

**REVISED ENVIRONMENTAL AND SOCIAL
SAFEGUARDS FRAMEWORK**

NATIONAL POWER CORPORATION

ACCESS TO SUSTAINABLE ENERGY PROJECT

December 2019

Abbreviations and Acronyms

ASEP	-	Access to Sustainable Energy Project
BIR	-	Bureau of Internal Revenue
CMR	-	Compliance Monitoring Report
CNC	-	Certificate of Non-Coverage
CTF	-	Clean Technology Fund
DAO	-	DENR Administrative Order
DENR	-	Department of Environment and Natural Resources
DOE	-	Department of Energy
EA	-	Environmental Assessment
EC	-	Electric Cooperatives
ECA	-	Environmentally Critical Area
ECC	-	Environmental Compliance Certificate
ECP	-	Environmentally Critical Project
ECPCG	-	Electric Cooperative Partial Credit Guarantee
EIA	-	Environmental Impact Assessment
EIS	-	Environmental Impact Statement
EMB	-	Environmental Management Bureau
EMP	-	Environmental Management Plan
ESMP	-	Environmental and Social Management Plan
ESMF	-	Environmental and Social Management Framework
ESSF	-	Environmental and Social Safeguards Framework
EU	-	European Union
FPIC	-	Free, Prior and Informed Consent
GPOBA	-	Global Partnership on Output-Based Aid
IBRD	-	International Bank for Reconstruction and Development
IEE	-	Initial Environmental Examination
IP	-	Indigenous Peoples
IPRA	-	Indigenous People's Rights Act
LGU	-	Local Government Unit
MC	-	Memorandum Circular
MSEAC	-	Multi-Sectoral Electrification Advisory Council
NCIP	-	National Commission on Indigenous People
NPC	-	National Power Corporation
NOL	-	No Objection Letter
OBA	-	Output-Based Aid
OP	-	Operational Policy
PCRMP	-	Physical Cultural Resources Management Plan
PCO	-	Pollution Control Officer
PD	-	Presidential Decree
PHILCESS	-	Philippine Center for Environment and Social Sustainability
PHRED	-	Philippine Renewable Energy Development
PIU	-	Project Implementation Unit
PPM	-	Pre-Paid Metering
PVM	-	Photovoltaic Mainstreaming
RAP	-	Resettlement Action Plan
ROW	-	Right-of-Way
SESA	-	Strategic Environmental and Social Assessment
SHS	-	Solar Home Systems
SMR	-	Self-Monitoring Report
SSHECOP	-	Solar Safety, Health and Environment Code of Practice

Glossary

Compliance Monitoring Report - to be prepared by the proponent of Category A or B Projects and shall be submitted to NPC, World Bank or DENR-EMB semi-annually, as the case may be. CMR shall contain the performance of the project as against the conditions stated in the issued ECC, submitted ESMP, and predicted impacts in the EIA report.

Certificate of Non-Coverage - a certification issued by DENR-EMB to the proponent certifying that the project is not covered by the Philippine EIS System based on the submitted project description and therefore categorized as Category C and is not required to secure ECC.

Environmental Assessment - a process of evaluating and predicting project's potential environmental risks and impacts in its area of influence, examining project alternatives, and identifying ways of improving project selection, siting, planning, design, and implementation by preventing, minimizing, mitigating, or compensating for adverse environmental impacts and enhancing positive impacts through project implementation. It is done to help ensure that the project is environmentally sound and sustainable, and thus to improve decision making. It is also known as Environmental Impact Assessment

Environmentally Critical Area - a declared / proclaimed environmentally sensitive area wherein significant environmental impacts are expected if certain types or thresholds of proposed projects are located, developed, or implemented on it.

Environmental Compliance Certificate - a certificate of environmental compliance commitment of the proponent issued by DENR-EMB. The ECC contains the list of conditions / specified measures necessary to comply with the existing environmental laws and/or to operate within best environmental practices that are not yet covered by existing laws. It shall be signed by proponent affirming to take full responsibility over implementation of the conditions stated therein.

Environmentally Critical Project - project under the project types declared through Proclamation No. 2146 dated December 14, 1981 and Proclamation No. 803 dated June 6, 1996 which may pose significant negative environmental impacts at certain thresholds of operation regardless of location.

Environmental Impact Statement - a comprehensive study of significant impacts of the project on the environment prepared and submitted by the proponent and/or EIA Consultant that serves as an application for ECC.

Environmental Management Plan - a section/component in Environmental (Impact) Assessment which details the prevention, mitigation, compensation, contingency, monitoring, and institutional measures to enhance positive impacts, minimize negative impacts and risks of a proposed project or undertaking to acceptable levels. It is also known as Environmental and Social Management Plan.

Environmental and Social Safeguards Framework - a document that sets out principles, rules, guidelines and procedures in assessing environmental and social impacts. It contains measures and plans to reduce, mitigate and/or offset adverse impacts and enhance positive impacts, provision for estimating and budgeting the costs of such measures, and information on the agency/ies responsible for addressing project impacts. It is also known as the Environmental and Social Management Framework.

Free and Prior Informed Consent - a consensus with all the members of the Indigenous Cultural Communities or Indigenous People. It shall be determined in accordance with their respective customary laws and practices, free from any external manipulation, interference and coercion, and be obtained after fully disclosing the intent and scope of the activity, in a language and process understandable to the said community.

Initial Environmental Examination Checklist - to be accomplished by the proponent to be able to describe the project's environmental impact and corresponding mitigation and enhancement measures. It is prepared for projects under Category B with lower project threshold. It is a short and simplified checklist version of an EIS required to be able to secure an ECC. DENR prescribes appropriate corresponding IEE Checklist for different projects.

No Objection Letter - a document issued by the World Bank stating their approval to the project proposal and all its attachments submitted by the project proponents.

Resettlement Action Plan – a document prepared by the proponent containing information on baseline census and socioeconomic survey, specific compensation rates and standards, policy entitlements related to any additional impacts identified through the census or survey, description of resettlement sites and programs for improvement or restoration of livelihoods and standards of living, implementation schedule for resettlement activities, and detailed cost estimate.

Self-Monitoring Report - to be prepared by the proponent of Category A or B Projects and shall be submitted to DENR-EMB quarterly. SMR shall contain the detailed compliance of the project to environmental standards specific to environmental laws.

Solar Safety, Health and Environment Code of Practice - a document designed to provide guidance and ensure the compliance of the proponent/contractor to workers and environment protection policies. It sets out standards and procedures to be observed in order to protect the health of the employees as well as to minimize and limit potential negative environmental impacts. It recommends appropriate work practices and provides mitigating measures to known hazards of the project.

Table of Contents

1.	INTRODUCTION	1
1.1.	PROJECT BACKGROUND	1
1.2.	PROJECT COMPONENT, COST AND FINANCING	1
1.3.	OVERALL ASEP PROCESS FLOW.....	3
2.	ENVIRONMENTAL AND SOCIAL SAFEGUARDS FRAMEWORK	4
2.1.	ESS FRAMEWORK OBJECTIVES / PURPOSE	4
2.2.	ENVIRONMENTAL AND SOCIAL REGULATORY REQUIREMENTS (PHILIPPINE LAWS AND WORLD BANK POLICIES).....	5
2.2.1.	PHILIPPINE LAWS	5
2.2.2.	WORLD BANK POLICIES.....	86
2.2.3.	GAP ANALYSIS	98
2.3.	SAFEGUARDS PROCEDURES.....	1312
2.3.1.	OVERVIEW OF SAFEGUARDS PROCEDURES.....	1312
2.3.2.	PROJECT SCREENING AND CATEGORIZATION.....	1413
2.3.3.	SAFEGUARDS INSTRUMENTS PREPARATION	1514
2.3.4.	IMPLEMENTATION OF ENVIRONMENTAL AND SOCIAL SAFEGUARDS	2119
2.3.5.	ENVIRONMENTAL AND SOCIAL IMPACTS MONITORING.....	2120
2.3.6.	SAFEGUARDS PROCEDURES VIS-À-VIS ASEP PROCESS FLOW	2322
2.4.	GRIEVANCE REDRESS MECHANISM	2422
2.5.	GENDER AND DEVELOPMENT	2523
2.6.	INSTITUTIONAL (IMPLEMENTATION) ARRANGEMENTS	2524
2.7.	CAPACITY BUILDING.....	2726

LIST OF ANNEXES

- A - Indigenous People’s Policy Framework
- B - Land Acquisition, Resettlement and Rehabilitation Policy Framework
- C - Project Threshold of Solar Power Projects
- D - Project Screening Form 1
- E - Project Screening Form 2
- F - Annotated Outline of EIA Report
- G - Generic IEE Checklist Form
- H - Environmental Code of Practice for Solar PV
- I - Pro-Forma CMR
- K - Annual Status Report
- L - Environmental and Social Compliance Report
- M- Grievance Monitoring Report
- N - Safeguards Considerations for Project Implementation During Covid 19

1. INTRODUCTION

1.1. PROJECT BACKGROUND

Access to Sustainable Energy Project (ASEP) is a World Bank-assisted Project aims to provide assistance to the Philippines in increasing access to electricity in a sustainable manner. The project will facilitate additional private investments into rural electrification and renewable energy through output based subsidies with implementing assistance of the National Power Corporation (NPC).

1.2. PROJECT COMPONENT, COST AND FINANCING

ASEP provides investment support through an Output-Based Aid (OBA) facility, which will be financed by a European Union grant of \$20,240,000 (or €18,400,000) and co-financed by a Global Partnership on Output-Based Aid (GPOBA) grant of \$3,000,000. The Project will include three main components:

Component 1: Photovoltaic Mainstreaming (PVM)

It entails rural electrification via solar home systems (SHS) of an estimated 30,500 households within the coverage areas of the participating ECs. Through the contributions of the European Union (EU) and GPOBA, PVM will target Electric Cooperatives (ECs) seeking to receive grants in the form of a competitively allocated capital subsidy for SHS distribution and installation. Sustainability of the proposed scheme is based on the regulatory framework for SHS, which includes monthly service fees paid by SHS customers;

Component 2: Rural Network Solar (RNS)

It aims to increase renewable energy production via small, grid connected solar power plants. It is expected that 7 MW of new renewable energy generation capacity will be brought on-line as a result of the project interventions. A capital subsidy buy-down based on a least-cost, competitive approach is expected to level the playing field for grid connected solar vis-à-vis higher polluting alternatives. The subsidy made available under this component is provided by the EU; and

Component 3: Pre-Paid Metering (PPM) Pilot

It targets commercial efficiency at the EC level through controlled pilots - estimated at 1,000 meters - of PPM systems. This component is closely tied to a PPM analysis that will be done as part of the EU funded, Bank-executed technical assistance to NEA.

The OBA facility is financed from two grants that are made to the benefit of the Republic of the Philippines. The EU is providing \$31.9-million (or €29-million) to be administered by the World Bank as a hybrid Trust Fund with Bank- and Client-executed components. The GPOBA is providing \$3-million in support of the Department of Energy (DOE)'s PV Mainstreaming Program, which is focused on EC provision of SHS to un-electrified Filipino households (EU subsidy support is mostly dedicated to the PV Mainstreaming program as well). Both grants and the Government programs that they bolster are complemented by the DOE's Electric Cooperative Partial Credit Guarantee (ECPCG) facility which is under expansion via Philippine Renewable Energy Development (PHRED), financed by a \$44-million stand-alone Clean Technology Fund (CTF) guarantee and with implementing support of International Bank for Reconstruction and Development (IBRD). The EU and GPOBA grants will leverage a minimum of \$14-million in co-financing of specific investments, especially related to the RNS component.

Financing components are divided into four, reflecting the three Client-executed components for output-based subsidies, and the Program Manager, which is the NPC, administrative fees. The table below provides a summary of the project cost and financing, assuming an €/USD exchange rate of 1.1.

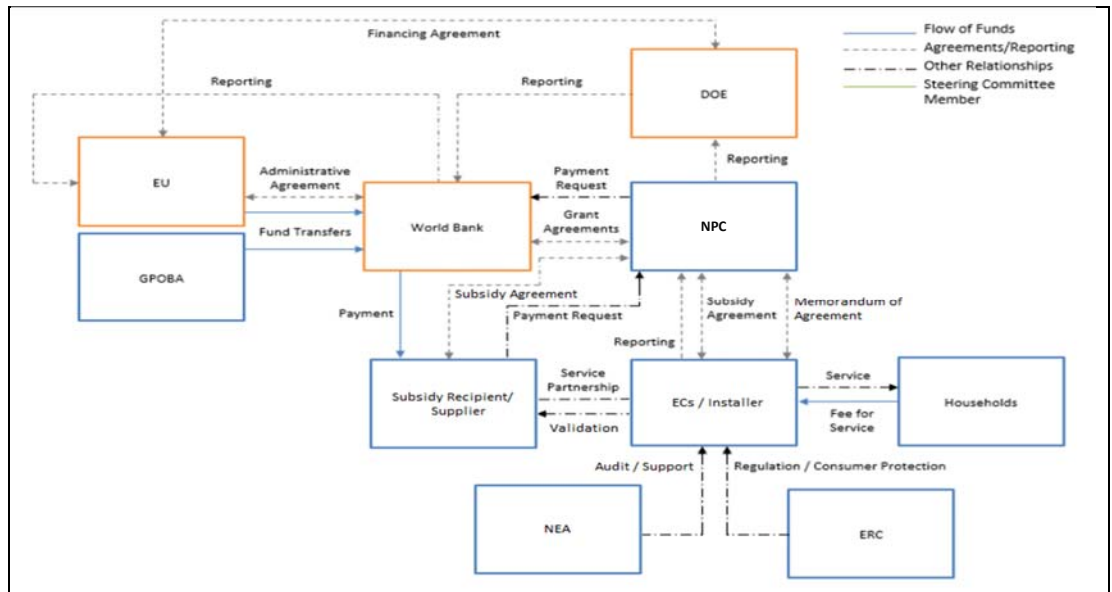
	EU (\$)	EU (%)	GPOBA (\$)	GPOBA (%)	Total
PVM	12,821,380	84	2,400,000	16	15,221,380
RNS	6,903,820	100	0	0	6,903,820
PPM	110,000	100	0	0	110,000
NPC / ASEP Direct and Indirect Operating Expenses	404,800	40	600,000	60	1,004,800
Total	20,240,000		3,000,000		23,240,000

The three investment components will be designed to attract private co-financing, from both ECs and private energy companies. Given the challenges in the rural electrification space, upfront co-financing in the PVM Program will be relatively modest and limited to a small upfront payment from customers, which will be matched by the host EC and paid to suppliers as a deposit. However, the regulatory framework for PVM is such that O&M and replacement of key components is wholly covered by the tariff, over time. For the RNS component, each dollar of subsidy will leverage at least two dollars in private investment. In the case of PPM, it is expected that the EU contribution will be matched on a 1:1 basis.

	Expected Private Capital Mobilized
PVM	500,000
RNS	13,810,000 ¹
PPM	110,000
Total	14,420,000

¹ The figure is rounded up from \$13,807,640, which equals twice the size of the EU subsidy of \$6,903,820 for the RNS component

1.3. OVERALL ASEP PROCESS FLOW



2. ENVIRONMENTAL AND SOCIAL SAFEGUARDS FRAMEWORK

2.1. ESS FRAMEWORK OBJECTIVES / PURPOSE

The Environmental and Social Safeguards Framework (ESSF) was developed specifically for the proposed operations of ASEP to provide general policies, guidelines, codes of practice and procedures in compliance with the Philippine Laws and World Bank Environmental and Social Safeguards Policies. This is designed to ensure due diligence and that activities under the proposed guarantee operations will:

- Prevent or minimize environmental degradation;
- Protect human health;
- Prevent or compensate any loss of assets and/or livelihood;
- Minimize impacts on Indigenous Peoples and cultural properties; and
- Enhance positive environmental and social outcomes including for Indigenous Peoples.

The ESSF aims to create consistency on addressing environmental and social issues to all agencies involved in safeguards operations. ESSF will provide instructions and methodologies for Project Implementation Unit (PIU) of ECs and Project Management Office (PMO)-NPC in ensuring environmental and social protection at all phases of the subproject cycle:

1. Screening and categorizing projects based on their potential environmental and social impacts;
2. Documentation and preparation of environmental and social safeguards instruments including public consultation and information disclosure;
3. Seeking approval from the World Bank and the Philippine Government through the Department of Environment and Natural Resources and other concerned regulatory bodies;
4. Implementation of the agreed environmental and social management plans; and
5. Monitoring the compliance of the project from its construction phase up to abandonment phase.

Furthermore, it includes the following Frameworks for social safeguards:

- Indigenous Peoples (IP) Policy Framework – provides guidance on engagements with affected adversely or positively IP communities especially in the conduct and documentation of the Free and Prior Informed Consent (FPIC) where IP communities are present (please see Annex A)
- Land Acquisition, Resettlement and Rehabilitation Policy Framework – provides guidance on the process to be followed when private assets (land, buildings, trees, crops, etc.) are affected adversely by the project (please see Annex B).

2.2. ENVIRONMENTAL AND SOCIAL REGULATORY REQUIREMENTS (PHILIPPINE LAWS AND WORLD BANK POLICIES)

Provisions of this ESSF, including pro-forma of required documents, are guided by Philippine Laws and World Bank Policies on Environmental and Social Safeguards.

2.2.1. PHILIPPINE LAWS

PHILIPPINE LAWS	BRIEF DESCRIPTION / REQUIREMENTS
A. ENVIRONMENTAL LAWS	
➤ Presidential Decree (P.D.) No. 1586 dated June 11, 1978	Established the Philippine Environmental Impact Statement (EIS) System including other environmental management related measures and for other purposes.
➤ 1987 Philippine Constitution, Article XII: National Economy and Patrimony, Section 3	Allows private corporations or associations to hold alienable lands of the public domain through lease, for a period not exceeding twenty-five years, renewable for not more than twenty-five years, and not to exceed one thousand hectares in area.
➤ Department of Environment and Natural Resources (DENR) Administrative Order (DAO) No. 30 series of 2003	<ul style="list-style-type: none"> ➤ In support to P.D. No. 1586, Revised Procedural Manual was provided to further promote Environmental Impact Assessment (EIA) and to discuss Environmental Compliance Certificates (ECCs) and Certificates of Non-Coverage (CNCs) application and review procedures. ➤ Also, lists of Environmentally Critical Projects (ECP) and Environmentally Critical Areas (ECA) were provided. ➤ Projects issued with ECC shall submit semi-annual Compliance Monitoring Report (CMR) which states the project's (1) compliance with ECC, (2) Environmental Management Plan (EMP), and (3) actual impacts as against to the identified/predicted impacts. It shall form part of the 2nd and 4th quarter Self-Monitoring Report (SMR) required by DAO 2003-30. These documents shall contain information on both environmental and social aspects.
➤ Environmental Management Bureau (EMB) Memorandum Circular (M.C.) 05 series of 2014	<p>Provided the Revised Guidelines for Coverage Screening and Standardized Requirements under the Philippine EIS System.</p> <ul style="list-style-type: none"> ➤ Project categorization and documentary requirements are based on the project thresholds established by the DENR-EMB ➤ Category A Projects are ECPs which requires Environmental Impact Statement (EIS) to secure ECC. The preparation of EIS is required to follow the Philippine EIA process detailed in DAO 2003-30, including the conduct of public consultation/hearing prior and during the finalization of the study/report preparation. ➤ Category B Projects are not ECPs but likewise located in an ECA which requires either EIS or Initial Environmental Examination (IEE) Checklist, depending on the project threshold (see Annex C for

PHILIPPINE LAWS	BRIEF DESCRIPTION / REQUIREMENTS
	<p>the project thresholds of solar power projects), to secure ECC.</p> <ul style="list-style-type: none"> ➤ Category C Projects are not falling under Category A or B which are intended to directly enhance the quality of environment or address existing environmental problems ➤ Category D Projects are unlikely to cause significant adverse impacts on the quality of environment which are not required to secure ECC, however may submit Project Description (part 1 only) to secure CNC.
<ul style="list-style-type: none"> ➤ DAO 29 series of 1992 	<p>Established the Implementing Rules and Regulations (IRR) of Republic Act 6969 or Toxic Substances and Hazardous and Nuclear Waste Management Act</p> <ul style="list-style-type: none"> ➤ Requires hazardous waste generator to register with the DENR-EMB, properly manage and dispose of hazardous wastes generated in its facility ➤ Hazardous wastes must be segregated, labeled, kept in proper storage facility, transported, treated/recycled and disposed of through DENR-accredited firms
<ul style="list-style-type: none"> ➤ DAO 26 issued June 29, 1992 	<p>Requires industrial, commercial and manufacturing establishments and private entities whose activities are potential and actual sources of pollution to designate a Pollution Control Officer (PCO). The PCO shall secure accreditation from the DENR in accordance with DAO 2014-02 issued February 3, 2014.</p>
<ul style="list-style-type: none"> ➤ PD 705 Revised Forestry Code issued on May 19, 1975 	<p>The law governing the management and utilization of forest lands.</p> <ul style="list-style-type: none"> ➤ Prohibits the cutting, gathering and/or collecting timber or other forest products from any forest land, or timber from alienable and disposable lands, and public or private lands without license/authority.
<ul style="list-style-type: none"> ➤ EO No. 23 issued February 1, 2011 	<p>Declared a Moratorium on the cutting and harvesting of timber in the natural and residual forest.</p> <ul style="list-style-type: none"> ➤ Construction of transmission lines, telecommunication sites, substation sites and other power generation projects, including maintenance activities on existing lines were exempted from EO No. 23 through the Memorandum from the Executive Secretary dated 20 October 2011. ➤ As condition in the exemption, each naturally growing tree cut shall be replaced with 100 indigenous seedlings, while each planted tree cut shall be replaced with 50 indigenous seedlings.
<ul style="list-style-type: none"> ➤ RA 7586 or the National Integrated Protected Areas System (NIPAS) Act of 1992 	<p>An Act that established a system for the classification and management of protected areas</p> <ul style="list-style-type: none"> ➤ Requires environmental impact assessment and ECC for activities to be implemented within a protected area. ➤ Clearance from the Protected Area Management Board is required for the issuance of the ECC.

PHILIPPINE LAWS	BRIEF DESCRIPTION / REQUIREMENTS
➤ RA 11038 or the Expanded NIPAS Act of 2018, Amending RA 7586	Strengthened the protection of protected areas, and established additional protected areas.
➤ RA 6657 or the Comprehensive Agrarian Reform Law of 1988	A law that established a reform system that included regulation of tenancy in private lands, distribution of alienable and disposable public agricultural lands, redistribution of private agricultural lands. ➤ Allows the conversion of awarded lands under the Comprehensive Agrarian Reform Program (CARP) after the lapse of five (5) years from the granting of the award, when the land ceases to be economically feasible and sound for agricultural purposes, or the locality has become urbanized and the land will have a greater economic value for residential, commercial or industrial purposes provided, that the beneficiary shall have fully paid his obligation.
➤ DAR AO No. 1, Series of 2002 issued 28 Feb. 2002	Provides guidelines on the applications for conversion, from agricultural to non-agricultural uses or to another agricultural use.
B. SOCIAL LAWS	
➤ RA No. 10752 or The Right-of-Way Act	This is an act facilitating the acquisition of Right-Of-Way site or location for national government infrastructure projects which states that the private property shall not be taken for public use without just compensation. It ensures that all persons whose real property is affected by national government infrastructure projects are promptly paid just compensation for the expeditious acquisition of the required right-of-way (ROW).
➤ RA No. 8371 or as the "Indigenous People's Rights Act (IPRA law) of 1997	An act to recognize, protect and promote the rights of Indigenous Cultural Communities/ Indigenous Peoples and creating the National Commission on Indigenous Peoples establishing and implementing mechanisms appropriating funds therefore and for other purposes. Also considered are the AOs for the Free and Prior Informed Consent.
➤ RA No. 7279 or the Urban Development and Housing Act of 1992	Urban Development and Housing Act which mandates the provision of a resettlement site, basic services and safeguards for the homeless and underprivileged citizens.
➤ RA 7160 or the Local Government Code of 1991	The law allows the local government units to exercise the power of eminent domain for public use.
➤ RA 6389 or the Code of Agrarian Reforms of the Philippines	The law provides for disturbance compensation to agricultural leases equivalent to 4 times the average gross harvest in the last 5 years.
➤ Supreme Court Ruling (1987)	Defines just compensation as fair and full equivalent to the loss sustained to enable affected household to replace affected assets at current market prices.
➤ Commonwealth Act 141 or the Public Land Act	The law institutes classification and means of administration, expropriation and disposition of alienable lands of the public domain.

PHILIPPINE LAWS	BRIEF DESCRIPTION / REQUIREMENTS
➤ Supreme Court Ruling (1987)	Defines just compensation as fair and full equivalent to the loss sustained to enable affected household to replace affected assets at current market prices.

2.2.2. WORLD BANK POLICIES

WORLD BANK SAFEGUARDS POLICIES	BRIEF DESCRIPTION / REQUIREMENTS
A. ENVIRONMENTAL SAFEGUARDS POLICIES	
➤ Operational Policy (O.P.) 4.01: Environmental Assessment	<ul style="list-style-type: none"> ➤ Environmental Assessment (EA) takes into account the natural environment (air, water, and land), human health and safety, social aspects (involuntary resettlement, indigenous peoples, and physical cultural resources), transboundary and global environmental aspects. EA shall be initiated as early as possible in project processing and is integrated closely with economic, financial, institutional, social, and technical analyses of the proposed project. ➤ The following are the EA instruments that can be used to satisfy World Bank's requirement: EIA, Regional or Sectoral EA, Strategic Environmental and Social Assessment (SESA), Environmental Audit, Hazard or Risk Assessment, Environmental Management Plan (EMP) and Environmental and Social Management Framework (ESMF). EA applies one or more of these instruments or elements of them, as appropriate. ➤ World Bank classifies projects depending on the type, location, sensitivity, and scale of project and nature and magnitude of its potential environmental impacts ➤ Category A Projects are likely to have significant adverse environmental impacts that are sensitive (such as raised issues covered by O.P. 4.04 Natural Habitats / O.P. 4.36 Forest, O.P. 4.12 Involuntary Resettlement, O.P. 4.10 Indigenous Peoples, O.P. 4.11 Physical Cultural Resources), diverse, or unprecedented which requires to prepare EIA. It shall be carried out by an independent EA expert not affiliated with the project. Moreover, it requires public consultation at least twice. ➤ Category B Projects are likely to have potential adverse environmental impacts on human populations or environmentally important areas--including wetlands, forests, grasslands, and other natural habitats which are less adverse than those of Category A projects which require narrower EA. Moreover, it requires at least one public consultation. ➤ Category C Projects are likely to have minimal or no adverse environmental impacts which do not require further EA. ➤ Category FI Projects are projects which involve investment of World Bank funds through a financial

WORLD BANK SAFEGUARDS POLICIES	BRIEF DESCRIPTION / REQUIREMENTS
	intermediary, in subprojects that may result in adverse environmental impacts. ➤ During project implementation, the borrower reports on (1) compliance with measures agreed with the Bank on the basis of the findings and results of the EA, including implementation of any EMP, as set out in the project documents; (2) the status of mitigation measures; and (3) the findings of monitoring programs.
➤ Operational Policy 4.04: Natural Habitats	➤ Does NOT finance projects that involve significant conversion or degradation of critical forest areas or related critical natural habitats . An analysis of alternatives will be conducted as part of the ESIA. However, when the Bank determines that they are not critical and there are no feasible alternatives, the Bank may finance provided that comprehensive analysis demonstrates overall benefits outweigh environmental costs.
➤ Operational Policy 4.36: Forests	
B. SOCIAL SAFEGUARDS POLICIES	
➤ Operational Policy 4.12 Involuntary Resettlement	➤ To assist displaced persons in their efforts to improve, or at least restore, their incomes and standards of living after displacement.
➤ Operational Policy 4.10 Indigenous Peoples	➤ This policy contributes to the Bank's mission of poverty reduction and sustainable development by ensuring that the development process fully respects the dignity, human rights, economies, and cultures of Indigenous Peoples.
➤ Operational Policy 4.11 Physical Cultural Resources	<ul style="list-style-type: none"> ➤ Assists to avoid or mitigate adverse impacts on physical cultural resources from development projects. ➤ The policy has been developed to provide guidance and procedures for addressing potential impacts on PCR in the design and implementation of projects and to support safeguarding of the nation's PCR. ➤ The borrower addresses impact on physical cultural resources in projects proposed for Bank financing, as an integral part of the EA process.
➤ Operational Policy 7.60 Project in Disputed Area	➤ Any dispute over an area in which a proposed project is located is dealt with at the earliest possible stage.

2.2.3. GAP ANALYSIS

Based on the discussions above, the following are the identified gaps between the Philippine Laws and the World Bank Safeguards Policies as well as the corresponding gap resolutions where higher requirements prevail:

IDENTIFIED GAPS	PHILIPPINE LAWS	WORLD BANK SAFEGUARDS POLICIES	GAP RESOLUTIONS
A. ENVIRONMENT			

IDENTIFIED GAPS	PHILIPPINE LAWS	WORLD BANK SAFEGUARDS POLICIES	GAP RESOLUTIONS
Project Screening and Categorization	EMB MC 2014-05 classifies projects based on the project thresholds established by the DENR-EMB	O. P. 4.01 classifies projects based on the project type, location, sensitivity, scale, nature and magnitude of its potential environmental impacts	ESSF will develop a Two-Step Project Screening and Categorization , whereas: Step 1: At the minimum, the project will be categorized based on the project threshold established by the DENR-EMB Step 2: The project will be further screened in consideration of O.P. 4.01 and other World Bank Safeguards Policies prior to deciding on the final project category
Project Categories	EMB MC 2014-05 has 4 project categories where Category C projects are intended to directly enhance environmental quality; and Category D projects are those of unlikely to cause significant adverse environmental impacts	O. P. 4.01 has also 4 project categories where Category C projects are those likely to have minimal or no adverse environmental impacts; and Category FI are projects which involve investment of World Bank funds through a financial intermediary and may result in adverse environmental impacts	The entire project is a Category B project according to the World Bank safeguard policies. However, the ESSF will further identify 3 Sub-Project Categories (A, B, and C) in consideration of both Philippine Laws and World Bank Safeguards Policies (please refer to Section 2.4.2.)
Project Reports/ Documents or Safeguards Instruments	EMB MC 2014-05 recognizes the following reports / documents which are required to be able to secure ECC or CNC: (1) EIS – requires all the Category A projects and Category B projects with higher project threshold; (2) IEE Checklist – requires the Category B projects	World Bank requires 1 or more of the following, as appropriate: (1) EIA; (2) Regional or Sectoral EA; (3) SESA; (4) Environmental Audit; (5) Hazard or Risk Assessment; (6) EMP; and (7) ESMF	Since both EIS and IEE Checklist composed of assessments of the project’s potential environmental and social impacts including the preparation of ESMP, the ESSF will recognize: (1) EIS as the full-blown EIA which will be required for Category A projects and Category B projects with higher project threshold; and (2) IEE Checklist as the narrower version of EIA which will be required for

IDENTIFIED GAPS	PHILIPPINE LAWS	WORLD BANK SAFEGUARDS POLICIES	GAP RESOLUTIONS
	with lower project threshold; and (3) Project Description – projects not covered by the Philippine EIS System		Category B projects with lower project threshold
Public Consultation and Information Disclosure	Public consultation, conducted prior and during the finalization of the study/report preparation, is only required for EIS which are only Category A projects and Category B with higher project threshold	World Bank requires public consultation at least twice for Category A and Category B projects	Since higher requirements shall prevail, Category B projects with lower project threshold will also be required to conduct public consultation at least twice
B. SOCIAL			
Limited assistance or protection is given to the rural poor versus the urban poor.	Philippine Constitution, Article XIII, Section 10: Urban or rural poor dwellers shall not be evicted nor their dwellings demolished, except in accordance with the law and in a just humane manner. Focus is given on urban poor as per Urban Development and Housing Act.	The World Bank OP 4.12 does not distinguish between affected rural and urban poor and this is adopted. It also does not make distinction to residential or business.	World Bank policy will be adopted.
b) The law is not very clear on assistance to small enterprises and shop renters, displaced vendors, etc.	No specific law for replacing lost income. Common practice is to provide livelihood assistance to only those who opt to go to government resettlement area.	Loss of income is compensated apart from loss of structure and or land.	World Bank policy will be adopted.
Donation is the first option taken by implementing agency when acquiring land for development.	Modes of acquiring title to, and ownership of real estate property, as well as the modes of acquiring right to use private property for another purpose.	Will be informed of other modes of land acquisition and specific criteria will be used to ensure that the land donation is genuine, if such is	World Bank policy will be adopted.

IDENTIFIED GAPS	PHILIPPINE LAWS	WORLD BANK SAFEGUARDS POLICIES	GAP RESOLUTIONS
	RA 8974 specifies the following methods: Donation, Quit Claim, Exchange or Barter, Negotiated Sale or Purchase, Expropriation and any other modes of acquisition authorized by law.	taken as the means to acquire land.	
Valuation of the land under expropriation	RA 10752 states that the current relevant zonal valuation of the Bureau of Internal Revenue (BIR) issued not more than 3 years prior to the filing of the expropriation complaint shall be deposited to the court.	OP 4.12 requires that replacement cost which is defined as the amount necessary to replace the structure or improvement based on the current market prices for materials, overhead, and all other attendant costs associated with the acquisition. If needed, other forms of assistance shall be added to top off the compensation allowed by local laws.	World Bank policy will be adopted.
When is IP policy triggered?	The country system for Indigenous Peoples is considered superior to that of the World Bank policy on Indigenous Peoples because it requires Free and Prior Informed Consent and not just consultation. However, IP trigger under IPRA is limited to impacts of projects to IPs living in ancestral	OP 4.10 is triggered when IPs or an ethnic community which has retained its indigenous system or way of life (different from the mainstream community) are present in the project location or have collective attachment to it whether or not it is an ancestral domain and even when no adverse	World Bank policy will be adopted.

IDENTIFIED GAPS	PHILIPPINE LAWS	WORLD BANK SAFEGUARDS POLICIES	GAP RESOLUTIONS
	domains.	impact are present. It also prescribes those logistical resources for ensuring IP participation within the project duration is provided for by project proponent.	

2.3. SAFEGUARDS PROCEDURES

2.3.1. OVERVIEW OF SAFEGUARDS PROCEDURES

PROJECT PHASES	SAFEGUARDS PROCEDURES	ACTIVITIES	DOER
Project Siting / Pre-Construction Phase	Project Screening and Categorization	1. Accomplish the Project Screening Form 1	ECs
		2. Review the submitted Project Screening Form 1 of the ECs then accomplish the Project Screening Form 2 with Decisions on the Project Category and Lists of required Safeguards Instruments	NPC
	Safeguards Instruments Preparation	Prepare the following safeguards instruments: 1. Environmental Impact Statement (full-blown EIA); or 2. Initial Environmental Examination Checklist including the: 1. Environmental Management Plan 2. Resettlement Action Plan/Abbreviated Resettlement Action Plan (if applicable) 3. Indigenous Peoples Plan (if applicable) 4. Physical Cultural Resources Management Plan (if applicable); and Shall also ensure conformity of the procured contractors with the Solar Safety, Health and Environment Code of Practice	ECs
	Public Consultation and Information Disclosure	Conduct Public Consultation: Category A and B Projects - at least TWICE	ECs
	Safeguards Instruments Approval	1. Review all the submitted safeguards instruments and assist the ECs in finalizing the instruments 2. Monitor the ECs compliance to the ESSF and regularly report the ECs	NPC

		safeguards performance 3. Submit the safeguard instruments to the Bank for review and acceptance	
		2. Approve and issue the No-Objection Letter	World Bank
	ECC / CNC Application	Submit the Project Description, EIS or IEE Checklist to DENR-EMB for issuance of ECC or CNC	ECs
Construction Phase /	ESMP Implementation	Strictly implement/comply with the submitted ESMPs and SSHECoPs	ECs and Contractors
Operation Phase /	Environmental and Social Impacts Monitoring	Submit the following to DENR-EMB as well as to NPC and World Bank: 1. Self-Monitoring Report Quarterly; and 2. Compliance Monitoring Report Semi-Annually	ECs
Abandonment Phase		Submit the Environmental and Social Compliance Report Semi-Annually to World Bank	NPC
		Conduct Supervision Mission twice a year	World Bank

2.3.2. PROJECT SCREENING AND CATEGORIZATION

The proposed project will be screened by the Project Management Office NPC based on the Project Screening Form 1 (please see Annex D) duly accomplished by the project proponents (ECs). With the identified gap between the Philippine Laws and World Bank Safeguards Policies, a two-step project screening and categorization will be utilized for ASEP:

Step 1:

At the minimum compliance, the proposed project will be categorized based on the project threshold established by the DENR-EMB provided in EMB MC 2014-05: Revised Guidelines for Coverage Screening and Standardized Requirements under the Philippine EIS System and conformance to applicable international conventions on environmental protection and sustainable development.

Step 2:

The proposed project will be further screened by NPC in consideration of O.P. 4.01 Environmental Assessment and other identified World Bank Environmental and Social Safeguards Policies that may be triggered.

In consideration of both Philippine Legislations and World Bank Safeguards Policies, the Project Management Office-NPC will then provide the final categorization of the project as well as the list of safeguards instruments to be prepared through accomplishing the Project Screening Form 2 (please see Annex E). Provided below are the detailed description of each project category that will be utilized for ASEP:

CATEGORY A

- Environmentally Critical Projects
- Likely to have significant adverse environmental impacts that are sensitive (such as raised issues covered by O.P. 4.04 Natural Habitats / O.P. 4.36 Forest, O.P. 4.12

Involuntary Resettlement, O.P. 4.10 Indigenous Peoples, O.P. 4.11 Physical Cultural Resources), diverse, or unprecedented;

- Likely to create impacts broader than the project site or facility;
- Involuntary Resettlement – with a total population of 200 or more households or persons displaced and/or lost their source of livelihood; OR
- Indigenous People – significant positive or negative impacts on them, their ways of life, or their ancestral domain and similar areas

CATEGORY B

- Not ECP but likewise located in an Environmentally Critical Area;
- Likely to have lesser adverse impacts on Natural Habitats, Forest and/or Physical Cultural Resources than those of Category A;
- Likely to create impacts that are only site-specific;
- Involuntary Resettlement – with a total population of less than 200 households or persons displaced and/or lost their source of livelihood; OR
- Indigenous People – insignificant positive or negative impacts on them, their ways of life, or their ancestral domain and similar areas

CATEGORY C

- Not falling under Category A or B;
- Unlikely to cause or no significant adverse environmental impacts; OR
- With No Involuntary Resettlement and No Indigenous People affected

2.3.3. SAFEGUARDS INSTRUMENTS PREPARATION

NPC has overall responsibility for safeguards compliance for ASEP. The proponent is primarily responsible for the conduct of Environmental and Social Safeguards Due Diligence for its respective subproject including the preparation of the Safeguards Instruments and its submission to the appropriate Philippine Regulatory Bodies. The proponent shall ensure the quality and accuracy of the information in all the Safeguards Instruments/Documents, and its compliance with this ESSF and all pertinent national and international rules and regulations. However, due to limited capacity of the proponents, the Project Management Office- NPC will provide technical advice and assistance for the preparation and finalization of these documents as needed to ensure that these are compliant with the provisions of this ESSF.

2.3.3.1. ENVIRONMENTAL SAFEGUARDS INSTRUMENTS

Conduct of Environmental Assessment and preparation of Environmental Safeguards Instruments/Documents of the proponents are very important to be able to identify the project's potential impacts and provide measures in protecting the environment and the welfare of the people. The project description will undergo environmental screening to determine the nature, scope and potential impacts of the project (refer to Annex D for Project Screening Form 1 (For Proponent) and Annex E for the Project Screening Form 2 (for NPC). Provided below are the safeguards instruments/documents required under this ESSF, aligned with the Philippine Laws and World Bank Safeguards Policies:

Environmental Impact Statement

- EIS is considered as the full-blown EIA

- Required for all Category A projects and Category B projects with higher thresholds (EMB MC 2014-05) to be able to secure ECC
- The Annotated Outline for EIA Reports for Proposed (New) Single Projects provided in DENR MC 2010-14 will be used for the EIS (please see Annex F)

Initial Environmental Examination Checklist

- IEE Checklist is considered as the as the narrower version of EIA
- Required for Category B projects with lower project threshold (EMB MC 2014-05) to be able to secure ECC
- Pro-forma of the IEE Checklist was developed by the DENR-EMB per sector which can only be accessed in ECC Online Application System (please see Annex G for the sample of a generic IEE Checklist)

Environment and Social Management Plan

- Both EIS and IEE Checklist shall contain ESMP which specifies impacts mitigation plan, environmental monitoring plans, corresponding institutional and financial requirements/ arrangements, and etc.
- For Category A and B projects, only the ESMP is required to be attached to the project proposals when submitting to the Project Management Office-NPC for review and World Bank for approval and issuance of **No Objection Letter (NOL)**

2.3.3.2. SOCIAL SAFEGUARDS INSTRUMENTS

Review will commence with the enumeration by the subproject proponent (EC) of the extent of land acquisition, project-affected population and loss of assets that may result from a subproject’s implementation, using a checklist. This usually happens as part of the feasibility study. To facilitate review, EC shall complete the checklist found in Annex D. Review of PMO (NPC) by accomplishing the Annex E shall verify the information put in by proponents from the submitted subproject documents, and/or from subproject site visit.

As indicated in World Bank Involuntary Resettlement (OP4.12), screening of impacts as shown in the table below shall be accomplished with regards to involuntary resettlement based on the subproject’s possible architectural and engineering designs.

Screening of Project-Affected Persons and Assets

Social Impact	Yes	No
a) Land acquisition necessary		
b) HHs / Persons will be displaced		
c) Informal settlers will be displaced		
d) Legal structures acquired / damaged		
e) Informal structures being removed		
f) People losing means of livelihood		
g) Basic services will be inaccessible		
h) Crops / trees being damaged / lost		
i) Tenants / Lessees losing crops / trees		
j) Informal settlers losing crops / trees		

k) Indigenous peoples to be displaced		
l) Cultural property affected		

Social safeguards requirements will be triggered when any one of the above social impacts is identified / confirmed. The EC shall accomplish the checklist for project affected persons and assets (Attachment 1 of the Land Acquisition, Resettlement and Rehabilitation Policy Framework)

Based on the information derived from the checklist, the following are validated:

- Appropriateness of the prepared/submitted social safeguard document for the social category of the subproject (Attachment 2 of the Land Acquisition, Resettlement and Rehabilitation Policy Framework); and
- Conformity of the prepared social safeguard documents to the provisions of the ASEP Land Acquisition, Resettlement and Rehabilitation Policy Framework (LARRPF).

A. Resettlement Action Plan

Meanwhile Resettlement Action Plans (RAPs) will be prepared taking into consideration the magnitude of impacts.

1. RAP Preparation

The following documents are required to be prepared by EC based on its total number of displaced persons described below. Its formulation should be done in a participatory manner starting with meetings with communities who will help in seeking the participation of landowners, finding just and fair compensation for lost assets and seeking assistance from Local Government Unit (LGU) officials who may also be officers of farmer organizations.

Required Social Safeguards Documents:

No. of Displaced Persons	Required Document/s
> 200 persons displaced and/or requiring shifting of dwelling structures	Full Resettlement Action Plan (Attachment 3 of the LARRPF)
Presence of IP communities or ancestral domain	Indigenous People Plan (Attachment IPF-1)
1-200 persons or “minor impacts” i.e., no shifting of dwelling structures	Abbreviated Resettlement Action Plan (Attachment 4 of the LARRPF)

2. RAP Review

The World Bank will conduct prior review and clear all full RAPs, defined as more than 200 persons displaced or subprojects with impacts that are not “minor”, and the first three abbreviated RAPs.

3. RAP Implementation

Implementation will be carried out by the EC in coordination with their respective LGU. All compensation shall be paid a month prior to the commencement of civil works in the project component. Payments for uncollected compensation due to lack of clarity of an authorized representative of a landowner shall be put in trust or in an escrow account by the EC.

B. Indigenous Peoples

1. Consultations

Consultations will be conducted in the local language using methods that are consistent with the social and cultural values of the Indigenous Peoples community. The services of social development officers who can facilitate intergenerational and gender equal participation will be enlisted.

2. Broad Community Support.

In accordance with World Bank's Indigenous Peoples Policy, broad community support will be ascertained prior to the approval of any subproject.

3. Development of IP Plan

Based on social assessment and in consultation with the affected IPs, the subproject proponent prepares the IPP to document measures to enhance positive effects and mitigate negative impacts by ensuring its cultural responsiveness and mitigate adverse effects.

4. Implementation/ Monitoring

Monitoring and supervision of subprojects will be carried out in a culturally sensitive manner paying close attention to complaints and grievances being resolved. The assistance of the National Commission on Indigenous People (NCIP) shall be mobilized. To generate support for a subproject or when sensitive issues need to be addressed, local communities will be allowed to reach consensus.

To review the conformity of the submitted documents to social safeguards requirements PMO (NPC) shall use the following criteria and means of verification as follow:

Criteria for Review of Social Safeguards Instruments:

Criteria		Means of Verification
1	Consultation and participation of adversely affected persons or, in the case of IPs, if they are	- Minutes of Public Consultations - Expression of Support of

Criteria		Means of Verification
	present in the subproject area	stakeholders, particularly those adversely affected - Survey Report on Acceptability / Willingness - Free & Prior Informed Consultation, for DPs that are IPs
2	Compensation & assistance to be provided according to the provisions in ASEP Resettlement Policy Framework	- Compensation Table - Rehabilitation Program/s - Resettlement Implementation Schedule, in relation to overall Subproject Implementation
3	Resettlement site of adversely affected persons (if any) with conditions equal to, or better than, those in existing sites	- Resettlement Site Development Plan & Vicinity Map - Description of available / accessible basic infrastructure and services in resettlement sites - Visit to resettlement site/s
4	Implementation of RAP in relation to overall Subproject Implementation Schedule	- Comprehensive Resettlement Implementation Schedule within the overall Subproject implementation schedule
5	If applicable, due diligence on donations of affected lands for subproject implementation	- Documentation of meetings held regarding land donation/s – need to assess agreement to donate, i.e., was there informed consent and power of choice; Also, need to ensure that there is a legal transfer of the asset (signing, registration, taxes/fees paid, etc). Or, if land already donated, documentation of donation/s (note the total land area from which portion needed by subproject is taken) and assess whether donation is legally valid (e.g. identify right being transferred, no lien on asset, occupants in affected portion, wife consent to transfer, agreement to transfer, legal transfer of title and registration, costs of transfer). - Assessment report on the donor's economic viability and economic sustainability of transferred asset (resources to maintain and support asset). - Please see protocol for land

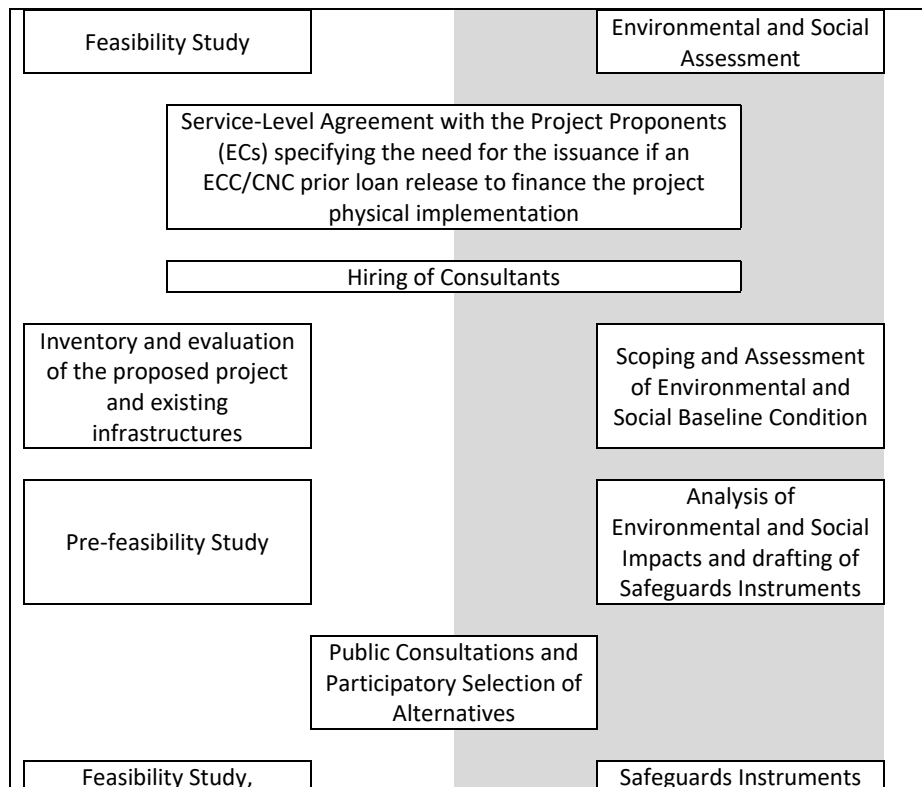
Criteria		Means of Verification
		donation in the Annex B.
6	Management of cultural properties within, or in close proximity to, the subproject area	<ul style="list-style-type: none"> - Report on presence/absence of a cultural property - Brief reconnaissance report by competent authority to determine what is known of the cultural property aspects of the subproject site.
7	Provision for M&E	<ul style="list-style-type: none"> - Resettlement Action Plan - Resettlement Plan Cost Estimates

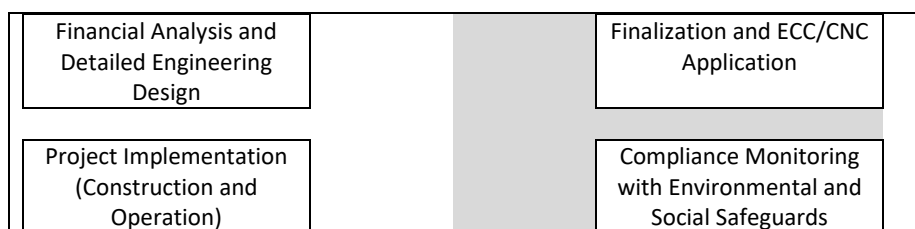
2.3.3.3. PUBLIC CONSULTATION AND INFORMATION DISCLOSURE

In the Philippine EIS System, public consultation is only conducted when preparing an EIS. However, the World Bank policy requires all Category B projects regardless of project thresholds to conduct public consultation at least twice. Hence, all the Category A and B projects shall conduct public consultation at least TWICE; while Category C projects are not required to conduct public consultation.

However, it is important to note that public consultation with the affected communities can be conducted by the proponent as frequent as deemed necessary.

2.3.3.4. TIMING OF SAFEGUARDS INSTRUMENTS PREPARATION





2.3.4. IMPLEMENTATION OF ENVIRONMENTAL AND SOCIAL SAFEGUARDS

The Environmental Management Plan and other Safeguards Instruments prepared serve as the guide for environmental and social soundness of the project from construction and operation phase to abandonment phase. To ensure that all key project implementers, including the procured contractors, are consistent with the implementation of these Safeguards Instruments, they must abide by the attached Solar Safety, Health and Environment Code of Practice (SSHECOP) (please see Annex H). The SSHECOP shall form part of the contract documents along with the ESMPs and other Safeguards Instruments (if any).

2.3.5. ENVIRONMENTAL AND SOCIAL IMPACTS MONITORING

Reportorial requirements and procedures of monitoring the performance and compliance of the projects with the Philippine Laws and World Bank Safeguards Policies are provided in this ESSF. The primary purpose of project monitoring is to ensure the implementation of sound and up-to standard environmental and social procedures, specifically the:

- Project compliance with the conditions set in the ECC;
- Project compliance with the agreed EMP/ESMP;
- Project actual environmental and social impacts vis-à-vis predicted impacts indicated in the EIS or IEE Checklist;
- Project compliance with the Social Safeguards Instruments, if any (i.e. Resettlement Action Plan, Abbreviated Resettlement Action Plan, Indigenous Peoples Plan, and/or Physical Cultural Resources Management Plan (PCRMP))

Aside from relying on the submitted monitoring reports/documents, the Project Management Office-NPC and World Bank will also be conducting site validation and information confirmation on selected project sites.

2.3.5.1. MONITORING OF PROPONENT

Monitoring reports/documents required by the Philippine Laws will also be required to be submitted to NPC for review and evaluation. Likewise, the reports will be submitted to the World Bank for its determination of the project’s overall environmental and social safeguard performance and conduct of due diligence on the proponents’ compliance to the safeguard requirements as prescribed in the ESSF as well as for dissemination and record keeping purposes. These documents shall be supported by project photos. The following are the list of monitoring reports/documents that should be prepared by the proponents:

Category A and B Projects issued with ECC:

1. **Self-Monitoring Report** – shall be submitted **quarterly** as per DAO 2003-30 (please see Annex I); and
2. **Compliance Monitoring Report** – shall be submitted **semi-annually** and shall form part of the 2nd and 4th quarter SMR (please see Annex J);

Category C Projects issued with CNC are not required by the Philippine EIS System and O.P. 4.01 to submit any monitoring reports. However, to ensure implementation of sound and standard environmental and social procedures of all the components of ASEP, this ESSF requires the proponent to submit an **Annual Status Report** (please see Annex K) to NPC and World Bank.

2.3.5.2. MONITORING OF NPC

During implementation, the Project Management Office-NPC will look at: (1) submission status of the required Environmental and Social Safeguards Instruments; and (2) submission of the monitoring reports/documents and its compliance.

Submission of Environmental and Social Safeguards Instruments shall be monitored to check its completeness and to keep track of the deliverables of each proponent prior to physical implementation. The monitoring reports will be provided to the World Bank task team on a regular basis to keep track of the project’s safeguards performance and for recording purposes.

	Required		Date Submitted	Remarks
	Yes	No		
NAME OF THE PROPONENT:				
Environmental Safeguards Instruments				
Environmental Impact Statement				
Initial Environmental Examination Checklist				
Environment and Social Management Plan				
Social Safeguards Instruments				
Resettlement Action Plan				
Abbreviated Resettlement Action Plan				
Indigenous Peoples Plan				
Physical Cultural Resources Management Plan				

Submission of the monitoring reports/documents shall also be monitored to be able to ensure that the project implementation is compliant to Environmental and Social Safeguards Requirements of this ESSF. It will be monitored in parallel with the monitoring of the concerned Philippine Regulatory Bodies.

	Date of Submission	Compliant?		Remarks
		Yes	No	
Name of Proponent				
Self-Monitoring Report				
1 st Quarter (Year)				
2 nd Quarter (Year)				
3 rd Quarter (Year)				
4 th Quarter (Year)				
Compliance Monitoring Report				
1 st Semester (Year)				
2 nd Semester (Year)				

NPC shall provide the World Bank Task Team a summary of the proponents' SMRs on a semi-annual basis, prior to World Bank Supervision Missions which is scheduled twice a year as well. The report containing the summary of SMRs shall be known as **Environmental and Social Compliance Report** (please see Annex L). If there are any safeguards issues, concerns, or irregularities/non-compliances observed, NPC shall coordinate the findings to the World Bank for assistance and to the proponent to take the appropriate measures until it is resolved.

2.3.6. SAFEGUARDS PROCEDURES VIS-À-VIS ASEP PROCESS FLOW

SAFEGUARDS PROCEDURES			ASEP PROCESS FLOW	
	REQUIRED DOCUMENTS	RESPONSIBLE ENTITY		RESPONSIBLE ENTITY
<u>STEP 1</u> PROJECT SCREENING AND CATEGORIZATION	Project Screening Form 1	ECs	<u>STEP III</u> TECHNICAL AND FINANCIAL DUE DILIGENCE	NPC
	Project Screening Form 2	NPC		
<u>STEP 2</u> SAFEGUARDS INSTRUMENTS PREPARATIONS and PUBLIC CONSULTATION AND INFORMATION DISCLOSURE	EIS, IEE Checklist, ESMP, (Abbreviated) Resettlement Action Plan, IP Plan, PCRMP	ECs	<u>STEP IV</u> REPORT WRITING	ECs
	SSHECoP	Contractors		
<u>STEP 3</u> ESMP APPROVAL	No-Objection Letter	World Bank	<u>STEP NN</u> PROJECT APPROVAL	World Bank
<u>STEP 4</u> ESMP IMPLEMENTATION AND MONITORING	SMR AND CMR	ECs	<u>STEP XI</u> PROJECT IMPLEMENTATION	ECs
	ENVIRONMENTAL AND SOCIAL COMPLIANCE REPORT	NPC		
	(SUPERVISION MISSION)	World Bank	<u>STEP XII</u> SUPERVISION, MONITORING AND REPORTING	NPC AND World Bank

2.4. GRIEVANCE REDRESS MECHANISM

A Grievance Redress Mechanism of ASEP was established to provide a communication channel for the affected individuals and/or communities to raise their concerns and complaints with regards to the environmental and social performance of the project. It aims to provide an alternative dispute resolution (other than judicial or legal dispute resolution) in a simplified and mutually beneficial approach to the project implementers and communities. The grievance mechanism shall be made known during the public consultation and information disclosure to be able to ensure that the mechanism is acceptable and accessible to all concerned individuals and/or communities. Information on the grievance mechanism to be disclosed to the general public shall include the following:

- Scope and delimitations of the mechanism, including the eligibility and non-eligibility of the complaints or grievances;
- To whom and where can they raise concerns and/or file complaints or grievances; and
- Expected timing and sort of response from the designated grievance officer.

The Public Complaints Section of each of the Electric Cooperative is primary responsible in addressing and resolving all project related concerns and complaints or grievances received from the affected individuals and/or communities. Each EC shall designate a grievance officer who can receive and respond promptly to the complainants. Provided below are the duties of the ECs, when handling concerns and complaints or grievances:

1. Acknowledge receipt without delay, and assure the complainants for a response.
2. Assess and resolve the issue within 15 days from the date it was received.
3. If the concerns and/or complaints are completely outside the scope of the mechanism, the EC shall provide an explanation including on the alternatives they could use to appropriately resolve the issue.
4. If the result of the assessment requires the issue to be escalated to NPC and/or World Bank for assistance and/or be resolved more than 15 days, the EC shall inform the complainants on the actions required to be taken and the likely timeline.

The contact information of the designated focal person of NPC to whom the issue may be escalated is provided below:

The Program Officer	:	Mr. Rommel U. Mamañgun
E-mail address	:	rumamangun@napocor.gov.ph
Office Address	:	National Power Corporation BIR Road corner Quezon Avenue, Diliman Quezon City 1100, Philippines
Telephone No.	:	(02) 8924-5311

5. The EC shall properly document all the relevant details of the concerns and complaints received, and the actions taken and furnish copy to NPC and World Bank, regularly.

The Project Management Office-NPC shall monitor and closely coordinate with ECs in handling complaints and grievances to ensure the delivery of appropriate and timely remedies to the raised concerns and issues. NPC shall maintain a database containing all grievances received and the status of their resolution. NPC shall also prepare a **Grievance Monitoring Report** (please see Annex M) containing updates on all the project related concerns and complaints

received, and actions taken (if there is any) which shall form part of the semi-annual Environmental and Social Compliance Report to be submitted to World Bank.

2.5. GENDER AND DEVELOPMENT

ASEP considers both women and men in all aspects of its operations, including the business operations of the ECs. Institutional Services Departments of the ECs have created program specifically for consumer empowerment and organized a Multi-Sectoral Electrification Advisory Council (MSEAC) to provide a network for active participation and solidarity of consumer-members to evoke positive actions on various programs of the ECs. MSEAC is represented by the ten (10) sectors of the society, which are:

- | | |
|---------------------------|----------------------|
| 1. Women’s Group | 6. Business Sector |
| 2. Local Government Units | 7. Youth |
| 3. Education | 8. Civic |
| 4. Agro-Fisheries | 9. Media and |
| 5. Religious Sector | 10. Barangay Council |

It is also important to note that women representation does not only confine in Women’s Group. There are representatives from other sectors that are women. Gender disaggregated attendance sheets shall be used to determine actual representation of women in all MSEAC activities. Moreover, Minutes of the Council Meetings shall be reviewed randomly to ensure that any gender issues raised are been discussed and resolved.

2.6. INSTITUTIONAL (IMPLEMENTATION) ARRANGEMENTS

The table below shows the list of roles and responsibilities of each party involved in ASEP, specifically for the Environmental and Social Safeguards procedures.

Institution	Roles and Responsibilities
Electric Cooperatives	<ul style="list-style-type: none"> ➤ Proponents of the sub-projects (PVM, RNS, and PPM) ➤ Shall accomplish the Project Screening Form 1 as part of the Project Screening and Categorization Safeguard Procedure ➤ Shall conduct Environmental and Social Safeguards Due Diligence which includes the preparation of the Safeguards Instruments and its submission to the appropriate Philippine Regulatory Bodies ➤ Shall conduct Public Consultation and Information Disclosure, when necessary ➤ Shall ensure that the implementation of the project is in compliance with the Safeguards Instruments prepared ➤ Shall ensure that the Solar Safety, Health and Environment Code of Practice will be observed and form part of the contract documents with the contractors ➤ Shall submit compliance monitoring reports regularly

Institution	Roles and Responsibilities
	<p>to the concerned Philippine Regulatory Bodies as well as to NPC and World Bank</p> <ul style="list-style-type: none"> ➤ Shall ensure that a Grievance Officer is designated to receive and respond to the project related concerns and complaints or grievances, shall document all the relevant details to be reported to NPC and World Bank ➤ Shall ensure that gender equality is implemented at all aspects of the project's operations
Project Management Office- National Power Corporation	<ul style="list-style-type: none"> ➤ Project Implementing Agency / Project Manager of ASEP ➤ Has overall responsibility for safeguards compliance of the Project ➤ Member of the Technical Working Group of ASEP that would review and approve the overall project proposals of ECs ➤ Shall develop the Environmental and Social Framework for ASEP to provide general policies, guidelines, codes of practice and procedures to ensure compliance with the Philippine Laws and World Bank Environmental and Social Safeguards Policies ➤ Shall accomplish the Project Screening Form 2 which further screens the proposed project and provide the final project category and list of required Safeguards Instruments ➤ As needed, provide technical advice and assistance to the ECs for the preparation of the safeguards instruments to ensure their compliance to Environmental and Social Safeguards Requirements of both Philippine Laws and World Bank Safeguards Policies ➤ Shall monitor the performance and compliance of the ECs in the implementation of the prepared safeguards instruments, and shall prepare monitoring reports for the World Bank ➤ Shall ensure that a Grievance Officer is designated as well to receive and respond to escalated project related concerns and complaints or grievances, and shall prepare Grievance Monitoring Report for World Bank
World Bank	<ul style="list-style-type: none"> ➤ Project owner of ASEP ➤ Member of the Technical Working Group of ASEP that would review and approve the overall project proposals of ECs ➤ Shall review and approved the safeguards instruments prepared by the ECs and issue the No-Objection Letter. However, the review of World Bank will be limited to: <p>Environmental Safeguards Instruments</p>

Institution	Roles and Responsibilities
	<ul style="list-style-type: none"> • 1st EIS; • 1st IEE Checklist; and • All Category A Projects <p>Social Safeguards Instruments</p> <ul style="list-style-type: none"> • All full Resettlement Action Plans; • First 3 Abbreviated Resettlement Action Plans; and • All Indigenous Peoples Plans <ul style="list-style-type: none"> ➤ Shall review all the monitoring reports submitted to them and conduct Supervision Missions twice a year ➤ Shall provide assistance to escalated project related concerns and complaints or grievances
Department of Environment and Natural Resources	<ul style="list-style-type: none"> ➤ Shall review the submitted Environmental Impact Statement, Initial Environmental Examination Checklist, or Project Description for the issuance of Environmental Compliance Certificate or Certificate of Non-Coverage ➤ As a regulatory body, it shall monitor the overall compliances of the project
National Commission on Indigenous Peoples	<ul style="list-style-type: none"> ➤ Shall facilitate field based investigation and Free and Prior informed Consent activities in project locations where IPs are present ➤ Issue Certificate of Non Overlap or Certificate Precondition, as needed ➤ Monitor compliance of ECs to Indigenous Peoples Plan
Department of Agrarian Reform	<ul style="list-style-type: none"> ➤ Checks status of CARP coverage of land being applied for conversion ➤ Issue Land Conversion Order

2.7. CAPACITY BUILDING

To ensure the implementation and compliance of ASEP to the Environmental and Social Safeguards Requirements, NPC shall take the lead in organizing the following capacity building efforts for all the parties in involved:

- Environmental and Social Safeguards Framework Discussion for NPC safeguards officers by World Bank safeguards specialists
- Conduct of Environmental and Social Due Diligence and Preparation of Safeguards Instruments Preparation Workshop / Write Shop among subproject proponents

When appropriate and given sufficient budget, NPC will consider availing the services of the Philippine Center for Environment and Social Sustainability (PHILCESS) for individual training needs or at a corporate/project level.