



THE KINGDOM OF JORDAN

Jordan Support for Industry Development Fund Project

Environmental and Social Commitment Plan

The Hashemite Kingdom of Jordan

Environmental and Social Commitment Plan (ESCP)

1. Government of Jordan (hereinafter the Borrower) shall implement the “**Jordan Support for Industry Development Fund**” Project (the Project). The Ministry of Industry, Trade and Supply (MOITS) is the implementing agency for the Project and shall cause implementing partners, including Jordan Exports (JE), and Jordan Export Development Corporation (JEDCO) and Jordan Loan Guarantee Corporation (JLGC) through their respective subsidiary agreements with [MOITS] to implement the Project. The International Bank for Reconstruction and Development (the Bank) has agreed to provide financing to this project.
2. The Borrower, through MOITS as its implementing agency and through the subsidiary agreements with implementing partners, shall carry out the Project in accordance with the Environmental and Social Standards (ESSs). This Environmental and Social Commitment Plan (ESCP) sets out material measures and actions, any specific documents or plans, as well as the timing for each of these actions to be carried out or caused to be carried out by the Borrower, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, grievance management and the environmental and social assessments and instruments to be prepared or updated, disclosed, consulted, adopted and implemented under the ESCP and the ESSs, all in a manner acceptable to the Bank.
3. The Borrower through MOITS as its implementing agency and through the Financial subsidiary agreements with the implementing partners, will comply with the provisions of any environmental and social (E&S) documents required under the ESF and referred to in this ESCP, including the Environmental and Social Management Framework (ESMF), Labor Management Procedures (LMP), Stakeholder Engagement Plan (SEP), and the timelines specified in those E&S documents.
4. In addition, the ESCP requires that JLGC as Financial Intermediary, comply with the provisions set out in their respective Environmental and Social Management System (ESMS).
5. Implementation of the material measures and actions set out in this ESCP shall be monitored and reported to the Bank by the Borrower, through its implementing agency MOITS, and with inputs from implementing partners, as required by the 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 Project.
6. As agreed by the Bank and the Borrower, 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, the Borrower shall agree to the changes with the Bank and shall update the ESCP to reflect such changes. Agreement on changes

to the ESCP will be documented through the exchange of letters signed between the Bank and the Borrower. The Borrower shall promptly disclose the updated ESCP.

7. Where Project changes, unforeseen circumstances, or Project performance result in changes to the risks and impacts during Project implementation, the Borrower shall provide additional funds, if needed in order to implement actions and measures to address such risks and impacts, which may include: moderate environmental risks associated with small to medium scale, community based civil works, environmental, health, and safety impacts; and social risks that include (i) geographical, (ii) economic, (iii) social exclusion, (iv) labor (v) gender-based violence, and (vi) institutional.

The World Bank - Environmental and Social Commitment Plan (ESCP) for covid-19 emergency response projects

Material Measures and Actions		Timeframe	Responsible entity/authority
Monitoring and Reporting			
A	<p>Regular Reporting Prepare and submit regular monitoring reports on environmental, social, health and safety performance of the Project including stakeholder engagement activities and grievance log.</p>	Starting from the Effective Date, Quarterly reporting throughout Project implementation to the Bank	MOITS with inputs from all implementing partners
B	<p>Incidents and Accidents The Borrower, through MOITS, shall:</p> <ol style="list-style-type: none"> Promptly notify any incident or accident related to the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including without limitation any allegations of gender-based violence, Project-related occupational accidents or fatalities, or labor unrest. Provide sufficient detail regarding the incident or accident, indicating immediate measures taken to address it and further remediation action plan where required and include information provided by any contractor and supervising entity, as appropriate. Develop a report and submit it to the Bank on completion of incident investigation and closure as an additional measure to the notification as well as steps that may need to be taken to avoid repetition of the incident. 	<ol style="list-style-type: none"> Report any incident or accident to the Bank within 24 to 48 hours after becoming aware of the occurrence of the incident or accident. Initial report that includes (i) a description of the incident/accident possible root causes, (ii) the measures, if any, taken or plans to take to address such incident/accident and to prevent any future similar event, and (iii) identification of any part of the information for which confidentiality is required and iv) proposing possible corrective actions should be submitted within 10 days or agreed time frame. 	MOITS with inputs from all implementing partners
ESS 1: Assessment and Management of Environmental and Social Risks and Impacts			
1.1	<p>Organizational Structure 1. The Borrower, through MOITS, shall establish</p>	1. within 30 days of the Effective Date.	1. MOITS,

	<p>and maintain a Project Management Unit (PMU) throughout Project implementation period, to support management of E&S risks and impacts as well as health and safety risks of the Project including hiring one full time environmental and social specialist whom will be responsible for the overall E&S management of the project.</p> <p>2. MOITS through its subsidiary agreements, will cause implementing partners (JE and JEDCO) to each assign one qualified E&S focal point to ensure adherence to their respective environmental and social obligations as reflected under the ESMF</p> <p>3. MOITS through its subsidiary agreements ensure that JLGC will comply its environmental and social obligations as specified in the ESMS</p>	<p>2. Prior use/disbursement of project funds.</p> <p>3. Prior use/disbursement of project funds</p>	<p>2. JE, JEDCO</p> <p>3. JLGC</p>
<p>1.2</p>	<p>Environmental and social assessment/management plans and instruments</p> <p>1. A Draft Environmental and Social Management Framework (ESMF) has been prepared and will be consulted, finalized, cleared by the Bank, disclosed, adopted and implemented. The ESMF outlines the requirements of the Industry Development Fund (InDF) to identify and assess the environmental and social risks and impacts of a) disbursing grants directly to beneficiary firms under the outcome-based incentives program (Component 1); b) other activities associated with selecting, channeling funds, and monitoring implementing partners (JE and JEDCO) that will support beneficiary firms under the Industry Upgrading and Export Development Program (Component 1) c) other activities associated with channeling project funds through JLGC to deliver the Export Guarantee Program for beneficiary firms, as well as developing and oversee</p>	<p>1. By project appraisal</p> <p>2. Incorporate the site-specific instrument into the grant agreement with beneficiary SME requiring the SME to adopt and implement the site specific instrument throughout implementation.</p>	<p>1. MOITS; JE and JEDCO</p>

	<p>rollout of new Supply Chain Financing products by JLGC. The ESMF, will design appropriate mitigation, management and monitoring measures for the project, in accordance with the Environmental and Social Standards (ESSs) the Environmental, Health and Safety Guidelines (EHSGs), and other relevant Good International Industry Practice (GIIP)</p> <p>2. Cause beneficiary firms receiving grants to undertake sub-projects, to prepare, adopt and implement the site-specific instruments (ESMPs or Environmental and Social Audits - ESAs) as determined in the ESMF. Any subprojects or SMEs described in the exclusion list set out in the ESMF shall be ineligible to receive financing under the Project.</p>		
<p>1.4</p>	<p>Exclusions: Exclude the following type of activities as ineligible for financing under the Project:</p> <ol style="list-style-type: none"> 1. Any activity with high environmental and social risks, the negative impacts of which will be considered diverse, varied, irreversible and unprecedented. 2. Any activity containing or involving the following: Production or activities involving forced labor / harmful child labor; Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements; Production or trade in weapons and munitions; Gambling, casinos and equivalent enterprises; Trade in wildlife or wildlife products regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES); Production or trade in radioactive materials; Production or trade in or use of unbounded asbestos fibers; Production or trade in wood or other 	<p>Applies to MOITS activities throughout implementation Incorporate exclusions into subsidiary agreements with implementing partners</p>	<p>MOITS; JE; JEDCO; and JLGC</p>

	forestry products from unmanaged forests; Production or trade in products containing polychlorinated biphenyl, or PCBs; Production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals; Production or trade in pharmaceuticals subject to international phase outs or bans; Production or trade in pesticides / herbicides subject to international phase outs or bans; Production or trade in ozone depleting substances subject to international phase out; 3. All the other excluded activities set out in the ESMF		
4.4.	Gender Action Plan Prepare, consult, disclose, adopt, and implement a “gender action plan” to be included in the POM”	Not later than 2 months after Effective Date and implemented throughout the Project implementation	MOITS and JE and JEDCO
ESS 2: Labor and Working Conditions			
2.1	Labor Management Plan (LMP) Draft Labor Management Procedures (LMP) have been prepared and will be finalized in a manner acceptable to the Bank, including inter alia, the relevant aspects of ESS2 for civil servants; terms and conditions for all other types of project workers, 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), child labor, grievance arrangements for Project workers, and applicable requirements for contractors, subcontractors, and supervising firms. Once finalized , disclose, adopt and implement the LMP throughout project implementation.	30 days after Project Effective Date but before disbursement of grant funds, and implemented throughout project implementation	MOITS and JE, JEDCO
2.2	Grievance Mechanism for Project Workers	Established as part of the LMP	MOITS and JE, JEDCO

	As part of the LMP, establish, maintain, and operate a grievance mechanism (GM) for project workers in accordance with ESS2.	within 30 days of Project Effective Date but before disbursement of funds, and maintained throughout Project implementation	
2.3	Occupational, Health and Safety (OHS) Measures Develop and implement occupational, health and safety (OHS) measures, in line with National legislation and ESS2, as part of the ESMF.	Maintained throughout Project implementation	MOITS and JE, JEDCO
ESS 3: Resource Efficiency and Pollution Prevention and Management			
3.1	Management of Wastes and Hazardous Waste Materials Cause beneficiary SMEs to adopt and implement a plan for hazardous and nonhazardous wastes.	To be adopted as part of the ESMF and site-specific instruments as appropriate, and to be implemented throughout the project implementation	MOITS and JE, JEDCO
3.2	Conservation of water, energy and materials Cause beneficiary SMEs to develop and implement measures and procedures for optimum consumption of water, energy and raw materials	To be adopted as part of the ESMF and site-specific instruments as appropriate, and to be implemented throughout the project implementation	MOITS and JE, JEDCO
ESS 4: Community Health and Safety			
4.1	Traffic and Road Safety Cause beneficiary SMEs to incorporate measures to manage traffic and road safety risks as required in the ESMF and site-specific instruments to be prepared under action 1.2 above	To be adopted as part of the ESMF and site-specific instruments and to be implemented throughout the project implementation	MOITS and JE, JEDCO

4.2	Community Health and Safety (CHS) Measures and actions to assess and manage specific risks and impacts outlined in the ESMF and subsequent site-specific instruments as mentioned in action 1.2 including COVID-19 transmission risks	To be adopted as part of the ESMF and site-specific instruments as appropriate, and to be implemented throughout the project implementation	MOITS and JE, JEDCO
4.3	Gender Based Violence (GBV) and Sexual Exploitation and Abuse (SEA) Develop and implement measures and actions to assess and manage the risks of GBV and SEA. Prevent and respond to sexual exploitation and abuse, and sexual harassment	To be adopted as part of the ESMF and site-specific instruments as appropriate, and to be implemented throughout the project implementation	MOITS and JE, JEDCO
ESS 5: Land Acquisition, Restrictions on Landuse and Involuntary Resettlement			
5.1	Not relevant		
ESS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources			
6.1	Not relevant		
ESS 7: Indigenous Peoples/sub-Saharan African Historically Underserved Traditional Local Communities			
7.1	Not relevant		
ESS 8: Cultural Heritage			
8.1	Not relevant		
ESS 9: Financial Intermediaries (FI)			
9.1	ESMS Prepare, disclose, adopt, maintain and implement an Environmental and Social Management System (ESMS) consistent with ESS9 for each Financial Intermediary under the project. The ESMS should include (A) An Environmental and Social Policy; (B) Environmental and Social Procedures reflecting and implementing the E&S Policy with respect to the	The ESMS for JLGC will be cleared by the Bank and disclosed 30 days after effectiveness and prior any reimbursement of guarantee premiums and updated, cleared by the Bank and redisclosed to	JLGC

	<p>principles: (A). Screening all subprojects under the Project against any exclusions in the legal agreement; (B). Screen, review, and categorize the subprojects under the Project according to their potential environmental and social risks and impacts. (C). Requiring that all subprojects under the Project are assessed, prepared, and implemented to meet national law and the relevant requirements of the ESSs are applied. (D) Maintain organizational Capacity and Competency as defined in the ESMS based on an evaluation of the staffing needs according to the nature of portfolio and the expected workload, and acceptable to the Bank. (E) Monitoring and Reporting - environmental and social performance of the subprojects under the Project in a manner proportionate to the risks and impacts of the subprojects, and provide regular progress reports to the senior management.</p> <p>Provide and maintain appropriate labor management procedures, consistent with the Project’s LMP and ESS2.</p> <p>Develop procedures for external communications on environmental and social matters proportionate to the risks and impacts of sub-projects and/or portfolio of investments supported under the project</p>	cover any new Supply Chain Financing products prior to disbursement of any funds related to this product.	
9.3	<p>FI Organizational Capacity Establish and maintain an organizational capacity and competency for implementing the ESMS with clearly defined roles and responsibilities</p>	30 days after effectiveness date and prior any reimbursement of guarantee premiums.	JLGC
9.4	<p>Senior Management Representative Designate a senior management representative to have overall accountability for environmental and social performance of FI subprojects.</p>	30 days after Project Effective Date and prior any reimbursement of guarantee premiums	JLGC
ESS 10: Stakeholder Engagement and Information Disclosure			
10.1	Stakeholder Engagement Plan (SEP) Preparation and	1. Implement the approved	MOITS

	<p>Implementation Prepare, consult, disclose, adopt, , and implement a Stakeholder Engagement Plan (SEP) consistent with ESS10, in a manner acceptable to the Bank.</p>	SEP throughout Project Implementation	
10.2	<p>Project Grievance Mechanism</p> <ol style="list-style-type: none"> 1. Adopt, maintain and operate a Project grievance mechanism, as described in the SEP . 2. JLGC, JEDCO, and JE, adopt, maintain and operate a Grievance Mechanism consistent with ESS10, including measures to address SEA/SH complaints as specified in the ESMS under ESS9. 	<ol style="list-style-type: none"> 1. Before Effective Date and remains operational throughout project implementation 2.prior to disbursing project funds. 	<ol style="list-style-type: none"> 1. MOITS 2. JLGC, JEDCO and JE
Capacity Support (Training)			
11	<ol style="list-style-type: none"> 1. Plan, approve, and provide capacity building activities, relevant to the project’s requirements. Capacity building activities shall aim to ensure adequate level of expertise to carry out and manage different components of the Project. Capacity building activities shall include, but not limited to, the following topics: 2. Implementation, monitoring and reporting of ESMF and ESMS. 3. Review capacity building requirements and update in Project’s relevant documentation and instruments. 4. Report on capacity building activities, in a manner acceptable to the World Bank. 	<ol style="list-style-type: none"> 1. Capacity building plan to be included in the ESMF 2. Capacity building implementation, reporting. Review of the capacity building will be implemented over the Project life cycle 	<p>MOITS PMU</p> <p>JLGC, JEDCO and JE</p>