

REPUBLIC OF THE PHILIPPINES

National Power Corporation (NPC)

**Project Preparation Activities (PPA) for
Agus-Pulangi Hydroelectric Power Plants
Rehabilitation Project**

**To be funded through
World Bank Recipient-Executed Trust Fund Preparation
Project for Agus-Pulangi Hydropower Complex for
Rehabilitation (P169280)**

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

10 September 2020

**National Power Corporation
(NPC)**

ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The National Power Corporation (NPC) will implement the Project Preparation Activities of Agus-Pulangi Hydroelectric Power Plants Rehabilitation Project (the Project or PPA) comprising of Feasibility Study and Project tender, with the involvement of the Department of Finance (DOF), Department of Energy (DOE), and Power Sector Assets and Liabilities Management Corporation (PSALM). The International Bank for Reconstruction and Development (hereinafter the Bank) has agreed to provide financing for the PPA through Recipient-Executed Trust Fund (RETF): Preparation Project for Agus-Pulangi Hydropower Complex for Rehabilitation (P169280).
2. The objective of the PPA, funded through the RETF, is to prepare the proposed Agus-Pulangi Hydropower Complex Rehabilitation Project (P173728). Activities envisaged under the PPA are:
 - a. Preparation of a Feasibility Study (FS); and
 - b. Preparation of procurement documents (tender design, technical specifications and bidding documents).
3. The above documents will be prepared in conjunction with the following studies which will largely be implemented simultaneously enabling the studies to be fully coordinated and considered from one study to the other:
 - a. Multiple Options Study (MOS) funded by the Bank, a Knowledge Product for the Bank, being prepared through the Bank-executed Multiple Options Study on Rehabilitation of the APHC (P171149);
 - b. Environmental and Social Impact Assessment (ESIA) funded by the European Union (EU); and
 - c. Technical panel and/or Environmental and Social Panel, as required, funded by EU.
4. NPC will implement material measures and actions so that the PPA is implemented in accordance with the Bank's 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.
5. NPC will also comply with the provisions of any other Environmental and Social (E&S) risk management measures and actions required under the Bank's Environmental and Social Framework (ESF) and referred to in this ESCP and the timelines specified in the ESCP.
6. NPC is responsible for compliance with all requirements of the ESCP even when implementation of specific measures and actions is conducted by the Department, agency or unit referenced in item 1. above.
7. Implementation of the material measures and actions set out in this ESCP will be monitored and reported to the Bank by NPC 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.
8. As agreed by the Bank and NPC, 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, NPC will agree to the changes with the Bank and will 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 NPC. NPC will promptly disclose the updated ESCP.

9. Where Project changes, unforeseen circumstances, or Project performance result in changes to the risks and impacts during Project implementation, NPC shall provide additional funds in concurrence of PSALM, if needed, to implement actions and measures to address such risks and impacts.

MATERIAL MEASURES AND ACTIONS		TIME	RESPONSIBLE ENTITY/AUTHORITY
MONITORING AND REPORTING			
A	<p>REGULAR REPORTING</p> <p>NPC to establish and regularly submit to the Bank a monitoring report that will comprise and demonstrate compliance with the requirements of the ESCP. This report shall cover the status of the environmental, social, health and safety performance of the Feasibility Study preparation and project procurement (Project Preparation Activities "PPA") in compliance to the requirements of NPC's ESCP.</p>	<p>Frequency of submission is quarterly</p> <ul style="list-style-type: none"> Start of submission is 3 mos. after the commencement of PPA (regular submission until successful project (P173728) procurement) 	<p>National Power Corporation (NPC)</p> <ul style="list-style-type: none"> Mindanao Generation Group (MGG) Project Implementing Unit (PIU) <p>Note: FS to be done/handled by NPC-Design and Development Department (DDD) and its ESCP reporting will be through PIU.</p>
B	<p>INCIDENTS AND ACCIDENTS</p> <p>NPC to establish a reporting mechanism (report format acceptable to the Bank's requirement) to promptly notify the Bank of any incident/accident related to the PPA that will likely have a significant adverse effect on the environment, the affected communities, and the public or workers (in relation to the requirements of the ESCP).</p> <p>a) NPC will initially notify the Bank of any incident or accident related to the PPA or that has an impact on its implementation, and that has or could have a significant impact on affected communities, workers including, for example, health accidents that could result in death or serious injury, and vehicle accidents.</p> <p>b) NPC will provide sufficient details regarding the incident or accident, and indicate immediate measures taken to address the impact or adverse effect as well as measures to avoid reoccurrence.</p>	<p>On the manner of communicating the report, NPC to secure Bank's contact persons/group related to this reporting</p> <p>a) Initial reporting within two (2) working days (through email)</p> <p>b) Within five (5) working days from the time of incident (through email or as required by the Bank)</p>	<p>National Power Corporation (NPC)</p> <ul style="list-style-type: none"> Mindanao Generation Group (MGG) Project Implementing Unit (PIU)
C	<p>CONTRACTORS MONTHLY REPORTS</p> <p>NPC to ensure that the Consultants/Experts will submit their monthly performance reports to the PIU.</p> <p>NPC will provide the Bank of the Contractor's accomplishment or monthly project status report upon request.</p>	<p>Monthly, every 5th day of the succeeding month</p>	<p>National Power Corporation (NPC)</p> <ul style="list-style-type: none"> Mindanao Generation Group (MGG) Project Implementing Unit (PIU) <p>Consultants/Experts contracted for the FS</p>
ESS1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			
1.1	<p>ORGANIZATIONAL STRUCTURE</p> <p>NPC to establish a project implementing unit (PIU) or group that will oversee the implementation of the Project to include the compliance of the requirements of the ESCP. For the E&S risk management, the PIU can tap the services of the existing groups, such as,</p>	<p>A Task Force Team will be created prior to the start of PPA and will be deactivated upon completion of the PPA</p>	<p>National Power Corporation (NPC)</p> <ul style="list-style-type: none"> Mindanao Generation Group (MGG) Project Implementing Unit (PIU)

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	<p>Environmental Management Department (Corporate level), Watershed Management Department (Corporate level), Community Development Department (Mindanao Generation group level), Safety and Security Division with existing environmental functions and environmental officer (Mindanao Generation group level) and safety/pollution officers (Plant level) of NPC.</p> <p>NPC/PIU will comprise of the following:</p> <ul style="list-style-type: none"> • Task Force Team - that will oversee the implementation of the PPA • Project Planning, Monitoring, Control and Documentation Section (PPMCDS) and Project Resource and Engineering Section (PRES) – that will oversee the implementation of rehabilitation project (P173728) 	The PPMCDS and PRES will be activated prior to the implementation of the rehabilitation project (P173728)	
1.2	<p>ENVIRONMENTAL AND SOCIAL ASSESSMENT</p> <p>A comprehensive E&S assessment and management framework, governed by the World Bank’s ESF, has been planned for the rehabilitation project (Agus Pulangi Hydropower Complex Rehabilitation Project-P173728). The ESIA planned for this rehabilitation project will be carried out in parallel with a multiple options study (MOS) and both studies will be incorporated or fully considered in the FS carried out under the PPA in terms of E&S conditions, constraints and opportunities. The NPC will ensure coordination and information transfer on these three studies.</p>	FS implementation will be coordinated with ESIA and MOS throughout PPA implementation	<p>National Power Corporation (NPC)</p> <ul style="list-style-type: none"> • Mindanao Generation Group (MGG) • Project Implementing Unit (PIU)
1.3	<p>MANAGEMENT TOOLS AND INSTRUMENTS</p> <p>See above. The same principle of coordination and information exchange between ESIA, MOS and FS applies.</p>	N/A	
1.4	<p>MANAGEMENT OF CONTRACTORS</p> <p>Not relevant as to PPA.</p>	N/A	
ESS2: LABOR AND WORKING CONDITIONS			
2.1	<p>LABOR MANAGEMENT PROCEDURES</p> <p>NPC shall comply with all applicable provisions of “The Labor Code of the Philippines” and the Bank’s ESS2 in relation to labor and working conditions for the PPA, which includes PPA firm/consultants and NPC staff overseeing the PPA. Provisions include management and responsibility for labor and working conditions between the employer and employee such as informed worker’s rights, ensuring safety and</p>	Throughout PPA implementation	<p>National Power Corporation (NPC)</p> <ul style="list-style-type: none"> • Mindanao Generation Group (MGG) • Project Implementing Unit (PIU)

MATERIAL MEASURES AND ACTIONS		TIME	RESPONSIBLE ENTITY/AUTHORITY
	welfare, non-discrimination, equality, and equity, not constraining the rights and freedom, grievance mechanism, preventing the exploitation of children and forced labor based on labor law and child protection, and preventing sexual harassment and abuse. Provisions include also prevention and management of adverse risks associated to influx of workforce.		
2.2	<p>GRIEVANCE MECHANISM FOR PROJECT WORKERS NPC shall comply with all applicable provisions of “The Labor Code of the Philippines” in relation to the PPA, and address any grievances related to labor and working conditions consistent with ESS2.</p> <p>NPC shall ensure that the PPA firm/consultants comply with all applicable provisions of “The Labor Code of the Philippines” in relation to the PPA, and address any grievances related to labor and working conditions consistent with ESS2.</p>	Throughout PPA implementation	National Power Corporation (NPC) <ul style="list-style-type: none"> • Mindanao Generation Group (MGG) • Project Implementing Unit (PIU)
2.3	<p>OCCUPATIONAL HEALTH AND SAFETY (OHS) MEASURES NPC to ensure that the following will be enforced:</p> <p>a) NPC to comply with Civil Service Commission (CSC)/Department of Health (DOH)/Department of Labor and Employment (DOLE) Joint Memorandum Circular No. 1, s.2020“ Occupational Safety and Health (OSH) Standards for the Public Sector”</p> <p>b) Consultants/experts to comply with Republic Act 11058 “An Act Strengthening Compliance with Occupational Safety and Health Standards and Providing Penalties for Violations Thereof” and its Implementing Rules and Regulation as per DOLE Department Order No.198, s.2018</p>	Throughout PPA implementation	National Power Corporation (NPC) <ul style="list-style-type: none"> • Mindanao Generation Group (MGG) • Project Implementing Unit (PIU)
ESS3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT			
3.1	<p>E-WASTE MANAGEMENT PLAN: While there will be no direct waste/e-waste/waste water generation under the PPA, the FS will take into account good practice principles of waste management, especially when designing for waste minimization or avoidance. The FS will fully take into consideration the result of the ESIA planned under the Agus–Pulangi Hydropower Complex Rehabilitation Project (P173728) on waste management planning, ensuring that the required structural, spatial and organizational aspects are considered in the FS.</p>	To be coordinated with ESIA and MOS throughout PPA implementation	National Power Corporation (NPC) <ul style="list-style-type: none"> • Mindanao Generation Group (MGG) • Project Implementing Unit (PIU)

MATERIAL MEASURES AND ACTIONS		TIME	RESPONSIBLE ENTITY/AUTHORITY
3.2	<p>RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT: The same principles apply as above.</p>	To be coordinated with ESIA and MOS	National Power Corporation (NPC) <ul style="list-style-type: none"> • Mindanao Generation Group (MGG) • Project Implementing Unit (PIU)
ESS4: COMMUNITY HEALTH AND SAFETY			
4.1	<p>TRAFFIC AND ROAD SAFETY: While there will be no direct traffic safety risks or traffic-related impacts under the PPA, the FS will take into account good practice principles of traffic management for the anticipated construction sites, especially when designing site access, traffic routes and control and safety measures for affected communities. The FS will fully take into consideration the results of ESIA planned under the Agus-Pulangi Hydropower Complex Rehabilitation Project (P173728), ensuring that the required structural, spatial and organizational aspects are considered in the FS.</p>	To be coordinated with ESIA and MOS Throughout PPA implementation	National Power Corporation (NPC) <ul style="list-style-type: none"> • Mindanao Generation Group (MGG) • Project Implementing Unit (PIU)
4.2	<p>COMMUNITY HEALTH AND SAFETY: While there will be no direct health and safety risks or impacts to communities in the project area under the PPA, the FS will take into account good practice principles of community H&S for the anticipated construction sites, traffic routes, camps and workshops. The FS will fully take into consideration the results of the ESIA planned under the Agus-Pulangi Hydropower Complex Rehabilitation Project (P173728), ensuring that the required structural, spatial and organizational aspects are considered in the FS</p>	To be coordinated with ESIA and MOS Throughout PPA implementation	National Power Corporation (NPC) <ul style="list-style-type: none"> • Mindanao Generation Group (MGG) • Project Implementing Unit (PIU)
4.4	<p>SECURITY PERSONNEL: Provision of security escorts/services for consultants/experts on the following:</p> <p>a) activities to be conducted outside NPC facilities related to PPA—to be arranged by NPC</p> <p>b) office of consultant/expert or temporary residence or activities not related to PPA – to be arranged by consultant/expert</p> <p>The above services will be guided by applicable laws and ESF principles concerning proper conduct of security personnel.</p>	<p>a) upon request or as planned (throughout implementation of PPA)</p> <p>b) throughout implementation of PPA</p>	<ul style="list-style-type: none"> • National Power Corporation (NPC) <ul style="list-style-type: none"> ○ Mindanao Generation Group (MGG) ○ Project Implementing Unit (PIU) ○ Safety and Security Division (MGG) • Consultants/Experts

MATERIAL MEASURES AND ACTIONS		TIME FRAME	RESPONSIBLE ENTITY/AUTHORITY
ESS6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES			
6.1	<p>BIODIVERSITY RISKS AND IMPACTS: While no direct risks or impacts are anticipated for biodiversity under the PPA, the FS will fully take into consideration the results of the planned ESIA with respect to any existing protected areas, sensitive ecosystems or receptors that could be impacted by the works planned under the FS. The same principle applies to designing site access, traffic routes and the locations for workshops, quarries, lay down areas and workers' accommodations. The FS will fully consider the results of ESIA planned under the Agus-Pulangi Hydropower Complex Rehabilitation Project (P173728), ensuring that the required structural, spatial and organizational aspects are considered in the FS to avoid or minimize biodiversity risks and impacts.</p>	To be coordinated with ESIA and MOS Throughout PPA implementation	National Power Corporation (NPC) <ul style="list-style-type: none"> • Mindanao Generation Group (MGG) • Project Implementing Unit (PIU)
ESS7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDER SERVED TRADITIONAL LOCAL COMMUNITIES			
7.1	<p>INDIGENOUS PEOPLES PLAN: While there are no direct risks or impacts to indigenous peoples of the PPA, the FS will fully consider the results of ESIA planned under the Agus-Pulangi Hydropower Complex Rehabilitation Project. NPC and contracted Consultants/Experts will ensure that the ESS7 provisions are considered in the FS, as relevant. The ESIA includes a stakeholder engagement process involving indigenous peoples in the project areas to inform the ESIA and the subsequent rehabilitation project.</p>	To be coordinated with ESIA and MOS Throughout PPA implementation	<ul style="list-style-type: none"> • National Power Corporation (NPC) <ul style="list-style-type: none"> ○ Mindanao Generation Group (MGG) ○ Project Implementing Unit (PIU) • Consultants/Experts
ESS10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			
10.1	<p>STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION: NPC and contracted Consultants/Experts will identify and inform relevant stakeholders. The FS will fully consider the results of the ESIA planned under the Agus-Pulangi Hydropower Complex Rehabilitation Project, which includes a stakeholder engagement process to inform the ESIA and the subsequent rehabilitation project.</p>	To be coordinated with ESIA and MOS Throughout PPA implementation	<ul style="list-style-type: none"> • National Power Corporation (NPC) <ul style="list-style-type: none"> ○ Mindanao Generation Group (MGG) ○ Project Implementing Unit (PIU) • Consultants/Experts
10.2	<p>PROJECT GRIEVANCE MECHANISM: NPC will respond to grievances concerning the FS financed under the PPA in a timely fashion. Consultants/Experts will notify NPC of any grievances concerning the conduct of the PPA.</p>	Throughout implementation of the PPA. Grievances to be included in regular reporting (under A and C above).	<ul style="list-style-type: none"> • National Power Corporation (NPC) <ul style="list-style-type: none"> ○ Mindanao Generation Group (MGG) ○ Project Implementing Unit (PIU) • Consultants/Experts