**Document of the Inter-American Development Bank**



**Jamaica**

**Energy Management and Efficiency Program (EMEP)**

**JA-G1003**

**Environmental and Social MANAGEMENT REPORT**

**(ESMR)**

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This document was prepared by:

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| **ENVIRONMENTAL AND SOCIAL MANAGEMENT REPORT (ESMR)** | |
| **Operation Name:** | Energy Management and Efficiency Program (EMEP) |
| **Operation Number:** | JA-G1003 |
| 1. **Operation Details** | |
| **IDB Sector** | Energy - Energy Efficiency and Renewable Energy in End Use |
| **Type of Operation** | IGR - Investment Grant |
| **Impact Categorization[[1]](#footnote-1)** | B |
| **Disaster Risk Rating** | Moderate |
| **Borrower** | Government of Jamaica |
| **Executing Agency** | Petroleum Corporation of Jamaica (PCJ) |
| **IDB (EU-CIF) US$ (and total project cost)** | US$ 10 million (US$ 10 million) |
| **Applicable Policies/Directives** | OP-102; OP-704; OP-761; OP-703 (B.1, B.2, B.3, B.4, B.5, B.6, B.7, B.10, B.11, B.17) |
| 1. **Executive Summary** | |
| The project has been classified as Category B, and an operational Environmental and Social Analysis (ESA) was prepared by Acorn International LLC on behalf of the GOJ for the IDB. Key risks and impacts identified in the ESA relates to solid and hazardous waste management, soil and groundwater contamination, occupational and community health and safety, and natural disasters risks. An Environmental and Social Management System and Plan (ESMS-ESMP) are set out, identifying the necessary plans that will be required (the plans themselves will be prepared by either the Beneficiary or the contractor before construction). The ESA includes a draft Waste Management Plan that includes all provisions to be followed to properly handle non-hazardous and hazardous waste. The plan will include all operational details prior construction start. | |
| 1. **Operation Description** | |
| The general objective of the project is to promote a more efficient use of energy resources. Scope of the project is to install Energy Efficiency and Conservation (EEC) technologies and measures, recognized by the Government of Jamaica (GOJ) within its National Energy Policy (NEP) 2009-2030, to lower government hospital electricity consumption and reduce oil imports, contributing to GHG emissions reduction. The proposed Investment Grant (IGR) is an expansion of the project “Energy Management and Efficiency Programme” (JA-L1056), approved in 2016. With financing from the European Union Caribbean Investment Facility (EU-CIF) this IGR will enable the addition of 7 public hospitals receiving a deep EEC retrofit package and bringing the total number of government facilities receiving deep retrofit from 23 to 30. Additionally, it will also provide more support to Electricity Planning and Jamaica’s Integrated Resource Plan (IRP). The project will be executed by Petroleum Corporation of Jamaica (PCJ), the executing agency of the Ministry of Science, Energy and Technology (MSET). The specific components of the project could be summarized as follows:  a) Retrofitting of 7 public hospitals) will finance the implementation of EEC measures in 7 public hospitals: (i) the purchase, installation, operation and maintenance of EEC technologies, and (ii) the design and implementation of a Communications and Visibility Plan to raise awareness among targeted stakeholders regarding EEC and RE, with respect to building codes, equipment standards and solar PV connection charges and net-billing implementation guidelines.  b) Support to Electricity Planning and Jamaica’s Integrated Resource Plan (IRP): will finance: (i) complementary technical studies related to the development of Jamaica’s IRP that enhances MSET’s planning expertise within the wider energy sector. The technical studies will focus on fuel switching options, infrastructure, policy and regulation that can make a real difference to final energy cost, reliability and environmental externalities. Works are expected to start immediately after the approval of the IGR and be completed in approximately four years. | |
| 1. **Key Impacts, Risks, and Mitigation Measures** | |
| The key potential Environmental, Social and Health and Safety (ESHS) risks and potential impacts associated with the project mainly refer to the retrofitting of the seven hospitals, and could be summarized as follows (more detail to follow below): construction activities generating temporary minimal to moderate potential impacts on current users of the facility and nearby communities (i.e. traffic disruption, dust, etc.); generation of solid waste (scrap wood, concrete, glass, and cardboard, etc.) and hazardous waste (mercury from fluorescent light bulbs and thermostats, hydrofluorocarbons and other refrigerant gases from air conditioning units, used oils, asbestos containing materials, etc., with Jamaica having up to date no hazardous waste disposal facilities); operational impacts (i.e. solid and hazardous waste and wastewater generation, traffic and affectation of nearby communities, etc.); exposure to natural hazards (flooding, storm surge, hurricanes, seismicity, landslides); executing agency might not have in-house capacity to ensure the proper management of all ESHS aspects associated with the project. The Environmental Assessment investigated these potential risks and impacts and determined that the most sensitive risk is that of hazardous materials, since the island does not have an adequate landfill for the long-term storage of hazardous materials. The project has identified a short-term solution for the temporary storage of these hazardous wastes, but the wastes will eventually need to be exported. Jamaica has experience with the exportation of hazardous wastes. Other potential impacts have been determined to be construction related impacts which will be mitigated by the ESMP. | |
| **Assessment Requirements[[2]](#footnote-2)**  OP-703 (Environment and Safeguards Compliance Policy): B.3 (Screening and Classification), B.4 (Other Risk Factors), and B.5 (Environmental Assessment and Plans Requirements) | |
| The project has been classified as Category B, as it is anticipated that it is likely to cause mostly local negative environmental and social impacts for which effective mitigation measures will be implemented. Consequently, following B.3 and B.5 Directives of Operation Policy 703 (OP-703), an operational Environmental and Social Analysis (ESA) was prepared by Acorn International LLC on behalf of the GOJ for the IDB in support of the original loan, JA-L1056. No building permit are required at local level for the proposed works. The ESA is focused on identifying and assessing the key ESHS risks and impacts associated with the project. The ESA includes a basic description of the general environmental and social settings of the Island and especially of Kingston area. Key impacts and risks are sufficiently identified based on the preliminary project details available to enable a good understanding of their nature and scale.  An Environmental and Social Management System and Plan (ESMS-ESMP) are set out in the ESA, identifying the necessary plans that will be required (the plans themselves will be prepared by either the Borrower or the contractor before construction). The ESA includes a draft Waste Management Plan that includes all provisions to be followed to properly handle non-hazardous and hazardous waste. The plan must include all operational details (trainings, responsibilities, resources, auditing, instructions, etc.) prior construction start. In addition, specific provision on selection, auditing, and methods of treatment, of the international facility that will be utilized to treat and dispose the hazardous waste will be included in the plan.  Through this IGR , IDB will help the Beneficiary reducing its GHG emissions. The Beneficiary will include in the annual monitoring report to the IDB an assessment on energy consumption at all locations, and GHG emissions. | |
| **Consultation**  OP-703 (Environment and Safeguards Compliance Policy): B.6 (Consultation); and Consultation requirements of OP-710 (Involuntary Resettlement Policy), OP-765 (Indigenous Peoples Policy), OP-761 (Gender Equality in Development Policy), and OP-704 (Disaster Risk Management Policy) as applicable | |
| According to the ESA and the consultation report, consultation with representative of local authorities and institutions occurred between July 20th and July 29th 2016. Further, a public meeting has been held on September 22nd 2016 to identify and integrate stakeholder concerns into the ESA and ESMP (in addition a grievance mechanism will be implemented to ensure continued engagement and ensure stakeholders have a process to submit feedback and obtain a response from the government). A short summary of the program, its approach, objective and its preliminary environmental and social risks and impacts, along with the measures to mitigate these, was distributed at the meeting to participants. The ESA and consultation report include sign in sheets as well as minutes of the comments/response. Most of questions and comments relate to hazardous waste management. Comments were properly assessed (i.e. description of type of waste produced, how it will be handled, etc.) by PCJ and responses included in the summary report. | |
| **Information Disclosure**  OP-703 (Environment and Safeguards Compliance Policy): B.5 (Environmental Assessment and Plan Requirements);  OP-102 (Access to Information Policy) | |
| The ESA (containing ESMS-ESMP and a draft Waste Management Plan) was disclosed on IDB website on August 23rd 2016 in relation to the associated operation JA-L1056. It was also disclosed on the PCJ website. The EA will be re-posted on the Bank’s website prior to QRR. No Analysis Mission will be conducted in connection to this IGR as due diligence was already conducted for the original loan operation JA-L1056. | |
| **Environmental and Social Impacts and Risks**  OP-703 (Environment and Safeguards Compliance Policy): B5 (Environmental Assessment Requirements), B8 (Transboundary Impacts), B9 (Natural Habitats and Cultural Sites), B10 (Hazardous Materials), B11 (Pollution Prevention and Abatement), and B12 (Projects Under Construction)  OP-710 (Involuntary Resettlement Policy)  OP-765 (Indigenous Peoples Policy)  OP-704 (Disaster Risk Management Policy)  OP-761 (Gender Equality in Development Policy) | |
| The key ESHS direct impacts and risk of the Program mainly refer to the retrofitting of the seven public hospitals (purchase, installation, operation and maintenance of EEC technologies). These are mainly small scale works to be performed within existing structures, and as such are not considered to have significant adverse environmental or social impacts. These can be summarized as:  **Construction**. Construction activities might generate impacts on current users of the facility and nearby communities, generating temporary minimal to moderate potential impacts: traffic disruption; dust and minimal to moderate air emission and affectation of air quality; impacts on water/soil, especially if waste and hazardous materials are not adequately managed; temporary noise impacts; occupational and community health and safety impacts. The ESA and ESMP assess the impacts of the Program during all phases. The ESMP must be operational before construction.  **Waste and Hazardous Waste**. Construction and retrofitting activities, and then operation, will generate relevant quantities of solid (scrap wood, concrete, glass, and cardboard, etc.) and hazardous waste (mercury from fluorescent light bulbs and thermostats, hydrofluorocarbons and other refrigerant gases from air conditioning units, used oils, asbestos containing materials, etc.). Solid waste can be disposed in existing landfills, however, up to date there are no hazardous waste disposal facilities in Jamaica (currently hazardous wastes are either disposed of in local landfills or shipped abroad to treatment facilities). The ESA includes a draft Waste Management Plan that includes all provisions to be followed to properly handle non-hazardous and hazardous waste, to be finalized prior construction start.  **Occupational and Community Health and Safety**. The program may involve numerous hazards that pose risks to worker health and safety, including exposure to asbestos containing materials and other hazardous waste. The ESA includes brief indications on OHS and Community HS, however an Occupational and Community Health and Safety Management Plan will have to be implemented and operational before construction activities start.  **Associated Liabilities**. Since this IGR is associated with the loan operation JA-L1056, the IDB will monitor whether significant ESHS liabilities related to JA-L1056 exist or are pending resolution. | |
| **Noninvestment Lending and Flexible Lending Instruments**  OP-703 (Environment and Safeguards Compliance Policy): B.13 (Noninvestment Lending and Flexible Lending Instruments) | |
| N/A | |
| **Livelihoods and Resettlement**  OP-710 (Involuntary Resettlement Policy) | |
| The project will not involve any type of resettlement. | |
| **Indigenous Peoples**  OP-765 (Indigenous Peoples Policy) | |
| No Indigenous People are affected by the project. | |
| **Gender Equality**  OP-761 (Gender Equality in Development Policy) | |
| The risk of gender discrimination is low. During project preparation phase, women were invited to and attended the stakeholder engagement meetings and the public consultation. During operations, the project will seek to implement a training program for women to enter the workforce in energy efficiency implementation. Energy efficiency is a growing trend in Jamaica and training women to become technicians could provide long-term employment in the sector. The Beneficiary will include measures, standard in construction contracts, to avoid uneven introduction of unpaid work or payment gaps, or increased risk of gender based discrimination. | |
| **Disaster Risk Management**  OP-704 (Disaster Risk Management Policy) | |
| Jamaica is vulnerable to natural hazards and climate change could increase the risk of many of these hazards. The major natural hazards that could affect the IGR are: pluvial inundation (flooding from rivers), coastal inundation (sea level rise and storm surge), hurricanes and high winds, seismicity, and landslide. Between 1852 and 2011, 27 hurricanes have passed within approximately 70 miles of Jamaica, of which 1 was a Category 5 (Hurricane Allen, 1980), 5 were Category 4 (Cleo, 1964; Dean, 2007; Dennis, 2005; Gilbert, 1998; and Ivan, 2004). These events are usually accompanied by severe coastal erosion and flooding, including in densely populated areas. Several studies indicate frequency of hurricanes may decrease because of climate change, but the intensity of storms that do develop will be greater, potentially twice as many per year by 2100[[3]](#footnote-3).  The ESMP includes provisions for the development of an Emergency Preparedness and Response Plan (EPRP), and for the application of specific International Building Codes (IBC). The EPRP must be fully developed and implemented before construction activities commence. A disaster risk assessment is not required for the IGR. | |
| **Supervision**  OP-703 (Environment and Safeguards Compliance Policy): B.5 (Environmental Assessment and Plans Requirements) and B.7 (Supervision and Compliance)  OP-710 (Involuntary Resettlement Policy)  OP-765 (Indigenous Peoples Policy)  OP-704 (Disaster Risk Management Policy)  OP-761 (Gender Equality in Development Policy) | |
| As a condition of the original loan operation, JA-L1056, the IGR has appointed an Environmental and Social Specialist who will supervise and monitor the EMEP project for the duration of the construction period to prevent and manage potential impacts and ensure the implementation of the ESMP. The EMEP project’s Environmental and Social Specialist will submit annual reports to the IDB.  PCJ will be responsible for developing the Program Environmental and Social Management and Monitoring Program, and ensuring that all projects under the Program of works comply with the ESA, ESMP, ESMS, and IDB Requirements. It is the obligation of PCJ together with any Contractors or Subcontractors to develop and comply with all the requirements and stipulations identified therein. Acceptance of the ESMP reiterates the commitment by PCJ to minimize and prevent environmental effects to the extent possible while ensuring human health and safety. Ultimately, the Contractor accepts the conditions of the ESMP to maintain ESHS compliance. The Contractor will identify and assign roles and responsibilities for project ESHS management.  PCJ will be responsible for ensuring proper management of all wastes generated on site, presenting annual reports and audits summaries to the Bank.  The Bank will supervise the implementation of the environmental and social management and monitoring arrangements annually during construction. | |
| 1. **Legal Requirements** | |
| In order to meet the requirements of the Bank’s Environmental and Social Safeguard Policies, the Beneficiary , directly or through the Executing Agency, will comply to the satisfaction of the Bank with the ESHS contractual terms and conditions set forth below and detailed in Annex B hereto. These terms and conditions can only be modified with the prior written consent of the Bank, including clearance by ESG.  *(a) Conditions Prior (CP) to First Disbursement.*  The Project will implement the project specific ESMP to assess and mitigate the negative impacts associated with the Project. All project contractors will also be required to comply with the actions described in the ESMP.  The Project will appoint an Environmental and Social Specialist for the duration of the construction period to prevent and manage potential impacts and supervise and monitor mitigation measures (this action is inclusive of the requirement for JA-L1056, not in addition to).  Copies of relevant permits, contracts, and agreements shall be submitted to the Bank.  *(b) Conditions of Execution for Compliance during the Life of the IGR*  As further set forth in Annex B hereto, the IDB will require within its IGR Agreement that the Project and each Project party and other Project/ESHS parties, including construction companies and operators, and any contractors and sub-contractors will, at all times during the life of the IGR Agreement, comply with the following requirements:   1. All applicable ESHS and labor regulatory requirements of Jamaica. 2. All requirements associated with any ESHS and labor related permits, authorizations, or licenses that apply to the Project, the Borrower or any party responsible for executing the Project or its mitigation measures. 3. All ESHS and labor requirements of the Project contracts and subsequent modifications. 4. All relevant IDB policies such as the Environment and Safeguards Compliance Policy (OP-703), the Disaster Risk Management Policy (OP-704) and the Disclosure of Information Policy (OP-102), and the Gender and Equity in Development Policy (OP-761) and their respective guidelines. 5. Comply with all the requirements indicated in the Environmental and Social Action Plan (ESAP), in the event an ESAP is required.   *(c) Prior to Each Disbursement*  The Sponsor/Beneficiary /Company shall certify compliance with all ESHS and labor requirements in the IGR agreement, including any Corrective Action Plans if applicable.  *(d) Prior to Operations*  The IDB or an E&S consultant appointed by the IDB shall certify compliance with all ESHS requirements of the IGR agreement including any Corrective Action Plans if applicable.  *Annex B -* Annex B attached hereto sets forth the ESHS conditions, plans and requirements to be contractually required in the IGR Agreement. See Annex B. | |
| 1. **Summary of Compliance with IDB Safeguard Policies** | |
| See overleaf. | |

**Annex A. Summary of Compliance with IDB Safeguard Policies[[4]](#footnote-4)**

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| **Policies / Directives** | **Applicable Policy / Directive Aspect** | **Compliance Status and Rationale with Policy / Directive Requirements** | **Requirements / Actions / Plans** |
| **OP-703 Environment and Safeguards Compliance Policy** | | | |
| B.2 Country Laws and Regulations | ESA | Compliance not achieved/expected since no ESA or Environmental Permits are required for the operation. | No action required |
| B.3 Screening and Classification | Screening and Classification | Full compliance achieved, project categorized as B | No action required |
| B.4 Other Risk Factors | Associated Liabilities | The Project is associated with the operation JA-L1056 | During execution, IDB will monitor whether significant ESHS liabilities associated to JA-L1056 exist or are pending resolution. |
| B.5 Environmental Assessment and Plans Requirements | ESA and ESMP | An ESA, including an ESMP, was prepared in August 2016. | Prior Construction, the IDB will monitor whether final operational ESMS, ESMP, Waste Management Plan, EPRP, OHS and Community HS Management Plan are implemented and available. |
| B.5 Social  Assessment and Plans Requirements |
| B.6 Consultation (including consultation with affected women, indigenous persons, and/or minority groups) | Consultation | Consultation conducted on September 22, 2016 and consultation report submitted to IDB. A Grievance Mechanism has been defined. | Prior Construction, the IDB will monitor whether final Grievance Mechanism is implemented. |
| B.7 Supervision and Compliance | Monitoring and Supervision | Compliance achievable through specific conditions established in legal documentation for actions over a defined period of time. The project has identified an E&S specialist. The specialist will provide annual reports to the IDB. The IDB will conduct supervision missions | Conditions for the life of the IGR : PCJ will be responsible for ensuring that all projects under the Program of works comply with the ESA, ESMP, ESMS, and IDB Requirements. It is the obligation of PCJ together with any Contractors or Subcontractors to develop and comply with all the requirements and stipulations identified therein.  The IDB will supervise the implementation of the ESMS-ESMPS and monitoring arrangements annually. |
| B.8 Transboundary Impacts | - | Not Applicable | No Actions Required |
| B.9 Natural Habitats | - | Not Applicable | No Actions Required |
| B.9 Invasive Species | - | Not Applicable | No Actions Required |
| B.9 Cultural Sites | - | Not Applicable | No Actions Required |
| B.10 Hazardous Materials | Hazardous Materia and Waste Management | Compliance achievable through specific conditions established in legal documentation for actions over a defined period of time. The ESMP has established measures to ensure appropriate hazardous material management | Prior Construction IDB will monitor whether final operational Waste Management Plan is implemented and made available.  Condition for the life of IGR: Project’s E&S Specialist to ensure implementation of ESMP |
| B.11 Pollution Prevention & Abatement | Pollution Prevention | Compliance achievable through specific conditions established in legal documentation for actions over a defined period of time. The ESMP has established measures to ensure appropriate pollution control and abatement | Prior Construction IDB will monitor whether final operational ESMS, ESMP are implemented and available.  Condition for the life of the IGR: Project’s E&S Specialist to ensure implementation of ESMP |
| B.12 Projects under Construction | - | Not Applicable | No Actions Required |
| B.13 Noninvestment Lending and Flexible Lending Instruments | - | Not Applicable | No Actions Required |
| B.14 Multiple Phase and Repeat Loans | - | Not Applicable | No Actions Required |
| B.15 Co-financing Operations | - | Not Applicable | No Actions Required |
| B.16 In-Country Systems | - | Not Applicable | No Actions Required |
| B.17 Procurement | Contractors Management | Compliance achievable through specific conditions established in legal documentation for actions over a defined period of time. ESHS requirements to be included into all contracts of contractors | Condition for the life of the IGR: the Beneficiary will ensure that Contractor accepts the conditions of the ESMP to maintain ESHS compliance. |
| **OP-704 Natural Disaster Risk Management Policy** | | | |
| Disaster Risk Assessment | Disaster Risk Assessment | Full compliance achieved. Risk has been assessed as moderate, no DRA is required | No Actions Required |
| Disaster Risk Management Plan | Disaster Risk Management | Full compliance achieved. Risk assessed as moderate, no DRMP is required | No Actions Required |
| **OP-710 Operational Policy on Involuntary Resettlement** | | | |
| Resettlement Minimization | - | Not Applicable | No Actions Required |
| Resettlement Plan Consultations | - | Not Applicable | No Actions Required |
| Impoverishment Risk Analysis | - | Not Applicable | No Actions Required |
| Resettlement Plan or Resettlement Framework (Prior to Analysis Mission/Board Approval | - | Not Applicable | No Actions Required |
| Livelihood Restoration Program | - | Not Applicable | No Actions Required |
| Consent (Indigenous Peoples and other Rural Ethnic Minorities) | - | Not Applicable | No Actions Required |
| **OP-765 Operational Policy on Indigenous Peoples** | | | |
| Sociocultural Evaluation | - | Not Applicable | No Actions Required |
| Good-faith Negotiations | - | Not Applicable | No Actions Required |
| Agreement with Affected Indigenous Peoples | - | Not Applicable | No Actions Required |
| Indigenous Peoples Protection, Compensation, and Development Plan or Framework prior to Board Approval | - | Not Applicable | No Actions Required |
| Discrimination Issues | - | Not Applicable | No Actions Required |
| Transborder Impacts | - | Not Applicable | No Actions Required |
| Impacts on Isolated Indigenous Peoples | - | Not Applicable | No Actions Required |
| **OP-761 Operational Policy on Gender Equality in Development** | | | |
| Unequal Access to Project Benefits/ Compensation Measures | - | Women will be integrated into the workforce | The Beneficiary will implement a training program for women to enter the workforce in energy efficiency implementation |
| Uneven Introduction of Unpaid Work | Avoidance of uneven pay | No uneven introduction of unpaid work or payment gaps, or increased risk of gender based discrimination will occur. | The Beneficiary will include measures, standard in construction contracts, to avoid uneven introduction of unpaid work or payment gaps, or increased risk of gender based discrimination. |
| Increased Risk of Gender-Based Violence, including sexual exploitation, human trafficking and sexually transmitted diseases | - | Not Applicable | No Actions Required |
| Disaggregation of Impact Data by Gender | - | Not Applicable | No Actions Required |
| **OP-102 Access to Information Policy** | | | |
| Disclosure of relevant Environmental and Social Assessments[[5]](#footnote-5) Prior to Analysis Mission, QRR and submission of the operation for Board consideration[[6]](#footnote-6) | Preliminary ESA disclosure. | The original EA was posted on the Bank’s website in 2016 under JA-L1056. The EA is also posted to the Bank’s website under JA-G1003. | Prior to QRR disclose ESA and ESMP on IDB JA-G1003 Project Profile page (now on JA-L1056) |
| Provisions for Disclosure of Environmental and Social Documents during Project Implementation | Ongoing Disclosure of E&S Documents during Project Implementation | Compliance achievable through specific conditions established in legal documentation for actions over a defined period of time. | Condition for the life of the IGR : the Beneficiary will disclose any new relevant ESHS document on their website. |

**Annex B. ESHS Legal Requirements**

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| **ESHS Conditions of the IGR Agreement**  The following ESHS conditions are required to be fulfilled to the satisfaction of the Bank and will be included in the Investment Grant Agreement to comply with the Bank’s ESHS Safeguard Policies: |
| **1. Conditions to be Met Prior to the First Disbursement of the IGR.**  The Project will implement the project specific ESMP to assess and mitigate the negative impacts associated with the Project. All project contractors will also be required to comply with the actions described in the ESMP.  The Project will appoint an Environmental and Social Specialist for the duration of the construction period to prevent and manage potential impacts and supervise and monitor mitigation measures (this action is inclusive of the requirement for JA-L1056, not in addition to).  Copies of relevant permits, contracts, and agreements shall be submitted to the Bank |
| **2. Conditions of Execution for Compliance During the Life of the IGR**  a) The Beneficiary shall, and shall cause the Executing Agency and every other contractor, operator or any other Person performing Project related activities to, design, build, operate, maintain and monitor the Project in compliance with:   1. All applicable environmental, social, health and safety, and labor regulatory requirements of Jamaica. 2. All requirements associated with any environmental, social, health and safety, and labor related permits, authorizations, or licenses that apply to the Project, the Borrower or any party responsible for executing the Project or its mitigation measures. 3. All environmental, social, health and safety, and labor requirements of the Project contracts and any subsequent modifications. 4. All relevant IDB policies such as the Environment and Safeguards Compliance Policy (OP-703), the Disaster Risk Management Policy (OP-704) and the Disclosure of Information Policy (OP-102), and the Gender and Equity in Development Policy (OP-761) and their respective guidelines. 5. Comply with all the requirements indicated in the Environmental and Social Action Plan (ESAP), in the event an ESAP is required.   b) Any substantive changes to the ESHS provisions or ESHS Plans referred to herein shall be in writing and approved by the Bank in a manner consistent with the Bank's environmental and social safeguards policies.  c) The Beneficiary, or Executing Agency on behalf of the Beneficiary, shall not, without the prior written consent of the Bank, engage in any of the following activities with respect to the Project: dispose of waste and hazardous waste in non-authorized non IDB compliant facilities.  d) With respect to the Project, the Beneficiary, or Executing Agency on behalf of the Beneficiary , shall notify the Bank in writing within ten (10) days of any (1) potential or actual material noncompliance with the environmental and social requirements; (2) accidents, incidents or other significant events; (3) significant actual or imminent social conflicts; (4) ESHS regulatory action; or (5) any newly identified environmental and social risks and impacts, that may affect the environmental and social aspects of the Project; in each case such notice shall include actions taken or proposed with respect to such events.  e) In the event the Bank determines that a Corrective Action Plan (CAP) is required, the Beneficiary, or Executing Agency on behalf of the Beneficiary, shall submit a CAP, including the corresponding schedule and budget, that is satisfactory to the Bank within thirty days of the Bank’s request.  f) The utilization of the resources of the Financing shall be subject to compliance with the ESHS provisions of the IGR Agreement in accordance with Clause 3.04 *(Other requirements for the utilization of the IGR proceeds*) thereof. |
| **3. Conditions to be Met** **Prior to Each Disbursement.**  a) The Sponsor/Beneficiary/Company shall certify compliance with all ESHS and labor requirements in the IGR agreement, including any Corrective Action Plans if applicable. |
| **4. Conditions to be Met** **Prior to Operations.**  a) The IDB or an E&S consultant appointed by the IDB shall certify compliance with all ESHS requirements of the IGR agreement including any Corrective Action Plans if applicable.  b) Six (6) months prior to the start of IGR operations, the Beneficiary, or Executing Agency on behalf of the Beneficiary, shall present the operation stage ESHS Plans and evidence of their implementation including any required consultation with stakeholders. |
| **5. Monitoring, Reporting and Supervision.**  a) For the purposes of monitoring and supervision of ESHS compliance, the following requirements shall apply:   1. The Beneficiary, or Executing Agency on behalf of the Beneficiary, shall prepare and present to the Bank’s satisfaction, an ESHS Compliance Report (ESCR), in the form and content agreed upon with the Bank, as part of the annual progress report; 2. The Beneficiary, or Executing Agency on behalf of the Beneficiary, shall fully cooperate with the Bank, or an ESHS Consultant on its behalf, to carry out Project supervision and prepare supervision reports in order to (i) verify compliance of the implementation of the ESHS requirements for the Project and (ii) address any ESHS impact or liability which has not been adequately mitigated or compensated; to this end, the Beneficiary, or Executing Agency on behalf of the Beneficiary, shall allow and collaborate with the Bank, and any ESHS Consultant. |
| **4. Definitions.**  To be agreed upon in form and substance satisfactory to the Bank. |

1. If the classification is B.13, please indicate level of risk (FI1, FI2, or FI3). [↑](#footnote-ref-1)
2. If B14 (Multiple Phase and Repeat Loans) applies, please include the necessary assessment/audit. [↑](#footnote-ref-2)
3. University of West Indies (UWI). 2012. State of the Jamaica Climate 2012. Accessed from the UWI website: <https://www.mona.uwi.edu/physics/sites/default/files/physics/uploads/SOJC%20-%20Full%20Document%20-%20January%2024v2.pdf> [↑](#footnote-ref-3)
4. Please note that ESG is working on preparing a compliance checklist. [↑](#footnote-ref-4)
5. Environmental and Social Assessments include ESIAs, ESMPs, RPs, RFs, and ESMFs. [↑](#footnote-ref-5)
6. Please refer to the Protocols for ESHS Documentation and Information Disclosure for more details on the disclosure timing of the different Environmental and Social Assessments. [↑](#footnote-ref-6)