

Annex 1: Environmental and Social Action Plan (ESAP)

No.	Reference	Measure	Final product/deliverable	Expected completion date
PS 1: Evaluation and Management of Environmental and Social Risks and Impacts				
1.1	Environmental and Social Management System (ESMS)	1. Develop the final, explicit, detailed and specific ESMS for A&A Arroyo y Asociados, S.A. (A&A) that includes: (i) policies; (ii) procedures to identify, evaluate and manage the potential environmental, social, OHS and labor risks and impacts associated with each Project activity, as well as for its contractors and subcontractors; (iii) internal procedures for compliance with the environmental and social management plan (ESMP); (iv) organizational capacity and competence, with definition of roles and assignment of responsibilities for the implementation of this ESMS; (v) protocols for emergency preparedness and response; (vi) methods or plans for the participation of key stakeholders; (vii) mechanisms for external communication and receipt of complaints; (ix) protocols for the dissemination of information to communities, decision-making and training; (x) protocols for the evaluation and continuous improvement of the ESMS; and (xi) periodic audits and inspections with respect to applicable environmental, social and OHS requirements under Panama's environmental and social laws.	1. Copy of A&A's ESMS.	1. Six months after the first disbursement.
1.2	Environmental, Social, and Health, Safety and Security Policy	1. Define an environmental and social policy that takes into account A&A/the Project's context and needs; and designate who in the organization will guarantee the fulfillment of the policy and be responsible for its execution.	1. Copy of A&A or the Project's environmental and social policy (if different), and appointment of the person responsible for compliance and execution.	1. Six months after the first disbursement.

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		2. Complement such environmental and social policy with monitoring and communications programs to all members and levels of the organization.	2. Evidence of the implementation of monitoring and communications programs to all members and levels of the organization.	2. Six months after the first disbursement.
		3. Create a mechanism to measure permanent improvements in the implementation of environmental and social policies; as well as in matters of safety, security, health and hygiene.	3. Permanent improvement mechanism.	3. Six months after the first disbursement.
1.3	Organizational Capacity	1. Appoint and maintain an Environment or Sustainability Officer (or a similar position), who, together with the person in charge of OHS, shall report directly to the Manager/Director of each Project on the environmental, social and OHS performance of the construction, expansion and/or refurbishment of each of the schools and their ancillary facilities, but with independent reporting lines to the General Management of A&A .	1. Appoint A&A personnel responsible for environmental, social performance.	1. 60 days after signing the loan agreement.
1.4	Emergency Preparedness and Response	1. Strengthen and update the Emergency and Contingency Plan with: (i) procedures for interacting with local and regional emergency and health authorities; (ii) protocols for firefighters, ambulances and other external emergency vehicle services, understanding the travel times to the emergency site; (iii) evacuation route drawings and meeting points for each School and for each of the facilities/buildings/classrooms comprising the Project; (iv) training exercises such as annual drills, or more frequently if necessary, or actual events in which A&A should include other key stakeholders to familiarize them with the appropriate procedures in the event of an emergency.	1. Copy of the strengthened and updated Emergency and Contingency Plan.	1. 30 days after signing the loan agreement.
1.5	Monitoring and evaluation indicators	1. Develop a compliance matrix with a set of key performance indicators that should be monitored and met in order to measure the effectiveness of the ESMP and the fulfillment of all environmental, labor, safety, security, health and	1. Compliance matrix with a list of key management	1. 45 days after signing the loan agreement.

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		<p>hygiene, and contractual obligations with each school, during the construction phase. This permits Matrix should include: (i) the competent Authority granting the authorization or issuing the permit/license; (ii) issue and effective dates; (iii) the person within A&A who is responsible for follow-up/compliance; and (iv) future communication and compliance procedures.</p>	<p>performance and success indicators.</p>	
1.6	Project Compliance with applicable regulations	<p>1. Through an independent environmental and social consultant, periodically prepare a consolidated report on environmental, social, health and safety issues as well as on the status of compliance with IDB Invest's Environmental and Social Sustainability Policy, Panama's environmental, social, safety, security, health, and hygiene legislation, and the IFC's Performance Standards, including the progress of the ESMS actions for defined key performance indicators.</p>	<p>1. Periodic environmental and social compliance report.</p>	<p>1. Annually over the life of the loan.</p>
1.7	Participation of Social Actors	<p>1. Update A&A's Works Communication Plan, so that it incorporates the following: (i) a mechanism to ensure that the representatives of the community represent the opinions of the affected communities; (ii) details on how information is disseminated to the stakeholders, especially in a culturally appropriate manner; and (iii) details on the process of participation among the stakeholder communities and how to access the complaints mechanism.</p>	<p>1. Updated copy of A&A's Works Communication Plan.</p>	<p>1. 45 days after signing the loan agreement.</p>
1.8	External grievance mechanism for the construction stage	<p>1. Develop and implement an external grievance mechanism focused on key stakeholders, including local authorities and communities within the indirect area of influence of the Project, those affected or of some interest for the construction phase of the Project. This external grievance mechanism will include details on (i) how information is received from key stakeholders and/or the general public; (ii) how these complaints are evaluated; (iii) how responses are provided and followed up, concluding with the closure of the complaint; and (iv) any adjustments or</p>	<p>1. Copies of A&A's external grievance mechanism for the construction phase of the Project. 2. Copies of proof of its implementation.</p>	<p>1. 45 days after signing the loan agreement. 2. Progress report in each environmental and social compliance report.</p>

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		improvements to the ESMS, in terms of communication and information dissemination.		