

# Federal Government of Somalia



## MINISTRY OF FINANCE

### SOMALIA PRODUCTIVE, RESILIENT, AND INCLUSIVE GROWTH PROJECT (SPRING) (P501662)

### ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN (ESCP)

**Negotiated Version**  
**19<sup>th</sup> March 2025.**

## **ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN**

1. The Federal Government of Somalia (FGS) (the Recipient) will implement the SOMALIA PRODUCTIVE, RESILIENT, AND INCLUSIVE GROWTH (SPRING) Project (the Project), with the involvement of the Ministry of Finance (MoF) as set out in the Financing Agreement (the Agreement). The International Development Association (Association) has agreed to provide financing for the Project, as set out in 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 Agreement. Unless otherwise defined in this ESCP, capitalized terms used in this ESCP have the meanings ascribed to them in the Agreement.
3. Without limitation to the foregoing, this ESCP sets out material measures and actions that the Recipient shall carry out or cause to be carried out, including, as applicable, their respective timeframes; institutional, staffing, training, monitoring and reporting arrangements; and grievance management. The ESCP also sets out the environmental and social (E&S) documents that shall be prepared or updated, consulted, disclosed and implemented under the Project, consistent with the ESSs, in form and substance acceptable to the Association. Said E&S documents may be revised from time to time with prior written agreement by the Association. As provided for under the referred Agreement, the Recipient shall ensure that there are sufficient funds available to cover the costs of implementing the ESCP.
4. As agreed by the Association and the Recipient, this ESCP will be revised from time to time, if necessary, to reflect adaptive management of Project changes or unforeseen circumstances or in response to Project performance. In such circumstances, the Association and the Recipient agree to update the ESCP to reflect these changes through an exchange of letters signed between the Association and the Recipient's Representative specified in the Agreement. The Recipient shall promptly disclose the updated ESCP.
5. The subsection on "Indicators for Implementation Readiness" below identifies the actions and measures to be monitored to assess Project readiness to begin implementation in accordance with this ESCP. Nevertheless, all actions and measures in this ESCP shall be implemented as set out in the "Timeframe" column below irrespective of whether they are listed in the referred subsection.

| MATERIAL MEASURES AND ACTIONS                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | TIMEFRAME                                                                                                                                                                                                               | RESPONSIBLE ENTITY        |
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| IMPLEMENTATION ARRANGEMENTS AND CAPACITY SUPPORT |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                         |                           |
| A                                                | <p><b>ORGANIZATIONAL STRUCTURE</b></p> <ul style="list-style-type: none"> <li>a. Maintain the environmental and social specialist within the Project Implementation Unit (PIU) in the Ministry of Finance, which was established under the Somalia Capacity Advancement, Livelihoods and Entrepreneurship, through Digital Uplift Project SCALED-UP project (P168115).</li> <li>b. Recruit a gender-based violence specialist and a social specialist at National Identification and Registration Authority (NIRA).</li> <li>c. Appoint focal persons key MDAs to ensure effective management of E&amp;S risks, including monitoring and reporting.</li> <li>d. Maintain an E&amp;S specialist position at Gargaara to focus on mitigating E&amp;S risks under components 2 and 3 where financial institutions involved in the Project shall adhere to environmental and social guidelines and ESMS.</li> </ul> | <p>(a) Throughout the implementation of the Project.</p> <p>(b) and (c) not later than 6 months after Effectiveness.</p> <p>(d) Throughout the implementation of the Project.</p>                                       | Ministry of Finance (MoF) |
| B                                                | <p><b>CAPACITY BUILDING PLAN/MEASURES</b></p> <p>Prepare and implement the capacity building plan, which includes:</p> <ul style="list-style-type: none"> <li>• Training for PIU staff, stakeholders, communities, Project workers on stakeholder mapping and engagement, labour management, Occupational Health and Safety measures, SEA/H reporting, Incident Reporting, e waste management, security management, grievance mechanism, community health and safety and emergency preparedness and response.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                        | Prepare the capacity building plan no later than 3 months after the Effective Date and thereafter implement it throughout Project implementation.                                                                       | PIU under the MoF         |
| MONITORING AND REPORTING                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                         |                           |
| C                                                | <p><b>REGULAR REPORTING</b></p> <p>Prepare and submit to the Association regular monitoring reports on the environmental, social, health and safety (E&amp;S) performance of the Project. The reports shall include:</p> <ul style="list-style-type: none"> <li>• Status of preparation and implementation of E&amp;S documents required under the ESCP.</li> <li>• Summary of stakeholder engagement activities carried out as per the Stakeholder Engagement Plan.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                 | Submit quarterly reports to the Association throughout Project implementation, commencing after the Effective Date. Submit each report to the Association no later than 45 days after the end of each reporting period. | PIU under the MoF         |

| MATERIAL MEASURES AND ACTIONS |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | TIMEFRAME                                                                                                                                                                                                                                                                                                                                                          | RESPONSIBLE ENTITY |
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|                               | <ul style="list-style-type: none"> <li>Complaints submitted to the grievance mechanism(s), the grievance log, and progress made in resolving them.</li> <li>E&amp;S performance of contractors and subcontractors as reported through monthly contractors' and supervision firms' reports.</li> <li>Number and status of resolution of incidents and accidents reported under action E below.</li> <li>E&amp;S performance of the Participating Financial Institutions (PFIs) as reported through periodic reports.</li> <li>E&amp;S performance report for the risk sharing platform as part of ESMS procedure.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                    |                    |
| D                             | <p><b>CONTRACTORS' MONTHLY REPORTS</b></p> <p>Require contractors and supervising firms to provide monthly monitoring reports on E&amp;S 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 as annexes to the reports to be submitted under action C above.                                                                                                                                                                                                                                                      | PIU under the MoF  |
| E                             | <p><b>INCIDENTS AND ACCIDENTS</b></p> <p>Notify the Association of any incident or accident relating to the project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including those resulting in death or significant injury to workers or the public; acts of violence, discrimination or protest; forced or child labor; displacement without due process (forced eviction); (s) of data breach, allegations of sexual exploitation or abuse (SEA), or sexual harassment (SH); or disease outbreaks. Provide available details of the incident or accident to the Association upon request.</p> <p>Arrange for an appropriate review of the incident or accident to establish its immediate, underlying and root causes. Prepare, agree with the Association, and implement a Corrective Action Plan that sets out the measures and actions to be taken to address the incident or accident and prevent its recurrence.</p> | <p>Notify the Association no later than 48 hours after learning of the incident or accident. Provide available details upon request.</p> <p>Provide review report and Corrective Action Plan to the Association no later than 10 days following the submission of the initial notice, unless a different timeframe is agreed to in writing by the Association.</p> | PIU under the MoF  |

| MATERIAL MEASURES AND ACTIONS                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | TIMEFRAME                                                                                                                                                                                                                               | RESPONSIBLE ENTITY |
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| <b>ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                         |                    |
| 1.1                                                                                   | <b>ENVIRONMENTAL AND SOCIAL ASSESSMENTS AND/OR PLANS</b> <ol style="list-style-type: none"> <li>Update E&amp;S aspects of the NIRA strategy and distill the E&amp;S material measures in the Strategy and the POM.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <ol style="list-style-type: none"> <li>Update E&amp;S aspects of the NIRA strategy and distill the E&amp;S material measures in the Strategy and the POM before the commencement of activities under part 1.2 of the Project</li> </ol> |                    |
| 1.2                                                                                   | <b>MANAGEMENT OF CONTRACTORS</b> <p>Incorporate the relevant aspects of the ESCP, including, inter alia, the Labor Management Procedures, and code of conduct, into the E&amp;S specifications of the procurement documents and contracts with contractors and supervising firms. Thereafter ensure that the contractors and supervising firms comply and that they require their subcontractors to comply with the E&amp;S specifications of their respective contracts. Provide copies of the relevant contracts with contractors/subcontractors and supervision firms to the Association.</p>                                                                                                                                                                     | <p>As part of the preparation of procurement documents and respective contracts. Supervise contractors throughout Project implementation. Copies of relevant contracts provided to the Association upon request.</p>                    | PIU under the MoF  |
| 1.3                                                                                   | <b>TECHNICAL ASSISTANCE</b> <ol style="list-style-type: none"> <li>Carry out the consultancies, capacity building, training, and any other technical assistance activities under the Project in accordance with terms of reference acceptable to the Association, that are consistent with the ESSs. Thereafter prepare and finalize the outputs of such activities in compliance with the terms of reference.</li> <li>Risks associated with technical assistance of type 2 and type 3 shall be managed by ensuring E&amp;S considerations, such as E&amp;S screening, assessment, stakeholder engagement, OHS, working conditions, and training on E&amp;S consistent with the Environmental and Social Framework (ESF), are included in TA activities.</li> </ol> | Throughout Project implementation.                                                                                                                                                                                                      | PIU under the MoF  |

| MATERIAL MEASURES AND ACTIONS                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                               | TIMEFRAME                                                                                                                                                                                                                         | RESPONSIBLE ENTITY |
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| <b>ESS 2: LABOR AND WORKING CONDITIONS</b>                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                   |                    |
| 2.1                                                                       | <b>LABOR MANAGEMENT PROCEDURES</b><br><br>Prepare and implement the Labor Management Procedures (LMP) for the Project.<br><br>Embed ESS 2 requirements into the NIRA Strategy and the ESMSs of Gargaara.                                                                                                                                                                                                                                                      | Prepare the LMP prior to the commencement of activities under the Project and thereafter implement the LMP throughout Project implementation.<br><br>Embed ESS2 requirements into NIRA and ESMS before commencement of activities | PIU under the MoF  |
| 2.2                                                                       | <b>OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT PLAN</b><br><br>Require contractors and subcontractors to prepare and implement OHS Management Measures or Plans in accordance with the LMP.                                                                                                                                                                                                                                                                     | Throughout Project implementation.                                                                                                                                                                                                | PIU under the MoF  |
| 2.3                                                                       | <b>GRIEVANCE MECHANISM FOR PROJECT WORKERS</b><br><br>Establish and operate a grievance mechanism for Project workers, as described in the LMP and consistent with ESS2.<br><br>NIRA Strategy shall detail the modalities of a GRM for Project workers that shall be established during Project implementation. Dedicated channels to enable reporting of sexual harassment and other forms of GBV/DSEAH shall be elaborated in the Project Operation Manual. | Establish grievance mechanism prior engaging Project workers and thereafter maintain and operate it throughout Project implementation.                                                                                            | PIU under MoF/NIRA |
| <b>ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                   |                    |
| 3.1                                                                       | <b>WASTE MANAGEMENT PLAN</b><br><br>Prepare and implement an e Waste Management Plan, as part of the NIRA Implementation strategy and Project Operation Manual to manage e waste consistent with ESS3.                                                                                                                                                                                                                                                        | Prepare the e-WMP prior to activities under Component 1.2 and thereafter implement the E WMP throughout Project implementation.                                                                                                   | PIU under the MoF  |
| <b>ESS 4: COMMUNITY HEALTH AND SAFETY</b>                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                   |                    |
| 4.2                                                                       | <b>COMMUNITY HEALTH AND SAFETY</b><br><br>Assess and manage specific risks and impacts to the community arising from Project activities, including, inter alia, behavior of Project workers, risks of labor influx, response to emergency situations, and include mitigation measures in the LMP.                                                                                                                                                             | Same timeframe as for the preparation and implementation of the LMP.                                                                                                                                                              | PIU under the MoF  |

| MATERIAL MEASURES AND ACTIONS                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | TIMEFRAME                                                                                                                                                                                   | RESPONSIBLE ENTITY       |
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| 4.3                                                                                                         | <b>SEA AND SH RISKS</b><br><br>Incorporate and thereafter implement material measures to mitigate SEA/SH risks in the Project Operational Manual and NIRA Strategic Plan.                                                                                                                                                                                                                                                                                                  | Incorporate SEA/SH risks mitigation measures in the Project Operational Manual to be prepared before the Effective Date and thereafter implement the POM throughout Project implementation. | PIU under the MoF        |
| 4.4                                                                                                         | <b>SECURITY MANAGEMENT</b><br><br>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 as set out in the NIRA Strategy and Project Operation Manual.                                                                                                                                                                                  | Review and adopt the NIRA strategy before commencement of activities under Component 1.2 and incorporate relevant security management measures in the POM before the Effective Date.        | PIU under the MoF /NIRA  |
| 4.5                                                                                                         | <b>DATA SECURITY AND CONFIDENTIALITY</b><br><br>NIRA shall set up a mechanism to strengthen data security through its processes and protocols across its operating outlets and stations. NIRA shall ensure through its Strategy and Project Operational Manual that data collection, storage, sharing, and distraction and disposal is done according to the established laws and international best practice. All project workers shall sign a confidentiality agreement. | Before commencement of activities under Component 1.2                                                                                                                                       | PIU under the MoF / NIRA |
| <b>ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT</b>                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                             |                          |
| 5.1                                                                                                         | <b>This standard is not relevant for the Project</b>                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                             |                          |
| <b>ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES</b>              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                             |                          |
| 6.1                                                                                                         | <b>This standard is not relevant for the Project</b>                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                             |                          |
| <b>ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                             |                          |
| 7.1                                                                                                         | Ensure NIRA's implementation strategy and project POM incorporate measures for access and inclusion and protection of identities for minorities including adequate application of differentiated inclusion and consultation as per the SEP.                                                                                                                                                                                                                                | Before commencement of component 1.2 activities                                                                                                                                             | PIU under the MoF /NIRA  |
| <b>ESS 8: CULTURAL HERITAGE</b>                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                             |                          |
| 8.1                                                                                                         | <b>This standard is not relevant for the Project</b>                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                             |                          |

| MATERIAL MEASURES AND ACTIONS                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | TIMEFRAME                                                                                                       | RESPONSIBLE ENTITY |
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| <b>ESS 9: FINANCIAL INTERMEDIARIES</b> [This standard is only relevant for Projects involving Financial Intermediaries (FIs).]                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                 |                    |
| 9.1                                                                                                                                                                                                                                                                                                                                                                             | <b>ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM (ESMS)</b><br><br>Update, maintain and implement the Gargaara ESMS with relevant ESS provisions related to Spring activities, consistent with ESS9.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Update the ESMS before commencement of activities under component 3 of the Project and thereafter implement it. | PIU under the MoF  |
| <b>ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE</b>                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                 |                    |
| 10.1                                                                                                                                                                                                                                                                                                                                                                            | <b>STAKEHOLDER ENGAGEMENT PLAN</b><br><br>Implement 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 culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation.                                                                                                                                                                                                                                                                                                                         | Implement the SEP throughout Project implementation.                                                            | PIU under the MoF  |
| 10.2                                                                                                                                                                                                                                                                                                                                                                            | <b>PROJECT GRIEVANCE MECHANISM</b><br><br>Maintain and operate GRM under Scaled UP, 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.<br><br>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. | Maintain and operate existing SCALED UP GRM mechanism throughout Project implementation.                        | PIU under the MoF  |
| <b>INDICATORS FOR IMPLEMENTATION READINESS</b>                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                 |                    |
| The following actions are indicators for implementation readiness:<br>A. Establishment of E&S risk management units at the PIU under MoF and NIRA<br><br>1. Preparation of LMP<br>2. Reviewing NIRA Strategy<br>3. Update, maintain and implement the Gargaara ESMS with relevant ESS provisions related to Spring activities, consistent with ESS9<br>4. Setting up of the GRM |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                 |                    |