OS2: Involuntary Resettlement, Land acquisition, population displacement and compensation	<p>a) Conduct/consider a baseline assessment of whether any economic or physical displacement of local communities will be caused by the project beyond that identified in the ESIA's</p> <p>b) Develop Resettlement Action Plans for any additional resettlement identified to be required.</p> <p>c) The Resettlement Action Plans should outline mechanisms for efficient and timely compensation, and the ERC's internal organisation to monitor and manage resettlement activities. It should also demonstrate a process of free, prior and informed consent if indigenous people are to be relocated. A grievance mechanism should be in place for resettled parties to express concerns arising from the resettlement process or its implementation.</p> <p>d) Carry out resettlement and compensation based on the approaches outlined in the Resettlement Action Plans, IFC PS5, AfDB OS2, OECD Common Approaches and local regulatory requirements. Consider commissioning an audit of the implemented RAP upon completion, to compare outcomes against desired objectives.</p>	<p>a) 10&amp;11</p> <p>b) 10&amp;11</p> <p>c) All</p> <p>d) All</p>	ERC	<p>a) Resettlement Action Plans for the entire length of the railway line</p> <p>b) Evidence of grievances reported (e.g. grievance log) and how they were addressed and audit reports assessing the implementation of the Resettlement Action Plans</p>	<p>a) ERC assisted by Nominated Supplier and a specialist consultant to prepare an overall Resettlement plan for the entire length of the railway line that summarises the baseline assessment of resettlement needs and outlines agreed mechanisms for compensation (including detailed costings), monitoring and grievance. This document will be based on the approaches outlined in the Resettlement Action Plans, IFC PS5, AfDB OS2, OECD Common Approaches and local regulatory requirements, and will be based on the Resettlement Action Plan Template including but not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Confirmation of a census of the affected persons and identification of vulnerable groups and indigenous populations;</li> <li>• Development of an eligibility criteria and establishment of a cut-off date;</li> <li>• Evaluation of an inventory of the affected properties;</li> <li>• Evaluation all other socio-economic costs;</li> <li>• Evidence of public consultations/awareness of the relevant stake-holders, taking into consideration the gender concerns and vulnerable groups;</li> <li>• Identification of alternative relocation sites, where affected person might have to be resettled.</li> <li>• Development of adequate livelihood restoration mechanisms;</li> <li>• Preparation of the resettlement implementation costs;</li> <li>• Preparation of implementation schedule;</li> <li>• Development of a monitoring and evaluation methodology;</li> <li>• Consideration of the relevant legal provisions for land acquisition and resettlement during preparation of an appropriate re-settlement action plan; and</li> <li>• Preparation and submission of a detailed resettlement action plan.</li> <li>• If applicable, occupation of land (where resettlement is required) for camp or plant activities cannot be commenced unless such lands have been included and concluded in the RAP</li> </ul> <p>b) Confirm the development of a grievance/conflict resolution mechanism (see item 20).</p>	<p>a) High level process document regarding the plan/process for resettlement and a summary of work done to date to be supplied to the Agents prior to the earlier of the date of the CFA and the data of the CTA.</p> <p>b) A time schedule for the planning and development of the RAP shall be started as soon as possible and submitted to the Agents not later than two months after signing</p> <p>c)</p> <p>Updated and full Resettlement Action Plan, based on the Resettlement Action Plan Template, to be supplied to the Agents and approved by the Agents prior to commencement of the Construction Phase (Where construction work or occupation of land for camp or plant activities requires resettlement, all resettlement activities will be completed, and all grievances and disputes addressed, before any construction work commences.) Such updated and full Resettlement Action Plan will also be sent to the ECAs promptly once it has been finalised.</p>	<p>a) Completed</p> <p>b) Not yet due</p>

Item	Related Standard & Sub-Heading	Action Description	Applicable Lots	Responsible	Documentation/ Indicator of Completion	Monitoring requirements	Required completion date	Comments
14	IFC PS6 / Biodiversity Conservation and Sustainable Management of Living Natural Resources	As part of the supplemental ESIA documentation, conduct/confirm a detailed assessment of baseline conditions of biodiversity, living natural resources and ecosystems services (quantified, where possible) in line with IFC PS6 requirements and integrate mitigation measures, in line with the "mitigation hierarchy", into management plan.	10, 11, 13	ESIA Consultants	Signed confirmation letter from each ESIA Consultant	Lot 10, 11 and 13 ESIA Consultants to prepare and sign a document, stating their view (and how they have come to that view) of the Biodiversity status, including any impact on protected areas, of the Lots concerned. This should include the consideration of any mitigation measures.	Finalised by 25 <sup>th</sup> April	Completed (evidenced by confirmation letters)  Note – in the event of realignment of the route additional biodiversity assessment will be undertaken as per Item 4. Any additional mitigation measures required will need to be included in updated ESMPs
15	IFC PS 7 / Indigenous Peoples	Conduct/confirm a baseline assessment using a competent organisation to assess whether indigenous people (as defined by the IFC PS 7) will be affected by the project. If indigenous peoples are expected to be impacted by the Project, ERC should assess the degree and significance of impacts, and consider realistic and cost-effective mitigation measures to avoid such impacts. If the impacts cannot be avoided, minimise and mitigate/compensate for such impacts in a culturally appropriate manner. Indigenous peoples affected by the project should be consulted in line with IFC PS 7, and their free, prior and informed consent should be obtained prior to proceeding with the project, under the specific conditions outlined in IFC PS7. It is recommended that ERC seek specialist advice to document evidence of consultation with such communities and efforts to avoid and minimise impacts. An Indigenous Peoples Development Plan or a broader Community Development Plan with specific considerations may be appropriate.	All	ESIA Consultants	Signed confirmation letter from each ESIA Consultant	All ESIA Consultants to prepare and sign a document, stating their view (and how they have come to that view) on the existence of indigenous peoples. If indigenous peoples are found to exist, then the confirmation letter should set out requisite mitigation measures.	Finalised by 25 <sup>th</sup> April	Completed (Evidenced by confirmation letters)

Item	Related Standard & Sub-Heading	Action Description	Applicable Lots	Responsible	Documentation/ Indicator of Completion	Monitoring requirements	Required completion date	Comments
16	IFC PS8 / Protection of Cultural Heritage in Project Design and Execution	As part of the supplemental ESIA documentation, conduct/confirm a cultural heritage survey for the route of the railway based on "internationally recognised practices for the protection, field-based study, and documentation of cultural heritage".  Ensure the ERC OS Archaeological Chance Finds Procedures are incorporated into the design and construction plans for the railway.	All	ESIA Consultants	<ul style="list-style-type: none"> <li>Signed confirmation letter from each ESIA Consultant</li> <li>Archaeological Chance Finds Management Plan, if required</li> </ul>	All ESIA Consultants to prepare and sign a document, stating their view (and how they have come to that view) on the existence of cultural heritage. If cultural heritage is found to exist, then the confirmation letter should set out requisite mitigation measures.	Confirmation letters to be finalised by 25 <sup>th</sup> April	<ul style="list-style-type: none"> <li>Completed (evidenced by confirmation letters)</li> <li>Completed</li> </ul>
17	AfDB OS1 / Gender	As part of the supplemental ESIA documentation, conduct/confirm the assessment of the Project's potential impacts on women and how the project can mitigate negative impacts and actively promote gender equality during the Construction Phase and the use phase.	All	ESIA Consultants	Signed confirmation letter from each ESIA Consultant	<p>a) All ESIA Consultants to prepare and sign a document, stating their view (and how they have come to that view) on any particular gender issues that could impact their particular Lot. If gender issues are identified, then the confirmation letter should set out requisite mitigation measures.</p> <p>b) Incorporate mitigation measures into the HR Policy and/or ESMPs with respect to:</p> <ul style="list-style-type: none"> <li>Providing equal employment opportunities for women</li> <li>Establishing a code of conduct for workers which include guidelines on interaction with the local community</li> <li>Community education and awareness-raising on STDs and HIV/AIDS transmission</li> <li>Reporting and disciplinary procedure for any incident of abuse</li> </ul>	<p>a) Finalised by 25<sup>th</sup> April</p> <p>b) Prior to the commencement of the Construction Phase (updates to be included in the Progress Reports of the Environmental and Social Consultant(s))</p>	<p>a) Completed (evidenced by confirmation letters)</p> <p>b) Not yet due for completion</p>



Item	Related Standard & Sub-Heading	Action Description	Applicable Lots	Responsible	Documentation/ Indicator of Completion	Monitoring requirements	Required completion date	Comments
18	AfDB OS1 / Climate Change Risk	As part of the supplemental impact assessment, conduct/confirm an assessment of the project's vulnerability to climate change risk and categorise this according to AfDB OS criteria.	All	Nominated Supplier	Summary document that states design research undertaken on climate change vulnerability along the entire length of the railway line from Aqash to Weldia	<p>Nominated Supplier to provide a summary document that states design research undertaken on climate change vulnerability along the entire length of the railway line</p> <p>Note: Climate change vulnerability document should consider the following:</p> <ul style="list-style-type: none"> <li>a) Confirmation of objectives, scope and targets of the assessment</li> <li>b) Evidence of engagement with key internal and external stakeholders</li> <li>c) Review of existing literature on assessment targets and climate impacts</li> <li>d) Development of climatic projections, focusing on ecologically relevant variables and suitable spatial and temporal scales</li> <li>e) Evaluation of climate sensitivity for the assessment targets</li> <li>f) Outline of likely exposure targets to climatic/ecological change</li> <li>g) Estimation of the overall vulnerability of targets</li> <li>h) Confirmation of the level of confidence or uncertainty in assessments</li> <li>i) Explanation of why specific targets are vulnerable to inform possible adaptation responses</li> <li>j) Analysis to understand how targets might fare under various management and climatic scenarios</li> <li>k) Consultation with stakeholders and decision-makers (re: assessment results)</li> <li>l) Evidence of results that influence the development of adaptation strategies and plans</li> </ul>	Draft completed by 4 <sup>th</sup> April Final completed by 25 <sup>th</sup> April	Completed (Evidenced by summary of climate change vulnerability document)

Item	Related Standard & Sub-Heading	Action Description	Applicable Lots	Responsible	Documentation/ Indicator of Completion	Monitoring requirements	Required completion date	Comments
19	AfDB OS1 / Community consultation	<p>a) Confirm that information contained in the supplementary ESIA documentation is incorporated into the Stakeholder Engagement Plan (see item 6), and ESMPs (see item 2)</p> <p>b) Develop Stakeholder Engagement Plan for activities to be undertaken during the design phase, Construction Phase and operation phase (ERC only), and incorporate into ESMPs.</p>	All	Nominated Supplier /ERC	<p>a) Stakeholder Engagement Plan that includes information provided in supplementary ESIA documentation e.g. confirmation letters</p> <p>b) Summary of evidence confirming stakeholder consultation activities and outcomes</p> <p>c) Completed ongoing Stakeholder Engagement Plan incorporated into ESMPs</p>	<p>a) Nominated Supplier to ensure that information contained in the supplementary ESIA documentation is incorporated into Stakeholder Engagement Plan (see item 6), and ESMPs (see item 5)</p> <p>b) Nominated Supplier to summarise evidence supplied by ESIA consultants to confirm stakeholder consultation and outcomes conducted to date. Information should include number of meetings held, the meeting dates, locations, number of people who attended, issues discussed and grievance raised</p> <p>c) See Item 2</p>	<p>a) Draft by 4<sup>th</sup> April, final to be completed by 25<sup>th</sup> April</p> <p>b) Prior to the Construction Phase commencing</p> <p>c) See Item 2</p>	<p>a) Completed (evidenced by Grievance Mechanism and Stakeholder Engagement Plan contained in ESMSs)</p> <p>b) Completed (evidenced by Stakeholder Engagement Plan contained in Nominated Supplier's ESMS)</p> <p>c) See Item 2</p>

Item	Related Standard & Sub-Heading	Action Description	Applicable Lots	Responsible	Documentation/ Indicator of Completion	Monitoring requirements	Required completion date	Comments
20	IFC PS 1 / External Communications and Grievance Mechanism, Ongoing Reporting to Affected Communities	Establish an External Communications and Grievance Mechanism for the use of “Affected Communities” and report on its implementation during both Construction Phase and operation phase. This should incorporate plans for ongoing reporting to affected communities regarding the progress of implementing mitigation plans. (Please see the Good Practice Note: Addressing Grievances from Project-Affected Communities at <a href="http://www.ifc.org">www.ifc.org</a> )	All	ERC to develop ERC & Nominated Supplier to implement	External Communications and Grievance Mechanism plan/procedures	<p>Receive ERC and Nominated Supplier documentation on the establishment of the key elements of an External Communications and Grievance Mechanism, including:</p> <ul style="list-style-type: none"> <li>• Establishment a procedure for receiving, recording/documenting, and addressing complaints that is easily accessible, culturally appropriate, and understandable to affected communities.</li> <li>• Confirmation that affected communities have been informed about the establishment of a grievance mechanism during the company-community engagement process.</li> <li>• Evidence of consideration of when and how to seek solutions to complaints in a collaborative manner with affected communities.</li> <li>• Evidence to show concerns are addressed promptly, using an understandable and transparent process that is readily accessible to all segments of the affected communities—and at no cost and without retribution to the stakeholders.</li> <li>• Assignment of consistent, experienced, and qualified personnel to receive and respond to grievances.</li> <li>• Establishment of a redress mechanism so those who feel their grievances have not been adequately addressed have recourse to an external body for reconsideration of their case.</li> <li>• Evidence of grievances received and responses provided and reported back to the community periodically.</li> <li>• Confirmation of periodic reports on issues that the grievance mechanism has identified as of concern to those communities.</li> </ul>	Draft completed by 4 <sup>th</sup> April Final completed by 25 <sup>th</sup> April	Completed (evidenced by ESMSs)

Item	Related Standard & Sub-Heading	Action Description	Applicable Lots	Responsible	Documentation/ Indicator of Completion	Monitoring requirements	Required completion date	Comments
21	IFC PS 1 / Monitoring and Review	Monitor and report on the application and effectiveness of ESMPs and compliance with other applicable standards and local regulations.	All	ERC to develop and monitor Nominated Supplier to implement and monitor	Regular ongoing Progress Reports	<p>a) ERC / Environmental and Social Consultants to provide to the Agents and ECAs interim progress reports covering the development, progress and status of the updated and full Resettlement Action Plan and compliance with PS5, as envisaged under Item 13 of this Environmental and Social Action Plan.</p> <p>b) Receive Progress Reports from the Environmental and Social Consultant(s) on the project's compliance with specified international standards (as stated in the Terms of Reference) and local legislation, during and following the Construction Phase and the operation phase:</p> <ul style="list-style-type: none"> <li>• Health &amp; Safety (including material incidents/accidents in connection with Item 8);</li> <li>• Environmental management including: Noise; Soil; Workplace dust/ Exhaust air quality; Wastewater; Waste streams generated;</li> <li>• Biodiversity;</li> <li>• Resettlement;</li> <li>• Security;</li> <li>• Ongoing stakeholder engagement</li> <li>• Grievances raised</li> <li>• Recruitment of local population;</li> <li>• Mitigation measures relating to gender issues in connection with Item 17; and</li> <li>• Public complaints.</li> </ul>	<p>a) Interim progress reports on the development, progress and status of the Updated Resettlement Action Plan required every 3 months after the earlier of the date of the CFA and the date of the CTA until the Updated Resettlement Action Plan has been completed and approved in accordance with Item 13 of this Environmental and Social Action Plan. Thereafter, updates on the updated and full Resettlement Action Plan to be included in the regular Progress Reports provided to the Lenders and ECAs.</p> <p>b) ERC to supply compliance update reports to Agents and ECAs on the implementation of E&amp;S prior to the commencement of the Construction Phase (not design/ mobilisation)</p> <ul style="list-style-type: none"> <li>• Environmental and Social Consultant(s) to supply a Progress Reports to the Agents and ECAs prior to the commencement of the Construction Phase.</li> <li>• During the Construction Phase, Agents and ECAs to receive 6 monthly Progress Reports from the Environmental and Social Consultant(s)</li> <li>• Supply update Progress Reports to Agents and ECAs prior to Commissioning of the Project</li> <li>• After Commissioning of the Project, Agents and ECAs to receive annual report for whole life of the facilities.</li> </ul>	Not yet due for completion