

PT Perusahaan Listrik Negara (PLN)
**Indonesia Sustainable Least-cost Electrification
Technical Assistance (ISLE TA) Project (P169259)
and Additional Financing**

**ENVIRONMENTAL and SOCIAL
COMMITMENT PLAN (ESCP)**

Updated Version

November 2024

ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. PT Perusahaan Listrik Negara (Persero) (PLN or the Recipient), is implementing the Indonesia Sustainable Least-cost Electrification (ISLE) Technical Assistance (ISLE TA) Project (the Project), as set out in: (i) the Letter Agreement (ESMAP Original Grant No. TFOB3923; and ESMAP Additional Grant No. TF[XXX]) between PLN and the International Bank for Reconstruction and Development (Bank), acting as an administrator of the Energy Sector Management Assistance Program (ESMAP), for the Project, dated August 12, 2021, as reinstated and amended; and (ii) the Letter Agreement (CTF Grant No. TFOA9419) between PLN and the Bank, acting as an implementing entity of the Clean Technology Fund (CTF), for the Project, dated August 12, 2021, as reinstated and amended (collectively, the Agreements). The Bank, acting as an administrator of the ESMAP and acting as an implementing entity of the CTF, has agreed to provide the original financing and additional financing for the Project, as set out in the Agreements. This ESCP supersedes previous versions of the ESCP for the Project and shall apply both to the original and the additional financing for the Project referred to above.
2. PLN 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. This ESCP is a part of the Agreements. Unless otherwise defined in this ESCP, capitalized terms used in this ESCP have the meanings ascribed to them in the Agreements.
3. Without limitation to the foregoing, this ESCP sets out material measures and actions that the PLN shall carry out or cause to be carried out, including, as applicable, their respective timeframe; institutional, staffing, training, monitoring and reporting arrangements; and grievance management. The ESCP also sets out the environmental and social (E&S) documents that shall be prepared or updated, consulted, disclosed and implemented under the Project, consistent with the ESSs, in form and substance acceptable to the Bank. Said E&S documents may be revised from time to time with prior written agreement by the Bank. As provided for under the referred Agreements, PLN shall ensure that there are sufficient funds available to cover the costs of implementing the ESCP.
4. As agreed by the Bank and PLN, this ESCP will be revised from time to time, if necessary, to reflect adaptive management of Project changes or unforeseen circumstances or in response to Project performance. In such circumstances, the Bank and PLN agree to update the ESCP to reflect these changes through an exchange of letters signed between the Bank and PLN. PLN shall promptly disclose the updated ESCP.
5. The subsection on “Indicators for Implementation Readiness” below identifies the actions and measures to be monitored to assess Project readiness to begin implementation in accordance with this ESCP. Nevertheless, all actions and measures in this ESCP shall be implemented as set out in the “Timeframe” column below irrespective of whether they are listed in the referred subsection.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
IMPLEMENTATION ARRANGEMENTS AND CAPACITY SUPPORT			
A	<p>ORGANIZATIONAL STRUCTURE: Establish and maintain a Project team with qualified staff and resources to support the management of ESHS risks and impacts of the Project, including hiring consultants or a firm with qualified environmental and social specialists with at least 10 years of experience to support the management of E&S risks under the feasibility study and to prepare relevant risk management documents and E&S instruments.</p>	Maintain a Project team as set out in the Agreements throughout Project implementation.	PLN
B	<p>CAPACITY BUILDING PLAN/MEASURES: E&S training shall be delivered (as appropriate) by E&S consultants to support the E&S measures under the Project for all nominated PLN staff as well as all PLN's staff involved in Project implementation, especially PLN Regional Units.</p>	<i>Throughout Project Implementation</i>	PLN
MONITORING AND REPORTING			
C	<p>REGULAR REPORTING: 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 implementation of the ESCP, status of preparation and implementation of Identified Investment specific E&S documents required under the ESCP, stakeholder engagement activities, functioning of the grievance mechanism(s).</p>	<p>Submit ESHS performance reports every six months to the Bank throughout Project implementation, commencing after the effective date of the Agreements (Effective Date).</p> <p>Submit each report to the Bank no later than 60 calendar days after the end of each reporting period.</p>	PLN

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
D	<p>INCIDENTS AND ACCIDENTS:</p> <p>Promptly notify the Bank of any incident or accident related to the technical assistance (TA) which has, or is likely to have, adverse effect on the environment, the affected communities, the public or workers, including, inter alia, cases of sexual exploitation and abuse (SEA), sexual harassment (SH), and accidents that result in death, serious or multiple injury. Provide sufficient details regarding the scope, severity, and possible causes of the incident or accident, indicating immediate measures being taken or that are planned to be taken to address it, and any other information provided by any contractor and/or supervising firm, as appropriate.</p> <p>Subsequently, as per the Bank’s request, prepare a report on the incident or accident and propose any measures to prevent its recurrence.</p>	<p><i>Notify the Bank no later than 48 hours after learning of the incident or accident.</i></p> <p><i>Provide a subsequent report to the Bank within a timeframe acceptable to the Bank, or as requested.</i></p>	PLN
ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			
1.2	<p>ENVIRONMENTAL AND SOCIAL ASSESSMENTS AND/OR PLANS:</p> <p>Prepare and adopt generic Terms of Reference (TOR) for the Environmental and Social (E&S) assessments and the corresponding E&S instruments which will be prepared under the Project, consistent with the relevant ESSs.</p> <p>Prepare and adopt Identified Investments-specific TOR for the E&S assessments and the corresponding E&S instruments for the respective subprojects (i.e., Identified Investments) to be prepared under the Project, in accordance with the generic TOR for E&S assessments and instruments approved under the Project.</p> <p>Prepare and adopt the E&S assessments and the corresponding E&S instruments for the respective subproject in accordance with the subproject-specific TOR for E&S assessments and instruments, consistent with the relevant ESSs.</p>	<p>Prepare and adopt subproject-specific TOR before launching the bidding process for the E&S assessment and instruments for respective subprojects .</p> <p>Prepare and adopt the E&S assessments and instruments prior to finalization of technical studies of respective subprojects .</p>	PLN

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
1.3	<p>MANAGEMENT OF CONTRACTORS: Incorporate the relevant aspects of the ESCP, including inter alia, the relevant E&S instruments, into the technical studies.</p>	As part of the preparation of procurement documents and respective contracts. Supervise contractors throughout Project implementation.	PLN
1.4	<p>TECHNICAL ASSISTANCE: Ensure that the consultancies, feasibility studies, E&S studies, capacity building, training, and any other technical assistance activities under the Project, including, inter alia, the support provided for ESMS implementation, are carried out in accordance with terms of reference acceptable to the Bank, that are consistent with the relevant requirements of the ESSs. Thereafter ensure that the outputs of such activities comply with the terms of reference.</p>	Throughout Project implementation	PLN
1.5	<p>USE OF PLN'S ENVIRONMENTAL AND SOCIAL FRAMEWORK: Ensure that the E&S risks and impacts of the Project, are managed in accordance with this ESCP and with the PLN's Environmental and Social Management System (ESMS), which includes, inter alia, the country's relevant policy, legal and institutional framework, including its national, departmental, or local implementing institutions and the applicable laws, regulations, procedures, and implementation capacity.</p>	Throughout Project implementation	PLN

MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
ESS 2: LABOR AND WORKING CONDITIONS		
<p>2.1 LABOR MANAGEMENT PROCEDURES: Apply and implement ESS2, 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 (including relating to SEA and SH), forced labor, child labor, grievance arrangements for workers engaged under this Project, and applicable requirements for consultants/contractors assigned to carry out the technical assessments, E&S assessments and the assessments and the corresponding E&S instruments.</p> <p>Incorporate measures to assess and manage specific risks to labor, and preparation of labor management procedure in the TORs and E&S assessments and the corresponding E&S instruments to be prepared under action 1.2 above, consistent with ESS2.</p>	<p>Apply ESS2 throughout Project implementation.</p> <p>Same timeframe as for the adoption of the TORs and E&S assessments and instruments.</p>	<p>PLN</p>
<p>2.2 OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT PLAN: Incorporate measures to assess and manage specific risks to occupational health and safety in the TORs and E&S assessments and the corresponding E&S instruments to be prepared under action 1.2 above, consistent with ESS2.</p>	<p>Same timeframe as for the adoption of the TORs and E&S assessments and instruments.</p>	<p>PLN</p>

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
2.3	<p>GRIEVANCE MECHANISM FOR PROJECT WORKERS: Establish and operate a grievance mechanism for Project workers engaged under this Project, consistent with ESS2.</p> <p>Incorporate requirements to establish and operate a worker’s grievance mechanism as part of labor management procedures in the TORs and E&S assessments and the corresponding E&S instruments, to be prepared under action 1.2 above, consistent with ESS2.</p>	<p>Establish grievance mechanism prior to engaging Project workers and thereafter maintain and operate it <i>throughout Project implementation</i></p> <p>Same timeframe as for the adoption of the TORs and E&S assessments and instruments.</p>	PLN
ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT			
3.1	<p>WASTE MANAGEMENT PLAN: Incorporate measures to assess and manage waste related risks as part of the TORs and E&S assessments and the corresponding E&S instruments to be prepared under action 1.2 above, including to manage hazardous and non-hazardous waste of the subprojects, consistent with the ESS3.</p>	Same timeframe as for the adoption of the TORs and E&S assessments and instruments.	PLN
3.2	<p>RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT: Incorporate resource efficiency and pollution prevention and management measures in the TORs and E&S assessments and the corresponding E&S instruments to be prepared under action 1.2 above, consistent with ESS3.</p>	Same timeframe as for the adoption of the TORs and E&S assessments and instruments.	PLN
ESS 4: COMMUNITY HEALTH AND SAFETY			
4.1	<p>TRAFFIC AND ROAD SAFETY: Incorporate measures to assess and manage traffic and road safety risks in the TORs and E&S assessments and the corresponding E&S instruments to be prepared under action 1.2 above, consistent with ESS4.</p>	Same timeframe as for the adoption of the TORs and E&S assessments and instruments.	PLN

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
4.2	<p>COMMUNITY HEALTH AND SAFETY: Incorporate measures to assess and manage specific risks and impacts to the community the TORs and E&S assessments and the corresponding instruments to be prepared under action 1.2 above, consistent with ESS4.</p>	Same timeframe as for the adoption of the TORs and E&S assessments and instruments.	PLN
4.3	<p>SEA AND SH RISKS: Adopt a SEA/SH Action Plan based on the TORs and as part of the E&S assessments and the corresponding E&S instruments to be prepared under action 1.2 above to assess and manage the risks of SEA and SH, consistent with ESS4.</p>	Same timeframe as for the adoption of the TORs and E&S assessments and instruments.	PLN
4.4	<p>SECURITY MANAGEMENT: Incorporate measures to assess and manage the security risks of the subprojects, including the risks of engaging security personnel to safeguard Project workers, sites, assets, and activities, in the TORs and E&S assessments and the corresponding E&S instruments to be prepared under action 1.2 above, consistent with ESS4 and guided by the principles of proportionality and GIIP, and by applicable law, in relation to hiring, rules of conduct, training, equipping, and monitoring of such personnel.</p>	Same timeframe as for the adoption of the TORs and E&S assessments and instruments.	PLN
ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT			
5.1	<p>LAND ACQUISITION AND RESETTLEMENT POLICY FRAMEWORK: Incorporate measures to assess and manage risks and impacts related to land acquisition, restrictions on land use and involuntary resettlement in the TOR and E&S assessments and corresponding E&S instruments (including a Land Acquisition and Resettlement Action Plan as applicable) to be prepared under action 1.2 above, consistent with ESS5.</p>	Same timeframe as for the adoption of the TORs and E&S assessments and instruments.	PLN
5.2	<p>GRIEVANCE MECHANISM: Requirement to establish a grievance mechanism (GM) to address LAR-related complaints has been described in the Stakeholder Engagement Framework (SEF) and the generic TOR published, and shall be incorporated and detailed in LARAP, as part of the E&S instruments to be prepared under action 1.2 for each subproject which requires such LARAP, consistent with ESS5.</p>	Same timeframe as for the adoption of the E&S instruments.	PLN

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES			
6.1	BIODIVERSITY RISKS AND IMPACTS: Incorporate measures to assess and manage specific risks to the biodiversity in the TORs and the E&S assessments and the corresponding E&S instruments to be prepared under action 1.2 above, consistent with ESS6.	Same timeframe as for the adoption of the TORs and E&S assessments and instruments.	PLN
ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES			
7.1	INDIGENOUS PEOPLES PLANNING FRAMEWORK: Incorporate measures to assess and manage risks and impacts related to Indigenous Peoples in the TOR and E&S assessments and corresponding E&S instruments (including an Indigenous Peoples Plan as applicable) to be prepared under action 1.2 above, consistent with ESS7.	Same timeframe as for the adoption of the TORs and E&S assessments and instruments.	PLN
7.2	GRIEVANCE MECHANISM: The grievance mechanism to address complaints submitted by indigenous peoples has been described in the Stakeholder Engagement Framework (SEF) and the generic TOR published, and shall be incorporated and detailed in the IPP, as part of the E&S instruments to be prepared under action 1.2 for each subproject which requires such IPP.	Same timeframe as for the adoption of the E&S instruments.	PLN
ESS 8: CULTURAL HERITAGE			
8.1	CULTURAL HERITAGE RISKS AND IMPACTS: Incorporate measures to assess and manage specific risks and impacts to cultural heritage in the TOR and E&S assessments and instruments to be prepared under action 1.2 above, consistent with ESS8.	Same timeframe as for the adoption of the TORs and E&S assessments and instruments.	PLN
8.2	CHANCE FINDS PROCEDURE: Describe and adopt the chance finds procedures in the E&S instruments to be prepared under action 1.2 above, consistent with ESS8.	Same timeframe as for the adoption of the TORs and E&S assessments and instruments.	PLN

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			
10.1	<p>STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION: Adopt and implement a Stakeholder Engagement Framework (SEF) for the Project, consistent with ESS10.</p> <p>Prepare and adopt a Stakeholder Engagement Plan (SEP) for each subproject as part of the E&S instruments to be prepared under action 1.2 above, 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>	<p>The SEF has been adopted prior to the commencement of Project activities, and shall be implemented throughout Project implementation.</p> <p>Same timeframe as for the adoption of the E&S instruments.</p>	PLN
10.2	<p>PROJECT GRIEVANCE MECHANISM: Establish, publicize, maintain, and operate an accessible grievance mechanism as specified in the SEF, 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 SEA/SH complaints, including through the referral of survivors to relevant gender-based violence service providers, all in a safe, confidential, and survivor-centered manner.</p> <p>Incorporate requirements to establish and operate a grievance mechanism for each subproject, as part of the SEP, in the TOR and E&S assessments and corresponding E&S instruments to be prepared under action 1.2 above, consistent with ESS10.</p>	<p>Establish the grievance mechanism as part of the SEF at the same time as for the adoption of the SEF, and thereafter maintain and operate the mechanism throughout Project implementation.</p> <p>Same timeframe as for the adoption of the TORs and E&S assessments and instruments.</p>	PLN

MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
INDICATORS FOR IMPLEMENTATION READINESS		
<p>The following actions are indicators for implementation readiness:</p> <ul style="list-style-type: none"> i) Establishment of E&S risk management unit in the Project team and hiring consultants or a firm with qualified environmental and social specialists with at least 10 years of experience to support the management of E&S risks under the feasibility study and to prepare relevant risk management documents and E&S instruments (A) ii) Generic Terms of Reference (TOR) for the Environmental and Social (E&S) assessments and the corresponding E&S instruments to be prepared and published before approval of additional financing (1.2 onwards) iii) Subproject-specific TOR for the E&S assessments and the corresponding E&S instruments for the respective subprojects to be prepared under the Project, to be prepared and adopted before launching the bidding process for the E&S assessment and instruments for respective subproject (1.2 onwards) 		