**Scatec: Sabac Residential Buildings – Energy Efficiency Project, Serbia**

**Environmental and Social Action Plan (ESAP)**

| **No** | **Action** | **Environmental Risks, Liability/ Benefits** | **Legislative Requirement /** **EBRD Performance Requirement (PR) /** **Good practice** | **Investment Needs /****Resources Costs** | **Timetable Action Due Date** | **Target and Evaluation Criteria for Successful Implementation** | **Comment** |
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| ***PR 1: Assessment and Management of Environmental and Social Impacts and Issues*** |
| 1.1 | Prepare and submit Annual Environmental and Social reports (AESRs) on the status of this ESAP implementation and ongoing Environmental Health Safety and Social (EHSS) performance | Monitoring of ESAP implementation and EHSS performance  | EBRD Environmental and Social Policy (ESP) and Performance Requirements (PRs) | Internal resource | Annual reporting in line with EBRD requirements (AESR)  | Annual submission of reports (AESR) on progress with implementation of ESAP, Stakeholder Engagement Plan (SEP), grievance mechanism and EHSS performance, using the EBRD’s standard reporting template (and updating the ‘Status’ column of the ESAP for each action item.  |  |
| 1.2 | Assign responsibility for environmental, health, safety and social management at Project Implemenation Unit (PIU), to ensure adequate management of EHS aspects during the Project.  | Compliance with national regulations.Improved E&S performance. | EBRD PR1 Best practice | PIU internal resources | September 2019 | PIU Organisation chart showing line of responsibility. Job description for appointed EHS Manager. |   |
| 1.3 | Develop and implement an integrated Environmental, Health, Safety and Social (EHSS) Management System on corporate level at Toplana-Šabac aligned to ISO 14001 and ISO 45001 (formaliy OHSAS 18001). The system will include:* EHS Policy;
* EHS Objectives, targets
* Identification of legal and other requirements;
* Register of environmental aspects and impacts
* EHS Procedures and operational controls to minimise impacts;
* H&S risk assessment for work places
* EHS Training and communication
* Monitoring of EHS performance;
* Internal EHS reviews and audits (inc. inspection on waste management practices) – all documented;
* Management reviews.

The E&S management system will be applicable and relevant to the District Heating Company activities and those undertaken by its contractors on their behalf. | Optimisation of EHSS management though a formalised system.Minimisation of EHS accidents and incidents to ensure a safe working environment .Promote the health of workers and safe use of equipment. Improved and continual improvement of EHS performance  | EBRD PR1, PR2, PR3 and PR4ISO 14001ISO 45001 Voluntary and best practice | Toplana-Šabac District Heating Company internal resources, external consultants | December 2019 | Develop and implement an EHSS management system in alignment with ISO 14001 and ISO 45001. Annual Environmental, Health, Safety and Social (EHSS) Report to the Bank on the status of the management system, minutes from management review and findings from internal audits.Evidence of implementation by contractors. |  |
| 1.4 | Develop an EHSS Training Needs Analysis covering the breadth of EHSS issue areas for both DH Company and contractor staff. Use this information to cascade training requirements into the construction of the project.  | Consistent approach to EHSS requirements and expected training delivery and competences, including within contractors. | EBRD PR2 and PR4 | Own resources and training needs then factored into project level budget. | Training analysis for this investment prior to construction commencement.  | Training needs assessment undertaken specific to this investment. |  |
| 1.5 | Ensure that the Contractor develops and implements a Construction Phase Environmental, Health, Safety and Social Management Plan (CEMP). The ESMP will be shared with the contractors in order to guide the creation of the CEMP. The CEMP document must be reviewed and approved by DH before construction begins. Ensure that the plan has adequate coverage of EHSS risks:* EHSS roles and responsibilities;
* Training and communication;
* Standards and requirements;
* Construction Health and safety (H&S) controls e.g. noise, vibration, asbestos management, safety in design, PPE, working at height (including scaffolding installation), electrical safety.
* Construction environmental controls e.g. air quality, noise, dust, waste management, water management, hazardous materials management.
* Plans for Community Health and Safety, including where relevant, provision of road signs during the construction stage; sufficient notice to communities (including women) about the construction work; develop specific routes to ensure community right of way is not affected; considerations of avoiding pedetrians whilst working; and to minimise disruption to road traffic. Scaffolding installed should ensure that all entrances/exits to buildings are not blocked by scaffolding, fire exits remain open (or temporary routes defined), business entrances remain open and accessible, and disability access is not impaired.
* Emergency preparedness and response plans during construction, covering both occupants and the Contractor’s workers and natural hazards such as earthquake, flood and extreme weather scenarios.
* Contacts and responsible personnel in case of emergency will be required for each renovated residential building and should be displayed.
* Fire extinguishers should be recorded on a plan with their location, provided a unique identifier number and be periodically inspected for condition.
* Suitable provision for worker welfare (e.g. first aid room, mess toom and other amenities.

Communicate this to all contractors and ensure adherence with standards and requirements.  | Improvement in environmental, health and safety performanceEnsuring community health and safety | EBRD PR1, PR3, PR4, PR5. | Internal resource (approved or contractor) or external recruit.  | CEMP (or similar plans) developed by Contractor and approved by DH prior to start of construction works. | Development and implementation of a construction phase EHSS management plan (CEMP) |  |
| 1.6 | Ensure that the Supervising Engineer possesses a dedicated EHS specialist who will monitor the implementation of the ESAP, ESMP and CEMP. Project Director and Officer for Occupational Safety and Health to conduct weekly EHS meetings with this individual. Supervising Engineer scope to be in line with Serbian regulation. | Regular monitoring and the implementation of the ESMP and CEMP to ensure E&S compliance. | EBRD PR1, PR 2, PR3, PR4, PR5, PR10  | Own resources and Supervising Engineer staff member | Regular (including wekly meetings)  | Weekly reports on EHS  |  |
| ***PR 2: Labour and Working Conditions***  |
| 2.1 | Develop a Project-specific HR Policy aligned with PR2. The HR Policy should instruct the CEMP to maximise local employment within the region, as far as feasible within the implementation of the project. Employment of local women should also be encouraged. The Project HR Policy must include statements on non-discimirnation, workers organisations, workers rights and non-employee workers. | Ensure workers’ rights and residents are protected. | EBRD PR2Serbian Labour Law  | Own resources and /or external consultants (cost dependent on extent of support) | Prior to construction and hiring of contractors | A Project-specific HR policy that is aligned to Serbian legislation and EBRD PR2, which covers direct employees and sub-contractors, and maximises the use of local labour.Contractor must also comply with this Project-specific HR Policy as part of their contract. |  |
| 2.2 | Obtain and review contractors policy on imposition of financial penalties on employees as part of any disciplinary measures. The policy should be fair and avoid indebted status or hardship, and an appeal system should be in place.Ensure CEMP includes a grievance mechanism for contractor workers.  | Reputation risk, potential risk of labour standards breaches.  | EBRD PR2 | Own resources only | Prior to construction commence / part of contractor evaluation. | Contractor policy on imposition of financial penalties and appeal system. All contractor employee comlpaints logged and resovled using a contractor grievance mechanism presented in the CEMP. |  |
| 2.3 | For equipment purchased for the Project, undertake checks on the potential risk of child labour and forced labour having been used prior to purchase  | Ensure workers’ rights and residents are protected in the supply chain.  | EBRD PR2 | Own resources only | Prior to construction and purchasing of Project equipment and materials.  | Statements, policies and certificates provided from suppliers on their commitment to ensuring workers rights and hiring suitable employees (e.g. HR policy and audit results).  | .  |
| ***PR 3: Resource Efficiency and Pollution Prevention and Control*** |
| 3.1 | Control dust emissions and wastewater during construction period | Minimise the risk of air pollution  | EBRD PR3 | Contractor resources, stipulated under contract  | During construction / installation  | Dust emission and wastewater control measures included in CEMP. Supervising engineer and DH Company occupation H&S specialist to monitor works in progress.  |  |
| 3.2 | Continue implementation of the Company’s existing Waste Management Plan. Incorporate into CEMP for this project. The possible presence of Asbestos Containing Materials (ACMs) in the fabric of the buildings for refurbishment (dating back to the 1970s) also cannot be discounted. Preventive measures are presented in section 4.5.The construction waste management shall cover the possibility to find asbestos. | Minimise the risk of waste pollution  | EBRD PR3 | Own resources and contractor resources stipulated under contract  | During construction and operation  | Waste management plan within the CEMP.  |  |
| ***PR 4: Health and Safety*** |
| 4.1 | Prepare a Project-specific health and safety policy. The policy should demonstrate the DH Company’s commitment to continually improving health and safety performance. This should be communicated to all employees engaged on the Project, including contractors.  | Improved health and safety performance | ERBD PR4ISO45001 Best practice | Toplana-Šabac District Heating Company Internal resource | By December 2019 | Publicly available health and safety policy. |  |
| 4.2 | Expand content of the DH Company employee formal training programme to cover other EHS aspects, in addition to fire response such as:* employer and employee responsibility in terms of general EHS
* managing EHS, roles and responsibilities
* incident reporting
* manual handling
* electrical safety
* Company specific hazards

This will be incorporated as part of the development of the EHSS Management System.  | Minimisation of accidents and incidents and ensure a safe working environment and promote the health of workers and safe use of equipment. Improved and continual improvement of health and safety performance. | EBRD PR4 and PR2  | Toplana-Šabac District Heating Company / Internal resourceExternal consultancy  | By December 2019 | Summary of health and safety training programme implemented  |  |
| 4.4 | Formalise the need for a risk assessment for all positions visiting sites and ensure this is documented as part of the EHSS Management System.. | Minimisation of accidents and incidents and ensure a safe working environment and promote the health of workers and safe use of equipment. Improved and continual improvement of health and safety performance. | EBRD PR4 and PR2  | Toplana-Šabac District Heating Company / Internal resourceExternal consultancy  | By December 2019 | Summary of risk assessment programme |  |
| 4.5 | Conduct a survey for Asbestos Containing Materials (ACMs) at proposed building sites, relevant to the works being undertaken (ie insulation materials removal / updating) for refurbishment.The construction waste management plan included in the CEMP(s) for this Project should incorporate preventive measures / approach if asbestos is identified during any of the demolition works. | Safe working environment and promote the health of workers and residents. | EBRD PR2, PR3 and PR4 | External contractor | Develop schedule of surveys and construction waste management plan in CEMP pre-construction.Completion of surveys as per the schedule.  | Asbestos containing materials survey report.Asbestos Management Plan. Phase out programme of use of asbestos, if required.  |  |
| 4.6 | Ensure that the CEMP includes the necessity for the contractor to follow a formal system for permits to work for working at height/hot work.This will include the provision of the ladder systems, scaffolding and man safe systems for working at height is in line with good international practice. | Improved health and safety performanceMinimisation of accidents and incidents Safe working environment and promote the health of workers. | EBRD PR2 and PR4Best practice | Internal resourceSupervision of contractors | Prior to construction  | Formalised permit to work system in place Formalised management procedure for safe works on working at height/hot workImplementation of procedure |  |
| 4.8 | The design engineer needs to submit a fire safety report to the DH Company of the thermal insulation material to be used on the Project that confirms its fire performance classification as prescribed to national standards to ensure the fire safety of the buildings. Supporting documentation confirming material fire rating should be retained post-construction. The report shall confirm that cladding will be non-combustible/fireproof or not pose an unacceptable level of risk to tenants. | Ensuring community health and safety | EBRD PR4 | Toplana-Šabac District Heating Company / Internal resourceExternal consultancy | Prior to procuring the insulation panels | Fire safety report confirming fire-rating of the insulation material |  |
| ***PR 5: Land Acquisition, Involuntary Resettlement and Economic Displacement*** |
| 5.1 | Review CEMP’s to ensure that all entrances/exits to buildings are not blocked by scaffolding, fire exits remain open (or temporary routes defined), business entrances remain open and accessible, and disability access is not impaired. Ensure CEMP provides stipulation to suitably inform the community of temporary access changes. Where access to garage is affected, the DH Company will support the affected people to access to alternative free on-street parking. | Ensuring access to buildings and shops is maintained for all residents, businesses and pedestrians. | EBRD PR5 | Internal resourceLiaison with contractors | Prior to construction  | No complaints received regarding access.  |  |
| ***PR 10: Information Disclosure and Stakeholder Engagement*** |
| 10.1 | Implementation of the SEP and grievance mechanism to ensure a continuous and systematic stakeholder engagement programme. Cascade relevant provisions of SEP to Contractors through tender documentation. | Development of a trusting relationship with the host community and broader stakeholders, | EBRD PR10 | Own resources  | SEP developed by WSP. To be fully implemented prior to commencement of the phases detailed in the SEP. | Adopted SEP (mainatianed as live working document)Grievance and suggestions log and resolution records. |  |
| 10.2 | Develop a complete list of affected residents and business owners. Ensure that each resident is represented by an elected housing representative (volunteer or professional).  | Ensure that all residents attend meetings with the representatives at least once, confirming that Project information has been appropriately disclosed. | EBRD PR10  | Own resources  | To be completed immediately, pre-construction.  | Full list of residents and business owners |  |