

**The Arab Republic of Egypt  
Ministry of Social Solidarity**

**Takaful and Karama Cash Transfer Expansion  
and Systems Building Project (P179665)**

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

**November 27, 2022**

## ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The Arab Republic of Egypt (the Borrower) will implement the Takaful and Karama Cash Transfer Expansion and Systems Building Project (the Project), through the Ministry of Social Solidarity (MOSS), as set out in the Loan Agreement. The International Bank for Reconstruction and Development (the Bank) has agreed to provide the financing (P179665) for the Project, as set out in the referred agreement.
2. The Borrower 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 Bank. The ESCP is a part of the Loan Agreement. 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 Borrower, through the Ministry of Social Solidarity, 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 Bank. Once adopted, said E&S instruments may be revised from time to time with prior written agreement by the Bank.
4. As agreed by the Bank and the Borrower, 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 Borrower through the Ministry of Social Solidarity and the Bank agree to update the ESCP to reflect these changes through an exchange of letters signed between the Bank and the Borrower of Ministry of Social Solidarity. The Borrower 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 Bank 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>	<p>Submit six-monthly reports to the Bank throughout Project implementation, commencing after the Effective Date. Submit each report to the Bank no later than 30 days after the end of each reporting period.</p>	<p><i>MOSS/Project implementing unit (PIU)</i></p>
B	<p><b>INCIDENTS AND ACCIDENTS</b></p> <p>Promptly notify the Bank 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 Gender-Based Violence (GBV), 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 Bank'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 Bank no later than 48 hours after learning of the incident or accident.</p> <p>Subsequent report to be submitted in a timeframe to be agreed upon with the Bank on a case by case basis.</p>	<p><i>MOSS/PIU</i></p>
<b>ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS</b>			
1.1	<p><b>ORGANIZATIONAL STRUCTURE</b></p> <p>Maintain the Project Implementation Unit (PIU) under the Strengthening Social Safety Net Project (SSSNP), with qualified staff and resources to support management of ESHS risks and impacts of the Project, including a senior social expert overseeing environmental and social activities in coordination with FORSA screening committee at the central level, social officers overseeing environmental and social activities at the local level, a communication officer who will work in coordination with the communication department and will also be responsible for the implementation of the stakeholder engagement plan, a grievance mechanism officer. and appoint or hire a gender specialist as part of the PIU.</p>	<p>Maintain the current organizational structure within the SSSNP PIU to manage the project starting from the Effective Date and hire or appoint a gender specialist two months after the Effective Date, and thereafter maintain all positions throughout Project implementation.</p>	<p><i>MOSS/PIU</i></p>
1.2	<p><b>ENVIRONMENTAL AND SOCIAL INSTRUMENTS</b></p>	<p>The ESMF was disclosed on November 15, 2022, and thereafter implement the ESMF throughout Project implementation.</p>	<p><i>MOSS/PIU</i></p>

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	Adopt and implement the Environmental and Social Management Framework (ESMF), consistent with the relevant ESSs and include labor management procedures (LMP) for managing all project's workers in accordance with ESS2.		
1.3	<p><b>TECHNICAL ASSISTANCE</b></p> <p>Ensure that the consultancies, studies (including feasibility studies, if applicable), capacity building, training, and any other technical assistance activities under the Project are carried out in accordance with terms of reference acceptable to the Bank, that are consistent with the ESSs. Thereafter ensure that the outputs of such activities comply with the terms of reference.</p>	Throughout Project implementation.	MOSS/PIU
<b>ESS 2: LABOR AND WORKING CONDITIONS</b>			
2.1	<p><b>LABOR MANAGEMENT PROCEDURES</b></p> <p>Adopt and implement the Labor Management Procedures (LMP) for the Project, included in the ESMF 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 (relating to GBV), forced labor, child labor, grievance arrangements for Project workers, and applicable requirements for contractors, subcontractors, and supervising firms.</p>	Same timeframe as for the adoption and implementation of the ESMF	MOSS/PIU
2.2	<p><b>GRIEVANCE MECHANISM FOR PROJECT WORKERS</b></p> <p>Establish and operate a grievance mechanism for Project workers, as described in the LMP and consistent with ESS2.</p>	Grievance redress for workers is to be operational prior to engaging project workers and maintained throughout project implementation	MOSS/PIU
<b>ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</b>			
3.1	<p><b>RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</b></p> <p>Incorporate resource efficiency and pollution prevention and management measures in the ESMF to be prepared under action 1.2 above.</p>	Same timeframe as for the adoption and implementation of the ESMF	MOSS/PIU
<b>ESS 4: COMMUNITY HEALTH AND SAFETY</b>			
4.1	<p><b>COMMUNITY HEALTH AND SAFETY</b></p> <p>Adopt and implement a community health and safety measures as indicated in the ESMF, consistent with ESS4.</p>	Same timeframe as for the adoption and implementation of the ESMF.	MOSS/PIU

MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
<p>4.2 <b>Gender-Based Violence (GBV)</b></p> <p>Adopt and implement a GBV Action Plan, to assess and manage the risks of GBV.</p>	<p>Action Plan before no later than 3 months after the Effective Date, and thereafter implement the GBV Action Plan throughout Project implementation.</p>	<p><i>MOSS/PIU</i></p>
<p><b>ESS 9: FINANCIAL INTERMEDIARIES</b></p>		
<p>9.1 <b>ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM (ESMS)</b></p> <p>Contractual arrangements between Rural, Environmental and Industries Support Fund and each Financial Intermediary (FI) to be selected will incorporate requirements of ESS9 and 9.2 below</p>	<p>After selection of each FI, prior to signing the contracts with FI.</p>	<p><i>Rural and Environmental Industries Support Fund /MOSS/PIU</i></p>
<p>9.2 <b>ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM (ESMS)</b></p> <p>Develop, maintain, and implement an environmental and social management system (ESMS), to identify, assess, manage, and monitor the environmental and social risks and impacts of each Financial Intermediary (FI) subprojects that receive support from the Project. The ESMS shall include, inter alia, the following elements:</p> <ul style="list-style-type: none"> <li>• Identification of the FI subprojects that may receive support from the Project</li> <li>• An environmental and social policy endorsed by each FI senior management.</li> <li>• Clearly defined procedures for the identification, assessment and management of the environmental and social risks and impacts of the FI subprojects, in accordance with ESS9, including, inter alia, stakeholder engagement and disclosure requirements applicable to FI subprojects. Exclusion list with the FI subprojects that are not eligible for financing,</li> <li>• An organizational capacity and competency for implementing the ESMS with clearly defined roles and responsibilities.</li> <li>• Monitoring and reporting of environmental, social and performance of the FI subprojects and the effectiveness of the ESMS.</li> <li>• Incidents and accidents notification and subsequent reporting requirements</li> <li>• An external communications mechanism, including measures to respond to public enquiries and concerns in a timely manner as further detailed under ESS10.</li> </ul> <p>Disclose a summary of each of the elements of the ESMS through the relevant website.</p>	<p>Establish and operationalize ESMS before carrying out screening of any proposed FI subproject. Once established, maintain and implement the ESMS throughout Project implementation.</p>	<p><i>Rural and Environmental Industries Support Fund /selected FIs/MOSS/PIU</i></p>

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
9.3	<p><b>EXCLUSIONS</b></p> <p>Screen all proposed FI subprojects against the exclusion list set out in the ESMS.</p>	Screen the FI subprojects before determining whether they are eligible to receive support from the Project.	<i>Rural and Environmental Industries Support Fund /selected FIs/MOSS/PIU</i>
9.4	<p><b>FI ORGANIZATIONAL CAPACITY</b></p> <p>Establish and maintain an organizational capacity and competency for implementing the ESMS with clearly defined roles and responsibilities, including specific Environmental and Social specialists.</p>	Organizational capacity to be in place, including specific Environmental and Social specialists prior to carrying out screening of any proposed FI subproject.	<i>Rural, Environmental and Industries Support Fund/Selected FIs/MOSS/PIU</i>
9.5	<p><b>SENIOR MANAGEMENT REPRESENTATIVE</b></p> <p>Designate a senior management representative in each selected FI to have overall accountability for environmental and social performance of FI subprojects that receive support from the Project.</p>	The senior management representative needs to be designated prior to carrying out screening of any proposed FI subproject .	<i>Rural and Environmental Industries Support Fund /Selected FIs/MOSS/PIU</i>
<b>ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE</b>			
10.1	<p><b>STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION</b></p> <p>Adopt and implement a Stakeholder Engagement Plan (SEP) for the Project, consistent with ESS10, which shall include measures to, inter alia, provide stakeholders with timely, relevant, understandable and accessible information, and consult with them in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation.</p>	The SEP was adopted and disclosed on November 15, 2022, and thereafter implemented throughout Project implementation.	<i>MOSS/PIU</i>
10.2	<p><b>PROJECT GRIEVANCE MECHANISM</b></p> <p>The grievance mechanism was established in previous operation. Therefore, 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.</p> <p>The grievance mechanism shall be equipped to receive, register, and facilitate the resolution of GBV complaints, including through the referral of survivors to relevant gender-based violence service providers, all in a safe, confidential, and survivor-centered manner. As interim arrangements, the Women’s Administration will continue to play the role of receiving and addressing GBV complaints.</p>	<p>Maintain and operate the mechanism throughout Project implementation.</p> <p>Equip the already established grievance mechanism to receive, register, and facilitate the resolution of GBV complaints through the referral of survivors to relevant gender-based violence service providers within six months from effectiveness.</p>	<i>MOSS/PIU</i>
<b>CAPACITY SUPPORT</b>			

