## Palestinian Energy and Natural Resources Authority Multi-Sector Investment Programme Phase III BMZ-N° 2021.6807.8

## PRELIMINARY ENVIRONMENTAL and SOCIAL COMMITMENT PLAN (ESCP)

For Negotiations of the Separate Agreement

## PRELIMINARY ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN For Project Appraisal

- 1. The Palestinian Energy and Natural Resources Authority (PENRA) will implement the abovenamed programs in cooperation with the Palestinian Water Authority (PWA). **KfW Development Bank** (hereinafter KfW) envisages to provide financing for the Project.
- 2. PENRA will implement material measures and actions so that the Project is implemented in accordance with KfW's Sustainability Guideline and as such with the World Bank Environmental and Social Standards (ESSs). This Environmental and Social Commitment Plan (ESCP) sets out material measures and actions, which may be required in order to achieve alignment with the ESS. PENRA is responsible for compliance with all requirements of the ESCP.
- 3. Implementation of the material measures and actions set out in this ESCP will be monitored by and reported to KfW by PENRA as required by the ESCP and the conditions of the legal agreement, and KfW will monitor and assess progress and completion of the material measures and actions throughout implementation of the Project.
- 4. As agreed by KfW and PENRA, this ESCP may be revised from time to time during Project implementation, to reflect adaptive management of Project changes and unforeseen circumstances or in response to assessment of Project performance conducted under the ESCP itself. In such circumstances, PENRA will agree to the changes with KfW and will update the ESCP to reflect such changes.

| MATERIAL MEASURES AND ACTIONS |  | TIMEFRAME   | RESPONSIBILE<br>ENTITY/AUTHORITY  |
|-------------------------------|--|---|---|
| ESS 1:                        | ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AN   | D IMPACTS   |   |
| 1.1                           | ORGANIZATIONAL STRUCTURE  PENRA as the Project Executing Agency (PEA) is responsible for implementing the program, including its Environmental, Social, Health and Safety (ESHS) aspects, with the support of the Palestinian Water Authority (PWA). Within PENRA, the PMU including its Environmental and Social Officer (ESO) will be in charge of approving and supervising Construction and operation ESMPs and ESHS Management Systems of involved entities as applicable. PENRA shall appoint a Community Liaison Officer (CLO)/Social Officer (SO) for the construction and operation phase for implementation of Stakeholder Engagement Plan (SEP) and grievance mechanism. An Implementation Consultant (IC) with appropriately qualified environmental and social personnel will be hired to support PENRA, including in the monitoring of contractor compliance. An Engineering, Procurement and Construction (EPC) Contractor will be in charge of designing and building the plant as well as for operating it during an initial phase. | Not applicable  | Not applicable  |
| 1.2                           | ENVIRONMENTAL AND SOCIAL ASSESSMENT  Two Environmental and Social Impact Assessments (ESIAs) have been conducted for the Northern and Southern site of the Photovoltaic (PV) Plants envisaged for financing under the project.   | Completed   | ESIA Consultant   |
| 1.3                           | MANAGEMENT TOOLS AND INSTRUMENTS  ESMPs have been prepared for each works package and for the operation phase.  Update ESMP as needed.  Prepare contractor Environmental and Social Management Plan (CESMP) and ESHS Management System in alignment with the ESMP and ESIA   | Completed  At the detailed design stage  During mobilization of contractor              | ESIA Consultant Implementation consultant (IC), supervised by PENRA  Contractor, supervised by IC and PENRA |
| 1.4                           | MANAGEMENT OF CONTRACTORS Incorporate the relevant E&S requirements including ESHS specifications in the procurement/bidding documents.  | During preparation of bidding documents and prior to the issuance of bidding documents. | PENRA with the support of the IC  |

| MATERIAL MEASURES AND ACTIONS |   | TIMEFRAME  | RESPONSIBILE<br>ENTITY/AUTHORITY |  |
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|                               | Ensure that these requirements and reporting requirements are incorporated in Civil works and installation of equipment contracts and that the contractor comply with the ESHS specifications of his respective contracts.  |  |                                  |  |
|                               | Monitoring of contractor compliance will be undertaken.   | Supervise contractor compliance to ESHS plans throughout Project implementation.   |                                  |  |
| 1.5                           | ENVIRONMENTAL PERMIT  |  |                                  |  |
|                               | The Environmental and Social Management Plans (ESMPs) and the EQA forms for the project sites must be submitted to EQA in order to obtain environmental clearances for Project development at both sites.   | After submission of final reports by the ESIA consultant                           | PENRA                            |  |
| 1.6                           | OTHER PERMITS   |  |                                  |  |
|                               | Once the detailed designs for both sites are available, PENRA will have to submit a request for permit to the Ministry of Local Government (MoLG) to obtain project/design requirements. Once the request is submitted, the Central Committee of the MoLG will provide the list of permits required to execute the Project. | After completion of detailed design  | PENRA                            |  |
| ESS 2 :                       | ESS 2 : LABOR AND WORKING CONDITIONS  |  |                                  |  |
|                               | About 100 workers are expected to be employed for about 12 months on each site.   |  |                                  |  |
| 2.1                           | LABOR MANAGEMENT PROCEDURES   |  |                                  |  |
|                               | Review the LMP developed by the ESIA consultant, including a contractor(s)' Labor Management Procedure (C-LMP) and a Code of  | Prior to initiation construction. Maintained throughout the Project implementation | PENRA/ IC                        |  |
|                               | Conduct and a Grievance Recourse Mechanism  |  | PENRA/IC                         |  |
| 2.2                           | GRIEVANCE RECOURSE MECHANISM (GRM) FOR PROJECT WORKERS  |  |                                  |  |
|                               | Establish, maintain, and operate a GRM known to and accessible by Project workers, consistent with ESS2, while taking all necessary steps to prevent retribution against grievance holders.   | Prior to initiation construction. Maintained throughout the Project implementation | Contractor                       |  |
|                               | Establish, maintain, and operate a GRM for PENRA employees  |  | PENRA                            |  |
| 2.3                           | OCCUPATIONAL HEALTH AND SAFETY (OHS) MEASURES   |  |                                  |  |

| MATE   | RIAL MEASURES AND ACTIONS   | TIMEFRAME  | RESPONSIBILE<br>ENTITY/AUTHORITY   |
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|        | Ensure contractor prepares, adopts, and implements occupational, health and safety (OHS) manual specified in the ESMP acceptable to the KFW, that also includes an emergency preparedness and response plan and accommodation management plan                   | Before the initiation of construction works (Construction OHSP) and before commissioning (Operation OHSP). | Contractor, supervised by IC and PENRA   |
| 2.4    | PROJECT WORKERS TRAINING  An OHS training plan must be developed and maintained onsite which  | Prior to and during construction.  | Contractor, to be approved by PENRA  |
|        | identifies the type of training that is required for each worker onsite to mitigate risks.  |  | 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -  |
| ESS 3: | RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT   |  |  |
| 3.1    | POLLUTION PREVENTION AND MANAGEMENT   |  |  |
|        | Waste and Wastewater and hazardous waste Management Plan to be prepared, adopted and implemented.   | Before the initiation of construction and throughout implementation.                                       | Contractor   |
| 3.2    | DRAINAGE PLAN   |  | Contractor   |
|        | Project site could be subject to potential risk of local flood hazards during the rainy season. This might endanger the workers lives as well as the surrounding community health. Therefore, A site specific Drainage plan should be prepared and implemented. | Before the commencement of the construction works  |  |
| 3.3    | AIR QUALITY AND NOISE   |  |  |
|        | Develop and implement an air quality and noise management plan to control dust emissions expected during the construction phase of the project. Guidance on mitigation and monitoring requirements has been included within the ESMP                            | Before the commencement of the construction works  | Contractor   |
| ESS 4: | COMMUNITY HEALTH AND SAFETY   |  |  |
| 4.1    | TRAFFIC AND ROAD SAFETY   | Before construction of the related project component begins and throughout the implementation.             | Contractor, to be reviewed by PENRA with the assistance of the Implementation Consultant |

| MATE | RIAL MEASURES AND ACTIONS  | TIMEFRAME  | RESPONSIBILE<br>ENTITY/AUTHORITY |
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|      | The estimated increase in traffic volumes caused by truck traffic is not expected to be substantial relative to background traffic conditions and is expected to fall well within the capacity of the road network. The impact is considered of minor significance. Nevertheless, the contractor must develop a Traffic and Transport Plan for each site to address potential hazards for communities.       |  |                                  |
| 4.2  | Potential impacts are mainly limited to trespassing of unauthorized personnel into the Project site. The impact is considered of minor significance. To reduce the impact, standard measures are to be implemented such as fencing the Project site, Utilization of CCTV surveillance and/or security officers onsite and access control at the entry gates.   | At the beginning of construction.  | Contractor                       |
| 4.3  | GENDER-BASED VIOLENCE (GBV) and SEXUAL EXPLOITATION AND ABUSE (SEA) RISK  Development, monitoring and enforcement of a code of conduct for workers requiring appropriate behaviour by workers at all times, respecting religious customs, traditional cultures and social norms in the area and prohibiting gender-based violence, sexual harassment, sexual exploitation and abuse, alcoholism, drug abuse. | Before construction of the related project component begins and throughout the implementation. | PENRA and Contractor             |
| 4.4  | LOCAL RECRUITMENT AND PROCUREMENT  Adopt and implement a Local Recruitment and Procurement Plan for working with the local community members and to promote local subcontractors, wherever feasible. Guidance on implementation has been included within the ESMP  | Before the commencement of the construction works  | PENRA / Contractor               |

| MATER   | IAL MEASURES AND ACTIONS   | TIMEFRAME                                       | RESPONSIBILE<br>ENTITY/AUTHORITY   |  |
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| ESS 5: L  | ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT   |   |  |  |
| -   | As per the ESIAs, no land acquisition will be required, since the lands envisaged for the construction on both sites are in public ownership. No other restrictions on land use or livelihood impacts are expected based on the ESIAs.   |   |  |  |
|   | Southern site, based on the Decision number (145) for 2016, parts of the goa of 168.674 Dunum is allocated to PENRA to develop a solar PV project". The  | •   | ` ' .  |  |
| For the Northern site, based on the Decision issued by the Committee Number 02/115/2021 dated 07/02/2021, an approval has been issued for the allocation of the governmental lands located within parcels 23, 26, 37, 38, 41 and 172 from plot 1777 with an area of 60 Dunum to PWA to develop a solar PV project". The area corresponds to 6 hectares (10 dunums = 1 hectare).   |  |   |  |  |
|   | unistic intruders have established a strawberry field on the Southern part of the was concluded.   | site covering about 1.5 hectares around Septemb | er/October 2021 after the ESIA   |  |
| 5.1   | REMOVAL OF STRAWBERRY FIELD  The strawberry field operator left the site, the site has been encroached by other farmers who planted peas over the 60 dunums. PENRA and MoLG visited the site to define its boundaries by steel pars. An agreement with MoLG, the farmers, and PENRA was reached that PENRA will currently proceed with fencing the land, and the farmers will leave the site immediately after the peas field harvesting in spring (before implementation phase) without any compensation. | Before the initiation of construction           | PENRA, with the support of PWA, local authorities and possibly the Ministry of Local Government (MOLG) |  |
| ESS 6: E  | ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES  |   |  |  |
| The Project sites are barren and of low ecological significance and sensitivity. The area is degraded due to several current/previous activities to include industrial activities, wildlife hunting and tree/shrub cutting and removal. The assessment identified several flora, fauna and avifauna species within the Project site most of which are considered of Least Concern and common to such area habitats. No sensitive habitats are recorded within the Project site and the site is not located within or near any formally assigned critical habitat areas. However, some locally threatened species (such as the the Spur-thighed Tortoise and the Desert Monitor) may be present on the sites. Mitigation measures for the potential disturbance of habitats have been included in the ESMPs. |  |   |  |  |
| 6.1   | SPECIES RELOCATION  If colonies of locally threatened species are encountered on the site, they must be relocated in a sensitive manner to an appropriate site.  | Before the initiation of construction           | Contractor   |  |

| MATER  | RIAL MEASURES AND ACTIONS   | TIMEFRAME   | RESPONSIBILE<br>ENTITY/AUTHORITY  |  |
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| ESS 7: | ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES  |   |                                   |  |
| Not re | evant. No indigenous people live in the project area.   |   |                                   |  |
| ESS 8: | CULTURAL HERITAGE   |   |                                   |  |
| 8.1    | CHANCE FINDS  A chance find procedure has been incorporated in the ESMPs for the Construction Phase.  | Before the initiation of construction, to be continued throughout construction                              | Contractor during construction    |  |
| 8.2    | Coordinate with the Ministry of Tourism and Antiquities to assign an archaeology expert during excavation activities undertaken.  | Prior to civil works award, to be continued throughout construction   | PENRA                             |  |
| ESS 9: | FINANCIAL INTERMEDIARIES  |   |                                   |  |
| Not re | levant.   |   |                                   |  |
| ESS 10 | STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE   |   |                                   |  |
| 10.1   | STAKEHOLDER ENGAGEMENT  Stakeholder Engagement in accordance with ESS 10 has been conducted by the ESIA consultant for both sites. Further steps have been defined in a Stakeholder Engagement Plan (SEP) and include e.g. the preparation and dissemination of leaflets. PENRA will conduct stakeholder engagement as outlined in the SEP. | Expected to be completed in October 2021  | ESIA Consultant                   |  |
|        | Adopt, implement and revise/update (including need for additional budget allocation if needed) the Stakeholder Engagement Plan (SEP)  | Once the ESIA is finalized  | PENRA                             |  |
| 10.2   | PROJECT GRIEVANCE MECHANISM  Continue to use the PENRA grievance mechanism and advertise it to the local communities.   | Prior commencement of construction activities and maintained throughout the Project implementation and life | PENRA, with the support of the IC |  |

| MATER | RIAL MEASURES AND ACTIONS  | TIMEFRAME  | RESPONSIBILE<br>ENTITY/AUTHORITY                                |  |
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| 10.3  | INFORMATION DISCLOSURE  Publish both ESIAs and Stakeholder Engagement Plans (SEPs) on the website of PENRA and Facebook while taking out any personal information from scoping session (names, pictures). Publish the Arabic and English versions of the Non-Technical Summaries of the ESIAs and SEPs and publish them on the website of PENRA. | At least 60 days prior to the signing of works contracts | PENRA, if needed with the support of the IC                     |  |
| EVALU | EVALUATION OF THE POTENTIAL FOR CAPACITY SUPPORT (TRAINING)  |  |   |  |
|       | To be discussed with PENRA if there are any ESHS training needs for PENRA staff or other stakeholders  | During the preparation of the Terms for the IC           | To be decided by PENRA and, if needed, to be provided by the IC |  |