

**Independent State of Papua New Guinea**

**National Energy Authority  
and  
PNG Power Limited**

**National Energy Access Transformation Project  
(P173194)**

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

**February 2024**

## ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The Independent State of Papua New Guinea (the Recipient) will implement the PNG National Energy Access Transformation Project (the Project), with the involvement of the National Energy Authority (NEA) and PNG Power Limited (PPL), as set out in the Financing Agreement and Grant Agreement; and the Project Agreement with NEA, and the Project Agreement with PPL. The International Development Association (the Association), has agreed to provide financing (P173194) for the Project, as set out in the referred agreements.
2. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards (ESSs) in respect of all Parts of the Project except Part 1.3; or the World Bank Group Performance Standards (PSs) in respect of Part 1.3 of the Project, and this Environmental and Social Commitment Plan (ESCP), in a manner acceptable to the Association. The ESCP is a part of the Financing Agreement and the Project Agreements. Unless otherwise defined in this ESCP, capitalized terms used in this ESCP have the meanings ascribed to them in the referred agreement(s).
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, through the National Energy Authority and PNG Power Limited, and the Association agree to update the ESCP to reflect these changes through an exchange of letters signed between the Association and the Recipient through the National Energy Authority and PNG Power Limited. The Recipient, through the National Energy Authority and PNG Power Limited, shall promptly disclose the updated ESCP.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
<b>MONITORING AND REPORTING</b>			
A	<p><b>REGULAR REPORTING</b></p> <p>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&amp;S instruments required under the ESCP, stakeholder engagement activities, and functioning of the grievance mechanism(s).</p>	Submit quarterly reports to the Association throughout Project implementation, commencing after the Effective Date. Submit each report to the Association no later than 30 days after the end of each reporting period.	PPL/NEA
B	<p><b>INCIDENTS AND ACCIDENTS</b></p> <p>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), and accidents that result in death, serious or multiple injury. Provide sufficient detail regarding the scope, severity, and possible causes of the incident or accident, indicating immediate measures taken or that are planned to be taken to address it, and any information provided by any contractor and/or supervising firm, as appropriate.</p> <p>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.</p>	<p>Notify the Association no later than 48 hours after learning of the incident or accident.</p> <p>Provide subsequent report to the Association within a timeframe acceptable to the Association.</p>	PPL/NEA
C	<p><b>CONTRACTORS’ AND BENEFICIARIES’ MONTHLY REPORTS</b></p> <p>Require contractors, grant beneficiaries (including micro-grid developers, private project company or companies (mini-grid concessionaire), catalytic grant beneficiaries and RBF grant beneficiaries) and supervising firms to provide monthly monitoring reports on ESHS performance in accordance with the metrics specified in the respective bidding documents and contracts, and submit such reports to the Association.</p>	Submit the monthly reports to the Association upon request and as annexes to the reports to be submitted under action A above.	PPL/NEA
<b>ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS</b>			
1.1	<p><b>ORGANIZATIONAL STRUCTURE</b></p> <p>1. Establish and maintain an Employers’ Project Manager (EPM) within PPL and Project Team (PT) within NEA with qualified staff and resources to support management of ESHS risks and impacts of the Project.</p> <p>The PPL EPM E&amp;S resources are to include: one part-time international E&amp;S Specialist and two full-time PNG E&amp;S personnel (Social and GBV Specialist; and Environment Specialist).</p> <p>The NEA PT E&amp;S resources are to include: one part-time international E&amp;S Specialist and three full-time PNG E&amp;S personnel (Social Specialist; Environment Specialist; and GBV Specialist)</p>	1. Hire or appoint environmental and social specialists within each EPM/PT within 3 months of the Effective Date, and thereafter maintain these positions throughout Project implementation.	PPL/NEA

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	<p>2. The PPL and NEA shall engage additional environmental and/or social specialists to support the development of the Project, if and when required.</p> <p>3. . PPL and NEA to ensure that project contractors and beneficiaries engage and maintain adequate E&amp;S capacity as per E&amp;S requirements outlined in respective contracts/agreements.</p>	<p>2. Engage/appoint additional environmental and/or social specialists as required during the implementation of the Project – including during the early implementation period before EPM/PT are established.</p> <p>3. Prior to finalization of procurement documents and respective contracts/ agreements. Monitor throughout Project implementation.</p>	
1.2	<p><b>ENVIRONMENTAL AND SOCIAL INSTRUMENTS</b></p> <p>1. Adopt and implement an Environmental and Social Management Framework (ESMF) for the Project, consistent with ESS1, PS1 – Assessment and Management of Environmental and Social Risks and Impacts, and other relevant ESSs and PSs where applicable.</p> <p>2. Screen any proposed Project activity in accordance with the ESMF adopted for the Project and ensure a subproject Environmental and Social Assessment (ESA) is prepared, adopted and implemented, where required, as set out in the ESMF to the satisfaction of the Association and PNG regulatory authorities (as required). This includes:</p> <p>a) Environmental and Social Management Plan (ESMP) for grid rehabilitation, upgrade or expansion works (C1.1 and C1.2);</p> <p>b) Environmental and Social Management System (ESMS), Environmental and Social Impact Assessment (ESIA) / ESMP and ESMP-Operations (O-ESMP) for PPL mini-grids (C1.3);</p> <p>c) ESMP for each community micro-grid (C2.1); and</p> <p>d) an E&amp;S Code of Practice (ESCP) for Solar Home Systems grant schemes (C2.2). The proposed activities described in the exclusion list set out in the ESMF shall be ineligible to receive financing under the Project.</p>	<p>1. The ESMF (dated February 2024) has been adopted and disclosed and shall be implemented throughout Project implementation.</p> <p>2a Prepare and adopt ESMP(s) prior to launching of bidding process. Implement throughout Project implementation.</p> <p>2b. Require documented ESMS as part of the bidding process. Ensure the ESMS is updated as required and ESIA/ESMP is prepared and adopted prior to commencement of works. Ensure O-ESMP is prepared, approved and adopted prior to the commissioning of the plant. Monitor implementation of ESMS, ESIA/ESMP and O-ESMP throughout Project Implementation.</p> <p>2c. Ensure the ESMP is prepared and adopted prior to commencement of works. Monitor implementation throughout Project Implementation.</p>	PPL/NEA

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
		2d. Include ESCOPs in bid documents prior to launching grant process and in subsequent agreements. Monitor implementation throughout Project Implementation.	
1.3	<p><b>MANAGEMENT OF CONTRACTORS AND BENEFICIARIES</b></p> <p>Incorporate the relevant aspects of the ESCP, including, inter alia, the relevant E&amp;S instruments, the LMP and CoC, into the ESHS specifications of the procurement documents and contracts/agreements with contractors and beneficiaries. Thereafter ensure that the contractors and beneficiaries comply and cause subcontractors to comply with the ESHS specifications of their respective contracts / agreements.</p>	Prior to finalization of procurement documents and respective contracts/ agreements. Monitor throughout Project implementation.	PPL/NEA
1.4	<p><b>TECHNICAL ASSISTANCE</b></p> <p>Ensure that the consultancies, studies (including feasibility studies), capacity building, training, and any other technical assistance activities under the Project are carried out in accordance with terms of reference acceptable to the Association, that are consistent with the ESSs and PSs where relevant, including Annex A of ESS4 on Safety of Dams, where applicable. Thereafter ensure that the outputs of such activities comply with the terms of reference.</p>	Throughout Project implementation.	PPL/NEA
1.5	<p><b>ASSOCIATED FACILITIES</b></p> <p>Ensure that the activities in any associated facility identified as part of the E&amp;S screening process required as per the EMSF are carried out in accordance with the applicable requirements of this ESCP and the ESSs and PSs where relevant, including, inter alia, the ESMF, SEP, LMP, LARF, IPPF and any subproject specific ESAs applicable to the activity (unless it is demonstrated that NEA/PPL or contractors / beneficiaries have no control over the associated facility).</p>	Throughout Project implementation.	PPL/NEA
1.6	<p><b>ACTIVITIES SUBJECT TO RETROACTIVE FINANCING</b></p> <p>Recipient to conduct an E&amp;S audit and implement necessary corrective actions to the satisfaction of the Association to ensure that any activity financed retroactively complies with the project’s ESMF, SEP, LMP, LARF, IPPF, as relevant and the ESSs.</p>	Prior to disbursement	PPL/NEA
<b>ESS 2: LABOR AND WORKING CONDITIONS</b>			
2.1	<p><b>LABOR MANAGEMENT PROCEDURES</b></p>	The LMP (dated February 2024) has been adopted and disclosed and shall be implemented throughout Project implementation.	PPL/NEA

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	Adopt, disclose and implement the Labor Management Procedure (LMP) for the Project which has been prepared in accordance with ESS2 and PS2 – Labor and Working Conditions, where applicable, 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 / third parties, and supervising firms.		
2.2	<b>GRIEVANCE MECHANISM FOR PROJECT WORKERS</b> Establish and operate grievance mechanisms for Project workers, as described in the LMP.	Establish worker grievance mechanism prior to engaging Project workers and thereafter maintain and operate it throughout Project implementation.	PPL/NEA
2.3	<b>PPL MINI GRID WORKFORCE</b> Ensure requirements for managing PPL mini-grid workforce (C1.3) in accordance with PS2, are included in the bid documents and VGF Grant Agreement (concession agreement) to the satisfaction of the Association and PNG regulatory authorities including: i) adoption and implementation of a roadmap for managing workforce engagement and collective dismissal (if applicable); ii) requirements for project-provided accommodation; and iii) adoption and implementation of human resources policies and procedures appropriate to its size and workforce that set out its approach to managing workers.	Prior to finalization of procurement documents and VGF Grant Agreement (concession agreement). Implement/monitor throughout Project implementation.	PPL
<b>ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</b>			
3.1	<b>WASTE MANAGEMENT PLAN</b> Adopt, and implement waste management measures in the ESMF under action 1.2 above which are consistent with ESS3 and PS 3 – Resource Efficiency and Pollution Prevention (where applicable), including incorporating such measures into bid documents (as specified in the ESMF) and requiring contractors and grant beneficiaries to include waste management measures in sub-project ESAs as applicable. This includes, if the hazardous material assessments indicate the presence of asbestos and/or Polychlorinated biphenyl (PCB), specific procedure(s) for the handling, treatment, and disposal of such wastes needs to be prepared in accordance with Good International Industry (GIIP) and national requirements. Thereafter ensure waste management measures are implemented.	Include waste management requirements prior to the finalization of procurement documents and contracts / agreements. Monitor implementation throughout Project implementation.	PPL/NEA

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
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 under action 1.2 above.</p>	The ESMF (dated February 2024) has been adopted and disclosed and shall be implemented throughout Project implementation.	PPL/NEA
<b>ESS 4: COMMUNITY HEALTH AND SAFETY</b>			
4.1	<p><b>COMMUNITY HEALTH AND SAFETY</b></p> <p>1. Adopt, and implement measures and actions included in the ESMF and LMP, consistent with ESS2 and ESS4 and PS 2 and PS4 – Community Health, Safety and Security (where applicable), to manage risks (including code of conduct to address behavior of Project workers), and include these measures in the subproject-specific ESAs to be prepared in accordance with the ESMF, in a manner acceptable to the Association.</p> <p>2. Assess and manage specific health and safety risks and impacts to the community arising from Project activities and include mitigation measures in sub-project ESAs to be prepared where required in accordance with the ESMF.</p>	<p>1. Subproject-specific instruments to be prepared and approved prior to the commencement of works and implemented throughout Project implementation.</p> <p>2. Adopt the required subproject ESAs prior to the carrying out of subproject. Once adopted, implement the required ESAs throughout Project implementation.</p>	PPL/NEA
4.2	<p><b>TRAFFIC AND ROAD SAFETY</b></p> <p>Adopt, and implement measures and actions included in the ESMF under action 1.2 above to manage traffic and road safety risks.</p>	The ESMF (dated February 2024) has been adopted and disclosed and shall be implemented throughout Project implementation.	PPL/NEA
4.3	<p><b>SEA AND SH RISKS</b></p> <p>Adopt and implement measures and actions outlined in the ESMF under action 1.2 above including the project’s GBV Action Plan to manage SEA/SH risks.</p>	The ESMF (dated February 2024), incorporating a GBV Action Plan, has been adopted and disclosed and shall be implemented throughout Project implementation.	PPL/NEA
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, guided by the principles of proportionality and GIIP, and by applicable law, in relation to hiring, rules of conduct, training, equipping, and monitoring of such personnel.</p>	Prior to engaging security personnel and thereafter implemented throughout Project implementation.	PPL/NEA
4.5	<p><b>DAM SAFETY</b></p>	Engage qualified engineers prior to design. Thereafter, adopt and implement measures throughout Project implementation	PPL

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	For subprojects that finance or rely on small dams, engage qualified engineers to design dam safety measures in accordance with good international industry practice, and thereafter adopt and implement such measures.		
<b>ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT</b>			
5.1	<b>RESETTLEMENT FRAMEWORK</b> Adopt and implement a Land Access and Resettlement Framework (LARF) for the Project, consistent with ESS5 and PS5 – Involuntary Resettlement as applicable)	The LARF (dated February 2024) has been adopted and disclosed and shall be implemented throughout Project implementation.	PPL/NEA
5.2	<b>LAND DUE DILIGENCE REPORT AND RESETTLEMENT PLANS</b> Prepare and implement a Land Due Diligence (DD) Report and/or Resettlement Plan (RP) for each activity under the Project for which the LARF requires such Land DD and/or RP, as set out in the LARF.	<ol style="list-style-type: none"> <li>1. Prepare Land DD and/or RPs and secure land access agreements for subcomponent 1.2 (grid densification and expansion) activities prior to commencement of works.</li> <li>2. Ensure Land DD and/or RPs are prepared for subcomponent 1.3 (mini-grids) including securing land access arrangements, prior to commencement of works.</li> <li>3. Ensure Land DD are prepared and land access agreements are secured for subcomponent 2.1 (micro-grid) sites prior to the commencement of works</li> </ol>	PPL/NEA
<b>ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES</b>			
6.1	<b>BIODIVERSITY RISKS AND IMPACTS</b> Adopt and implement measures and actions to assess and manage biodiversity risks as required in the ESMF prepared for the Project and consistent with ESS6 and PS6 – Biodiversity Conservation where applicable	The ESMF (dated February 2024) has been adopted and disclosed and shall be implemented throughout Project implementation.	PPL/NEA
<b>ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES</b>			
7.1	<b>INDIGENOUS PEOPLES PLANNING FRAMEWORK</b> Adopt and implement an Indigenous Peoples Planning Framework (IPPF) for the Project, consistent with ESS7 and PS7 – Indigenous Peoples where applicable	The IPPF (dated February 2024) has been adopted and disclosed and shall be implemented throughout Project implementation.	PPL/NEA
<b>ESS 8: CULTURAL HERITAGE</b>			



MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
8.1	<p><b>CHANCE FINDS</b></p> <p>Describe and implement the chance finds procedures, consistent with ESS8 and PS 8 – Cultural Heritage where applicable as part of the ESMF to be prepared under action 1.2 above.</p>	The ESMF (dated February 2024) has been adopted and disclosed and shall be implemented throughout Project implementation.	PPL/NEA
<b>ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE</b>			
10.1	<p><b>STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION</b></p> <p>Implement and update the Stakeholder Engagement Plan (SEP) for the Project, consistent with ESS10 and PS1 where applicable, which shall include measures to, inter alia, 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.</p>	The SEP (dated February 2024) has been adopted and disclosed and shall be implemented throughout Project implementation.	PPL/NEA
10.2	<p><b>PROJECT GRIEVANCE MECHANISM</b></p> <p>Establish, publicize, maintain, and operate 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 and PS1 where applicable. 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.</p>	GM to be operationalized within 90 days of the Effective Date and maintained throughout Project implementation.	PPL/NEA
<b>CAPACITY SUPPORT</b>			
CS1	PT/EPM staff to receive training on Project E&S instruments and the roles and responsibilities of different key agencies in E&S risk management.	Within 6 months of the Effective Date (after appointment of the environmental and social specialists).	PPL/NEA
CS2	All Project workers to receive training on local culture, occupational health and safety, prevention of gender-based violence (GBV), SEAH, Violence Against Children (VAC), environmental incidents and emergency prevention and preparedness and responses to emergency situations and the grievance mechanisms.	As required, prior to work commencing, and throughout Project implementation as new workers are engaged.	PPL/NEA
CS3	Contractors to receive training on the relevant aspects of the Project E&S instruments and relevant ESHS requirements, including implementation of the C-ESMP.	Prior to mobilization and throughout the duration of their contract.	PPL/NEA

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
CS4	Beneficiaries (C2.1) to receive training on the relevant aspects of the Project E&S instruments and relevant ESHS requirements, including preparation of sub-project specific E&S documents and implementation of the LARF.	As part of awareness for the bidding process, and once beneficiaries have been selected.	<i>PPL/NEA</i>
CS5	Beneficiaries (C1.3) to receive training on the relevant aspects of the Project E&S instruments and relevant ESHS requirements.	After the pre-qualification process, and once beneficiaries have been selected.	<i>PPL/NEA</i>
CS6	Beneficiaries (C2.2) to receive training on the relevant aspects of the Project E&S instruments and relevant ESHS requirements, including the ESCoP.	As part of awareness for the grant selection process, and once beneficiaries have been selected.	<i>PPL/NEA</i>