**Government of the Republic of North Macedonia**

**Social Insurance Administration Project (SIAP)**

**ENVIRONMENTAL and SOCIAL**

**COMMITMENT PLAN (ESCP)**

**November 2019**

**Republic of North Macedonia**

**Social Insurance Administration Project (SIAP)**

**ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN**

1. The Republic of North Macedonia is planning to implement a Social Insurance Administration Project (SIAP) (**the Project**) by the Ministry of Labour and Social Protection as the main implementing agency, Ministry of Health and the Ministry of Finance/Tax Administration (UJP) as supporting ministries and with national competences for Health insurance and contribution/tax collection.
2. The SIAP project will support the government’s efforts to create a more efficient social insurance administration system. The Project will consist of the following components: Component 1. Improving the quality of the social insurance administration services, Component 2. Strengthen the regulatory framework for people with disabilities and for hazardous occupations and Component 3. Project management, monitoring and evaluation. The Government of North Macedonia intends to receive a loan from the International Bank for Reconstruction and Development (IBRD) for the implementation of the Social Insurance Administration Project.
3. The MLSP will implement material measures and actions so that the Project is implemented in accordance with the World Bank Environmental and Social Standards (**ESSs**). This Environmental and Social Commitment Plan (**ESCP**) sets out a summary of the material measures and actions, any specific documents or plans, as well as the timing for each of these.
4. Where the ESCP refers to specific plans or other documents, whether they have already been prepared or are to be developed, the ESCP requires compliance with all provisions of such plans or other documents. In particular, the ESCP requires compliance with the provisions set out in Stakeholder Engagement Plan (SEP), as well as other instruments that will be or have been prepared for the Project, Labor Management Procedures (LMPs).
5. The table below summarizes the measures and actions that are required as well as the timing of the material measures and actions. The Republic of North Macedonia is responsible for compliance with all requirements of the ESCP even when implementation of specific measures and actions is conducted by a Ministry, agency or unit referenced in paragraph 1 above, including the Project Management Unit (PMU).
6. Implementation of the measures and actions set out in this ESCP will be monitored and reported to the World Bank through the MLSP as required by the ESCP and the conditions of the legal agreement, and the Bank will monitor and assess progress and completion of the measures and actions throughout implementation of the Project.
7. As agreed by the Bank and the Government of North Macedonia, 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 the assessment of Project performance conducted under the ESCP itself.

| **MATERIAL MEASURES AND ACTIONS** | | **TIMEFRAME** | **RESPONSIBILE ENTITY/AUTHORITY** |
| --- | --- | --- | --- |
| **MONITORING AND REPORTING** | | | |
| A | **REGULAR REPORTING**:  Prepare and submit regular monitoring reports on the implementation of the ESCP that also shows the status of compliance with the legal framework.  ). | *Every six months during the Operation’s implementation in conjunction with the Project’s progress reports.* | *Project Management Unit within the MLSP* |
| B | **INCIDENTS AND ACCIDENTS**  Promptly notify the Bank of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including risks based on the environmental and social assessment. Indicative examples: during the visits of the companies where the jobs are at high risk – engaged experts may injury of hand, foot, head, etc. due to improper wearing of the protective equipment.  The MLSP will provide sufficient detail regarding the incident or accident, indicating immediate measures taken to address it. Incident and accidents reporting requirements will be incorporated into the project implementation and procedures manuals. | *Immediately, and no later than 48 hours after knowledge about such accidents or incidents, report to the Task Team Leader of the Bank. Later provide a full report in form and substance satisfactory to the Bank. The obligation exists throughout project implementation* | PMU project manager. Funding from the project |
| **ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS** | | | |
| 1.1 | Organizational Structure  Establish and maintain an organizational structure with qualified staff and resources to support management of E&S risks including a risk to the health of experts undertaking the review and assessment of hazardous occupations in case they visit hazardous workplaces without proper personal protection. The Project Management Unit (PMU) under the Ministry of Labour and Social Policy will closely coordinate with the Ministry of Health and will maintain the position of the Environmental and Social Specialist who will ensure an adequate management of the E&S risks, including by the application of the General and Industry-Specific Environmental, Health and Safety Guidelines (EHS). | *By project effectivness. Maintain the structure throughout Project Implementation.* | *Project Management Unit (PMU) Monitoring & Evaluation Officer, Project Coordinator, Environmental and Social Specialist* |
| 1.2 | **ENVIRONMENTAL AND SOCIAL ASSESSMENT** Update, adopt, and implement, the instruments (LMP, SEP) that have been prepared for the Project, in a manner acceptable to the Bank | *Prepared before the appraisal. To be implemented throughout Project Implementation* | Project Management Unit |
| 1.3 | **MANAGEMENT TOOLS AND INSTRUMENTS:**  Adopt and implement the following in a manner acceptable to the Bank:   * Labor Management Procedures (LMP) * Stakeholder Engagement Plan (SEP) * the provisions of the General and Industry Specific Environmental, Health and Safety Guidelines (EHS) which provide examples of Good International Industry Practices (GIIP).   Ensure that technical specifications of the equipment to be purchased under the project meet advanced environmental safety requirements | *Final drafts of the instruments have been prepared and disclosed before the appraisal. To be updated as needed in manner acceptable to the Bank and*  *ESHS Guidelines and Technical Specifications throughout Project Implementation* | Project Management Unit |
| 1.4 | **MANAGEMENT OF CONTRACTORS**  Incorporate the relevant aspects of the ESCP, including the relevant E&S documents and/or plans, and the Labor Management Procedures, into the ESHS specifications of the procurement documents with contractors. Thereafter ensure that the contractors comply with the ESHS specifications of their respective contracts. | *Prior to the preparation of procurement documents.*  *Supervise contractors throughout Project implementation.* | Project Management Unit |
| **ESS 2: LABOR AND WORKING CONDITIONS** | | | |
| 2.1 | **LABOR MANAGEMENT PROCEDURES**: Develop and, thereafter, maintain and implement, throughout Project implementation, labor management procedures consistent with national legislation and ESS2, and ensure they are available to Project workers. The Labor management procedures (LMP) will address all issues identified in ESS2, including the applicable requirements regarding non-discrimination and equal opportunity. The procedures will also include practical guidelines for the use of adequate Protective Personal Equipment (PPE) such as boots, gloves, masks by the engaged persons that will assessing and revising hazardous occupations and workplaces. These shall be with reference to the the General Environmental, Health and Safety Guidelines (EHS), industry-specific examples of Good International Industry Practices (GIIP), and relevant Industry Sector EHS Guidelines addressing specific industry sectors.  . | *The LMP, acceptable to the Bank has been prepared before appraisal and will be implemented prior to performing work. LMP to be applied throughout project implementation.* | PMU funding from the budget |
| 2.2 | **GRIEVANCE MECHANISM FOR PROJECT WORKERS**: Develop and maintain a grievance mechanism for any Project-related labor and employment matters, easily accessible and promptly disclosed to Project workers, in line with ESS2 and labor laws in North Macedonia.  . | Mechanism operational and information about it disseminated project workers and maintained throughout Project implementation | *Project Manager (PMU)*  *Funding from project resources and contractor budget* |
| 2.3 | **OHS MEASURES:** Develop and implement occupational health and safety measures (OHS), including emergency preparedness and response measures. | *Prior to commencing any productive inclusion activities. Throughout Project Implementation* | PMU Manager. Funding from the project |
| 2.4 | **Preparation of Labor Management Procedures.**  Develop and implement management measures for Project workers | Prior to commencing project activities. Implementation throughout project duration. | *Project Manager (PMU)*  *Funding from project resources and contractor budget* |
| **ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE** | | | |
| 10.1 | **SEP PREPARATION**: Prepare the Stakeholder Engagement Plan (*SEP*).  Update, adopt, and implement Stakeholder Engagement Plan (SEP). | *SEP has been prepared before the appraisal. Updates, amendments as required during the implementation* | Project Preparation team and the PMU |
| 10.2 | **SEP IMPLEMENTATION**: Implement the SEP. The SEP may be amended and updated (and redisclosed) as needed during Project implementation | *During Project preparation, at commencement and throughout Project life cycle* | PMU funding from the Project |
| 10.3 | **PROJECT GRIEVANCE MECHANISM**:  Develop and implement a grievance mechanism for the entire Project.  The SEP includes a commitment to communicate to stakeholders the establishment of the grievance mechanism to ensure that affected stakeholders are aware of its existence and familiar with the process for submitting grievances to such grievance mechanism. | First draft before the World Bank’s Project Appraisal (as a component of the SEP). Amendments as needed throughout the Project.  *Prior to commencement of the Project activities. Maintained throughout Project implementation*  Semi Annual Grievance Redress Report throughout the Project | PMU (Project Manager) Funding from the Project |
| 10.4 | **Evaluate effectiveness of the grievance mechanism.** Analysis of the mechanism to determine if it needs adjustments to manage the claims received by beneficiaries belonging to vulnerable and disadvantaged groups and individuals.  Adjustment of the mechanism based on the results of the analysis. | *Annually throughout the project implementation.* | PMU (Project Manager) |
| 10.5 |  |  |  |
| **CAPACITY SUPPORT (TRAINING)** | | | |
| CS1 | As example, training may be required in:  • ESS1: Environmental and Social Assessment  • ESS2: Labor and working conditions  • Stakeholder identification and engagement  • Contents of the Environmental and Social Commitment Plan (ESCP)   * • Contents of the Stakeholder Engagement Plan (SEP) | Throughout Project Duration | MLSP/ Pension and Disability Insurance Fund (PIOM)/MH/FZO/ Employment Fund (AVRM) |
| CS2 | **Occupational Health and Safety Module:**   * Personal protection equipment * Workplace risk management * Prevention of work accidents * Health and safety rules * Preparedness and response to emergency situations   Provisions of the General Environmental, Health and Safety Guidelines (EHS), industry-specific examples of Good International Industry Practices (GIIP), and relevant Industry Sector EHS Guidelines addressing specific industry sectors shall be duly incorporated in the training modules. | Throughout Project Duration | MLSP/ Pension and Disability Insurance Fund (PIOM)/MH/FZO/ Employment Fund (AVRM)  Civil Society, Local NGOs |
| CS3 | **Grievance Mechanism Module**, design and production of a training module addressing the following aspects:   * Registration and processing procedure * Grievance redress procedure * Documenting and processing grievances * Use of the procedure by different stakeholders | Throughout Project duration | PMU , support from relevant, civil society , local NGOs |