

## ESMP Annex to the Financing Agreement (FA)

### General considerations

1. The Ministry of Infrastructure (MININFRA) is planning to implement the Rwanda Energy – Result Based Framework (RBF2) Program. The Bank has agreed to provide financing, implementation support and monitoring for the Program.
2. The Ministry of Infrastructure (MININFRA) through Rwanda Energy Group (REG) will implement measures and actions of this Environmental and Social Management Plan<sup>1</sup> (*ESMP*) so that the Program meets all the requirements of the Bank Environmental and Social Operational Safeguards (*OS*) and the National policy and legal requirements.
3. Where the ESMP refers to specific plans, whether they have already been prepared or are to be developed, the ESMP requires compliance with all mandatory provisions of such plans.
4. The table below summarizes the material measures and actions that are required, the basis of the requirement, the timing of the measure or action, and the criteria to be used for determining whether the required measure or action has been successfully achieved. Rwanda Energy Group (REG) is responsible for compliance with all requirements of the ESMP even when implementation of specific measures and actions is conducted by an entity different from the Program Implementation Unit (PIU).
5. Implementation of the material measures and actions set out in this ESMP will be monitored and reported to the Bank by Rwanda Energy Group (REG) as required by the ESMP and the conditions of the legal agreement, and the Bank will monitor and assess progress and completion of the measures and actions throughout implementation of the Program.
6. As agreed by the Bank and the Ministry of Infrastructure (MININFRA), this ESMP may be revised from time to time during Program implementation, to reflect adaptive risk management of Program changes and unforeseen circumstances or in response to assessment of Program performance conducted under the ESMP itself. In such circumstances, the Ministry of Infrastructure (MININFRA) will propose and agree changes with the Bank and then update the ESMP to reflect such changes.

| <b>Material Actions<sup>2</sup> to Manage the Program's E&amp;S Risks and Impacts</b> |   | <b>Basis for Requirement</b>        | <b>Key Performance Indicator</b>                                     | <b>Indicative Timing/Deadline</b>           |
|---|---|-------------------------------------|--|---|
|   | Periodic E&S implementation report to the Bank  | Bank's ESP and OS1                  | Reports submitted in time, in good standard                          | Two weeks after the due period              |
| 1   | Nomination of Safety, E and S specialists as part of the Program implementation unit    | Disclosed ESIA, OS1                 | Seasoned E&S specialists in the PIU                                  | By Program effectiveness date               |
| 2   | Establishment of the Program Grievance Redress Mechanism (GRM) and disclosure to Public | OS1, OS10 and National requirements | Report on GRC establishment including the list of the GRC committees | One month after commencement of the Program |

<sup>1</sup> The ESMP refers to all the E&S risks/impacts and measures, as approved in all the disclosed E&S documents and agreed between the Bank and Borrower. For projects involving multiple subprojects, that are identified, prepared and implemented during the course of the project, the Borrower will need to demonstrate to the Bank, before the project appraisal, through the preparation of E&S documentation of a sample of subprojects, that it has the capacity to carry out appropriate environmental and social assessment of subprojects, and prepare and implement such subprojects in accordance with the national laws and the OSs. (*Section III.2.3 of Bank's ESP and section D of OS1*)

<sup>2</sup> Please add any relevant key actions and/or indicate "Not applicable" in the third column ("Basis for requirement") for actions that are not applicable to the project.

| <b>Material Actions<sup>2</sup> to Manage the Program's E&amp;S Risks and Impacts</b> |  | <b>Basis for Requirement</b>   | <b>Key Performance Indicator</b>  | <b>Indicative Timing/Deadline</b>                     |
|---|--|--|---|---|
| 3   | Payment of compensation and reinstallation of affected people  | SO10   | Signed RAP Payment Forms by PAPs  | Two months after the disclosure of compensation value |
| 4   | Incorporation of site-specific E&S measures in the request for proposals   | SO1 & national requirements  | Incorporation of E & S measures in Project proposals                          | Before releasing RFP documents                        |
| 5   | Submission of high-risk activity's Contractor ESMP (C-ESMP) to Bank clearance  | Bank's ESP and OS1   | Report on high - risk activity  | Before commencement of the activity                   |
| 6   | Establishment of the Contractor workers Grievance Mechanism (GM) and information of workers  | ÓS1, OS2, SO10 and Bank's Disclosure and Access to Information Policy    | Report on Workers' GRC establishment including the list of the GRC committees | Before commencement of works                          |
| 7   | Obtaining nationally required licenses prior commencement of subjected activities (excavations, tree-cutting, working at height, working in confined spaces, etc.) | OS1, OS2 and national labor laws   | Requisite licenses  | Before commencement of the activity                   |
| 8   | Preparation, approval, and disclosure of specific E&S documents during Program implementation, including prior review of Category 1 terms of reference by the Bank | Bank's ESP, OS1 and national requirements                                | Approved E & S reports  | Quarterly   |
| 9   | Engagement with concerned stakeholders of each relevant specific E&S activity  | OS1, OS10, Bank's Disclosure and Access to Information Policy            | Minutes of stakeholder meetings   | Before commencement of the activity                   |
| 10  | Establishment of Emergency Preparedness and Response mechanism   | OS1 & OS4, national legislation on contingencies et                      | Report of Emergency preparedness and Response mechanism                       | Before commencement of the activity                   |
| 11  | Appropriate and timely handling of complaints/grievances   | Bank's ESP and OS1   | Reports   | Immediately after the issue is reported               |
| 12  | Notification to riparian or alert to downstream exposed peoples  | Bank's ESP and OS1, applicable International Treaty/Conventi on ratified | Notices   | Before commencement of the works                      |
| 13  | Capacity building of key Program implementers  | OS1  | Training reports  | Continuous  |
| 14  | Implementation of ESMS/ESAP <sup>3</sup>   | OS1 and OS9, national requirements                                       | Reports   | Continuous  |
| 14.1  | Approval of any required E&S management procedure  | Ditto  | Approved E & S management procedure   | Before commencement of the activity                   |

<sup>3</sup> Applies to non-sovereign operations and public sector projects implemented by permanent autonomous Agencies/Institutions.

| <b>Material Actions<sup>2</sup> to Manage the Program's E&amp;S Risks and Impacts</b> |   | <b>Basis for Requirement</b>                                  | <b>Key Performance Indicator</b> | <b>Indicative Timing/Deadline</b>                           |
|---|---|---|----------------------------------|---|
| 14.2  | <i>Establishment of the E&amp;S unit</i>  | Ditto   | Nomination letter of E & S unit  | Before commencement of the works                            |
| 14.3  | <i>Capacity Building of the E&amp;S Unit</i>  | Ditto   | Training reports                 | Continuous  |
| 14.4  | <i>Processing the Value Chain E&amp;S due diligence</i>   | Ditto   | Reports                          | Quarterly   |
| 15  | Suspending works in the event of EOHS risk or incident, immediately notify the Bank, and resume works only upon no-objection of the Bank. | Bank's ESP  | Suspension Letter                | Immediately and no later than 72 hours after the occurrence |
| 16  | Prepare the root-cause analysis (RCA) of any fatal EOHS incident and implement the Corrective Action Plan (CAP).                          | Bank's ESP and OS1  | Report                           | Immediately and no later than 72 hours after the occurrence |
| 17  | Disclosure of Program's E&S reports to the public   | OS1, OS10, Bank's Disclosure and Access to Information Policy | Meeting minutes                  | Immediately after approval of the E & S reports             |