### CHINA:

# Environmentally Sustainable Development of the Iron and Steel Industry (P173461)

## ENVIRONMENTAL and SOCIAL COMMITMENT PLAN (ESCP) for Project Preparation Grant

Foreign Environmental Cooperation Center of the Ministry of Ecology and Environment, People's Republic of China

October 31, 2020

#### ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

- The People's Republic of China (hereinafter the **Recipient**) will implement certain activities (**the Activities**) for the preparation of the Environmentally Sustainable Development of the Iron and Steel Industry Project (**the Project**) with the involvement of the Foreign Environmental Cooperation Center (**FECO**) of the Ministry of Ecology and Environment. The International Bank for Reconstruction and Development (the **Bank**), acting as Implementing Agency of the Global Environment Facility (GEF), has agreed to provide a Project Preparation Grant (**PPG**) to support the preparation of the Project.
- 2. The Recipient will implement material measures and actions so that the Activities are implemented in accordance with the Environmental and Social Standards (ESSs) of the Bank. This Environmental and Social Commitment Plan for the PPG (PPG-ESCP) sets out material measures and actions, any specific documents or plans, as well as the timing for each of these.
- 3. The Recipient will also comply with the provisions of any other environmental and social (E&S) documents required under the ESF and referred to in this PPG-ESCP, such as, Stakeholder Engagement Plans (SEP), among others (as appropriate), and the timelines specified in those E&S documents.
- 4. The Recipient is responsible for compliance with all requirements of the PPG-ESCP even when implementation of specific measures and actions is conducted by the Ministry, agency or unit referenced in paragraph 1 above.
- 5. Implementation of the material measures and actions set out in this PPG-ESCP will be monitored and reported to the Bank by the Recipient as required by the PPG-ESCP and the conditions of the legal agreement, and the Bank will monitor and assess progress and completion of the material measures and actions throughout implementation of the Activities.
- 6. As agreed by the Bank and the Recipient, this PPG-ESCP may be revised from time to time during the implementation of the Activities, to reflect adaptive management of changes and unforeseen circumstances or in response to assessment of the PPG performance conducted under the PPG-ESCP itself. In such circumstances, the Recipient, through FECO, will agree to the changes with the Bank and will update the PPG-ESCP to reflect such changes. Agreement on changes to the PPG-ESCP will be documented through exchange of letters signed between the Bank and the Recipient, through FECO. The Recipient, through FECO, will promptly disclose the updated PPG-ESCP.
- 7. Where the Activities change, unforeseen circumstances, or the Activities' performance result in changes to the risks and impacts during the implementation of the Activities, the Recipient shall provide additional funds, if needed, to implement actions and measures to address such risks and impacts.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBILE ENTITY/AUTHORITY
MONIT	ORING AND REPORTING		
A	<b>REGULAR REPORTING</b> As part of the progress monitoring for the Activities, FECO will submit to the Bank regular monitoring on the implementation of the PPG-ESCP.	Quarterly	FECO
В	INCIDENTS AND ACCIDENTS Promptly notify the Bank of any incident or accident related to the Activities which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers. Provide sufficient detail regarding 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 supervising entity, as appropriate. Subsequently, as per the Bank's request, prepare a report on the incident or accident and propose any measures to prevent its recurrence.	Notify the Bank within 48 hours after learning of the incident or accident. A report would be provided within a timeframe acceptable to the Bank.	FECO
C	CONTRACTORS MONTHLY REPORTS There will be no contractors reports because the Activities will only deal with Technical Assistance (various studies and E&S instruments focusing on project preparation).	Not relevant	Not relevant
SS 1:	ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISK	S AND IMPACTS	
1.1	ORGANIZATIONAL STRUCTURE Implementation of the Activities is not expected to lead to any particular environmental and social risks and impacts. FECO will designate a full-time staff to support the implementation of the Activities.	Throughout the lifecycle of the Activities	FECO
1.2	<b>ENVIRONMENTAL AND SOCIAL ASSESSMENT</b> FECO submit the terms of reference (ToR) for consultants to the Bank for review and clearance. The ToR for environmental and social assessment will include provisions to assess risks and potential impacts for subsequent investments, consistent with all ESSs relevant to the PPG and the GEF project.	By November 30, 2020	FECO
1.3	Ensure the environmental and social dimensions, consistent with relevant ESSs and proportionate to the E&S risks of the Project, are incorporated into relevant studies and E&S risk management instruments.	Throughout the lifecycle of the Activities	FECO and the consultants

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBILE ENTITY/AUTHORITY
1.4	MANAGEMENT OF CONTRACTORS The Activities aim to support various studies and preparing E&S instruments for the Project. The Activities do not involve civil works.	Not relevant	Not relevant
ESS 2:	LABOR AND WORKING CONDITIONS		
2.1	LABOR MANAGEMENT PROCEDURES Maintain staff management procedures consistent with China's national law and ESS2. Provisions include management and responsibility for labor and working conditions between the employer and employee such as informed worker's rights, ensuring safety and welfare, non- discrimination, equality, and equity, not constraining the rights and freedom, grievance mechanism, preventing the exploitation of children and forced labor based on labor law and child protection, and preventing sexual harassment and abuse.	Throughout the lifecycle of the Activities	FECO and the consultant
2.2 ESS 3:	GRIEVANCE MECHANISM FOR PROJECT WORKERS Maintain and operate a functioning grievance mechanism for project workers, consistent with ESS2. RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT	Throughout the lifecycle of the Activities	FECO and the consultant
	ivities aim to support Technical Assistance (various studies and E&S risk ma ed to lead to particular risks and impacts in terms of resource efficiency and		eparation). Implementing the Activities is not
ESS 4:	COMMUNITY HEALTH AND SAFETY		
	civities aim to support Technical Assistance (various studies and E&S risk ma ed to lead to particular risks and impacts related to community health and s		eparation). Implementing the Activities is no
ESS 5:	LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RES	ETTLEMENT	
	civities aim to support Technical Assistance (various studies and E&S risk ma re impacts related to land acquisition, restriction on land use or involuntary		eparation). Implementing the Activities does
ESS 6:	BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVID	NG NATURAL RESOURCES	
	ivities aim to support Technical Assistance (various studies and E&S risk ma re particular risks and impacts concerning biodiversity. Please also refer to A		eparation). Implementing the Activities does
ESS 7: I	NDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERV	ED TRADITIONAL LOCAL COMMUNITIES	
	ivities aim to support Technical Assistance (various studies and E&S risk ma pect particular impacts on the ethnic minorities. ESS10 will set out the measu		

### **ESS 8: CULTURAL HERITAGE**

The Activities aim to support Technical Assistance (various studies and E&S risk management instruments focusing on project preparation). Implementing the Activities does not have impacts regarding cultural heritages. Please also refer to Action 1.3.

ESS 9: FINANCIAL INTERMEDIARIES						
The Activities will not involve financial intermediary.   ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE						
10.2	PROJECT GRIEVANCE MECHANISM: a) Receive and resolve any complaints submitted in relation to the PPG in accordance with ESS10, and in a manner acceptable to the World Bank; b) Support the establishment, strengthening and operation of a grievance mechanism for the Project.	Throughout PPG implementation	FECO			
CAPACITY SUPPORT (TRAINING)						
CS1	Conduct an ESF awareness training for the staff and consultants working for the Activities and the Project.	By December 31, 2020	FECO			