

P-LS-GB0-004 | LESOTHO | DIGITAL TRANSFORMATION AND INCLUSIVE CONNECTIVITY PROJECT (DTIC-P)

ESMP MANDATORILY ANNEXED TO THE FINANCING AGREEMENT (FA)

General considerations

1. **LEC Communications** is planning to implement the Digital Transformation and Inclusive Connectivity Project (formally known as the **Lesotho Metropolitan Fiber Distribution Network (LEMOFI)** Project (the *Project*). The Bank has agreed to provide financing, implementation support and monitoring for the Project.
2. **LEC Communications (LECC)** will implement measures and actions of this Environmental and Social Management Plan¹ (*ESMP*) so that the Project meets all the requirements of the Bank Environmental and Social Operational Safeguards (*OS*) and the National policy and legal requirements.
3. Where the ESMP refers to specific plans, whether they have already been prepared or are to be developed, the ESMP requires compliance with all mandatory provisions of such plans.
4. The table below summarizes the material measures and actions that are required, the basis of the requirement, the timing of the measure or action, and the criteria to be used for determining whether the required measure or action has been successfully achieved. **LEC Communications** is responsible for compliance with all requirements of the ESMP even when implementation of specific measures and actions is conducted by an entity different from the Project Implementation Unit (PIU).
5. Implementation of the material measures and actions set out in this ESMP will be monitored and reported to the Bank by **LEC Communications** as required by the ESMP 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.

¹ The ESMP refers to all the E&S risks/impacts and measures, as approved in all the disclosed E&S documents and agreed between the Bank and Borrower. For projects involving multiple subprojects, that are identified, prepared and implemented during the course of the project, the Borrower will need to demonstrate to the Bank, before the project appraisal, through the preparation of E&S documentation of a sample of subprojects, that it has the capacity to carry out appropriate environmental and social assessment of subprojects, and prepare and implement such subprojects in accordance with the national laws and the OSs. (*Section III.2.3 of Bank's ESP and section D of OSI*)

6. As agreed by the Bank and **LEC Communications**, this ESMP may be revised from time to time during Project implementation, to reflect adaptive risk management of project changes and unforeseen circumstances or in response to assessment of project performance conducted under the ESMP itself. In such circumstances, **LEC Communications** will propose and agree changes with the Bank, and then update the ESMP to reflect such changes.

<i>Material Actions² to Manage the Project's E&S Risks and Impacts</i>		<i>Basis for Requirement</i>	<i>Key Performance Indicator</i>	<i>Indicative Timing/Deadline</i>
Periodic E&S implementation report to the Bank		Bank's ESP and OS1	Reports submitted in time, in good standard	Two weeks after the due period
1	Recruitment of E and S specialists as part of the Project implementation unit	Disclosed ESIA, OS1	<ul style="list-style-type: none"> Seasoned E&S specialists engaged to support the PIU 	By Project effectiveness date
2	Establishment of the Project Grievance Redress Mechanism (GRM) and disclosure to Public	OS1, OS10 and National requirements	<ul style="list-style-type: none"> Established project GRM with GBV/SEAH measures Disclosed GRM public website and local platforms GRM operational and accessible to all stakeholders Grievance redress committee established • Grievance Register and Grievance Box and Management Procedures in place 100% of grievances resolved within the specified timeframe. 	By Project effectiveness date
3	Payment of compensation and reinstallation of affected people	SO10	<ul style="list-style-type: none"> Not Applicable 	
4	Incorporation of site-specific E&S measures in the request for proposals	SO1 & national requirements	<ul style="list-style-type: none"> Site-specific E&S requirements and measures included in all Bidding documents, RFPs and contracts; reviewed and approved by relevant authorities. Clauses incorporated in the Bidding Document/RFP <ul style="list-style-type: none"> Environmental and Social (ES) Management Strategies and Implementation Plans (ES-MSIP) 	Tender document preparation phase

² Please add any relevant key actions and/or indicate "Not applicable" in the third column ("Basis for requirement") for actions that are not applicable to the project.

Material Actions² to Manage the Project's E&S Risks and Impacts		Basis for Requirement	Key Performance Indicator	Indicative Timing/Deadline
			<p>as required by Instruction To Bidders (ITB) 11.1</p> <ul style="list-style-type: none"> • ITB 48.1 and 48.2 Environmental and Social (ES) Performance Security. <p>ITB 11.1 (j) Code of Conduct for Contractor's Personnel (ES) and Management Strategies and Implementation Plans (MSIP) to manage the (ES) risks</p> <ul style="list-style-type: none"> • Eligibility and Evaluation Criterion 2.5 Declaration: Environmental and Social (ES) past performance ,4.2 (c) Specific Experience in managing ES aspects • Code of Conduct for Experts (ES) Technical Form for consultant 	
5	Submission of high-risk activity's Contractor ESMP (<i>C-ESMP</i>) to Bank clearance	Bank's ESP and OS1	<ul style="list-style-type: none"> • C-ESMP and Sub management plans developed, submitted and cleared by the Bank 	Two weeks prior to commencement of work
6	Establishment of the Contractor's Grievance Mechanism (GM) and information of workers	OS1, OS2, SO10 and Bank's Disclosure and Access to Information Policy	<ul style="list-style-type: none"> • Evidence of disclosure shared with the Bank 	By Project effectiveness date
7	Obtaining nationally required licenses prior commencement of subjected activities (excavations, tree-cutting, working at height, working in confined spaces, etc.)	OS1, OS2 and national labor laws	<ul style="list-style-type: none"> • All necessary licenses are obtained and valid at time of activity 	Two weeks prior to start of work
8	Preparation, approval, and disclosure of specific E&S documents during Project implementation, including prior review of Category 1 terms of reference by the Bank	Bank's ESP, OS1 and national requirements	<ul style="list-style-type: none"> • E&S documents prepared, approved and disclosed on relevant websites 	ESMP-FA will be disclosed immediately after approval and clearances finalization. Once there is further requirement for additional E&S instrument preparation according to Bank and national requirements prior

Material Actions² to Manage the Project's E&S Risks and Impacts		Basis for Requirement	Key Performance Indicator	Indicative Timing/Deadline
				to commencement of related works.
9	Engagement with concerned stakeholders of each relevant specific E&S activity	OS1, OS10, Bank's Disclosure and Access to Information Policy	<ul style="list-style-type: none"> Stakeholder engagement plan Number of stakeholder engagements activities and meetings held. Number of meeting documentation and feedback received 	Two weeks prior to start of works and throughout the project
10	Establishment of Emergency Preparedness and Response mechanism	OS1 & OS4, national legislation on contingences et	<ul style="list-style-type: none"> Emergency Preparedness and Response mechanism developed, approved and disclosed Number of workers who trained in Emergency Preparedness and Response mechanism 	By Project effectiveness date
11	Appropriate and timely handling of complaints/grievances	Bank's ESP and OS1	<ul style="list-style-type: none"> Percentage of grievances resolved within the 30 days of receipt Number of complaints/grievances recorded and, in the grievance, register and resolved/closed in time Percentage of grievances submitted through accessible designated channels 	Throughout project implementation
12	Notification to riparian or alert to downstream exposed peoples	Bank's ESP and OS1, applicable International Treaty/Convention ratified	<ul style="list-style-type: none"> Notification to be (Translated into Sesotho where necessary) 	immediately and no later than 72 hours upon identification of potential impact
13	Capacity building of key project implementers	OS1	<ul style="list-style-type: none"> Number of training documents and reports prepared Training records/registers will be provided where necessary. Number of capacity building sessions undertaken. 	Within 6 months of project start and continue periodically throughout the project implementation period
14	Implementation of ESMS/ESAP ³	OS1 and OS9, national requirements	<ul style="list-style-type: none"> Periodic Independent ESMP Compliance Audit reports Monthly E & S compliance Progress reports(due after two weeks end of the reporting period) 	Throughout project implementation

³ Applies to non-sovereign operations and public sector projects implemented by permanent autonomous Agencies/Institutions.

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			<ul style="list-style-type: none"> • Proof of compliance reporting to Department of Environment (as defined in Environmental Record of Decision) 	
14.1	Approval of any required E&S management procedure	Ditto	<ul style="list-style-type: none"> • Number of required E&S management procedures developed • Proof of approval of procedures 	By Project effectiveness date
14.2	Establishment of the E&S unit	Ditto	<ul style="list-style-type: none"> • Organogram with roles & responsibilities • Number of E&S specialists recruited and onboarded 	By One month after Project effectiveness date
14.3	Capacity Building of the E&S Unit	Ditto	<ul style="list-style-type: none"> • Training plan, proof of attendance • Number of E&S unit staff trained • Number of E&S specialists assigned with the required resources at PIU level • Unit capacity will be reviewed biannually by PIU to determine capacity requirements and needs 	Within 6 months of E&S unit establishment and continue periodically throughout the project implementation period
14.4	Processing the Value Chain E&S due diligence	Ditto	<ul style="list-style-type: none"> • Completion of E & S due diligence reports • 100% Percentage of value chain • E&S due diligence assessments completed 	Prior to engaging new suppliers or contractors.
15	Suspending works in the event of EOHS risk or incident, immediately notify the Bank, and resume works only upon no-objection of the Bank.	Bank's ESP	<ul style="list-style-type: none"> • OHS procedure in place • Proof of Notice to suspend the works • Number of incidents resulting in work suspension. • Number of serious EOHS incidents reported as per the bank's reporting requirements. • Number of EHS notification reports, via agreed contractual channels. 	Immediately and no later than 72 hours after the occurrence
16	Prepare the root-cause analysis (RCA) of any fatal EOHS incident and implement the Corrective Action Plan (CAP).	Bank's ESP and OS1	<ul style="list-style-type: none"> • Incident reports register, incident close out reports • CA report with CAP to be submitted to the bank • Number of CAPs implemented as per plan 	RAC to be initiated no later than 72 hours after the occurrence RCA and CAP to be completed and CAP implemented no less than 30 days in the incident

<i>Material Actions² to Manage the Project's E&S Risks and Impacts</i>		<i>Basis for Requirement</i>	<i>Key Performance Indicator</i>	<i>Indicative Timing/Deadline</i>
17	Disclosure of Project's E&S reports to the public	OS1, OS10, Bank's Disclosure and Access to Information Policy	<ul style="list-style-type: none"> • Copy of published notice • Number of reports disclosed to the public. on relevant websites and other media channels 	ESMPs, GRM, ESIA, SEP to be disclosed according to the bank procedures and the FA to be shared after disclosure