



Draft

Initial Stage of

ESMS

Environmental and Social Management System

Disaster Pooling Fund
(Pooling Fund *Bencana*)



MANUAL OF INITIAL STAGE OF ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM (ESMS)

DISASTER POOLING FUND (POOLING FUND BENCANA, PFB)

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REPUBLIC OF INDONESIA**

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The information contained in this Environmental and Social Management System (ESMS) Manual is structured to provide guidance related to environmental and social risk management in the implementation of the Disaster Pooling-Fund (Pooling-Fund Bencana/ PFB).

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GLOSSARY OF TERMS

Abbreviated Land Acquisition and Resettlement Policy Framework (LARPF)	A document provides a framework to clarify land acquisition and resettlement principles, organizational arrangement, and design criteria to be applied to proposed project funded by PFB. Once the proposed projects are defined and the necessary information becomes available, the project proponent will follow the LARPF and include the appropriate measures in the ESMP.
Affected communities	Stakeholder(s) who is (are) affected by the project(s) funded by the PFB, both positively and negatively. They may be directly affected and indirectly affected.
Associated Facility	Facilities or activities that are not funded as part of the project and are: (a) directly and significantly related to the project; (b) carried out, or planned to be carried out, contemporaneously with the project; and (c) necessary for the project to be viable and would not have been constructed, expanded or conducted if the project did not exist, where a common approach has been agreed upon for the project.
<i>Badan Nasional Penanggulangan Bencana</i> (BNPB)/ National Disaster Countermeasure Agency	The Indonesian board for natural disaster affairs. It was established in 2008 to replace the National Disaster Management Coordinating Board (<i>Badan Koordinasi Nasional Penanggulangan Bencana</i> or Bakornas PB).
<i>Badan Pengelola Dana Lingkungan Hidup</i> (BPD LH)/Indonesian Environment Fund	A non-echelon public service agency accountable to the Ministry of Finance through the Directorate General of Treasury. It acts as a financial intermediary that is responsible to manage and operate the PFB.
Badan Kebijakan Fiskal (BKF)/Fiscal Policy Agency	an echelon I unit under Ministry of Finance of the Republic of Indonesia, which has the strategic role as the formulator of fiscal and financial sector policy recommendations, with the scope of work covers analysis in macro economy, state revenue, expenditure and finance, financial sector and international cooperation
Chance Find Procedures	a procedure that responds to potential discoveries of tangible cultural heritage during the implementation of activities that have the potential to impact the cultural heritage.
Compensation	Payment in cash or kind for an asset to be acquired or affected by a project at replacement value.
Consultation	Consultation is purposeful and deliberately seeks input from stakeholders in order to shape relations and the development of Project. It involves the business, key individuals, ministries/agencies, sub-national governments, and groups affected by or interested in the development and outcomes of the issue/process being discussed. The aim is to ensure mutual understanding and for all parties to be able to manage decisions that have a potential to affect all concerned. A good consultation process needs to be supported by a strong project communication, including PFB in general.
Cultural Heritage	Cultural heritage is defined as resources with which people identify as a reflection and expression of their constantly evolving values, beliefs, knowledge and traditions. Cultural heritage encompasses tangible and intangible heritage, which may be recognized and valued at a local, regional, national or global level, as follows: a) Tangible cultural heritage, which includes movable or immovable objects, sites, structures, groups of structures, and natural features and landscapes that have archaeological, paleontological, historical, architectural, religious, aesthetic, or other cultural significance. Tangible cultural heritage may be located in urban or rural settings, and may be above or below land or under the water; and b) Intangible cultural heritage, which includes practices, representations, expressions, knowledge, skills—as well as the instruments,

	objects, artifacts and cultural spaces associated therewith— that communities and groups recognize as part of their cultural heritage, as transmitted from generation to generation and constantly recreated by them in response to their environment, their interaction with nature and their history.
Cumulative Impacts	Impacts generally recognized as important on the basis of scientific concerns and/or concerns from Affected Communities. Examples of cumulative impacts include: incremental contribution of gaseous emissions to an airshed; reduction of water flows in a watershed due to multiple withdrawals; increases in sediment loads to a watershed; interference with migratory routes or wildlife movement; or more traffic congestion and accidents due to increases in vehicular traffic on community roadways.
Disadvantaged or vulnerable groups	Those individuals those who may be more likely to be adversely affected by the project impacts and/or more limited than others in their ability to take advantage of a project's benefits. Such an individual/group is also more likely to be excluded from/unable to participate fully in the mainstream consultation process and as such may require specific measures and/or assistance to do so. This will take into account considerations relating to age, including the elderly and minors, and including in circumstances where they may be separated from their family, the community or other individuals upon which they depend.
Economic Displacement	Loss of land, assets, or access to assets, as a result of project-related land acquisition or restrictions on land use, leading to loss of income sources or other means of livelihood.
Environmental and Social Corrective Action Plan (ESCAP)	The corrective action plan and strategies to mitigate the significant adverse E&S impacts as the result of E&S monitoring and evaluation and/or E&S audit.
Environmental Management Efforts and Environmental Monitoring Efforts (UKL-UPL)	a document to determine environmental and social management and monitoring strategies for moderate environmental and social risks. UKL-UPL documents are considered as prerequisite in decision making involved in the issuing of business permits, or approval from the Central Government or Regional Governments.
Environmental and Social Management System (ESMS)	A set of policies, procedures, tools, and internal capacity to identify, assess, manage, and monitor the environmental and social risks and impacts of PFB projects on an ongoing basis.
Environmental and Social Code of Practices/ESCOPs	The environmental and social management plan applies to the program and/or project proposal submitted by the project proponent with low level of risks
Grievance	A concern, complaint or feedback raised by any stakeholder either affected or interested in the PFB/project operations. Both concerns and complaints can result from either real or perceived impacts of a PFB/project's operations.
Grievance Redress Mechanisms (GRM)	A process for receiving, evaluating, and addressing Project - related grievances from affected persons at the level of the PFB operation, or Project and for these to be received and resolved appropriately and in accordance with the relevant PFB regulations and PFB requirement. An internal grievance mechanism is a process implemented for responding to grievances raised by employees or members or the PFB/Project Workforce. An external mechanism should be established as a separate process for dealing with grievances raised by communities and other external stakeholders.
Indigenous Peoples	Peoples as a criterion for being recognized as Masyarakat Hukum Adat (Customary Law Community). In the PFB, Indigenous Peoples are limited to Customary Law Communities.
Preliminary Indigenous Peoples Planning Framework (IPPF)	A framework is aimed to guide the screening, consultations and engagement and management of impacts on Indigenous Peoples if they are present and/or

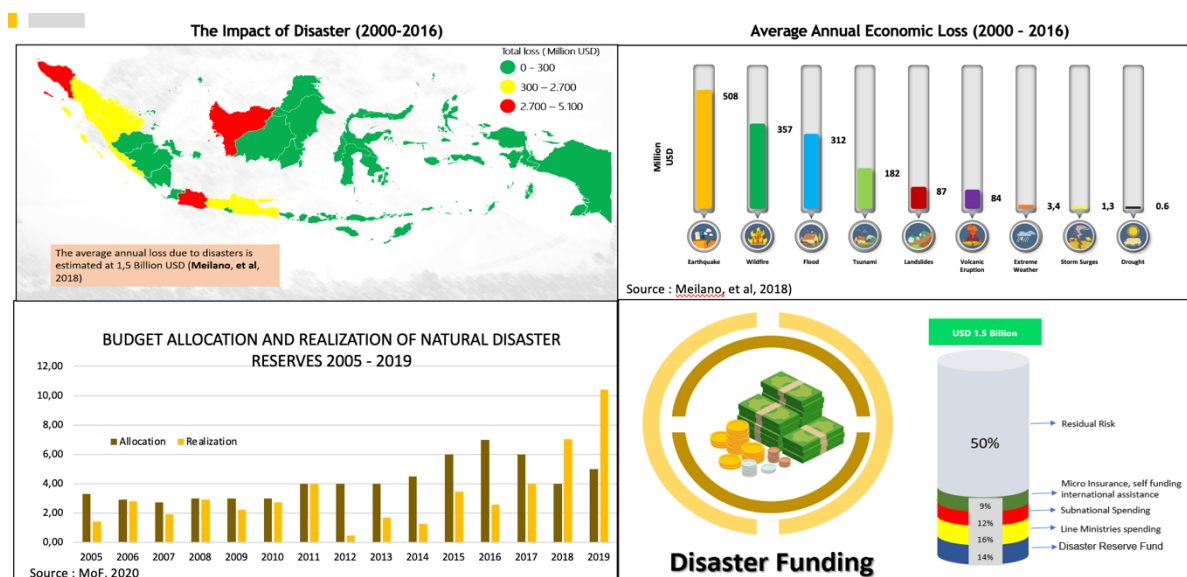
	will be affected by the project activities. This framework also includes brief guidelines on IP Impact Assessment and IP Plan
Proponent Environmental and Social Commitment (Proponent E&S Commitment)	The proponent E&S commitment (PESC) agreed upon between the PFB management and any proponent, defining actions, responsibilities, deliverables, compliance indicators, and a timeframe for the measures required to remedy the known non-compliances of the business activities of the proponent(s) with the PFB E&S requirements and for any other measure agreed upon, as amended from time to time.
PFB E&S Requirement	Means the (i) Environmental and Social (E&S) Policy; (ii) relevant national legislation; (iii) The World Bank Environmental and Social Standard(s) (ESSs); (iv) integration of ESSs into Indonesian legislation; (v) the following requirements: <ul style="list-style-type: none"> ▪ The project shall exclude from the Negative List; ▪ E&S risk classification; ▪ E&S screening; ▪ E&S instruments; and ▪ Proponent E&S Commitment.
Physical Displacement	Relocation, loss of residential land or loss of shelter resulting from the acquisition of land associated with a project that requires the affected person(s) to move to another location.
Pooling Fund <i>Bencana</i> (PFB)	Disaster Pooling Fund is an Indonesian disaster risk finance and insurance aimed to protect the state budget from pressure as a result of disasters. This mechanism involves fund raising, investment, and fund channeling through pre- and post-disaster intervention activities as well as risk transfer such as disaster insurances.

1.0 INTRODUCTION

1.1 BACKGROUND

Indonesia, situated along the Pacific "Ring of Fire," has a high susceptibility to natural disasters. With its extensive archipelago spanning over 5,100 km and being home to 76 active volcanoes, the country faces significant risks. According to data from the National Agency for Disaster Countermeasures (*Badan Nasional Penanggulangan Bencana*, BNPB), there were a total of 30,602 natural disasters recorded in Indonesia between 2015 and 2022. These disasters encompassed both frequent and infrequent occurrences of hydrometeorological or geological hazards. In addition, these disasters had a significant financial burden in responding to and recovering from them. According to Figure 1, during the most intense level of a disaster, sub-national governments allocated 1.9 percent of the total funds spent by the central government on natural disasters in that time period. In light of this situation, governmental authorities are exploring financial alternatives and innovative approaches to supplement state budget allocations for disaster funding. In 2018, the Disaster Risk Financing and Insurance Strategy (DRFI), also known as *Strategi Pembiayaan dan Asuransi Risiko Bencana* (PARB), was introduced as a noteworthy innovation. This program aims to protect the state budget from unexpected expenses through a dedicated mechanism to manage central government disaster spending efficiently and to strengthen the central government as well as regional fiscal coordination by establishing clear roles and responsibilities for financing disaster response. Further, this program is also expected to protect state assets from destruction due to disasters through an indemnity insurance program covering all agencies and ministries in order to protect people in general, particularly disadvantaged peoples, with social safety net programs when disaster strikes.

Figure 1 Disaster Impact on Indonesian State Budget



In order to strengthen Indonesia's fiscal and financial resilience to natural disasters and health shocks, as well as to strengthen the systems for the transparent flow of disaster funds, the government shall establish a Disaster Pooling Fund (Pooling Fund Bencana, PFB) as one of

the pillars of the DRFI or PARB implementation strategy, which allows the government to raise funds (i.e., national budget, subnational budget, or other legitimate sources of funds), invest the pooled disaster funds, and disburse disaster funds, including disaster risk transfer and disaster risk reduction and management, to provide disaster mitigation in the pre-disaster, disaster emergency, and post-disaster phases¹. Further, the program is also established to respond to disasters and climate shocks.

Following Minister of Finance Decree No. 407/KMK.010/2021, the Government of Indonesia assigned the Indonesian Environment Fund (Badan Pengelola Dana Lingkungan Hidup, BPD LH) to manage the PFB implementation, including raising and investing the pooled disaster funds. As a support to the Government of Indonesia, The World Bank, through the Indonesia Disaster Risk Finance and Insurance (IndoRISK) program has allocated grants and loans as key modalities for establishing and operationalizing the PFB in the initial stage. Generally, the scheme of PFB operation is provided in Figure 2.

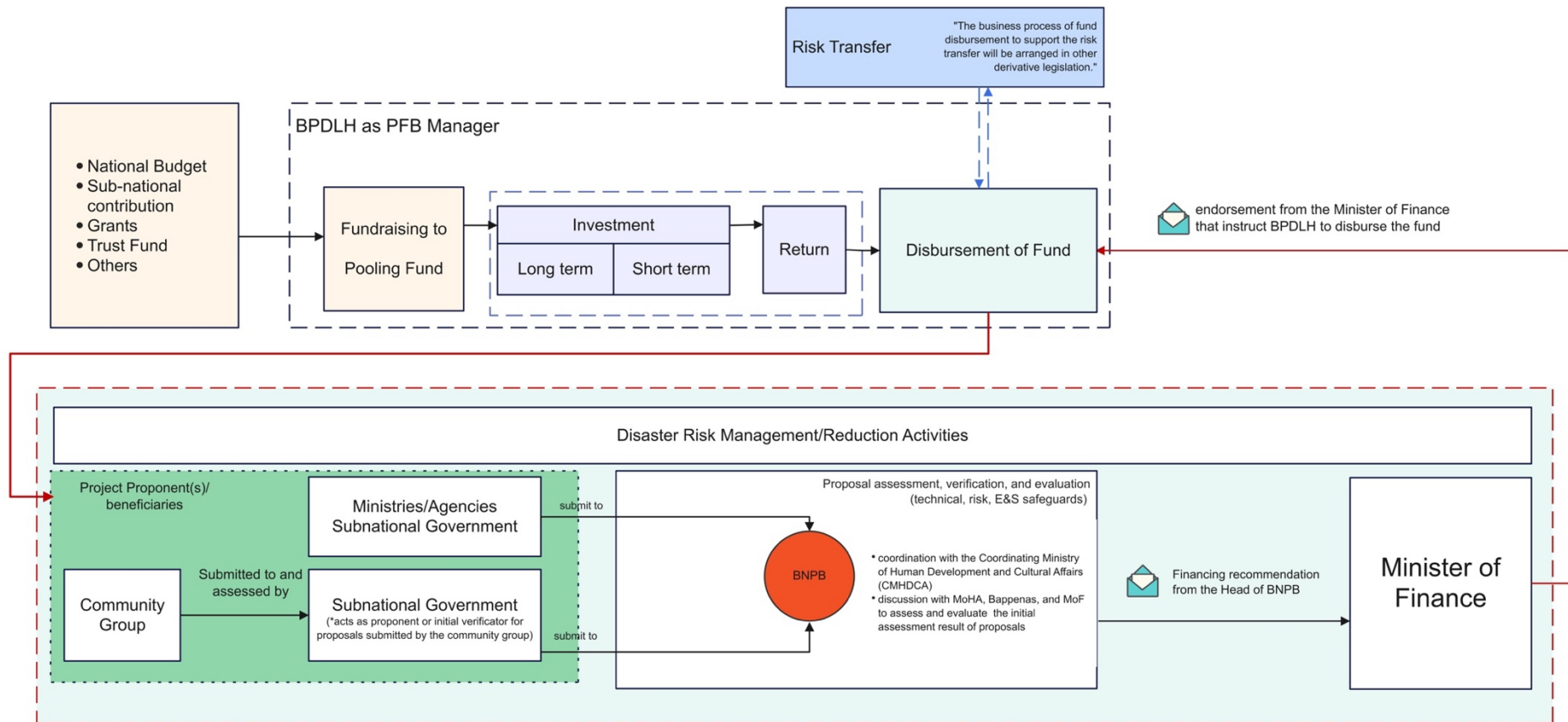
Based on Presidential Regulation No. 75/2021 (hereinafter referred to as 'Perpres 75/2021'), the PFB channelizes its funds to support disaster risk reduction and management activities at the pre-disaster and post-disaster phases. Those activities are selected by evaluating proposals submitted by the Ministries/Agencies and/or Sub-national Governments to BNPB. The proposal selection process requires coordination with the Coordinating Ministry of Human Development and Cultural Affairs (CMHDCA) and consideration from the relevant line ministries (i.e., the Ministry of Finance/MOF, the Ministry of National Development Planning/BAPPENAS, and the Ministry of Home Affairs/MOHA).

In order to establish sustainable environmental management and increase social benefits, the approved proposals (hereinafter referred to as projects) are enforced to comply with the prevailing national environmental and social requirements and the World Bank Environmental and Social Standards (ESS) during the project preparation and operation phases². Furthermore, the overall PFB environmental and social legislation frameworks, governance, and supplementary instruments are defined under this Environmental and Social Management System (ESMS).

¹ Presidential Regulation of the Republic of Indonesia Number 75 of 2021 concerning Disaster Pooling-Fund or *Pooling-Fund Bencana*, PFB (*Perpres No. 75/2021*)

² This is based on the ESMS Terms of reference that has been disclosed in: <https://documents1.worldbank.org/curated/en/494521607521409385/pdf/Terms-of-Reference-ToR-of-Environmental-and-Social-Management-System-Indonesia-Disaster-Risk-Finance-and-Insurance-P173249.pdf>

Figure 2 PFB Business Process



****Note:**

The Fiscal Policy Agency (*Badan Kebijakan Fiskal*, BKF) will oversee and evaluate the overall PFB performance, including fundraising, investment, risk transfer, and disaster risk management/reduction activities supported by the PFB. Whilst BPDH is responsible to carry out day-to-day monitoring and evaluation of overall PFB performance regarding fundraising, investment, and disbursement of funds. Meanwhile, BNPB will monitor the technical performance of PFB project proponents related to disaster risk management/reduction activities.

The ESMS is divided into three stages (i.e., initial, improvement, and maintenance stages). The initial stage is limited to the pre-disaster projects with low to moderate Environmental and Social (E&S) risks, following the World Bank Environmental and Social Framework (ESF) and ESS, whereas the improvement stage shall incorporate pre-disaster³ and post-disaster⁴ projects with all E&S risk levels (i.e., low, moderate, substantial, and high). Typically, pre-disaster activities with low to moderate risks include the establishment of legislation, capacity-building, and/or other relevant activities with a minimum of E&S impact generation. Pre- and post-disaster activities with substantial to high risks generally generate significant potential E&S impact(s), such as occupational health, safety, and security; indigenous peoples and vulnerable groups; public health and safety; biodiversity and living natural resources; cultural heritage; and others due to the mobilization activities, land acquisition. During maintenance stage, ESMS shall be fully operational during PFB operationalization and periodic evaluations will be conducted to ensure a robust PFB operation is established. The initial stage of ESMS is expected to be implemented in 2025. Further, the ESMS milestones are presented in Chapter 1.3.

This ESMS will consist of ESMS milestones (Chapter 1.3), PFB potential projects (Chapter 2), Regulatory framework and E&S requirements (Chapter 3 and 4), Institutional Arrangements (Chapter 5 and 6), Capacity Building (Chapter 7), Stakeholder engagement and grievance redress mechanism (Chapter 8 and 9), Evaluation and Financial Arrangements (Chapter 10 and 11).

1.2 OBJECTIVES

This manual describes the management system that is implemented by Government of Indonesia (GoI) to manage the impacts and risks associated with the Disaster Pooling Fund (PFB) under its management (hereafter the 'ESMS'). It describes the requirements, processes, and arrangements required to comply with the World Bank Environmental and Social Framework (ESF) and the Indonesian legislation. It also describes the E&S management measures that need to be adopted by line ministries.

The establishment of the PFB Environmental and Social Management System (ESMS) at the initial stage includes the following goals:

- Mitigate adverse environmental and social risks and impacts, and increase the generation of positive impacts from the implementation of the PFB;
- Provide a management system to ensure environmental and social management practices are implemented by all projects supported by the PFB operation;

³ the activities to reduce/mitigate/prevent the potential disaster risks of any affected receptors (human being, biodiversity, material or environmental losses) and to ensure that these losses are minimized when the disaster actually strikes. For instance, the establishment of sub-national regulation on the implementation of Disaster Risk Management and Reduction, public awareness campaigns on evacuation routes and transportation mode selection, and other relevant activities. Further pre-disaster activities can be seen in Table 1.

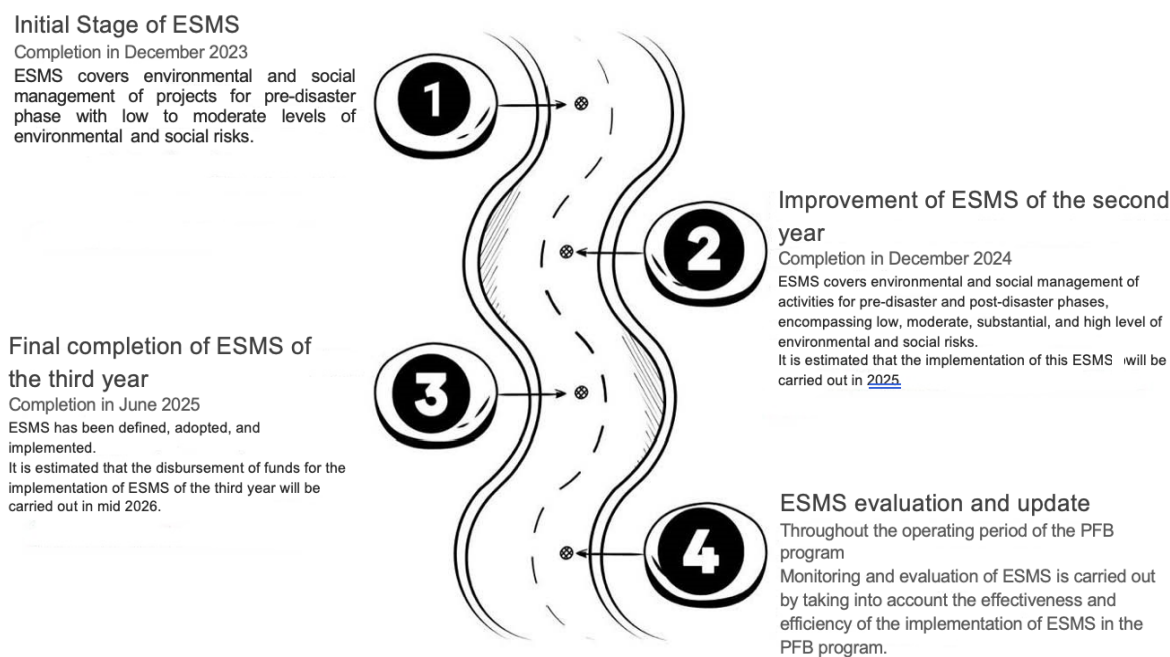
⁴ the activities to assist communities in recovering, rehabilitating, and reconstructing after disaster occurrence.

- Ensure the project life cycles comply with the environmental and social standards of the World Bank and the applicable and relevant laws, regulations, and standards of the Government of Indonesia (Gol);
- Ensure the operation of PFB takes into consideration the required supporting resources to implement environmental and social (E&S) management practices, including a budget allocation to implement and enhance PFB team member capacities regarding environmental and social management.

1.3 ROADMAP OF ESMS DEVELOPMENT

The Environmental and Social Management System (ESMS) manual comprises the environmental and social regulatory framework, operating procedures, institutional and organizational arrangements, capacity building and stakeholder engagement strategies, and grievance redress mechanisms. The roadmap of the ESMS establishment is presented in Figure 3.

Figure 3 Roadmap of ESMS improvement and channeling of PFB program fund



The ESMS implementation milestones outline a projected roadmap to support disaster risk management/reduction activities which is consistent with the disaster risk finance and insurance strategy. Within the initial phase of fund disbursement commenced in 2025, the PFB's support is limited to pre-disaster activities with low to moderate E&S risks. In addition, PFB will not support disaster emergencies nor post-disaster risk intervention activities within this period. As such, any disaster strikes will be supported by the existing funding sources, including on-call funds for disaster emergencies.

According to the recent discussions with the Ministry of Finance in November 2023, it is projected that by 2040, the PFB will extend its support to cover a broader spectrum of E&S risks (low to high) for both pre-disaster and post-disaster projects.

This gradual approach is intended to ensure that the PFB focuses on addressing lower E&S risk first (low to moderate) prior to expanding its support to projects covering a wider range of E&S risks. This approach allows for the maturity and effectiveness of the PFB program to be assessed before allocating funds for a wider range of disaster risk intervention projects in all E&S risks.

1.4 SCOPE OF THE ESMS

The ESMS outlined in this document applies to the initial stage of the PFB, specifically focusing on pre-disaster activities that have low to moderate E&S risks. This document is established in accordance with the World Bank's ESF and complies with Presidential Regulation No. 75/2021 and other relevant national legislation pertaining to the management of environmental and social risks. The implementation of this ESMS is set to commence in 2025.

2.0 PFB POTENTIAL PROJECTS

2.1 PRE-DISASTER ACTIVITIES


The results from the focus group discussion conducted by BNPB with the Sub-national Governments on October 12, 2023, highlighted four clusters of potential pre-disaster projects that have low to moderate environmental and social risks. These projects (see Table 1) include (i) the establishment of legislation, policies, and studies; (ii) the provision of facilities and instruments for disaster preparedness and mitigation; (iii) capacity building, coordination, and education; and (iv) construction of small-scale infrastructure for disaster preparedness and mitigation (including natural and non-natural based solutions). These identified clusters of potential pre-disaster projects provide a comprehensive approach to addressing the challenges and reducing the impacts of disasters.

Table 1 Indicative pre-disaster activities

Cluster	Indicative Projects	Environmental and Social Risks Classification ⁵
Formulation of legislation, policies, and studies	The establishment of sub-national regulation on the implementation of Disaster Risk Management and Reduction	Low
	The establishment of sub-national regulation on the establishment of Local Disaster Management Agency	Low
	The Preparation of regulation on the establishment of Disaster Risk Reduction (DRR) Forum	Low
	The Preparation of regulations on the dissemination of disaster information	Low
	The Preparation of regional regulation on disaster risk reduction (DRR)	Low
	The Preparation of local regulation on DRR-based spatial planning	Low
	Study of potential hazard-prone areas and disaster impacts	Low
	Establishment of hazard-prone areas in sub-national areas	Low
	Study of sub-national capacity mapping in disaster risk management and reduction	Low
	Establishment of a disaster risk management plan	Low
	Study of disaster equipment and logistics needs	Low
	Study of logistics storage/warehousing databased for disaster risk management	Low
	Development of cross-agency search and rescue SOPs.	Low
	Conduct periodic building safety assessments and implement necessary repairs or reinforcement.	Low
	Creation of SOPs (Standard Operating Procedures) or rescue guides that communities can use.	Low
	Design of isolation rooms in evacuation camps for infectious diseases.	Low
	Develop a system for inventorying, tracking, and allocating resources during an emergency.	Low
	Develop and implement catastrophe risk insurance schemes specifically designed for educational institutions.	Low
	Develop contingency plans for water supply and wastewater treatment.	Low
	Develop protocols for public inquiries, hotlines, and social media monitoring during emergencies.	Low
Develop protocols for requesting and providing assistance during emergencies.	Low	

⁵ The E&S risk classification is referred to Chapter 4.0 and Annex 2.

Cluster	Indicative Projects	Environmental and Social Risks Classification ⁵
	Develop SOPs or contingency plans related to disaster response when at school.	Low
	Develop standard operating procedures (SOPs) for EOC operations and information management.	Low
	Developing and updating emergency response plans for transportation systems.	Low
	Development of business continuity plans and risk management strategies.	Low
	Development of disaster emergency management plans and guidelines for the health sector.	Low
	Development of guidelines and standards for retrofitting existing infrastructure.	Low
	Development of SOPs for logistics operations, such as transportation, warehousing, inventory management, and coordination.	Low
	Engaging with insurance companies or participating in risk-sharing pools or mutual insurance arrangements specific to the transportation sector.	Low
	Establish communication protocols with emergency management agencies.	Low
	Establish contingency funds specifically allocated to the education sector to support schools in the aftermath of a disaster.	Low
	Establish mechanisms for requesting and mobilizing resources, including personnel, equipment, supplies, and specialized teams.	Low
	Establish mutual aid agreements with neighboring jurisdictions or regions to facilitate the sharing of resources, personnel, and expertise.	Low
	Establishing financial mechanisms, such as emergency funds and disaster insurance.	Low
	GIS and mapping training for logistics management, such as the use of mapping tools for logistics personnel, use of spatial data for route planning, resource allocation, etc.	Low
	Identification of certain rooms for child and elderly care during disasters.	Low
	Identification of suitable locations for emergency shelters and health facilities that can be activated quickly during a disaster.	
	Identification or planning of temporary shelters and complementary utilities (water, sanitation, etc.).	
	Identify and establish clear lines of communication and decision-making processes among agencies and organizations that will participate in disaster response.	Low
	Identifying and mapping essential medical supplies in strategic locations for emergency response.	Low
	Informative sessions from insurance companies for businesses on Search and Rescue (SAR) insurance products.	Low

Cluster	Indicative Projects	Environmental and Social Risks Classification ⁵	
	Mapping and marking important evacuation sites.	Low	
	Open discussion between the displaced community and the Corporate Social Responsibility Forum (CSR Forum) regarding needs adjustment.	Low	
	Planning and design of school facilities and small-scale infrastructure to support Disaster Safe Education Unit (early warning system, evacuation routes, gathering points, evacuation route maps, provision of fire extinguishers, etc.).	Low	
	Setting up dedicated disaster risk financing funds, establishing contingency reserves, issuing catastrophe bonds, or accessing multilateral financing sources in the transportation sector	Low	
	Training on logistics asset management and aid/fund management.	Low	
Provision of facilities and instruments for disaster preparedness	Develop emergency response plans for energy disruptions.	Low	
	Dissemination equipment of early warning system		Low ⁶
		Moderate ⁷	
	Install emergency signs	Low ⁵	
		Moderate ⁶	
	Equip the Emergency Operation Center (EOC) with the necessary communication systems, technology, and trained personnel.	Low	
Equip the Emergency Operation Center (EOC) with the necessary communication systems, technology, and trained personnel.	Low		




⁶ if the project doesn't have potential environmental and social impacts on (i) occupational health, safety and security; (ii) indigenous peoples and vulnerable groups; (iii) public health and safety; (iv) biodiversity and living natural resources; and (v) cultural heritage.




⁷ the project the project is anticipated to have minimal to negligible adverse risks to and/or impacts on (i) indigenous peoples and vulnerable groups; (ii) biodiversity and living natural resources; and (iv) cultural heritage

Cluster	Indicative Projects	Environmental and Social Risks Classification ⁵
	Establish dedicated Emergency Operation Centers (EOCs) at local, regional, and national levels to serve as command and coordination centers during emergencies.	Low
	Establish dedicated Emergency Operation Centers (EOCs) at local, regional, and national levels to serve as command and coordination centers during emergencies.	Low
	Install emergency signs located in the sensitive areas (i.e., land tenure, identified indigenous peoples, tourism areas, protected areas)	Low ⁵
	Small-scale maintenance of tools and inventory of logistics availability	Moderate ⁶
	Procurement of health, accident, and death insurance services for SAR team members	Low
	Procurement and provision of emergency care equipment, such as stretchers, wheelchairs, portable oxygen cylinders, defibrillators, and other equipment needed to provide emergency medical care.	Low
	Procurement and provision of Personal Protective Equipment (PPE), such as masks, gloves, protective glasses, etc.	Low
	Procurement of additional displacement facilities, such as emergency tents, emergency kitchen stations, etc.	Low
	Procurement of ambulance and transportation equipment.	Low
	Procurement of logistics information management systems	Low
	Procurement of medical supplies, incl. medical examination equipment and rapid diagnostic test kits for infectious diseases.	Low to moderate
	Procurement of rescue equipment, such as rescue boats/rubber boats, life jackets, rescue ropes, cutting tools, oxygen tanks and breathing apparatus, first aid kits, and others.	Low
	Procurement of rubber boats, tents, small-scale generators, and other relevant emergency preparedness supports.	Low
	Procurement of search equipment, such as communication tools, flashlights, headlamps, flares, batteries, and others.	Low
	Procurement of technology, such as geographic information system technology, drones, thermal cameras/sensors for mapping, etc.	Low
	Procurement or provision of medical examination equipment.	Low to moderate
	Provision of emergency seeds, fertilizers, and tools to affected farmers.	Low to moderate
Capacity building, coordination, and education	BPJS Health-related counseling on the administrative process and benefits of health insurance	Low
	Capacity-building initiatives and awareness campaigns play a vital role in promoting disaster risk insurance and financing in the transportation sector	Low
	Capacity building of financial institutions in disaster risk financing.	

Cluster	Indicative Projects	Environmental and Social Risks Classification ⁵
	Conduct disaster evacuation training for teachers, school staff, and students.	Low
	Conduct hazard-specific training, such as earthquake safety, flood preparedness, or forest fire awareness.	Low
	Conduct public awareness campaigns on evacuation routes and transportation mode selection.	Low
	Conduct public awareness socialization on communication alternatives during emergencies.	Low
	Conduct training of communication staff for disaster response.	Low
	Conduct training on basic first aid, CPR (Cardiopulmonary Resuscitation), and other life-saving skills.	Low
	Consignment and training on the importance of emergency funds for logistics in disaster emergencies	Low
	Coordinate and support mutual aid operations, including resource tracking, reimbursement, and logistics coordination.	Low
	Coordinate with media organizations to ensure accurate and timely information dissemination.	Low
	Coordinate with regional and national emergency management agencies to access additional resources if needed.	Low
	Develop a comprehensive public information strategy that includes pre-disaster communications, public awareness campaigns, and media relations.	Low
	Develop agreements or contracts with private sector partners for resource support and assistance during disasters.	Low
	Development of contingency plans for alternative transportation routes in case of disruption.	Low
	Dissemination of agricultural insurance to farmers in disaster-prone areas	Low
	Educate the community on energy conservation and safety measures during emergencies.	Low
	Establish a reliable communication system to disseminate official information, warnings, and instructions to the public.	Low
	Establishing partnerships with local businesses, NGOs, and financial institutions to facilitate resource mobilization	Low
	Establishment of communication networks with local authorities and emergency services.	Low
	Establishment of communication protocols and systems for efficient information dissemination during emergencies.	Low
	Establishment of community-based farmer groups.	
	Evacuation management training activities for BPBD officials and volunteers.	Low

Cluster	Indicative Projects	Environmental and Social Risks Classification ⁵
	Financial literacy program for economic recovery with financial institutions (Bank and Non-Bank)	Low
	Health Insurance Literacy with Asosiasi Asuransi Umum Indonesia (AAUI) and insurance companies	Low
	Include education on disaster risk insurance and risk management principles in school curricula.	Low
	Training of innovative infrastructure financing	Low
	Management training activities for vulnerable refugees such as children, women, people with disabilities, older adults, and other marginalized groups, including indigenous peoples.	Low
	Market insurance utilization training for flea market risk management	Low
	Promote the application of distributed energy resources (DER), such as rooftop solar panels and microgrids, to diversify the energy supply and increase resilience.	Low
	Promotion of financial literacy and savings programs	Low
	Dissemination of crop diversification and resilient seed varieties.	Low
	Staff training in emergency response and water and sanitation infrastructure recovery.	Low
	Training and capacity building for volunteers and officials on searching protocols and procedures.	Low
	Training and capacity building of farmers in disaster preparedness and response.	Low
	Training and capacity building of health response teams.	Low
	Training and certification programs for construction professionals on disaster risk reduction.	Low
	Training for disaster response medical teams.	Low
	Training of transportation and logistics personnel on disaster response and management.	Low
	Training on emergency first medical response for communities.	Low
	Training on health and hygiene for communities.	Low
	Training on psychosocial rehabilitation for social services and volunteers.	Low
	Training on quick calculation of logistics needs and costs for BPBD and related agencies	Low
	Training on rapid assessment of logistics needs for BPBD.	Low
	Training on search and rescue scenarios for BPBD emergency response teams.	Low

Cluster	Indicative Projects		Environmental and Social Risks Classification ⁵
	Training on security management for BPBD officials and volunteers in disaster emergencies.		Low
	Training on the efficiency of managing disaster relief funds and expenses.		Low
	Training on the utilization of State Property Insurance for infrastructure for Sub-national Governments		Low
	Training on volunteer and workforce management of emergency response activities.		Low
	Training staff on emergency response procedures and first aid.		Low
	Training transportation staff in emergency procedures.		Low
small-scale construction, and operation of small-scale infrastructure for disaster risk management (natural and non-natural)	Build small-scale emergency water storage and purification infrastructure in a specific location, with no significant unprecedented impacts.		Low to moderate
	Conduct regular checks and routine small-scale maintenance of water infrastructure.		Low
	Development of early warning systems for agricultural risks, such as drought, floods, and pests.		Low
	Implement a check and routine small-scale maintenance program for energy facilities.		Low
	Implementing climate-smart agricultural practices to reduce the impact of extreme weather events.		Low

Cluster	Indicative Projects		Environmental and Social Risks Classification ⁵
	Install a small-scale flood control pump		Low to moderate
	Install rainwater harvesting systems		Low
	Strengthen the power grid and small-scale infrastructure to withstand potential hazards.		Low
	Small-scale temporary evacuation shelter (i.e., natural-based approach)		Moderate
	Vegetative mitigation for erosion/landslide control (i.e., vetiver grass), and coastal abrasion control (i.e., mangrove, <i>Casuarina equisetifolia</i> , etc.)	 <p data-bbox="1312 1042 1599 1066">(Gabion for erosion control)</p>	Moderate

2.2 POTENTIAL IMPACTS ASSOCIATED WITH THE INITIAL STAGE ACTIVITIES

The potential environmental and social risks and impacts associated with the initial ESMS are limited to low and moderate, which will be further assessed and determined based on the assessment of the proposed potential projects (Table 1). Low and moderate negative social impacts are likely to occur under the formulation of policies and studies, provision of facilities and instruments for disaster preparedness, and small-scale infrastructure construction, mainly related to labor-management procedures, stakeholder engagement, and the health and safety of workers and local communities. Some risks may be related to disturbances caused by small-scale work, such as the difficulty of access, traffic deviations, noise, dust, etc., that could generate disturbances pertaining to occupational and community health and safety (OHS and CHS). Some activities may be conducted in challenging, remote areas that need careful attention to OHS. Inclusion issues persist related to the formulation of policies and study activities that may exclude marginalized groups in the consultation and sampling selection process. Some proposed projects would likely take place in areas where Indigenous People (IP) are present. The Land impacts are likely to be fairly minor, as the pre-disaster projects primarily support small-scale construction activities which will be mainly carried out within the existing premises.

Additionally, this ESMS includes the Abbreviated Land Acquisition and Resettlement Policy Framework (LARPF)-see Annex 10- that demonstrates the following: (a) the impacts must be minor, that is, involve no more than 10 percent of the area of any holding; (b) no physical/household relocation is involved; (c) the land is free of squatters, or other claims and disputes; and (d) grievance mechanisms must be available. A transparent record of all consultations and agreements reached with the affected households shall be maintained.

Each project will be screened with the negative list provided in Annex 1. Any subproject that meets the features and characteristics of the negative list, will be dropped from further consideration.

3.0 PFB ENVIRONMENTAL AND SOCIAL REGULATORY FRAMEWORK

This section outlines an overview of the regulatory framework that governs environmental and social aspects related to the PFB and its projects.

3.1 ENVIRONMENTAL AND SOCIAL POLICY

As PFB's Financial Intermediary, BPD LH has developed an extensive E&S policy that is applicable to all its programs and projects (Annex A). This overall E&S policy entails ensuring compliance with environmental and social standards, fostering gender equality, and promoting social inclusion.

At the time this initial ESMS document is being written, the BNPB is preparing a BNPB Regulation regarding the PFB, including the implementation of the E&S Policy developed by BPD LH. The draft of the regulation is planned to be consulted with relevant stakeholders and enacted prior to the PFB implementation.

The BNPB also officially endorsed the adoption of this initial ESMS document following the BNPB letter No. B-298/BNPB/SU/KU.01.01/06/2023 issued on June 8, 2023 (Annex B). This endorsement plays a crucial role in ensuring the successful implementation of ESMS in PFB operations to ascertain that PFB operations can be effectively coordinated and supported at the national and sub-national levels. In addition, BNPB commitment to implementing this ESMS is included in the BNPB regulation regarding PFB.

3.2 NATIONAL LEGISLATION

Generally, Indonesia has a hierarchal legislation system with the National Regulation (Law and National Government Regulation) acting as the governing regulation, which is translated into implementing regulations and technical standards at the lower level of the government system. The requirements and standards in each regulation must be kept consistent at different levels of the government system, should there be conflicting standards, the higher-level regulation takes precedence.

The Indonesian environmental and social management or safeguarding policy is overarched under Law No. 32 of 2009 regarding Environmental Protection and Management. This law has the following key provisions relevant to the Project:

- Every project that requires a UKL-UPL must have a Principal Permit issued by the Minister, Governor, or Regent/Mayor.
- The authority shall request parties responsible for projects to conduct an environmental audit in the framework of enhancing environmental performance; and
- The minister may supervise the compliance of parties if the government considers serious violations of the applicable regulation have occurred.

Table 2 shows the relevant laws and regulations for the PFB and its projects.

Table 2 Indonesian Environmental Regulations relevant to the PFB and its projects

Environmental and Social Components	Laws and Regulations	Note
Guidelines for managing environmental and social impacts	<ul style="list-style-type: none"> ▪ Law No. 32/2009 concerning Environmental Safeguard and Management ▪ Government Regulation No. 27/2012 concerning Environmental Permits has been changed to Government Regulation No. 22 of 2021 concerning the Implementation of Environmental Safeguards and Management ▪ Regulation of the Minister of Environment No. 16 of 2012 concerning Guidelines for Preparing Environmental Documents; ▪ Regulation of the Minister of Environment and Forestry No. 4 of 2021 concerning List of Business Types and/or Activities Requiring EIA (AMDAL); and ▪ Regulation of the Minister of Public Works No. 10/PRT/M/2008 concerning Types of Business Plans and/or Activities in the Field of Public Works that Must Be Completed with Environmental Management Efforts and Environmental Monitoring Efforts (UKL-UPL). 	
Labor and working environment conditions	<p>Labor</p> <ul style="list-style-type: none"> ▪ Law No. 13 of 2003 concerning Manpower. ▪ Law No. 5 of 2014 concerning the State Civil Apparatus (ASN). 	<p>Main reference regulation related to manpower.</p> <p>The law stipulates rules for the State Civil Apparatus (ASN) which cover terms and conditions of employment, salaries, working hours and overtime, work relations, work placement, insurance and welfare. The law provides safeguarding policies against various forms of discrimination based on gender, ethnicity, race, religion, skin color, or political orientation.</p>
	<p>Health insurance</p> <ul style="list-style-type: none"> ▪ Law No. 40 of 2004 concerning the National Social Security System. ▪ Law No. 24 of 2011 concerning National Social Security (BPJS), with a recent amendment in Law No. 11/2020 concerning Job Creation. 	
	<p>Occupational health, safety, and security</p> <ul style="list-style-type: none"> ▪ Law No. 1/1970 concerning Management of Occupational Health and Safety (K3); ▪ Law No. 24/2007 concerning Disaster Management and Government Regulation No. 21/2008 concerning Implementation of Disaster Management. ▪ Law No. 32/2009 concerning Environmental Safeguard and Management. ▪ Law Number 12 of 2022 concerning Crimes of Sexual Violence 	<p>Safeguard of health, safety, and security at work.</p>

Environmental and Social Components	Laws and Regulations	Note
	<ul style="list-style-type: none"> ▪ Government Regulation No. 88 of 2019 concerning Work Safety ▪ Government Regulation No. 50 of 2012 concerning the Implementation of the Occupational Safety and Health Management System (SMK3) ▪ Presidential Regulation No. 7 of 2019 concerning Occupational Diseases ▪ Presidential Regulation No. 34 of 2014 concerning Ratification of the Convention Concerning The Promotional Framework For Occupational Safety And Health/ Convention 187, 2006 ▪ Presidential Regulation concerning Ratification of the Convention Concerning The Promotional Framework For Occupational Safety And Health/Convention 187, 2006 ▪ Regulation of the Minister of Manpower No. 1/1980 concerning Occupational Health and Safety (K3) Management in Construction. This regulation describes construction requirements for workplace safety; ▪ Regulation of the Minister of Manpower No. 4 of 1987 concerning the Occupational Safety and Health Advisory Committee (P2K3) ▪ Regulation of the Minister of Manpower No. 5 of 1996 concerning Occupational Health and Safety Management System (SMK3) ▪ Regulation of the Minister of Manpower No. 5 of 2018 concerning OSH Standard for Workers and Work Environment; ▪ Regulation of the Minister of Manpower No. 8 of 2010 concerning Personal Protective Equipment ▪ Regulation of the Minister of Manpower No. 25 of 2008 concerning Guidelines for Diagnosis and Assessment of Disabilities due to Occupational Accidents and Diseases ▪ Regulation of the Minister of Manpower No. 15 of 2008 concerning First Aid for Accidents at Work. 	
	<p>Association rights</p> <ul style="list-style-type: none"> ▪ Presidential Decree No. 83 of 1998 which was followed by the Trade Union/Labor Union Act; and ▪ Law No. 18 of 1956 concerning Ratification of ILO Convention No. 98 concerning the Right to Organize and Collective Bargaining, Application of the Fundamentals of the Right to Organize and Collective Bargaining (Supplement to State Gazette No. 42 of 1956). 	Ratification of ILO convention No. 98 concerning the application of the principles of the right to organize and to bargain collectively.
	<p>Forced labor:</p> <ul style="list-style-type: none"> ▪ ILO Convention No. 29/1930 concerning Forced or Compulsory Labor was ratified in 1933 (Nederland staatsblad 1933 No: 26 jo 1933 No: 236) and declared applicable in Indonesia through Indonesia staatsblad 1933 No: 261. 	Indonesia has ratified all fundamental international labor conventions including:
	<ul style="list-style-type: none"> ▪ Law of the Republic of Indonesia No. 19 of 1999 concerning Ratification of ILO Convention No. 105 concerning the Abolition of Forced Labor. 	C029 Forced Labor Convention

Environmental and Social Components	Laws and Regulations	Note
	<ul style="list-style-type: none"> ▪ Law of the Republic of Indonesia No. 18 of 1956 concerning Ratification of ILO Convention No. 98 concerning the Right to Organize and Collective Bargaining, ▪ Law No. 80 of 1957 concerning Approval of the International Labor Organization Convention No. 100 Concerning Equal Remuneration for Men and Women Workers for Work of Equal Value. 	C105 Convention on the Abolition of Forced Labor;
	<ul style="list-style-type: none"> ▪ Law No. 21 of 1999 concerning Ratification of ILO Convention No. 111 concerning Discrimination in Respect of. Employment and Occupation. 	<ul style="list-style-type: none"> ▪ C 111 Convention concerning Discrimination in Respect of. Employment and Occupation;
	<ul style="list-style-type: none"> ▪ Law No. 20 of 1999 concerning Ratification of ILO Convention No. 138 Concerning Minimum Age for Admission to Employment 	<ul style="list-style-type: none"> ▪ The government has ratified international conventions on child labor, which include: <ul style="list-style-type: none"> ▪ C138 ILO Convention concerning Minimum Age;
	<ul style="list-style-type: none"> ▪ Law No.9 of 2012 of the Republic of Indonesia concerning the Ratification of Optional Protocol To The Convention On The Rights Of The Child On The Involvement Of Children In Armed Conflict. 	<ul style="list-style-type: none"> ▪ ILO Convention182 concerning the Worst Form of Child Labor; and
	<ul style="list-style-type: none"> ▪ Presidential Decree No. 36/1990 concerning ratification of the Convention On The Rights Of The Child. 	<ul style="list-style-type: none"> ▪ Optional Protocol to the Convention on the Rights of the Child Regarding Involvement of Children in Armed Conflict, Optional Protocol to the Convention on the Rights of the Child Regarding the Sale of Children, Child Prostitution and Child Pornography, and Palermo Protocol on Human Trafficking.
Resource efficiency and pollution prevention and management.	<ul style="list-style-type: none"> ▪ Law No. 32/2009 concerning Environmental Safeguard and Management. ▪ Government Regulation No. 27/2012 concerning Environmental Permits, which has been changed to Government Regulation No. 22 of 2021 concerning Implementation of Environmental Safeguards and Management; ▪ Law No. 18/2008 concerning Waste Management. ▪ Government Regulation No. 22 of 2021 concerning the Implementation of Environmental Safeguards and Management. ▪ Government Regulation No. 101/2014 concerning Hazardous Waste Management - Attachment I to this regulation gives a detailed list of waste containing asbestos as hazardous waste. ▪ Government Regulation No. 81/2012 concerning the Management of Garbage and Household Waste. ▪ Government Regulation No. 82/2001 concerning Water Quality Management and Water Pollution Management – defines water quality standards based on their activities and utilization. ▪ Regulation of the Minister of Environment No. 5/2014 concerning Wastewater Standards - sets limits or levels of pollutants and/or the amount of pollutants in wastewater discharged by business actors and/or development activities. 	The regulation gives guidelines for evaluating, managing, and monitoring potential environmental and social impacts on implementing projects. Environmental management documents are required to be prepared for various project sectors, including an Environmental Impact Analysis or Analisis Mengenai Dampak Lingkungan (AMDAL) document; Environmental Management Efforts and Environmental Monitoring Efforts or <i>Upaya Pengelolaan Lingkungan Hidup dan Upaya Pemantauan Lingkungan Hidup</i> (UKL-UPL), and Statement of Environmental Management or <i>Surat Pernyataan Pengelolaan Lingkungan</i> (SPPL).

Environmental and Social Components	Laws and Regulations	Note
	<ul style="list-style-type: none"> ▪ Regulation of the Minister of Environment No. 5/2012 concerning Businesses and/or Activities that require an EIA (AMDAL). ▪ Regulation of the Minister of Environment No. 16/2012 concerning Guidelines for Preparing Environmental Documents. ▪ Regulation of the Minister of Environment No. 17/2012 concerning Guidelines for Community Involvement in EIA (AMDAL) and Environmental Permit Processes. 	
Community health and safety.	<ul style="list-style-type: none"> ▪ Law No. 32/2009 concerning Environmental Safeguard and Management. ▪ Law No. 24/2007 concerning Disaster Management and Government Regulation No. 21/2008 concerning Implementation of Disaster Management. ▪ Law No. 22/2009 concerning Road Traffic; ▪ Law Number 12 of 2022 concerning Crimes of Sexual Violence; and ▪ Government Regulation No. 32/2011 concerning Management and Engineering, Impact Analysis, and Traffic Demand Management. 	<p>Law No. 24/2007 and Government Regulation No. 21/2008 concerning Disaster Management aim to protect the public against the hazards arising from disasters and guarantee planned, integrated, coordinated, and comprehensive disaster management. Every development activity with a high disaster risk needs to conduct a disaster risk analysis.</p> <p>Law No. 22/2009 concerning Road Traffic and Government Regulation No. 32/2011 concerning Management and Engineering, Impact Analysis, and Traffic Demand Management require projects with potential disturbances to consider road security and safety.</p>
Land acquisition, restrictions on land use, and involuntary resettlement	<ul style="list-style-type: none"> ▪ Law No. 2/2012 concerning Land Acquisition for Development in the Public Interest. ▪ Government Regulation No. 19/2021 concerning the Implementation of Land Procurement for Development in the Public Interest. ▪ Presidential Regulation No. 62/2018 concerning Managing Social Impacts of Land Acquisition for National Development. 	<ul style="list-style-type: none"> ▪ Law No. 2/2012 concerning Land Acquisition for Development in the Public Interest is a regulation that regulates land acquisition for public purposes. The purpose of this law is to speed up the land acquisition process for infrastructure development, taking into account the interests of the public.
	<ul style="list-style-type: none"> ▪ Presidential Regulation No. 71/2012 concerning the Implementation of Land Acquisition for Development in the Public Interest. 	<ul style="list-style-type: none"> ▪ These laws and regulations concerning resettlement support for affected land owners and/or users. However, the law does not cover transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities.
	<ul style="list-style-type: none"> ▪ Law No. 24/2007 and Government Regulation No. 21/2008 concerning Disaster Management. 	<ul style="list-style-type: none"> ▪ This law serves as the legal framework governing disaster prevention, disaster impact management, and post-disaster recovery. These regulations set out the main principles, the rights of disaster casualties, and the responsibilities of government. One of the main provisions is the state's duty to protect its citizens

Environmental and Social Components	Laws and Regulations	Note
		from the effects of disasters and future catastrophic events.
Biodiversity conservation and sustainable management of living natural resources	<ul style="list-style-type: none"> ▪ Law No. 41/1999 concerning Forestry. 	<ul style="list-style-type: none"> ▪ This law governs several conservation-oriented policies. This policy divides forests into three categories: Conservation Forest, Safeguard Forest, and Production Forest. This law also gives the Ministry of Forestry authority to define and manage Indonesian Forest Areas.
	<ul style="list-style-type: none"> ▪ Law No. 18/2013 concerning Prevention and Eradication of Forest Degradation. 	<ul style="list-style-type: none"> ▪ This law strengthens law enforcement by providing additional legal certainty and defining penalties for those involved in forest degradation. This law clearly defines what activities are prohibited, with respect to individuals and organized groups carrying out logging activities, as well as organizations involved in the illegal timber trade and officials involved in forging permits.
	<ul style="list-style-type: none"> ▪ Regulation of the Minister of Environment No. 29/2009 concerning Guidelines for Biodiversity Conservation at Regional Level. 	<ul style="list-style-type: none"> ▪ This regulation sets out requirements for biodiversity conservation planning at the regional level.
	<ul style="list-style-type: none"> ▪ Law No. 5 of 1994 concerning Ratification of the United Nations Convention On Biological Diversity. 	<ul style="list-style-type: none"> ▪ This law also regulates the implementation, monitoring, and supervision of sustainable biodiversity conservation, and control of biodiversity degradation.
Safeguard and participation of Indigenous people	<ul style="list-style-type: none"> ▪ Law No. 41/1999 concerning Forestry. 	<ul style="list-style-type: none"> ▪ This law recognizes the existence of customary forests and identifies indigenous peoples as the collective owners of these forests.
	<ul style="list-style-type: none"> ▪ Law No. 32/2009 concerning Environmental Safeguards and Management. 	<ul style="list-style-type: none"> ▪ This law defines Indigenous Peoples as groups of people who have traditionally settled in certain geographic areas because of ties to ancestral origins, strong ties to the environment, and the existence of a value system that determines economic, political, social, and legal institutions. This law also establishes procedures for the determination of Indigenous Peoples.
	<ul style="list-style-type: none"> ▪ Law No. 39/2014 concerning Plantations. 	<ul style="list-style-type: none"> ▪ This law states that Indigenous People as defined by customary law is the holder of customary rights, including land rights
	<ul style="list-style-type: none"> ▪ Law No. 6/2014 concerning Village Administration. 	<ul style="list-style-type: none"> ▪ This law states that the establishment of a village government must take into

Environmental and Social Components	Laws and Regulations	Note
	<ul style="list-style-type: none"> ▪ Law No. 1/2014 concerning Amendments to Law No. 27/2007 concerning Management of Coastal Zone and Small Islands. 	<p>account the local traditional customary or adat system and provides the possibility for villages to register as adat villages.</p> <p>This law regulates the authority of Indigenous Peoples in utilizing the space and resources of coastal waters and small island waters within the territory of indigenous peoples according to customary law.</p> <p>The Indonesian legal framework generally refers to Indigenous Peoples as Masyarakat Hukum Adat or Masyarakat Adat. Masyarakat Hukum Adat refers to communities that are legally recognized by The Government of Indonesia, while Civil society organizations more often use Masyarakat Adat to refer to groups with customary land claims. The Government of Indonesia recognizes the existence of Indigenous Peoples and their rights to land and resources attached to their land claims, provided these groups meet the eligibility requirements and have obtained legal recognition from the provincial or district government (this is further elaborated in the Regulation of the Minister of Home Affairs No. 52/2014 concerning Guidelines for the Recognition and Safeguard of Indigenous Peoples). Such legal recognition serves as a prerequisite for further recognition of land and natural resource rights within customary territories.</p>
Safeguard of cultural heritage	<ul style="list-style-type: none"> ▪ Law No. 5/1992 concerning Cultural Wealth. ▪ Law No. 11/2010 concerning Cultural Conservation. 	<p>This law regulates the overall management of physical cultural resources, including criteria, protective measures if discovered or owned by a specific party, cultural heritage use, and penalties for violations.</p> <p>This law regulates the establishment of a national registration of cultural heritage objects and their safeguard, and prohibits illicit trade and export except for research, promotion, or exhibition purposes. Article 59 requires that physical cultural resources that are at risk of being destroyed, lost, or damaged must be moved to a safer location under</p>

Environmental and Social Components	Laws and Regulations	Note
	<ul style="list-style-type: none"> ▪ Law No. 5/2017 concerning Cultural Development. 	<p>the supervision of conservation experts.</p> <p>This law mandates the Government (at the national and regional levels) to protect cultural heritage. Article 23 of this law stipulates that anyone who finds an object, building, or site that is suspected of cultural value must report the finding to the cultural authority or related institution within 30 days.</p>
Carbon transition risk	<ul style="list-style-type: none"> ▪ Law No. 17/2004 concerning The the Ratification of the Kyoto Protocol To The United Nations Framework Convention On Climate Change. ▪ Presidential Regulation No. 78/2007 concerning Ratification of the Convention for The Safeguarding of Intangible Cultural Heritage. ▪ Regulation of the Minister of Environment and Forestry No. 70/2017 concerning Procedures for the Implementation of Reducing Emissions From Deforestation and Forest Degradation, Role of Conservation, Sustainable Management of Forest And Enhancement of Forest Carbon Stocks. 	<p>This Act is a ratification of the Kyoto Protocol.</p> <p>This Presidential Regulation is a ratification of the UNESCO for The Safeguarding of The Intangible Cultural Heritage (2003).</p>
Stakeholder engagement and information disclosure	<ul style="list-style-type: none"> ▪ Law No. 32/2009 concerning Environmental Safeguard and Management. ▪ Regulation of the Minister of Environment No. 9/2010 concerning Procedures for Reporting and Processing of Reports Due to Alleged Environmental Pollution and/or Degradation. ▪ Law No. 14/2018 concerning Transparency of Public Information. ▪ Minister of Environment Regulation No. 17/2012 concerning Guidelines for Public Participation in Environmental Impact Assessments and Environmental Licensing Processes. 	<ul style="list-style-type: none"> ▪ This Law includes community participation in environmental safeguard and management, the right of communities to raise objections to proposed projects, and the government's obligation to develop and implement policies on reporting. ▪ Articles 84 and 85 of Law No. 32/2009 provides for lawsuits by citizen in relation to environmental disputes that result in court or out-of-court settlements, including provisions for environmental remedies and compensation. <p>This regulation provides guidelines for dealing with public complaints caused by environmental pollution and degradation</p> <p>This law guarantees citizens' rights to public policy decisions and encourages public participation in making those decisions.</p>

Environmental and Social Components	Laws and Regulations	Note
	<ul style="list-style-type: none"> Law No. 7/1984 concerning the Ratification of the Convention on the Elimination of All Forms of Discrimination Against Women. 	
	<ul style="list-style-type: none"> Presidential Instruction No. 9/2000 concerning Gender Mainstreaming in National Development. 	This presidential instruction emphasizes on women's participation in the development process.

3.3 THE WORLD BANK E&S STANDARDS

The operation of the PFB adopts the World Bank Environmental and Social Standards (ESSs) which are designed to avoid, minimize, reduce, or mitigate the adverse environmental and social risks and impacts of projects. The PFB may apply the following ten ESSs, whereas the summary of each standard can be seen in Table 3.

- Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts;
- Environmental and Social Standard 2: Labor and Working Conditions;
- Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management;
- Environmental and Social Standard 4: Community Health and Safety;
- Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use, and Involuntary Resettlement;
- Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources;
- Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities;
- Environmental and Social Standard 8: Cultural Heritage;
- Environmental and Social Standard 9: Financial Intermediaries; and
- Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure.

Table 3 The Relevant Environmental and Social Standards (ESS).

Environmental and social standards	Description
ESS 1- Assessment and Management of Environmental and Social Risks and Impacts	ESS1 sets out the proponents' responsibilities for assessing, managing, and monitoring environmental and social risks and impacts associated with the project supported by PFB, in order to achieve environmental and social outcomes consistent with the World Bank Environmental and Social Standards (ESSs). The objective of this ESS, includes:

Environmental and social standards	Description
	<ul style="list-style-type: none"> ▪ To identify, evaluate, and manage the environmental and social risks and impacts of the project in a manner consistent with the ESSs. ▪ To adopt a mitigation hierarchy approach to: <ul style="list-style-type: none"> ○ Anticipate and avoid risks and impacts; ○ Where avoidance is not possible, minimize or reduce risks and impacts to acceptable levels; ○ Once risks and impacts have been minimized or reduced, mitigate; and ○ Where significant residual impacts remain, compensate for, or offset them, where technically and financially feasible. ▪ To adopt differentiated measures so that adverse impacts do not fall disproportionately on the disadvantaged or vulnerable, and they are not disadvantaged in sharing development benefits and opportunities resulting from the project. ▪ To utilize national environmental and social institutions, systems, laws, regulations, and procedures in the assessment, development, and implementation of projects, whenever appropriate. ▪ To promote improved environmental and social performance, in ways that recognize and enhance the proponents' capacity. ▪ The project proponents will assess, manage, and monitor the environmental and social risks and impacts of the project throughout the project life cycle so as to meet the requirements of the ESSs in a manner and within a timeframe acceptable to the PFB. The project proponent shall: <ul style="list-style-type: none"> ○ Conduct an environmental and social assessment of the proposed project, including stakeholder engagement; ○ Undertake stakeholder engagement and disclose appropriate information in accordance with ESS10; ○ Develop an E&S Commitment, and implement all measures and actions set out in the legal agreement including the the E&S Commitment. This Commitment Plan requires the project proponents to prepare plans or take specific measures and actions over a specified timeframe to avoid, minimize, reduce, or mitigate specific risks and impacts of the project. They will not carry out any activities in relation to the project that may cause material adverse environmental or social risks or impacts until the relevant plans, measures, or actions have been completed in accordance with the E&S Commitment. Moreover, they will monitor the environmental and social performance of the project in accordance with the legal agreement. Based on the results of the monitoring, they will identify any necessary corrective and preventive actions and will incorporate these in an amended E&S Commitment plan or the relevant management tool, in a manner acceptable to the PFB. They will implement the agreed corrective and preventive actions in accordance with the amended E&S Commitment or relevant management tool, and

Environmental and social standards	Description
	<p>monitor and report on these actions to the BNPB; and</p> <ul style="list-style-type: none"> ▪ Conduct monitoring and reporting on the environmental and social performance of the project against the ESSs.
ESS 2 – Labor and Working Environment Conditions ⁸	ESS 2 recognizes the importance of employment creation and income generation in the pursuit of poverty reduction and inclusive economic growth. PFB and its projects shall promote sound worker-management relationships and enhance the development benefits of a project by treating workers in the project fairly and providing safe and healthy working conditions.
ESS 3 - Resource Efficiency and Pollution Prevention and Management	ESS 3 recognizes that economic activity and urbanization often generate pollution to air, water, and land, and consume finite resources that may threaten people, ecosystem services, and the environment at the local, regional, and global levels. The current and projected atmospheric concentration of greenhouse gases (GHG) threatens the welfare of current and future generations. At the same time, more efficient and effective resource use, pollution prevention and GHG emission avoidance, and mitigation technologies and practices have become more accessible and achievable.
ESS 4 – Community Health and Safety	ESS 4 recognizes that project activities, equipment, and infrastructure can increase community exposure to risks and impacts. In addition, communities that are already subjected to impacts from climate change may also experience an acceleration or intensification of impacts due to project activities.
ESS 5 - Land Acquisition, Restrictions on Land Use and Involuntary Resettlement ⁹	ESS 5 recognizes that project-related land acquisition and restrictions on land use can have adverse impacts on communities and persons. Project-related land acquisition or restrictions on land use may cause physical displacement (relocation, loss of residential land, or loss of shelter), economic displacement (loss of land, assets, or access to assets, leading to loss of income sources or other means of livelihood), or both. The term “involuntary resettlement” refers to these impacts. Resettlement is considered involuntary when affected persons or communities do not have the right to refuse land acquisition or restrictions on land use that result in displacement.
ESS 6 - Biodiversity Conservation and Sustainable Management of Living Natural Resources	ESS 6 recognizes that protecting and conserving biodiversity and sustainably managing living natural resources are fundamental to sustainable development. Biodiversity is defined as the variability among living organisms from all sources including, inter alia, terrestrial, marine, and other aquatic ecosystems and the ecological complexes of which they are a part; this includes diversity within species, between species, and of ecosystems. Biodiversity often underpins ecosystem services valued by

⁸ <https://fiskal.kemenkeu.go.id/files/lain-lain/file/Labor%20Management%20Procedure.pdf>

⁹ The low to moderate risk projects will not involve the LAQ from other landowner as the national and sub-national governments as the project proponents will ensure that the proposed land is clean and clear. Whilst the PFB task team will conduct due diligent by engaging the relevant expert/institution to verify the land provision.

Environmental and social standards	Description
	humans. Impacts on biodiversity can therefore often adversely affect the delivery of ecosystem services.
ESS 7 – Indigenous Peoples	<p>This ESS contributes to poverty reduction and sustainable development by ensuring that projects supported by the PFB enhance opportunities for Indigenous Peoples to participate in, and benefit from, the development process in ways that do not threaten their unique cultural identities and well-being. This ESS applies to Indigenous Peoples recognized as customary law community (<i>masyarakat hukum adat</i>) that are present in, and respectful to indigenous peoples or community has a collective attachment to a proposed project area, as determined during the environmental and social assessment. This ESS defines indigenous peoples with the following criteria:</p> <ul style="list-style-type: none"> ▪ Self-identification as members of a distinct indigenous social and cultural group and recognition of this identity by others; ▪ Collective attachment to geographically distinct habitats, ancestral territories, or areas of seasonal use or occupation, as well as to the natural resources in these areas; ▪ Customary cultural, economic, social, or political institutions that are distinct or separate from those of the mainstream society or culture; and ▪ A distinct language or dialect, often different from the official language or languages of the country or region in which they reside.
ESS 8 – Cultural Heritage	<p>This ESS recognizes that cultural heritage provides continuity in tangible and intangible forms between the past, present and future. People identify with cultural heritage as a reflection and expression of their constantly evolving values, beliefs, knowledge, and traditions. Cultural heritage, in its many manifestations, is important as a source of valuable scientific and historical information, as an economic and social asset for development, and as an integral part of people's cultural identity and practice. ESS8 sets out measures designed to protect cultural heritage throughout the project life cycle.</p>
ESS 9 – Financial Intermediaries	<p>ESS9 requires FIs to have an Environmental and Social Management System (ESMS), covering policy, procedures, organizational capacity monitoring and reporting and stakeholder engagement. Relevant ESSs is required to be applied in FI subprojects as part of its risk management system. FI subprojects must conduct stakeholder engagement in a manner proportionate to the risks and impacts of the FI subprojects. Where FI subprojects are likely to have minimal or no adverse environmental or social risks or impacts, the FI will apply national law.</p>
ESS 10 – Stakeholder Engagement and Information Disclosure	<p>ESS 10 recognizes the importance of open and transparent engagement between the PFB team members, project proponents and project stakeholders as an essential element of good international practice. Effective stakeholder engagement can improve the environmental and social sustainability of projects, enhance project acceptance, and make a significant contribution to successful project design and implementation.</p>

Further provisions relating to the World Bank's ESSs can be accessed through The World Bank Environmental and Social Framework (ESF) (2018)¹⁰:

The World Bank Environmental, Social, and Health Guidelines

The World Bank Group Environmental, Health, and Safety (EHS) Guidelines contain information on crosscutting environmental, health, and safety issues potentially applicable to the pre-disaster risk intervention project funded by PFB. They also encompass the performance levels and measures that are normally acceptable to this program, and that are generally considered to be achievable in new facilities at reasonable costs by existing technology. The General EHS Guidelines enclose the following information:

- Environmental Guidelines include: i) air emissions and ambient air quality; ii) energy conservation; iii) wastewater and ambient water quality; iv) water conservation; v) hazardous materials management; vi) waste management; and vii) noise.
- Occupational Health and Safety Guidelines: i) general facility and design and operation; ii) communication and training; iii) physical hazards; iv) chemical hazards; v) biological hazards; vi) radiological hazards; vii) personal protective equipment; viii) special hazard environments; and ix) monitoring.
- Community Health and Safety Guidelines: i) water quality and availability; and ii) structural safety of project infrastructure; life and fire safety; traffic safety; transport of hazardous materials; disease prevention; and emergency preparedness and response
- Construction and Demolition Guidelines: i) environment; ii) occupational health and safety; and iii) community health and safety.

Further provisions of EHS Guidelines can be accessed on <https://www.ifc.org/content/dam/ifc/doc/2000/2007-general-ehs-guidelines-en.pdf>.

3.4 INTEGRATION OF ESS INTO INDONESIAN LEGISLATIONS

The initial ESMS document includes environmental and social management or safeguard policies where there are gaps between the national regulatory frameworks and the World Bank's ESSs, Table 4 provides strategies to mitigate these gaps.

Table 4 Gaps between national regulations and the World Bank ESS

World Bank ESS	Indicated Gaps	Follow-up
ESS 1 – Assessment of Environmental and Social Risks and Impacts.		
In general, laws and regulations related to environmental and social risk and impact assessment in Indonesia are in line with the ESSs. Small gaps that are identified can be addressed directly in the planning and implementation at the project/activity level.		

¹⁰ Available at: <https://thedocs.worldbank.org/en/doc/837721522762050108-0290022018/original/ESFFramework.pdf>

World Bank ESS	Indicated Gaps	Follow-up
This ESS also applies to all Associated Facilities ¹¹ , cumulative impacts ¹² , and E&S impacts generated directly/indirectly by the project activities throughout the project cycle.		
Environmental and Social Impact Assessment	<ul style="list-style-type: none"> ▪ AMDAL, UKL-UPL and/or SPPL are based on threshold values while the Environmental and Social Impact Assessment (ESIA) study documents and Environmental and Social Management Plan documents are based on the scale of the impact. ▪ Indonesia has ratified the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), and there has been a Presidential Regulation on Gender Mainstreaming (<i>Pengarusutamaan Gender</i>, PUG), which provides general guidelines regarding the prohibition of violence and prohibition of discrimination against women, and the involvement of women in development. However, there is still a lack of reference regarding forms of violence and exceptions and no clear guidelines on the enforcement of the regulation. 	<p>The environmental and social impact assessment follows the Bank's requirements. An outline of Environmental Assessment documents acceptable to the Bank is provided in the ESMS which includes AMDAL, UKL-UPL and SPPL.</p> <p>Measurements related to resolving the issue of social risk are attached as part of the ESMS, including the capacity building on gender mainstream, and Gender Based Violence and sexual exploitation and abuse. In addition, raising awareness on violence against children with relevant good practice guidelines addressed to the implementing agencies.</p> <p>Application and implementation of environmental and social safeguard compliance standards that meet the highest standards will be operated in stages according to the level of capacity of program management and readiness to implement the PFB program.</p>
Reference to legal and administrative frameworks such as international environmental treaties, agreements, international standard policies, etc.	There are no standard references related to legal and administrative frameworks such as international environmental agreements, agreements, international standard policies, etc. The current regulations only refer to "other data and information".	Included in the initial stage of ESMS for the PFB program.
Environmental monitoring data	There is not yet adequate and appropriate follow-up, analysis, and use of environmental monitoring data for evaluation and continuous improvement.	Included in the report on the implementation of the UKL-UPL projects with low to moderate levels of E&S risk.

¹¹ Facilities or activities that are not funded as part of the project and are: (a) directly and significantly related to the project; (b) carried out, or planned to be carried out, contemporaneously with the project; and (c) necessary for the project to be viable and would not have been constructed, expanded or conducted if the project did not exist, where a common approach has been agreed upon for the project, the common approach will apply to the Associated Facilities.

¹² The cumulative impact of the project is the incremental impact of the project when added to impacts from other relevant past, present, and reasonably foreseeable developments as well as unplanned but predictable activities enabled by the project that may occur later or at a different location. Cumulative impacts can result from individually minor but collectively significant activities taking place over a period of time. The environmental and social assessment will consider cumulative impacts that are recognized as important on the basis of scientific concerns and/ or reflect the concerns of project-affected parties.

World Bank ESS	Indicated Gaps	Follow-up
	The environmental monitoring program is inadequate or does not match the scale of impact of the project.	The implementation of this initial ESMS will address the environmental and social impact assessment of mitigation projects in the pre-disaster phase with low to moderate levels of risk.
Capacity Building and Training	Capacity building is required related to the implementation of environmental and social management and monitoring plans.	Ensuring budget allocations related to the establishment and implementation of environmental and social management and monitoring plans.
ESS 2 – Labor and Working Environment Conditions.		
Indonesia has ratified all ILO's core labor and environmental conventions. No significant gaps were identified between Indonesian laws and regulations and ESS 2 requirements.		
Workers' Feedback and grievance redress mechanism	National regulations provide an opportunity for workers to submit complaints and suggestions. However, workers may not feel comfortable resolving such issues through formal or legal processes.	The PFB program will develop a grievance redress mechanism for workers with anonymity. This grievance redress mechanism is accessible to all workers involved in the PFB program. This procedure will be informed in the form of induction or dissemination to workers involved in disaster management projects that are funded by the PFB program. All complaints submitted will be investigated and resolved fairly and transparently.
Workers from the local community	Not covered in national laws and regulations.	Procedures for workers management will deal with the arrangement of workers from the local community, in line with the ESS requirements of the World Bank.
Sexual Exploitation and Abuse - Sexual Harassment	National law rules crimes of sexual violence, which includes additional penalties for perpetrators of public officials, employers, superiors, or administrators against people who are employed or working with, and protection from job loss for survivors of violence. However, there are no clear guidelines on the enforcement policies within the institution and usually, workers do not know how to report such issues.	The PFB has developed code of conduct to prevent gender-based violence (GBV) / Violence Against Children (VAC) as part of labor management procedures (LMP) ¹³ that include training on GBV/ VAC as part of E&S capacity building.
ESS 3 – Resource Efficiency and Pollution Prevention and Management.		
The Government of Indonesia's environmental laws and pollution prevention and management regulations are quite comprehensive, covering airshed management and emission standards, hazardous and non-hazardous waste management, and wastewater quality standards. These regulations consider the surrounding conditions, and through the engineering design and ESIA, pollution prevention measures will be pursued and incorporated into the project. Improvements in the procurement, and use of raw materials can be implemented in this project.		
Efficient use of raw materials	Not specifically included in the Indonesian legal system.	If deemed possible, the project will incorporate the principles of reuse and recycling of materials in the design
	Note: Government Regulation No. 22 of 2021 concerning	The ESMS negative list prohibits using materials containing asbestos in any

¹³ <https://fiskal.kemenkeu.go.id/files/lain-lain/file/Labor%20Management%20Procedure.pdf>

World Bank ESS	Indicated Gaps	Follow-up
	Implementation of Environmental Protection and Management.	new construction, and guides handling materials or waste containing asbestos.
<p>ESS 4 – Community Health and Safety. Potential risks and impacts as well as mitigation measures for community health and safety are assessed in the environmental and social impact assessment process and are included in the Environmental and Social Impact Assessment (ESIA) document or AMDAL/UKL-UPL/SPPL. There were no significant gaps identified in the relevant laws and regulations.</p>		
Design and security of infrastructure and equipment	National regulations do not require project proponents to involve independent experts in reviewing high-risk structural elements' design, construction, and operation.	The PFB program will involve independent experts as supervising consultants in reviewing high-risk structural elements' design, construction, and operation.
Security staff	Arrangements related to the involvement of security staff are limited to national vital objects.	When security staff is involved in projects in the PFB program, the requirements stipulated in this ESS will be applied.
Overall design	The overall design concept has been embodied in various ministerial regulations and technical guidelines from the Ministry of Public Works and Public Housing (PUPR).	Implementing projects in the PFB program will refer to relevant existing regulations and guidelines. In addition, efforts will be made to incorporate community views on universal access and inclusive design issues.
Public exposure to health problems	National regulations have considered public health issues, both physical and psychosocial, as important in civil works activities and disaster preparedness. Public health aspects are included in the UKL-UPL studies according to national regulatory requirements. However, reporting and enforcement of mitigation measures is constrained by the limited capacity of local authorities.	To meet the requirements of ESS 4, the project proponent and/or BNPB will review the UKL-UPL and any other project health and safety documents, including public health document(s). Any gaps, when identified, will be resolved through additional mitigation measures to comply with the ESS requirements and any other references when relevant. The implementation of these measures will be regularly monitored and reported.
Sexual Exploitation and Abuse - Sexual Harassment	National law rules crimes of sexual violence in all sectors. However, there is no clear guidelines on the enforcement policies within the institution and usually, the project-affected community does not know how to report such issues.	The PFB has developed code of conduct to prevent GBV - VAC as part of labor management procedures ¹⁴ that include reporting and training on GBV/ VAC as part of E&S capacity building. Those code of conduct and reporting mechanism will be applied for low and moderate risks activities in this initial ESMS. The SEA/ SH action plan will be developed in during the improvement of ESMS.
<p>ESS 5 – Land Acquisition, Restriction on Land Use and Involuntary Resettlement. The prevailing laws and regulations in Indonesia have addressed the main topic of ESS 5. However, some gaps were identified in terms of detailed explanation and arrangement of the matter, especially with regard to compensation and restoration of livelihoods of affected communities who do not have acknowledged/valid rights to the land.</p>		
Direct and indirect impacts	Potential negative social and economic impacts due to access and land use restrictions are not	The land impacts are minor, as the pre-disaster activities at the initial ESMS stage will comprise small-scale civil works.

¹⁴ <https://fiskal.kemenkeu.go.id/files/lain-lain/file/Labor%20Management%20Procedure.pdf>

World Bank ESS	Indicated Gaps	Follow-up
	explicitly included in Law No. 2 of 2012.	The ESMS includes an Abbreviated Land Acquisition and Resettlement Policy Framework (LARPF) (Annex 10) which will be applied. The Abbreviated LARPF clarifies principles, organizational arrangement and criteria to be applied to subprojects to be supported during the initial ESMS stage. The Abbreviated LARPF will be updated during the improvement ESMS stage. The environmental and social management plan (ESMP) for the program and/or activity will include appropriate measures as per the Abb LARPF to address land impacts .
Associated facilities and cumulative impacts	Not covered	Inheritance and verification in the process of land acquisition issues from associated facilities must be carried out in accordance with the implementation and procedures included in this ESMS.
Compensation	There are no gaps. An independent assessment team will decide on the compensation for the loss of physical and non-physical assets, and emotional aspects (consolation).	The ESMS for programs and land acquisition plans for each program and/or activity will provide a matrix of what the landowners will get based on the compensation money, refer to the updated LARPF in the full ESMS.
Compensation of economic/land displacements.	Legal provisions do not yet recognize the right to compensation due to loss of income and means of livelihood resulting from land acquisition activities, especially for land users with no legal land document.	The updated LARPF in the ESMS includes a compensation matrix describing the compensation to be received by landowners, including informal land users/occupants.
Support to affected communities who have no recognized legal rights or claims to the lands they occupy.	Presidential Regulation No. 62 of 2018 requires compensation or the provision of compensation and assistance to people who do not own land but have occupied or utilized the land, based on the criteria stipulated in the Presidential Decree.	The updated LARPF in the ESMS establishes eligibility criteria and entitlements for each Person Affected by the Project category, including those who have occupied land informally.
Eligibility Requirements for Vulnerable Groups, including Indigenous Peoples.	Law No. 2 of 2012 and its Implementing Regulations (Presidential Regulation No.71 of 2012) provide criteria for Indigenous Peoples (Article 22). However, formal acknowledgment is needed and there is no elaboration on the specific steps regarding managing impacts on Indigenous Peoples, especially in obtaining Free Prior Informed Consent (FPIC).	The ESMS includes provisions for culturally and socially appropriate consultation with Indigenous Peoples if their lands are to be affected. It is estimated that no scenarios require FPIC under ESS 7 in the PFB program. However, at this early stage of ESMS implementation, the environmental and social impact assessments will refer to impact mitigation assessments for projects with low to moderate levels of risk.
Involuntary resettlement	The ownership rights to the land and related property will be	In implementing the ESMS from the initial stage to the second year, the

World Bank ESS	Indicated Gaps	Follow-up
	relinquished upon payment of compensation or a court decision.	arrangements for involuntary resettlement will be subject to applicable laws and regulations and updated LARPF.
Resettlement Planning Tool	Presidential Regulation No. 71/2012 concerning Implementation of Land Acquisition for Development in the Public Interest includes provisions related to the implementation of the Land Acquisition Plan. The Presidential Regulation requires a socio-economic survey, social and environmental impact assessment, feasibility assessment, budget, land value, and timeframe (Article 6). Consultation with potentially affected communities is required prior to location determination.	In implementing the ESMS from the initial stage to the second year, the arrangements for involuntary resettlement will be subject to applicable laws and regulations and updated LARPF.
Cost determination	Land acquisition planning includes the determination of costs for land acquisition and related compensation but does not cover costs needed for resettlement and restoration of livelihood.	The overall costs for land acquisition will be included as part of the land acquisition plan and include costs related to land compensation and related support for the livelihood of the impacted people.
Information disclosure and community involvement	Law No. 2 of 2012 and its implementing regulations require disclosure of information concerning land affected by the project and other assets and the rightful amount of compensation to be given to the affected communities. Public announcements related to inventory results are required to be made at the sub-district/village government office, sub-district office or at the location where land acquisition is to be carried out. However, announcements related to land acquisition are often carried out in certain places with limited access. Law on Public Information Disclosure No. 14 of 2008 also requires government agencies to provide information needed by the general public, including activities, budgets and expenditures, and other relevant data in order that the public is informed of the consequences of the project.	Public documents are submitted in accordance with the World Bank's public information disclosure requirements.
<p>ESS 6 – Biodiversity Conservation and Sustainable Management of Living Natural Resources.</p> <p>Law and regulations of the Indonesian government concerning forestry and biodiversity conservation, in general, support ESS6 to protect biodiversity. The main gap is that the regulations of the GOI do not recognize the requirement to assess project impacts on natural and critical habitats.</p>		

World Bank ESS	Indicated Gaps	Follow-up
Classification, criteria for conversion and degradation of Critical Habitats and Natural Habitats	National laws and regulations do not specifically mention the safeguarding of natural habitats and critical habitats in accordance with ESS6.	ESMS provides related lists of Essential Ecosystem Areas (KEE), natural habitats and critical habitats defined in the International Union for Conservation of Nature and Natural Resources (IUCN) Red List of Threatened Species. At initial biodiversity&habitat identification and screening, the BNPB and project proponent(s) will refer to Integrated Biodiversity Assessment Tool (IBAT) or the Map of Suspension of the Issuance of New Permits at national level.
<p>ESS 7 – Indigenous Peoples. The main gap between ESS7 and the Indonesian laws and regulations related to Indigenous Peoples is the requirement for formal recognition of Indigenous Peoples as a criterion for being recognized as <i>Masyarakat Hukum Adat</i> (Customary Law Community). In the PFB, Indigenous Peoples are limited to Customary Law Communities with respectful to indigenous peoples or community has has a collective attachment to a certain area.</p>		
Assessment and Consultation; mitigation and development benefits for Indigenous peoples	Indigenous peoples may have difficulty obtaining legal recognition through local and central government processes. In addition, there are vulnerable communities who may not meet the requirements required by the Government of Indonesia as Customary Law Communities but meet the policy criteria based on ESS 7.	Assessment, consultation, mitigation and development benefits for indigenous peoples refer to communities that have been designated as Indigenous Customary Law Communities. The ESMS includes Preliminary IPPF (Annex 11) to help the assessment and consultation with affected IPs for low and moderate pre-disaster activities. Final IPPF will be developed during the ESMS improvement.
<p>ESS 8 – Cultural Heritage. There are no specific regulations on intangible cultural heritage. The project will develop a chance-find procedure and provide relevant training for construction workers.</p>		
Safeguard of tangible and intangible cultural heritage as part of sustainable development, meaningful consultation and fair benefit sharing	Law 11/2010 does not yet cover intangible cultural heritage, and there is no description of meaningful benefit sharing and consultation, including with Indigenous Peoples.	It is hoped that the PFB program will not have an adverse impact on tangible and intangible cultural heritage. Local wisdom on disaster prevention and management will be considered part of programs and/or public consultation activities.
<p>ESS 9 – Financial Intermediaries. There are no specific regulations in Indonesia to govern environmental and social management practices within an Financial Intermediaries.</p>		
<p>ESS 10 – Stakeholder Engagement and Information Disclosure. The relevant laws and regulations in Indonesia have included the requirements of ESS 10.</p>		
Stakeholder engagement and information disclosure; Grievance redress mechanism.	Consultation is required based on environmental assessment and land acquisition planning. However, there are no specific guidelines for conducting and requirements for consultation. In addition, the quality of such consultations often varies.	PFB has a stakeholder engagement plan and feedback and grievance redress mechanism (FGRM) developed and will be updated, adopted, and implemented throughout PFB implementation. Projects receiving financial support from the

World Bank ESS	Indicated Gaps	Follow-up
		PFB program will also develop and implement a <i>Stakeholder Engagement Plan</i> throughout the project cycle. A feedback and grievance redress mechanism will be applied during the implementation of the program and/or activity

4.0 PFB ENVIRONMENTAL AND SOCIAL REQUIREMENTS

The BNPB will ensure that all projects funded by the PFB are reviewed and evaluated against the following PFB E&S management requirement:

- Negative list (refer to Annex 1)
- E&S risk classification (refer to Annex 2)
- E&S screening (refer to Annex 3)
- E&S instruments (Annex 4); and
- Proponent E&S Commitment (refer to Annex 5)

The BNPB will require project proponents to conduct relevant environmental and social risks and impacts identification following their proposed projects. Proponents shall comply with national legislation and any relevant requirements from ESSs identified by PFB when preparing and implementing pre-disaster projects with low to moderate E&S risks. If E&S risks increase, the BNPB will require the proponent to adhere to additional ESS requirements, as agreed upon with the BNPB. These measures and actions will be included in the Proponent E&S Commitment and monitored by the BNPB.

5.0 OPERATING PROCEDURES

This chapter sets out the steps and action measures that are mandated as per ESMS to be implemented by all projects funded by PFB. In general, the implementation of E&S risk management practices during the project financing cycle is divided into four phases (i.e., pre-approval, proposal assessment, project approval, operation, and post-operation phases) as per Figure 4. Under BNPB, the PFB pre-disaster task team will be in charge of assessing the proposals, monitoring and evaluating the project operation, as well as evaluating the ESMS performance for PFB.

5.1 PRE-APPROVAL PHASE

Project proponents shall ensure their proposed activities are not included in the negative list. Additionally, in order to obtain a preliminary categorization that is commensurate to the E&S risks and impacts, they have to identify the potential E&S risks generated from their projects by filling out a form of 'Environmental and Social Protection Form' (see Annex 9) and formulate their initial draft of Proponent E&S Commitment (Annex 5) accordingly. This form, including

the initial draft of Proponent E&S Commitment, is one inseparable unit of the technical proposal(s) whilst, details of technical proposal requirements are stipulated under the BNPB Regulation concerning the PFB¹⁵. At this stage, BNPB will coordinate with the CMHDCA in parallel.

In general, following Perpres No. 75/2021, the proposals shall be submitted to the BNPB through two channels: i) ministries, or agencies; or ii) sub-national government (including for community groups), whilst the project proponents as PFB beneficiaries include the ministries/agencies, sub-national governments, and community groups.

5.2 PROPOSAL ASSESSMENT

The proposals are assessed by the PFB pre-disaster task team. They will verify and evaluate the proposals, in terms of technical and financial components, including the E&S risk management aspects that are relevant to the proposed activities. This proposal assessment process comprises: i) ensuring the compliance of the proposal procedure to the PFB E&S management requirement; ii) verifying the proposed activities against the negative list, and applicable PFB regulatory frameworks; iii) evaluating the proposed activities to the relevant applicable ESSs and the E&S mitigation measures, including the required monitoring plan.

PFB covers a wide range of project proponent(s) with diverse capacities in managing E&S risks and impacts. As such, during the proposal assessment, the PFB pre-disaster task team shall undertake a series of assessments to assess the E&S capacities amongst the project proponents, including ministries/agencies and sub-national governments, based on their proposal(s). Institutional capacity strengthening will target relevant stakeholders with weak E&S capacities, with enhanced monitoring and technical support by the PFB pre-disaster task team. A registry/database of relevant stakeholders, along with an assessment of their capacities is established as an output of these assessments. The institutional capacity strengthening approaches regarding ESMS implementation are discussed in Chapter 7.0 and Chapter 8.0. The project proponents' assessment criteria regarding their capacity to manage ESMS can be seen in Table 5.

¹⁵ Under preparation as mentioned in Section 3.1

Table 5 The Project Proponent Assessment of E&S Capacity

E&S Capacities	Requirements
HIGH	
<ul style="list-style-type: none"> ▪ Sustained E&S performance and track record of compliance with the national law and/or relevant standards required by development partners where applicable. ▪ E&S management relevant to the typology of proposed activities, including: <ul style="list-style-type: none"> ○ Relevant procedures, protocols, operational guidance for E&S management are in place and adopted; ○ Organizational structure and personnel for E&S management, including oversight are in place; ○ Adequate budget for E&S management is available and/or included in the financing proposal; ○ Feedback and Grievance Redress Management (FGRM) and/or any equivalent systems are functioning; ○ Stakeholder engagement capacities, including engagement with non-government stakeholders (i.e. CSOs, NGOs) 	<ul style="list-style-type: none"> ▪ Periodic reporting (six- monthly) of E&S management throughout activity implementation ▪ Periodic participation in E&S capacity building and sensitization.
MEDIUM	
<ul style="list-style-type: none"> ▪ Records of E&S non-compliance issues with sustained improvements towards adherence to the national law and/or relevant standards required by development partners where applicable. ▪ E&S management relevant to the typology of proposed activities, including: <ul style="list-style-type: none"> ○ Relevant procedures, protocols, and operational guidance for E&S management are in place, and partially adopted and/or enforced; ○ Organizational structure in place but lacking relevant expertise for E&S management; ○ The budget for E&S management is inadequate; ○ Feedback and Grievance Redress Management (FGRM) and/or any equivalent systems are in place, but not yet proven in terms of their records; ○ Some capacities for stakeholder engagement but not proven in terms of their adequacy. 	<ul style="list-style-type: none"> ▪ Periodic reporting (quarterly) of E&S management throughout activity implementation. Implementation of E&S action plans recommended by the PFB's BLU E&S team; ▪ Periodic participation in E&S capacity building and sensitization; and ▪ Ability for the PFB's BLU to undertake E&S audits during activity implementation.
LOW	
<ul style="list-style-type: none"> ▪ Systemic E&S non-compliance issues with no records of improvements; ▪ No and/or weak E&S management relevant to the typology of proposed activities, including: <ul style="list-style-type: none"> ○ No relevant procedures, protocols, operational guidance for E&S management; ○ No clear organizational structure and expertise in E&S management; ○ No budget for E&S management; ○ No Feedback and Grievance Redress Management (FGRM) and/or any equivalent systems are in place; and ○ No and/or lack of capacities and experiences for stakeholder engagement. 	<ul style="list-style-type: none"> ▪ Periodic reporting (quarterly) of E&S management throughout activity implementation. ▪ Implementation of E&S action plans recommended by the PFB pre-disaster task team, including recruitment of E&S specialists as part of financing proposals. Periodic participation in E&S capacity building and sensitization, with specific arrangements agreed during proposal selection. ▪ Ability for the PFB's BLU to undertake E&S monitoring and provide technical assistance during activity implementation. In the absence of a FGRM system, use of PFB's FGRM to capture and track issues and/or complaints.

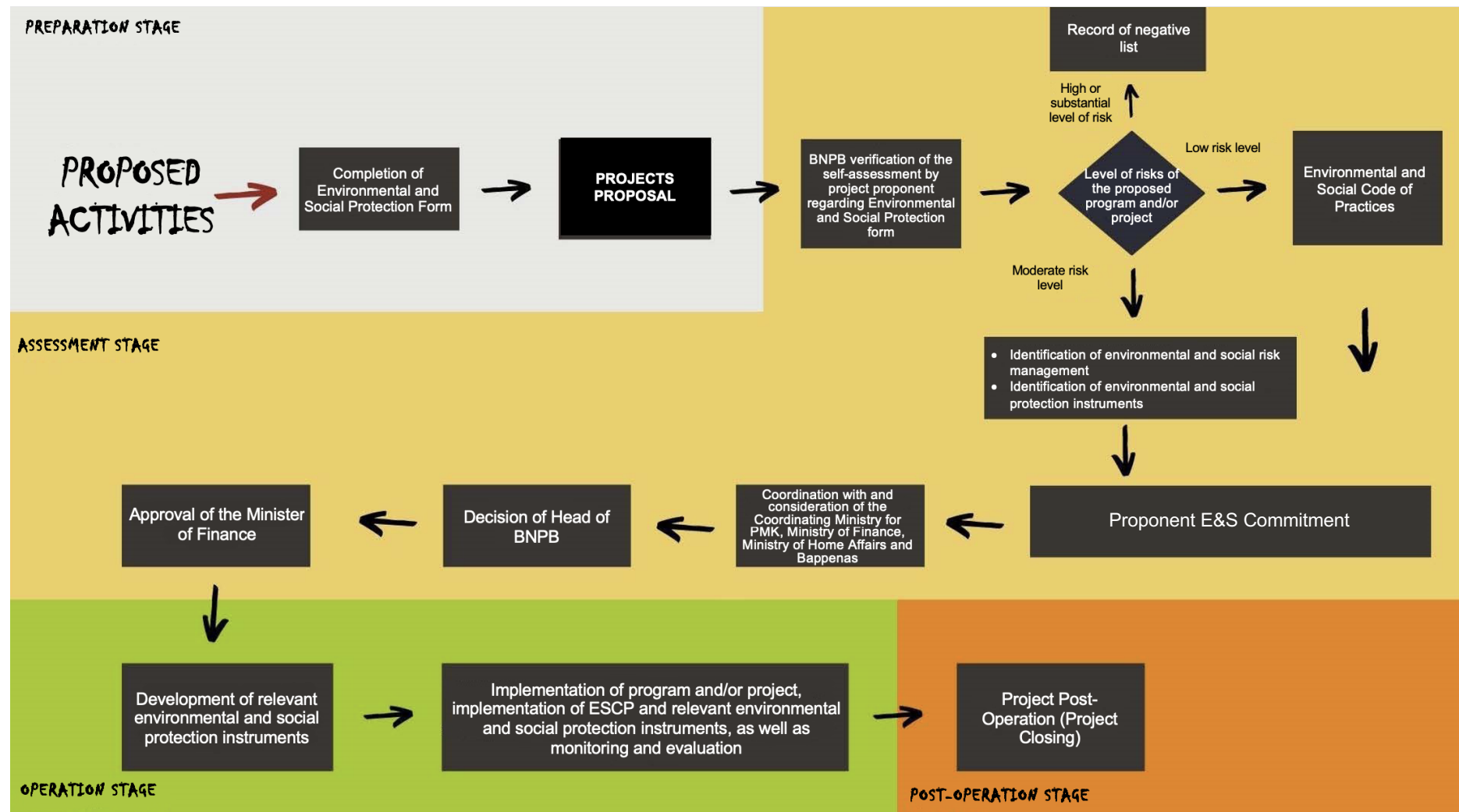
The proposal assessment can be carried out by desktop study and field assessment (when necessary). During those processes, the PFB pre-disaster task team is equipped with supporting documents consisting of implementing procedures, guidance, and templates which are currently being prepared by the BNPB.

To catalyze the assessment process for the low-risk projects, the project proponents shall identify and formulate their E&S mitigation measures and monitoring plan by following the Environmental and Social Code of Practices (ESCOPs) provided in Annex 7, whilst the PFB task team will review the relevant and applicable ESCOPs for those proposed activities. Meanwhile, the E&S instruments (Annex 4) as part of E&S risk mitigation and monitoring strategies shall prevail to the moderate risk projects.

5.3 PROJECT APPROVAL PHASE

The PFB pre-disaster task team will review Proponent E&S Commitment which are submitted by the project proponents. Additionally, the task team will submit 1) the Head of BNPB's recommendation regarding the proposal assessment results, and 2) a request for consideration to the MOF, BAPPENAS, and MOHA during the approval phase in order to obtain clearance on whether or not the proposed projects are approved, including the proposed Proponent E&S Commitment recommended by the BNPB technical deputies. After taking into consideration the inputs and insights from those three-line ministries, the final results of the proposal assessment are outlined in a Decision of the Head of BNPB to be put forward to the Minister of Finance. Later, the Minister of Finance issues a Decision, based on which an agreement is drawn up with the project proponent, and is determined as the basis for the implementation of the program and/or project, including the implementation of the Proponent E&S Commitment.

Figure 4 The business process of environmental and social management implementation



5.4 PROJECT OPERATION PHASE

Throughout the project cycle, all project shall implement their Proponent E&S Commitment and submit the periodic report(s) to BNPB. The timeframe of these reports is determined by the project nature and the potential E&S risks generated from the project by considering the capacities of project proponents in managing ESMS. However, in general, the project proponent shall submit these reports on quarterly to six monthly basis, depending on the E&S risk management capacity of proponents as described in Table 6.

In addition, the PFB pre-disaster task team is responsible for monitoring and evaluating project implementation from preparation through post-operation phases. This activity includes bi-annual periodic reviews conducted by the PFB pre-disaster task team on the project and its proponent(s). This monitoring and evaluation (M&E) program may allow this team to carry out the desk and fieldwork activities. Detailed procedures regarding the M&E of E&S risk management implementation refer to the BNPB implementing procedures¹⁶ that are currently being prepared by the BNPB.

PFB pre-disaster task team will carry out incidental M&E by engaging relevant technical expert(s) from relevant ministries, agencies, or other sources in case the following conditions occur:

- There is non-compliance occurring in the implementation of the agreement and the Proponent E&S Commitment;
- Incident and/or accident happens at the project locations;
- There are significant E&S impacts arising from the implementation of the program and/or project; and/or
- There are unresolved and/or overdue grievances reported from the task team, project staff members, relevant stakeholders, and/or community regarding the project implementation, particularly E&S risk management implementation.

Mitigation action measures will be delivered by PFB pre-disaster task team through required E&S instruments (Annex 4). BNPB may take necessary steps to improve E&S risk management performance, including E&S audits. This E&S audit is undertaken if periodic and incidental E&S monitoring and evaluation reveals that E&S risk management measures are not able to mitigate the adverse E&S risks and impacts. Additionally, to ensure the E&S audit meets the national standards and international best practices, the engagement of a specific technical expert is necessary.

As a result of those M&E and audit processes, the project proponent shall formulate an E&S Corrective Action Plan (ESCAP) containing the corrective action plan and strategies to mitigate the significant adverse E&S impacts. The performance of ESCAP implementation ascertains the overall project assessment. BNPB may recommend the following actions to the three-line ministries as consideration:

¹⁶ on progress.

- delay the project payment;
- project budget cuts; and/or
- termination of the agreement.

The template of ESCAP can be seen in Annex 8.

5.5 POST-OPERATION PHASE

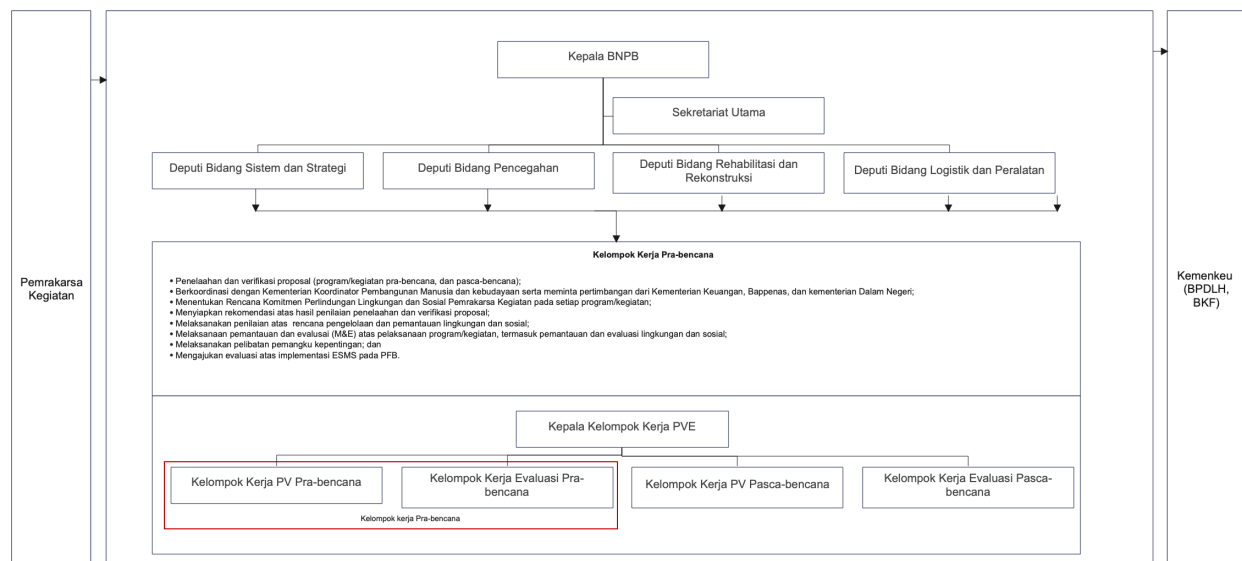
Proponents whose projects have been operating for more than six months shall prepare a completion report summarizing the E&S risk management implementation. This report shall be submitted to BNPB and contains (i) a summary of the E&S risk management performance during the project implementation as set out in the Proponent E&S Commitment and ESCAP (if available); (ii) an evaluation of the E&S risk management implementation; and (iii) conclusions and lessons learned.

6.0 ESMS GOVERNANCE AND ORGANIZATION

6.1 ORGANIZATIONAL STRUCTURE OF THE PFB PROGRAM

The management of the PFB program is carried out by setting institutional arrangements for the implementation of ESMS policy, proposal evaluation, E&S management monitoring, and evaluation of projects funded by PFB, as well as evaluation of ESMS policy. Implementation of the ESMS will involve arrangements between institutions concerning their respective roles and responsibilities. In general, the BKF assisted by the BPD LH will be responsible for establishing the ESMS whilst the technical implementation will be carried out by the BNPB. The organizational structure of E&S management is provided in Figure 5.

Figure 5 Organizational structure of E&S management



6.2 ROLES AND RESPONSIBILITIES

6.2.1 Ministry of Finance

The institutions under the Ministry of Finance comprise the Fiscal Policy Agency (BKF) and the Indonesian Environment Fund (BPD LH). The role of the Minister of Finance is issuing the approval of the proposed projects recommended by BNPB and three-line ministries. BKF and BPD LH are responsible for evaluating the ESMS operation to determine whether or not the amendment of ESMS is required. The BPD LH plays a key role as a Financial Intermediary on behalf of the Government of Indonesia. It is responsible for providing recommendations to BKF regarding escalated E&S issues reported by BNPB or project-affected people.

6.2.2 Line Ministries

The Coordinating Ministry for Human Development and Culture (CMHDCA) is responsible for coordinating with BNPB within the PFB operation, particularly prior to commencing the proposal assessment conducted by BNPB. The Ministry of Finance, Ministry of Home Affairs (MOHA), and Ministry of National Development Planning (BAPPENAS) are responsible for giving consideration to BNPB regarding the proposal assessment result.

6.2.3 Management of ESMS of the PFB at BNPB (PFB Management)

6.2.3.1 Head of BNPB

The roles and responsibilities of the Head of BNPB include:

- Receive the proposals and delegate to the technical deputy; and
- Provides recommendations to the Minister of Finance.

6.2.3.2 Technical Deputy

The technical deputies comprise five deputies, i.e. the Deputy of System and Strategy, the Deputy of Disaster Prevention, the Deputy of Logistics and Equipment, the Deputy for Emergency Response, and the Deputy for Rehabilitation and Reconstruction. The roles and responsibilities of those deputies include, but are not limited to:

- Dispatch the proposals to the PFB pre-disaster task team; and
- The relevant technical deputy(s) shall provide technical insights and inputs regarding the proposal assessment as per the PFB pre-disaster task team request.

6.2.3.3 PFB Pre-disaster Task Team

The PFB pre-disaster task team is limited to three relevant technical deputies, which are Deputy of System and Strategy, the Deputy of Disaster Prevention, and the Deputy of Logistics and Equipment. This task team comprises E&S Specialist¹⁷ and a representative of each

¹⁷ Within 2024 - 2025, the pre-disaster task team will also be supported by E&S consulting firm in addition to the E&S specialist

technical deputy that is relevant to pre-disaster risk. E&S Specialist will be responsible for the following tasks as per Annex 13:

- Proposal assessment and project approval phases:
 - to assess, verify, and evaluate the proposals, including the E&S protection form and proposed mitigation measures;
 - to review and determine the Proponent E&S Commitment (Proponent E&S Commitment) of the projects; and
 - to coordinate with and submit the request for consideration to the line ministries.
- Project operation phase:
 - to review the required E&S instruments prepared by the project proponents;
 - to monitor and evaluate the operation of the projects, including reviewing the E&S implementation periodic reports, conducting E&S monitoring and evaluation, and E&S audit;
 - to review the ESCAP submitted by the project proponents and monitor its implementation;
 - to prepare the E&S monitoring and evaluation reports; and
 - to prepare the E&S audit reports (if necessary).
- Evaluation:
 - to evaluate the project performance in implementing the E&S risk management;
 - to evaluate ESMS implementation for the projects funded by the PFB; and
 - to prepare and submit annual ESMS implementation report to the Ministry of Finance.

This team (on an as needed basis) will engage the Occupational Health and Safety (OHS), community health and safety, and disaster risk management specialists, and other required experts.

7.0 CAPACITY BUILDING

Within the first two years (2024 - 2025), GRiF trust fund ('trust fund') will provide technical assistance to the PFB pre-disaster task team and the wider PFB management team members to enhance their capacity regarding the ESMS and its implementation. During this period, a series of E&S training will be conducted for the PFB management team members, relevant stakeholders, and wider potential project proponents. To retain and ensure sustainable E&S knowledge management within BNPB throughout the PFB operation, BNPB commits to continuously enhancing its staff capacity on E&S risk management, including the provision of E&S staff, if possible.

The Government of Indonesia is committed to delivering a series of training on ESMS after the trust fund is ended. The main targets of the E&S training comprise the PFB management team members, relevant stakeholders (ministries, agencies, and sub-national governments), and wider potential project proponents and/or priority beneficiaries in disaster-prone areas. The generic training materials include the World Bank Environmental and Social Framework (ESF), the ESMS PFB program and its supporting tools, awareness raising, and understanding of environmental and social laws and regulations (see Table 6).

A series of training will be conducted periodically by considering the needs and/or budget availability for implementing activities. Details on schedules and budgets for capacity building are currently being prepared and will be presented as part of ESMS at improvement stage.

Table 6 Training related to the application of ESMS.

Scope of Training Participants	Training Topics	Objective	Targeted Participants
Internal participant	Policies, regulations, Standard Operating Procedures	To enhance the capacity of the main internal team members regarding the rules of the PFB , grievance redress mechanism, public information disclosure, and the rights and obligations of internal team members in managing and implementing the PFB.	The PFB pre-disaster task team members, and wider PFB management team members.
Internal and external participant	ESMS of the PFB program and its supporting tools, including environmental and social regulations.	To encourage the management and implementing staff of the PFB program to have a clear understanding of the ESMS of the PFB program.	the wider PFB management team members, relevant stakeholders (ministries, agencies, and sub-national governments), and wider potential project proponents, priority beneficiaries in disaster-prone areas

8.0 STAKEHOLDER ENGAGEMENT

8.1 PUBLIC OUTREACH AND CONSULTATION

A wider stakeholder engagement concerning the ESMS is carried out through several approaches, which include:

- Preparation of the ESMS: refining and updating of the ESMS has involved and will involve relevant stakeholders through focused group discussions regarding the management and implementation of the PFB program and public consultations with relevant parties;
- Implementation of ESMS:
 - Provision of internal and external grievance redress mechanisms. This grievance redress mechanism will be implemented with transparency, accountability and fairness principles.
 - Developing capacity building that is accessible and inclusive to the parties involved; and
 - The project proponent is required to carry out stakeholder engagement throughout the project cycle.
- Evaluation of the implementation of the ESMS: the PFB management team members consider stakeholder involvement and report on the grievance mechanism in evaluating the ESMS and its supporting tools.

The depth and approach to the stakeholder engagement will depend on the level of risk and the influence of each stakeholder involved in managing the environmental and social risks.

Additionally, this initial ESMS is prepared by engaging the relevant stakeholders as per Figure 5, whereas Figure 6 presents a series of stakeholder engagement events. The disclosed stakeholder engagement plan (SEP) outlines the stakeholder engagement program with grievance mechanism.

Table 7 Stakeholder engagement plan

Project stage	Topics for consultation	Method	Target group	Timeline	Responsible party
Preparation stage of the PFB program	Establishment of ESMS of the PFB program	Public consultation, meeting	Min. of Finance, BNPB, Min. of Home Affairs, BAPPENAS, Coordinating Min. for PMK, regional government, BPDH	Throughout the establishment of ESMS	BPDH
	General description of program, including program design.	Workshop, dissemination, meeting.	Min. of Finance, BNPB, Min. of Home Affairs, BAPPENAS, Coordinating Min. for PMK, regional government, BPDH	Throughout the preparation for the PFB program	Min. of Finance, BNPB
	ESMS, including ESMS implementation mechanism, stakeholder engagement plan, public information disclosure and grievance redress mechanism.	Workshop, dissemination, meeting.	Min. of Finance, BNPB, Min. of Home Affairs, BAPPENAS, Coordinating Min. for PMK, regional government, BPDH	Throughout the preparation of the PFB program	Min. of Finance, BNPB
			<ul style="list-style-type: none"> ▪ Ministries/Institutions related to the PFB program such as: Ministry of Public Works (PUPR), Ministry of Health, Ministry of Social Affairs and other Ministries/Institutions; ▪ project proponent and beneficiaries 	Throughout the preparation and implementation of the PFB program	BNPB and BPDH
Implementation of PFB program	Technical implementation of the PFB program, including proposal requirements, monitoring and evaluation of project implementation, supervision and evaluation of project proponent, as well as grievance redress mechanism.	Workshop, dissemination, meeting.	Min. of Finance, BNPB, Min. of Home Affairs, BAPPENAS, CMHDCA, regional government, BPDH Ministries/Institutions related to the PFB program such as Ministry of Public Works (PUPR), Ministry of Health, Ministry of Social Affairs and other Ministries/Institutions; project proponent and beneficiaries.	Throughout preparation of the PFB program	BNPB

Figure 5 The history of stakeholder engagement during the establishment of the initial ESMS

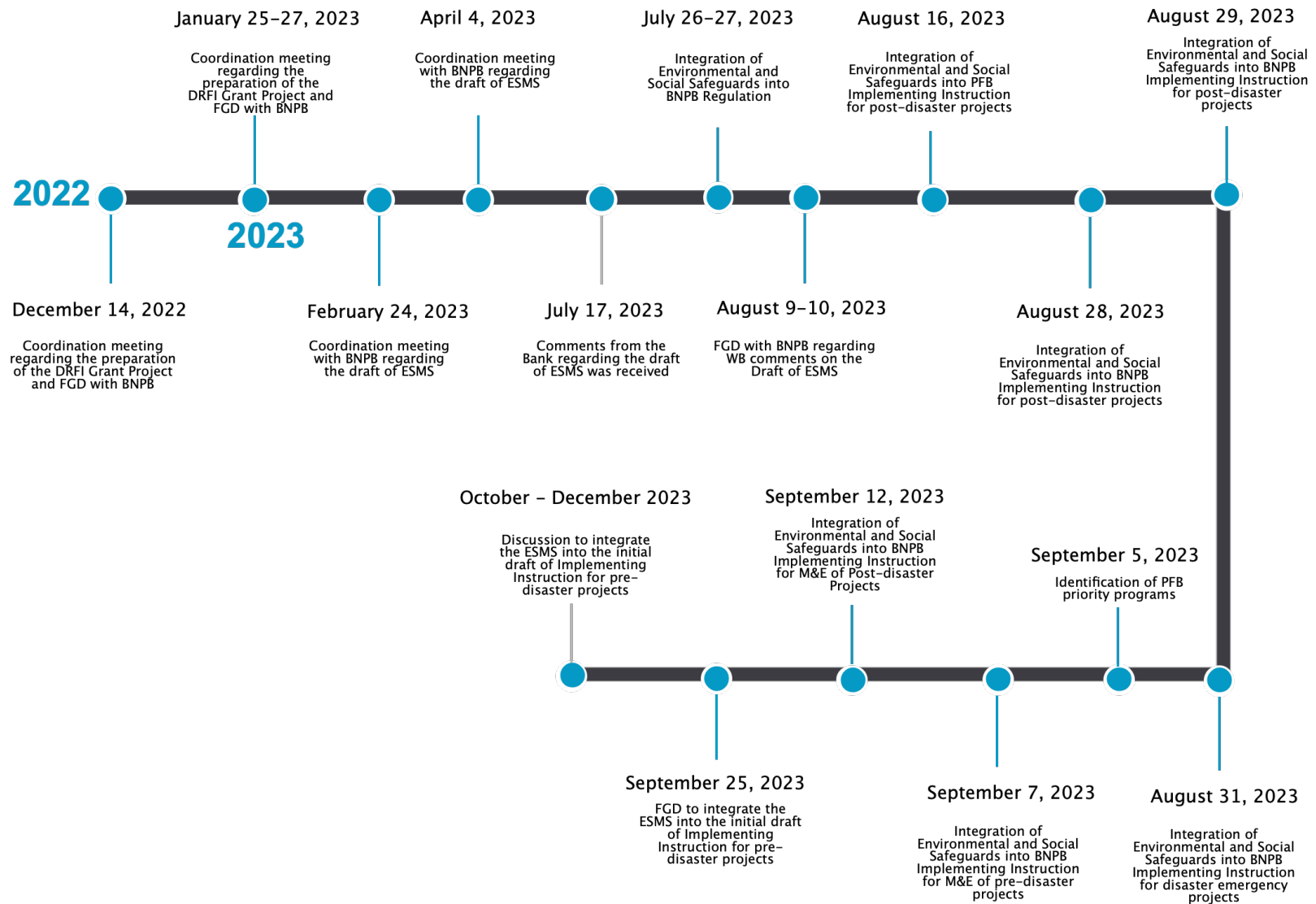


Figure 6 Stakeholder Engagement with the Sub-national Governments



8.2 PUBLIC INFORMATION DISCLOSURE

To ensure that stakeholders and the general public are updated with the latest ESMS progress, this draft initial ESMS will be presented in Indonesian and in English prior to public consultation. This initial ESMS document will be updated based on inputs from public consultations and disclosed to the public by the Government of Indonesia. This initial ESMS, along with its SEP and GRM will be uploaded to the MoF website (<https://fiskal.kemenkeu.go.id/strategi-drfi/pooling>).

9.0 GRIEVANCE REDRESS MECHANISM

The PFB program will implement a grievance redress mechanism (GRM) following the BNPB Regulation No. 6 of 2020 concerning Public Grievance Redress Mechanisms. The objectives of the GRM implementation is as follows:

- Providing mechanisms to identify and address feedback and grievances related to the implementation of PFB;
- Facilitating process for receiving, evaluating, and handling complaints from (i) internal of BNPB, and (ii) external parties (public and impacted communities, beneficiaries associated with the PFB program, project proponent and supporting parties, including local facilitators and the general public);
- Providing an effective and efficient management of public grievances;
- Avoiding duplication in the redress of public grievances; and
- Encouraging good governance that is free from corruption, collusion; bribery; and nepotism.

The grievance redress mechanisms are summarized as follows:

9.1 SCOPE

The PFB Grievance Redress Mechanisms covers reporting feedback and grievances originating from individuals and community groups.

9.2 THE PRINCIPLES OF GRIEVANCE REDRESS MECHANISMS

The following principles form the basis of grievance redress submitted by the parties:

- Legal certainty: the mechanism prioritizes the basis of statutory regulations.
- Objective: responses are decided based on evidence/facts that can be assessed according to the established criteria.
- Cooperative: grievance redress is carried out with good cooperation and compliance with the mechanisms, procedures, and administration.
- Non-discriminatory: parties submitting grievances are treated equally regardless of their ethnicity, religion, race, gender, and other subjective considerations.
- Confidentiality: The redress of grievances is handled carefully with confidentiality, following the statutory laws and regulations. Complaints can be submitted anonymously. Confidentiality is a fundamental aspect of this project, and the reporter's identity will not be disclosed unless permission to allow further verification and investigation is granted.
- Effective and efficient: The grievance is promptly addressed, targeting the right issue, is simply and completely managed, and is well coordinated.

- **Accountability:** The implementation of the grievance redress mechanism can be accounted for by following the laws and regulations
- **Transparency:** providing transparency of the process for the interested parties to monitor the progress and outcome of the grievance redress.
- **Gender perspective:** grievance redress conducted by upholding the values of safeguards and gender equality.

9.3 GRIEVANCE CHANNEL

Grievances can be submitted at any time throughout the project implementation by the following channels:

Grievance and feedback channel		
Institution	:	BNPB
e-mail	:	inspektorat_utama@bnpb.go.id
Phone number	:	021-51010 112
Correspondence address	:	Badan Nasional Penanggulangan Bencana (BNPB), Jl. Pramuka Kav. 38, Jakarta Timur, 13120.

9.4 THE PROCEDURE OF GRIEVANCE REDRESS MECHANISM (GRM)

Administrative completeness is required for all incoming grievances based on the following provisions:

- Grievances are submitted through the designated channel;
- Submission is completed with data of the complainant: name, address, contact number, and occupation. The complainant is permitted to withhold his/her name or identity (anonymous) except for contact information required for further grievance confirmation. BNPB will maintain the confidentiality of the identity and contact of the complainant(s) as well as the grievance(s) submitted;
- Specifically, for whistleblowers without contact information, a grievance is required to meet the basic information related to the subject of the grievance and the complain(s). Grievance submitted by the whistleblower that does not meet these basic information elements will not be processed but recorded in the grievance log.
- The grievance submission is required to have the information of the incident location, time of the incident, parties involved, and details of the incident in chronological order, supported by the necessary documentation and evidence.

Public grievance is classified into (i) public complaints at the supervision stage; and (ii) public complaints without supervisory requirements. Public complaints at the supervision stage consist of violations of workers' code of ethics, violations of workers' discipline, conflict of interest, and criminal acts. Public complaints without supervisory requirements include grievances containing information in the form of suggestions, criticism, and public services.

The grievance redress procedure covers the following steps:

- Recording – the person responsible for managing the grievance redress mechanism at BNPB records the identity and details of the complaints;
- Review – formulating the essence of the reported problem, finding the laws and regulations basis for the complaint materials, and determining results of the grievance review for further process.
- Distribution – the submission of public grievance reports based on the type of complaint. Report on public complaints at the supervision stage indicating deviations which are supported by: (i) logical and adequate contents of complaint; (ii) clear or unclear identity of the complainant(s); and (iii) sufficient evidence; can be recommended for further audit with a specific purpose or an investigative audit.
- Follow up – is carried out in the following stages:
 - Classification - is the process of clarifying a problem or activity in an actual proportion to the source of the complaint or the relevant agency;
 - Confirmation - is an activity to obtain confirmation regarding the whereabouts of the identified reported party, whether individual, group or institutional, if possible, including the issues being complained about;
 - Research - is the process of examining the completeness of the grievance report and its supporting evidence; and
 - The examination is the process of objectively and professionally identifying and analyzing the problem based on applicable standards to assess the truth the external grievances.
- Reporting – compiling the followed-up public grievance report activities systematically, concisely, clearly, and accountable. The report should contain conclusions and follow-up suggestions submitted to the Head of BNPB and related work units. In addition, the report is required to be submitted to the authorized official for review per the applicable laws and regulations for complaints at the supervision stage.
- Archiving – Document arrangement of reports on the outcome of the public grievance redress

Escalation of grievance(s) from BNPB to the Ministry of Finance is allowed by submitting through BPDFH grievance channel. The WISE will record the feedback, complaints, and grievances. MOF Inspectorate General will sort all of the information from WISE related to the PFB, and then notify and forward them to relevant Directorate Generals (DG), including BKF and BPDFH.

- email: contact.us@bpdfh.id;
- Phone: 021-3505226;
- mail address: JB Tower Building 29th - 30th Floor, No.48-50 Kebon Sirih Street, Gambir, Jakarta Province.

In addition, the BKF and BPDH will thoroughly review the grievances and provide appropriate responses through the BPDH Grievance System. New complaints can be re-submitted through this channel upon dissatisfaction with the response and/or resolution. Stakeholders also have the option to file an appeal as an alternative course of action.

Details on GRM procedures, including timeline for solving grievances, are currently being prepared by BNPB as part of BNPB Regulation regarding the PFB.

9.5 SUPERVISION OF THE GRIEVANCE REDRESS MECHANISM IN THE PFB

The Chief Inspector of BNPB conducts periodic monitoring to assess the compliance of the process with the complaint procedures, the compliance of the implementation with the complaint recommendations, and the effectiveness of the complaint remediation.

10.0 EVALUATION

The BNPB, in collaboration with the Ministry of Finance, consistently reviews and evaluates the regulations, policies, and performance of ESMS implementation under all projects financed by the PFB. This evaluation is crucial to ascertain the effectiveness and efficiency of environmental and social management systems and capacity for assessing, managing, and monitoring risks and impacts of PFB-financed projects. The evaluation is also useful to manage overall portfolio risk in a responsible manner.

The ESMS and its associated instruments will be reviewed and evaluated regularly, at least every two years. The evaluation will cover the entire PFB ESMS and selected projects financed by PFB for their implementation compliance to ESMS requirements. Evaluation of ESMS will include (a) an assessment of PFB's ability to manage and address all relevant social and environmental risks and impacts of its project operations, b) building capacity in enhanced E&S risk management; (c) a review of PFB compliance record with applicable laws and regulations in Indonesia related to environmental and social management as well as the WB ESF, and (c) stakeholder engagement activities. Evaluation materials encompass various sources including but not limited to (i) records of monitoring and evaluation results for each activity that receives funding from the PFB program; (ii) complaints and suggestions reports; (iii) PFB program audit findings; (iv) policy changes that form the basis for the implementation of the PFB.

This initial ESMS will undergo a revision after year 1 to incorporate both pre- and post-disaster activities with low, moderate, substantial, and high risk. Details regarding the evaluation of ESMS implementation will be part of ESMS at the improvement stage.

11.0 ESMS FINANCIAL ARRANGEMENTS

The Ministry of Finance is responsible for overseeing the overall project activities whilst day-to-day monitoring of all financed project operations is carried out by the BNPB, including leading the day-to-day operation of E&S management activities. Those parties shall be involved in monitoring, evaluation, supervision, documentation, dissemination, and capacity-building activities to strengthen the ESMS implementation throughout the PFB operation.

Budget allocation for core ESMS at the PFB operation level will be sourced from the yield and return of the investment result generated from the PFB raised fund. Within the first two years (2024 – 2025) the ESMS establishment and its initial implementation are supported by the trust fund financed by the Global Risk Financing Facility (GRiF) funds. Budget allocation for preparation of sub-project environmental and social management instruments (i.e., UKL-UPL, LARPF, IPP, additional TOR for technical assistance, Communication Strategy, FGRM enhancements, etc.) at activity/sub-project preparation stage cannot be determined at this stage since the exact project footprints and whether such instruments are required will be determined during project implementation. The general indicative financial plan can be seen in Table 7. Within the first two years, the establishment and initial implementation of ESMS require approx. 1,033,333USD. From 2026 onwards, PFB shall allocate approx. of 365,000USD/year to support the ESMS implementation.

Table 8 Indicative ESMS budget allocation

Budget item	Cost estimation	Estimated timeframe	Remark
Establishment of ESMS including ESMS procedures, ESMS management information system, institutional capacity and performance, as well as providing E&S management support within the first year of its implementation.	1,000,000 USD	2024 -2025	These deliverables will be supported by the E&S consulting firm financed by the GRiF trust fund.
Initial ESMS establishment covering the E&S risk management implementation for the pre-disaster projects with low to moderate E&S risks.	33,333 USD	2024	The initial ESMS is finalized by the E&S specialist(s). Those consultants assist the BNPB in implementing ESMS within the first year of 2024.
Initial ESMS implementation within the proposal assessment up to the post-operation phases including the E&S risk management implementation on an overall	150,000 USD/year	2026 onwards up to the PFB accepts the overall projects	At this phase, BNPB staff members are assisted by a group of E&S specialists under the E&S consulting firm to enhance their capacity in regard to the ESMS implementation of

Budget item	Cost estimation	Estimated timeframe	Remark
<p>project financed by the PFB is conducted by the BNPB staff members, particularly relevant technical deputies, and PFB pre-disaster task team members, supported by CMHDCA and three lines ministries.</p>		<p>covering low to high E&S risks including pre-disaster to post-disaster risk intervention.</p>	<p>the projects financed by PFB. Approximately 30 proposals/year will be selected with particular thematic projects announced by BNPB. It is estimated that the low E&S risk projects will be approx. of 70%, whilst the others prevail to moderate E&S risks. Under these worst-case scenarios, one proposed moderate E&S risk project requires a budget allocation for field verification of approx. 5,733 USD (including laboratory costs and personnel mobilizations). The bi-annual E&S risk management monitoring and evaluation for 30 projects (i.e., 21 low and 9 moderate E&S risks projects) require approx. 125,000USD. As such, the total required budget allocation for the overall project cycle is 150,000 USD/year including expenditure for stakeholder engagement during proposal assessment up to post-operation phases.</p>
<p>Capacity building - basic training on E&S risk management (i.e., E&S risk classification, screening system, and Indonesian E&S safeguards regulatory framework)</p>	<p>10,000 USD/year</p>	<p>2026 onwards</p>	<p>To strengthen the PFB pre-disaster task team and wider BNPB staff members, it is necessary to undertake an E&S risk management basic training twice a year. Within 2024-2025, these training are supported by trust fund.</p>
<p>Technical/thematic training/workshop</p>	<p>5,000 USD/year</p>	<p>2026 onwards</p>	<p>This training includes ESSs training, specific data collection methods, and others. It is estimated to be 10,000USD/year. While, within 2024-2025, these training are supported by trust fund.</p>

Budget item	Cost estimation	Estimated timeframe	Remark
Communication strategy, including SEP implementation, stakeholder consultations	10,000 USD/year	2026 onwards	The establishment and initial implementation of the communication strategy are supported by the GRiF trust fund up to 2025. The continuation of the implementation of the communication strategy from 2026 onwards is estimated to be 500,000 USD/year.
Grievance redress mechanisms (i.e., GRM strengthening and operationalization)	80,000 USD	2026 onwards	Strengthening of GRM for PFB project is estimated to be 30,000USD whilst the operationalization requires 50,000USD/year.
E&S specialists	40,000 USD/year	2026 onwards	If possible, BNPB will procure E&S safeguards specialists to 40,000USD/year
E&S Monitoring and evaluation	90,000 USD/year	2026 onwards	The operation of E&S monitoring and evaluation conducted by BNPB supported technical ministries/agencies/experts (if necessary), requires approx. of USD90,000 for 30 projects/year.

LIST OF ATTACHMENT

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Annex 1 Negative List

Until improvements are made to the initial ESMS, the following list of activities will not be financed by PFB:

- projects involving the purchase of alcoholic beverages, tobacco products, recreational drugs, luxury goods, military goods, radioactive materials, and/or other similar items;
- payments prohibited by national laws and regulations as well as UN Security Council decisions based on Chapter VII of the UN Charter;¹
- indicated and/or has the potential to violate laws and regulations;
- projects involving prohibited material(s) according to international and national legislations including but not limited to the production and/or use of asbestos-containing products and/or un-bonded asbestos fibers;
- projects that indicate discriminatory behavior;
- has the potential to involve child labor and/or forced labor that is not in accordance with the provisions of laws and regulations in the field of manpower;
- project(s) classified as substantial to high E&S risks within the initial PFB implementation according to the milestones as per Section 1.3, particularly related to disaster emergency or post-disaster risk management projects, including but not limited to the activities that:
 - are included in activities that require to have an Environmental Impact Assessment (EIA/AMDAL);
 - the operation of the projects may generate sensitive, complex, irreversible, and unmitigated environmental and social impacts;
 - requires involuntary land acquisition, involving land acquisition, either resulting in forced eviction/transfer/relocation of local communities and/or customary law communities, resulting in physical and/or economic changes/displacements of the community resulting in the impact of limiting or terminating community access to land and/or traditional resources which are their source of livelihood;
 - Related to work and financing of major infrastructure development/ major civil works, infrastructure development that is in national/international waters, disputed areas, and/or on land where clean and clear land status cannot be demonstrated; and/or
 - The operation of the projects may generate losses to local communities and/or indigenous peoples, for example, affecting the customary rights of indigenous peoples to use and access land, assets, and natural resources.

¹ Action with respect to threats to the peace, breaches of the peace, and acts of aggression as per <https://www.un.org/en/about-us/un-charter/chapter-7>

- has the potential to cause or result in permanent and/or significant damage to cultural assets and heritage, as well as historical buildings and/or archaeological sites that cannot be replicated and replaced; and/or
- has the potential to cause damage to biodiversity and habitats, especially vulnerable and endangered species listed in the criteria and categories of the red list of Appendix 1 and Appendix 2 of the International Union Conservation of Nature in the Convention (IUCN) on International Trade Endangered Species².

² <https://www.iucnredlist.org/assessment/red-list-index>

Annex 2 Environmental and Social Risk Classification

Risk Classification	Description	Instrument
High	Wide range of significant adverse risks and impacts on human populations or the environment including i) long-term, permanent and/or irreversible and impossible to avoid entirely due to the nature of the project; ii) high in magnitude and/or in spatial extent; iii) significant adverse cumulative impacts or transboundary impacts; and iv) a high probability of serious adverse effects to human health and/or the environment (e.g., due to accidents, toxic waste disposal, etc.)	Not applicable Note: High risk subprojects will not be permitted at this stage
Substantial	The Project may not be located in such a highly sensitive area, but potential risks and impacts may be significant. This would take into account whether the potential risks and impacts have the majority or all of the following characteristics: i) mostly temporary, predictable and/or reversible, and the nature of the project does not preclude the possibility of avoiding or reversing them; ii) adverse social impacts may give rise to a limited degree of social conflict, harm, or risk to human security; iii) medium in magnitude and/or spatial extent; iv) there is medium to low probability of serious adverse effects to human health and/or the environment (e.g., due to accidents, toxic waste disposal, etc.), and there are known and reliable mechanisms available to prevent or minimize such incidents. Mitigatory and/or compensatory measures may be designed more readily and more reliably than those of High-Risk Projects	Not applicable Note: High risk subprojects will not be permitted at this stage
Moderate	Potential adverse risks and impacts on human populations and/or the environment are not likely to be significant. This is because the Project is not complex and/or large, does not involve activities that have a high potential for harming people or the environment and is located away from environmentally or socially sensitive areas. As such, the potential risks and impacts, and issues are likely to have the following characteristics: i) predictable and expected to be temporary and/or reversible; ii) low in magnitude; iii) site-specific, without likelihood of impacts beyond the actual footprint of the Project; and iv) low probability of serious adverse effects to human health and/or the environment (e.g., do not involve use or disposal of toxic materials, routine safety precautions are expected to be sufficient to prevent accidents, etc.). The Project's risks and impacts can be easily mitigated in a predictable manner.	Environmental and Social Assessment (ESA) as part of environmental permitting processes (UKL/UPL), and other management plans guided by the ESMS as relevant. A TOR for UKL/UPL that meets the ESSs is presented as part of the ESMS to guide assessment and mitigation of potential impacts
Low	Potential adverse risks to and impacts on human populations and/or the environment are likely to be minimal or negligible. These Projects, with few or no adverse risks and impacts and issues, do not require further ES assessment following the initial screening.	Screening checklist, ESCOPs, and SPPL (<i>Surat Pernyataan Pengelolaan Lingkungan</i>)

Annex 3 Environmental and Social Screening

Environmental and Social Standards (ESSs)	Environmental and Social Screening Indicator
ESS 1 – Assessment of Environmental and Social Risks and Impacts	Will the proposed project activities and its associated facilities ³ (if any) likely to generate environmental and social impacts?
	Are there dissenting views from the community about the proposed activities?
	Is the proposed activity listed under Minister of Environment and Forestry Regulation No. 4 of 2021 as activity that requires national environmental impact assessment (<i>Analisis Mengenai Dampak Lingkungan Hidup</i> , AMDAL), Environmental Management Efforts and Environmental Monitoring Efforts (UKL-UPL), or Statement of Consent concerning Environmental Management and Monitoring (SPPL)?
ESS 2 – Labor and Working Environment Conditions	Will the proposed project involve mixed workforce (local and/or external) or lead to Occupational Health and Safety (OHS) risks such as work accidents and/or disruption to work environment?
	Will there be risks of child labor associated with project activities?
	Is there a risk of labor influxes?
ESS 3 – Resource Efficiency and Pollution Prevention and Management	Will the proposed project involve the use of chemical and hazardous materials and/or result in the production of solid or liquid waste (e.g. water, hazardous, domestic or construction wastes), or an increase in waste production during construction or operation phase?
	Will the proposed project involve the use of resources, including energy, water, and raw material?
	Will the proposed subproject create risks of increased air pollution (e.g., dust, noise, vibration, gas emissions)?
	Will the proposed project affect the quantity or quality of surface waters (e.g., sea, rivers, streams, wetlands) or groundwater (e.g., wells)?
	Will the proposed project create risks of increased soil degradation or erosion?
ESS 4 – Community Health and Safety	Will the proposed project have possible impacts and risks on community health and safety from construction and/or operational activities?
	Are there any potential risks of community and worker exposure to water-borne, water based, water-related, and vector-borne diseases, and communicable and noncommunicable diseases that could result from project activities?

³ Associated Facilities means facilities or activities that are not funded as part of the project and, in the judgment of the Bank, are: (a) directly and significantly related to the project; (b) carried out, or planned to be carried out, contemporaneously with the project; and (c) necessary for the project to be viable and would not have been constructed, expanded or conducted if the project did not exist. For facilities or activities to be Associated Facilities, they must meet all three criteria.

	Will the proposed project involve interactions between contractors and the remote local beneficiaries and affected communities?
	Will the proposed project involve any disproportionate impacts and risk on certain groups (vulnerable groups, gender, etc.)?
ESS 5 – Land Acquisition, Restriction on Land Use and Involuntary Resettlement	Will the proposed project be in a disputed area and/ or unable to proof the clean and clear status of the land?
	Will the proposed locations be located in an area that is not aligned with the regional spatial planning?
	Will the proposed project require land (public or private) to be acquired (temporarily or permanently)?
	Will project activities affect people economic activity/community access to land use?
	Will the proposed project use land that is currently occupied or regularly used for productive purposes (e.g., gardening, farming, a fishing location, forests)?
	Will the proposed project result in the loss of income sources and means of livelihood due to land acquisition?
	Will the project likely to induce or exacerbate social conflicts (in places where historically known of having social conflicts)?
ESS 6 – Biodiversity Conservation and Sustainable Management of Living Natural Resources	Are there any sensitive natural habitats (forest, riverine, coastal, mangroves, coral reefs, wetlands, peat land) areas or threatened species that could be adversely affected by the project?
	Will the proposed project involve primary production ⁴ and harvesting ⁵ of living natural resources?
	Does the project procure pesticides (either directly through the project, or indirectly through on-lending, co-financing, or government counterpart funding), or may affect pest management in a way that harm could be done, even though the project is not envisaged to procure pesticides?
	Will the proposed project involve harvesting or exploiting a significant volume of natural resources such as marine and aquatic resources, timber and non-timber forest products, fresh water, etc.?
ESS 7 – Indigenous Peoples	Are there social-cultural groups present in the project area, or who use the project area, who may be considered as “Indigenous Peoples/ethnic minorities/tribal groups”?
	Are there community members of the indigenous groups in the project area who will either receive benefits or are adversely impacted by the project?
	Do such groups use indigenous languages that differ from the national

⁴ Primary production of living natural resources is cultivation or rearing of plants or animals, including annual and perennial crop farming, animal husbandry (including livestock), aquaculture, plantation forestry, etc.

⁵ Harvesting of living natural resources, such as fish and all other types of aquatic and terrestrial organisms and timber, refers to productive activities that include extraction of these resources from natural and modified ecosystems and habitats.

	language or language used by the majority, in the project area?
	Will the project area be located within customary land/forest?
ESS 8 – Cultural Heritage	Will the proposed construction activities be implemented in areas known as a cultural heritage site?
ESS 10 – Stakeholder Engagement and Information Disclosure	Will the project involve the relevant stakeholders (i.e., public discussions, meeting, capacity building, workshop, or other relevant activities)?

Annex 4 Environmental and Social Instruments

The project proponent and BNPB shall identify (i) environmental and social components⁶ potentially affected by each triggered ESS, and (ii) environmental and social instruments needed to determine management and monitoring strategy for potential impacts (Table A-1) based on hierarchical risk mitigation that can be implemented technically and takes into account budget/cost availability:

- Anticipation and avoidance: impact management measures are identified and determined by evaluating technically and financially feasible alternatives (including location, technology, and/or alignment options) and cost and benefits for proposed activities. Evaluation should impact project design, enabling to choose alternatives that anticipate and avoid adverse environmental and social risks and impacts from occurring, such as by changing project designs, moving program and/or activity locations, or replace certain technology.
- Minimization: when avoidance is not possible, management measures are carried out to minimize or reduce adverse environmental and social risks and impacts that are likely to arise throughout the project life cycle, such as reducing physical footprint of a project, reducing the duration of activities, applying technology to support efficient use of resources or pollution reduction;
- Mitigation: to manage residual risks and adverse impacts after avoidance and minimization, mitigation measures are carried out by establishing specific actions to ensure the activities meet the requirements of applicable ESSs 1-8 and comply with relevant national laws and regulations. The measures, including thematic plans or mitigations measures such as Biodiversity Management Plan, Resettlement Plans, etc, normally form part of the environmental and social management plan (ESMP) for the project.
- Offset or Compensation: Where avoidance, minimization, or mitigation is not adequate to manage significant adverse risks and impacts, it may be appropriate to design and implement measures that compensate/offset for residual risks and impacts. Restoration, creation, enhancement, and preservation comprise this hierarchy for offsets (the last two measures particularly concern habitats that are under severe threat of extinction/degradation).

Table A-4 List of environmental and social safeguard instruments

Environmental and social safeguard instruments	Risk level classification	Triggered ESS	Note
Environmental and social impact assessment documents			

⁶ environmental components include physical, chemical and biological components, while social components include economic, cultural, social, health and community safety conditions.

Environmental and social safeguard instruments	Risk level classification	Triggered ESS	Note
<ul style="list-style-type: none"> Environmental Management Efforts and Environmental Monitoring Efforts (UKL-UPL) 	Moderate	ESS 1, 3 and other relevant ESS as determined by the screening process.	<p>UKL-UPL is a series of assessment processes to determine environmental and social management and monitoring strategies formulated in formal documents. UKL-UPL documents are considered as prerequisite in decision making involved in the issuing of business permits, or approval from the Central Government or Regional Governments.</p> <p>The provisions for the formulation of UKL-UPL documents refer to Government Regulation No. 22/2021 concerning the Implementation of Environmental Safeguard and Management in the UKL-UPL format, Appendix III.</p> <p>As a compliance with the ESS, the UKL-UPL documents are formulated by incorporating acceptable minimum requirements as shown in Annex 6.</p>
<ul style="list-style-type: none"> Statement of Consent concerning Environmental Management and Monitoring (SPPL) 	Low	ESS 1, 10 and other relevant ESS as determined by the screening process.	<p>SPPL is a statement of willingness by the person in charge of the activity or project proponent to carry out environmental and social management and monitoring of potential environmental and social impacts during the implementation of projects that are not required to be supported by an AMDAL or UKL-UPL documents. The formulation of the SPPL document refers to Appendix III of Government Regulation No. 22/2021 concerning the Implementation of Environmental Safeguard and Management.</p>
Environmental and Social Management Plan (ESMP)	Moderate	Triggered ESS based on screening results and environmental and social impact assessment results.	<p>ESMP is an effort to deal with environmental and social impacts resulting from planned activities and/or projects. ESMP is prepared with reference to the results of environmental and social impact assessments.</p>
Hazard and Risk Assessment	Moderate	ESS 2, 3 and 4.	<p>Hazard and Risk Assessment is an instrument to identify, analyze and control materials and conditions that are hazardous and/or risky to health and safety at project locations. The Project proponent is required to report the volume and plan in using flammable, explosive, reactive, hazardous and toxic materials. The Hazard and Risk Assessment can be part of an environmental and social impact assessment document or a separate document.</p>
Occupational Health and Safety Impact Assessment	Moderate	ESS 2	<p>This instrument is required if (i) there are indications of potential impacts (direct impacts, derivative impacts, cumulative impacts and/or impacts arising from supporting facilities) on occupational health and safety in the screening process; and/or (ii) there is a gap between the occupational health, safety and security documents, environmental impact assessment documents, and technical designs provided by the project proponent and the requirements for fulfilling ESS 2.</p> <p>The formulation of this document refers to the Guidelines for Assessment, Management and Monitoring of Impacts on Occupational Health and</p>

Environmental and social safeguard instruments	Risk level classification	Triggered ESS	Note
			Safety ⁷ . This document can be part of or separate from the environmental and social impact assessment (UKL-UPL) document.
Biodiversity and Natural Resources Impact Assessment.	Moderate	ESS 6	This instrument is needed if (i) there are indications of potential impacts (direct impacts, derivative impacts, cumulative impacts and/or impacts arising from supporting facilities) on biodiversity and natural resources in the screening process; and/or (ii) there is a gap between the environmental impact documents provided by the project proponent and the requirements for fulfilling ESS 6. The formulation of this document refers to the Guidelines for Assessment, Management and Monitoring of Impacts on Biodiversity and Natural Resources. This document may be included in, or separate from, the Environmental and Social Impact Assessment (UKL-UPL) document.
Gender and Social Impact Assessment	Moderate	ESS 4	Social and gender impact assessment is required if there are potential direct impacts, derivative impacts, cumulative impacts and/or impacts arising from supporting facilities on social, cultural, economic, human rights, gender mainstreaming, the principle of non-discrimination and safeguard of vulnerable groups. This social and gender impact assessment can be part of or separate from formulating environmental and social impact assessment documents. Determination of the need for this study is based on the gap analysis results.
Plan for Management and Monitoring of Employment and Working Conditions	Moderate	ESS 2	This study is required in the following cases: <ul style="list-style-type: none"> ▪ The results of the impact assessment study on labor and working conditions identified the requirement for the management of employment and working conditions to meet the requirements in ESS 2 for moderate to high levels of risk and prevent negative environmental and social impacts from activities implementation; and/or ▪ Based on the gap analysis results between documents related to employment and working conditions provided by the project proponent (such as policies/provisions related to human resources and other policies/provisions/documents). ESS 2 required this study to be completed for moderate to high levels of risk.
Community Health and Safety Management and Monitoring Plan	Moderate	ESS 4	The community health and safety management and monitoring plan is a document for mitigating the potential impact analyzed in the impact assessment study on public health and safety. This document is required if:

⁷ https://www.ilo.org/wcmsp5/groups/public/@ed_protect/@protrav/@safework/documents/normativeinstrument/wcms_107727.pdf

Environmental and social safeguard instruments	Risk level classification	Triggered ESS	Note
			<ul style="list-style-type: none"> ▪ There is a gap between community health and safety management documents (such as emergency response procedures, community capacity building plans for health and safety and similar documents) provided by the project proponent and the requirements of ESS 4 for moderate to high levels of risk; and/or ▪ The results of the impact assessment study on community health and safety management identified the need for community health and safety management as required by ESS 4 for medium to high levels of risk. <p>The community health and safety management and monitoring plan document can be part of or separate from the ESMP document.</p>
Abbreviated Land Acquisition and Resettlement Policy Framework (LARPF)	Moderate	ESS 5	This document provides a framework to clarify land acquisition and resettlement principles, organizational arrangement, and design criteria to be applied to proposed project funded by PFB. Once the proposed projects are defined and the necessary information becomes available, the project proponent will follow the LARPF and include the appropriate measures in the ESMP. Abbreviated land acquisition and resettlement policy is discussed in Annex 10.
Biodiversity and Natural Resources Management and Monitoring Plan	Moderate	ESS 6	The biodiversity and natural resources management and monitoring plan is a document for mitigating the potential impacts analyzed in the impact assessment study on biodiversity and living natural resources. This document can be part of or separate from the ESMP document.
Indigenous Peoples Impact Assessment	Moderate	ESS 7	<p>This instrument is required if (i) there are indications of potential impacts (direct impacts, derivative impacts, cumulative impacts and/or impacts arising from supporting facilities) on customary law communities during the screening process; and/or (ii) there is a gap between the environmental and social impact documents provided by the project proponent and the requirements for fulfilling ESS 7.</p> <p>The formulation of this document refers to the Guidelines for Assessment, Management and Monitoring of Impacts on Biodiversity and Natural Resources. This document may be included in, or separate from, the Environmental and Social Impact Assessment (UKL-UPL) document.</p>
Preliminary Indigenous Peoples Planning Framework (IPPF)	Moderate	ESS 7	This framework is prepared to guide the screening, consultations and engagement and management of impacts on Indigenous Peoples if they are present and/or will be affected by the project activities. This framework also includes brief guidelines on IP Impact Assessment and IP Plan. Further IPPF refers to Annex 11.

Environmental and social safeguard instruments	Risk level classification	Triggered ESS	Note
Indigenous People Management and Monitoring Plan	Moderate	ESS 7	The management and monitoring plan for indigenous peoples is prepared as part of a mitigation plan for the potential impacts analyzed in the impact assessment study on indigenous peoples. This document can be part of or separate from the ESMP document.
Chance Find Procedure	Moderate	ESS 8	The <i>Chance Find Procedure</i> is a document that responds to potential discoveries of tangible cultural heritage during the implementation of activities that have the potential to impact the cultural heritage. Further CFP refers to Annex 12.
Social and Gender Impact Management and Monitoring Plan	Moderate	ESS 1	The social and gender management, and monitoring plan is a document prepared to respond to the potential impacts that emerge in the environmental and social impact assessment study. This document contains steps for mitigating impacts based on the mitigation hierarchy and strategies for monitoring impact management performance and the significance of the impacts. Social and gender impact management and monitoring plan documents may be included in or separate from the ESMP document.
Environmental and Social Code of Practices/ESCOPs (Annex 7)	Low	Triggered Environmental and Social Safeguard Principles	This environmental and social management plan applies to the program and/or project proposal submitted by the project proponent with low level of risks.

Annex 5

Proponent Environmental and Social Commitment

The Proponent Environmental and Social (E&S) Commitment set out the material measures and actions required for the project to meet the ESSs over a specified timeframe agreed by the PFB and the project proponent. The Proponent E&S Commitment will form part of the legal agreement containing the obligations of the project proponent to support the implementation of this E&S Commitment. The PFB requires the project proponent to prepare, submit to the BNPB for approval, and implement a process that allows for adaptive management of proposed project changes or unforeseen circumstances. The process will specify how such changes or circumstances are to be managed and reported, and how any necessary changes will be made to the Proponent E&S Commitment and the management tools used by the project proponent.

The Proponent E&S Commitment template is provided in the Annex 5.1.

Annex 5.1
Template Of Proponent Environmental And Social Commitment

POOLING FUND BENCANA (PFB)
PROPONENT ENVIRONMENTAL AND SOCIAL COMMITMENT
[PROJECT NAME], [PROJECT NUMBER]
[YEAR]

1. The *[Name of project proponent]* commits to adhere to the environmental and social policy framework outlined in this Proponent Environmental and Social Commitment.
2. The *[Name of project proponent]* commits to implement all measures in this Proponent Environmental and Social Commitment. The implementation of these measures, as specified in this Commitment, will be diligently coordinated, monitored, and reported by *[Name of project proponent]* to the Managing and Implementing Entity of the PFB Program. This implementation and monitoring process is an integral part of ensuring performance, progress, and completion during Project operation.
3. As agreed by the Ministry of Finance and BNPB, as well as *[Name of project proponent]*, The Proponent E&S Commitment can be revised during the project implementation to adopt an adaptive management approach and adapt to changes, contingencies, or performance evaluations. Any developments or changes to the project shall be approved by *[Name of project proponent]* and documented through a letter signed by the Ministry of Finance and BNPB. The updated Proponent E&S Commitment should be published by *[Name of project proponent]*.
4. In the event of any modifications or updates related to the Project, unforeseen circumstances, or changes in Project performance that lead to alterations in environmental and social risks and impacts during the implementation of the Project, *[Name of project proponent]* shall allocate additional funds (if necessary) for implementing strategies and measures to reduce these risks and impacts. This includes identifying relevant risks and impacts associated with Project developments and/or changes.

MATERIAL MEASURES		TIMEFRAME
MONITORING AND REPORTING	A. REPORTING [Prepare and submit regular monitoring reports on the Project's environmental and social performance. This includes providing updates on the implementation of Proponent E&S Commitment measures, progress in preparing and implementing required environmental and social documents under Proponent E&S commitment guidelines, engagement with stakeholders, as well as the effectiveness of grievance redress mechanisms.]	<i>[Indicate frequency of reporting, e.g. quarterly, six-monthly, yearly throughout Project implementation].</i>
	B. INCIDENTS AND ACCIDENTS [Report any incident or accident related to the Project that may have a significant negative impact on the environment, affected communities, the public, or workers without delay. Provide a detailed account of the occupational incident or accident, including the actions taken or planned to address it. Include information received from contractors and supervising entities. Subsequently, the project proponent prepares a report outlining proposed measures to prevent future incidents and accidents.]	<i>[Notification to [Managing and Implementing Entity of PFB Program] within 48 hours after the incident or accident are managed] [*the next schedule of report submission will be determined by Managing and Implementing Entity of the PFB Program]</i>
ESS 1: EVALUATION AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISK AND IMPACT	1.1. ORGANIZATIONAL STRUCTURE: [Establish organizational structure with staff to support environmental and social risk management]	
	1.2. ENVIRONMENTAL AND SOCIAL ASSESSMENT: [The proponent E&S commitment should include requirements for project proponents to assess potential impacts and prepare environmental and social management and monitoring plans]	
ESS 2: LABOR AND WORKING CONDITIONS	2.1. LABOR MANAGEMENT PROCEDURES: [Implement Labour Management Procedures that has been developed for the PFB within the PFB ESMS document.]	
	2.2. GRIEVANCE MECHANISM FOR PROJECT WORKERS: [The grievance mechanism required under the ESS2 which is in accordance with the LMP].	
	2.3. OCCUPATIONAL HEALTH AND SAFETY PROTECTION MEASURES: [Prepare, adopt, and implement the occupational health and safety (OHS) measures as specified in the EMSP].	

MATERIAL MEASURES		TIMEFRAME
ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION MANAGEMENT	3.1. ELECTRONIC WASTE MANAGEMENT PLAN: [Prepare, adopt, and implement Electronic Waste Management Plan.]	
	3.2. RESOURCE EFFICIENCY AND POLLUTION PREVENTION MANAGEMENT: [Measures for resource efficiency, pollution prevention and management will be contained in the Environmental and Social Management and Monitoring Plan as stated in the [SPPL/UKL-UPL].	
ESS 4: COMMUNITY HEALTH AND SAFETY	4.1. TRAFFIC AND ROAD SAFETY: Adopt and implement measures to assess and mitigate traffic and road safety risks for motorists and pedestrians as stated in [SPPL/UKL-UPL].	
	4.2. COMMUNITY HEALTH AND SAFETY: Develop and implement measures and actions in assessing and mitigating potential impacts arising from the implementation of Project on community health and safety. Examples of the risks are: increased prevalence of diseases, accidents resulting from Project design or failure of Project structures, reduced resources due to Project implementation.	
	4.3. GENDER BASED VIOLENCE, SEXUAL EXPLOITATION AND SEXUAL HARASSMENT: [For projects with moderate, substantial, and high risk level of gender-based violence.] [Where necessary, include additional funds available to implement measures to address the risks and impacts of gender-based violence, sexual exploitation and sexual harassment that may arise during Project implementation.]	
	4.4. SECURITY PERSONNEL: [Prepare and implement Security Personnel Management Plan in accordance with the ESS4.]	
ESS 5: LAND ACQUISITION AND INVOLUNTARY RESETTLEMENT	5.1. LAND ACQUISITION & RESETTLEMENT PLAN: [Prepare preliminary land due diligence and implement corrective action plan [if necessary]/ prepare and implement LARAP in accordance with the ESS5 and in compliance with the laws and regulations.]	
	5.2. GRIEVANCE MECHANISM : [Grievance mechanism related to resettlement should be described in the framework of land acquisition, land demarcation, and resettlement].	
ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES	6.1. BIODIVERSITY RISK AND IMPACT: [If the risks and impacts related to biodiversity cannot be comprehensively covered as part of the Environmental and Social Management and Monitoring Plan in either the SPPL or UKL-UPL, the project proponent prepares and implements a stand alone Biodiversity Management Plan, in accordance with the Environmental and Social Impact Analysis which is acceptable by the PFB Program].	
ESS 7: INDIGENOUS PEOPLES	INDIGENOUS PEOPLES: [Implement preliminary IPPF/ prepare and implement Indigenous People Plan (IPP) in accordance with ESS7.]	

MATERIAL MEASURES		TIMEFRAME
ESS 8: CULTURAL HERITAGE	CHANCE FIND PROCEDURES: [Prepare and implement chance find procedures for material/physical objects in accordance with the statutory regulations.]	
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE	PREPARATION AND IMPLEMENTATION OF STAKEHOLDER ENGAGEMENT PLAN : [Stakeholder engagement plan is prepared as the basis for proposal submission. The managing and implementing entity of the PFB program will check the suitability and conformity of the stakeholder engagement plan with the needs of the Project and PFB program, or an update is required.]	
	PROJECT GRIEVANCE MECHANISM: [Prepare, adopt, maintain, and implement grievance redress mechanism, as described in the SEP.]	
CAPACITY BUILDING	[Project proponent decides the submission mechanism of capacity building proposal for Project staff, beneficiaries or target groups. Examples of training that may be needed by Project staff, stakeholders, beneficiaries and/or target groups are: <ul style="list-style-type: none"> ● Stakeholder Mapping and Engagement ● Specific aspects of environmental and social assessment ● Emergency Preparedness and Response ● Community health and safety. 	

Annex 6
Minimum requirements of Environmental and Social Management Effort - Environmental and Social Monitoring Effort (UKL-UPL)

Minimum requirements in the UKL-UPL document	Acceptable minimum requirements in the preparation of UKL-UPL	Notes
Identity of project proponent: <ul style="list-style-type: none"> ▪ name of project proponent; ▪ business/activity address; and ▪ telephone number, fax, or email. 	Refer to the UKL-UPL without additions.	
Activity description: <ul style="list-style-type: none"> ▪ name of project/activity; ▪ map of location of the activity compiled based on cartographic principles; ▪ scale and size of activity; and ▪ list of components of activity. 	Refer to the UKL-UPL with the following additions: <ul style="list-style-type: none"> ▪ description related to the environmental and social baseline; ▪ summary of alternative activity locations and technology that can minimize environmental and social risks; ▪ land acquisition refers to land acquisition requirements in accordance with the laws and regulations, and to be completed with verification in the aspects of: <ul style="list-style-type: none"> ○ land acquisition process, ○ implementation of livelihood restoration plan, ○ compensation for land acquisition, by taking into account the productivity of the land and/or businesses on it; ○ coaching on restoration of livelihoods of the affected communities; ○ implementation of ESS 7 for land acquisition/resettlement involving indigenous communities; 	Compatibility of the proposed activity with spatial planning is to be presented in the form of an overlay map between the project boundaries and the official spatial planning map (draft of spatial maps cannot be used). Based on the results of the spatial analysis, project proponent provides an assessment related to suitability of the land, otherwise a note is required regarding the incompatibility of the project location with the spatial planning. Project proponent may request formal evidence from spatial planning agencies, such as BKPTRN or BKPRD to clarify uncertainties related to spatial suitability information. The supporting evidence must be attached to the UKL-UPL. If the proposed business/activity location is not in accordance with the layout plan, the UKL-UPL form cannot

Minimum requirements in the UKL-UPL document	Acceptable minimum requirements in the preparation of UKL-UPL	Notes
	<ul style="list-style-type: none"> ○ prevention of forced displacement (eviction) without the consent of the land owner ▪ identification of supporting facilities (if any); ▪ design of project/activity; ▪ community consultation with the community that is likely to be impacted by implementation of the activity/project; and ▪ conformity assessment to laws and regulations, especially those related to environmental and social aspects. 	<p>be processed further in accordance with the provisions of Article 14 paragraph (3) of the Government Regulation No. 27/2012.</p> <p>For proposed activity of a specific type, project proponent must perform a spatial analysis regarding the suitability of business and/or activity location with the indicative map of new permit moratorium contained in the Presidential Instruction No. 10/2011, or new regulations regarding this provision. Based on the results of the spatial analysis, project proponent concludes the suitability of the location, making sure that it is within or outside the primary forest and peatland areas registered under the PIPB (<i>Peta Indikatif Penundaan Izin Baru</i> - Indicative Map for Postponement of New Permits). If the proposed location for the business and/or activity is listed under the indicative map, other than specific activities that are excluded under the Presidential Instruction No. 10/2011, the UKL-UPL form cannot be processed further.</p>
<p>Identification of potential environmental impacts, and the management and monitoring plan, covering:</p> <ul style="list-style-type: none"> ▪ sources of impact; 	<p>Refer to the UKL-UPL requirements with the following additions:</p> <ul style="list-style-type: none"> ▪ assessment of social impacts, occupational health and safety (K3) risks, risks to indigenous 	

Minimum requirements in the UKL-UPL document	Acceptable minimum requirements in the preparation of UKL-UPL	Notes
<ul style="list-style-type: none"> ▪ types of impact; ▪ size/scale of impact; ▪ management plan (activity, location, management timeframe); ▪ monitoring plan (activity, location, monitoring timeframe); ▪ person in charge; and ▪ notes. 	<p>peoples and vulnerable groups, adequacy of stakeholder engagement processes, and plans for mitigating potential environmental and social impacts;</p> <ul style="list-style-type: none"> ▪ land acquisition, by taking into account: <ul style="list-style-type: none"> ○ land acquisition process, ○ implementation of livelihood restoration plan, ○ compensation for land acquisition, by taking into account the productivity of the land and/or businesses on it; ○ coaching on restoration of livelihoods of the affected communities; ○ implementation of ESS 7 for land acquisition/resettlement involving indigenous communities; and ○ prevention of forced displacement (eviction) without the consent of the land owner ▪ assessment of indirect impact (secondary and cumulative impact) to the environment and social settings, as well as occupational health and safety ▪ assessment of environmental and social impact resulting from the supporting facilities; ▪ grievance redress mechanism; ▪ cost estimates in implementing the environmental and social management and monitoring, and the source of funding; ▪ capacity building and training plans for project proponent and contractors; and ▪ stakeholder engagement mechanism and plan. 	

Minimum requirements in the UKL-UPL document	Acceptable minimum requirements in the preparation of UKL-UPL	Notes
Statement of ability to implement UKL-UPL	Refer to UKL-UPL without additions.	

Annex 7
Environmental and Social Code of Practices (ESCOPs)

PART 2: MITIGATION PLAN		
ACTIVITY	PARAMETER	GOOD PRACTICES MITIGATION MEASURES CHECKLIST
A. General Conditions	Notification and Worker Safety	<ul style="list-style-type: none"> (a) The local construction and environment inspectorates and communities have been notified of upcoming activities (b) The public has been notified of the works through appropriate notification in the media and/or at publicly accessible sites (including the site of the works) (c) All legally required permits (to include not limited to land use, resource use, dumping, sanitary inspection permit) have been acquired for construction and/or rehabilitation (d) All work will be carried out in a safe and disciplined manner designed to minimize impacts on neighboring residents and environment. (e) Workers' PPE will comply with international good practice (always hardhats, as needed masks and safety glasses, harnesses and safety boots) (f) Appropriate signposting of the sites will inform workers of key rules and regulations to follow.
B. General Rehabilitation and /or Construction Activities	Air Quality	<ul style="list-style-type: none"> (a) During interior demolition use debris-chutes above the first floor (b) Keep demolition debris in controlled area and spray with water mist to reduce debris dust (c) Suppress dust during pneumatic drilling/wall destruction by ongoing water spraying and/or installing dust screen enclosures at site (d) Keep surrounding environment (side walks, roads) free of debris to minimize dust (e) There will be no open burning of construction / waste material at the site (f) There will be no excessive idling of construction vehicles at sites
	Noise	<ul style="list-style-type: none"> (a) Construction noise will be limited to restricted times agreed to in the permit (b) During operations the engine covers of generators, air compressors and other powered mechanical equipment should be closed, and equipment placed as far away from residential areas as possible
	Water Quality	<ul style="list-style-type: none"> (a) The site will establish appropriate erosion and sediment control measures such as e.g. hay bales and / or silt fences to prevent sediment from moving off site and causing excessive turbidity in nearby streams and rivers.
	Waste management	<ul style="list-style-type: none"> (a) Waste collection and disposal pathways and sites will be identified for all major waste types expected from demolition and construction activities. (b) Mineral construction and demolition wastes will be separated from general refuse, organic, liquid and chemical wastes by on-site sorting and stored in appropriate containers. (c) Construction waste will be collected and disposed properly by licensed collectors (d) The records of waste disposal will be maintained as proof for proper management as designed. (e) Whenever feasible the contractor will reuse and recycle appropriate and viable materials (except asbestos)
C. Individual wastewater treatment system	Water Quality	<ul style="list-style-type: none"> (a) The approach to handling sanitary wastes and wastewater from building sites (installation or reconstruction) must be approved by the local authorities

PART 2: MITIGATION PLAN		
ACTIVITY	PARAMETER	GOOD PRACTICES MITIGATION MEASURES CHECKLIST
		(b) Before being discharged into receiving waters, effluents from individual wastewater systems must be treated in order to meet the minimal quality criteria set out by national guidelines on effluent quality and wastewater treatment (c) Monitoring of new wastewater systems (before/after) will be carried out
D. Historic building(s)	Cultural Heritage	(a) If the building is a designated historic structure, very close to such a structure, or located in a designated historic district, notify and obtain approval/permits from local authorities and address all construction activities in line with local and national legislation (b) Ensure that provisions are put in place so that artifacts or other possible “chance finds” encountered in excavation or construction are noted, officials contacted, and works activities delayed or modified to account for such finds.
E. Acquisition of land	Land Acquisition Plan/Framework	The project proponent shall ensure the provision of land is clean and clear as those lands shall be owned by SNGs and the central government, and there are no land-dependent peoples. The abbreviated LARPF (Annex 9) contains a screening form to prepare preliminary land due diligence.
F. Toxic Materials	Asbestos management	(a) If asbestos is located on the project site, mark clearly as hazardous material (b) When possible the asbestos will be appropriately contained and sealed to minimize exposure (c) The asbestos prior to removal (if removal is necessary) will be treated with a wetting agent to minimize asbestos dust (d) Asbestos will be handled and disposed by skilled & experienced professionals (e) If asbestos material is to be stored temporarily, the wastes should be securely enclosed inside closed containments and marked appropriately (f) The removed asbestos will not be reused
	Toxic / hazardous waste management	(a) Temporarily storage on site of all hazardous or toxic substances will be in safe containers labeled with details of composition, properties and handling information (b) The containers of hazardous substances should be placed in an leak-proof container to prevent spillage and leaching (c) The wastes are transported by specially licensed carriers and disposed in a licensed facility. (d) Paints with toxic ingredients or solvents or lead-based paints will not be used
G. Affects forests and/or protected areas	Protection	(a) All recognized natural habitats and protected areas in the immediate vicinity of the activity will not be damaged or exploited, all staff will be strictly prohibited from hunting, foraging, logging or other damaging activities. (b) For large trees in the vicinity of the activity, mark and cordon off with a fence large trees and protect root system and avoid any damage to the trees (c) Adjacent wetlands and streams will be protected from construction site run-off, with appropriate erosion and sediment control feature to include by not limited to hay bales, silt fences (d) There will be no unlicensed borrow pits, quarries or waste dumps in adjacent areas, especially not in protected areas.
H. Disposal of medical waste	Infrastructure for medical waste management	(a) In compliance with national regulations the contractor will insure that newly constructed and/or rehabilitated health care facilities include sufficient infrastructure for medical waste handling and disposal; this includes and not limited to: <ul style="list-style-type: none"> ▪ Special facilities for segregated healthcare waste (including soiled instruments “sharps”, and human tissue or fluids) from other waste disposal: <ul style="list-style-type: none"> a. Clinical waste: yellow bags and containers b. Sharps – Special puncture resistant containers/boxes

PART 2: MITIGATION PLAN		
ACTIVITY	PARAMETER	GOOD PRACTICES MITIGATION MEASURES CHECKLIST
		<ul style="list-style-type: none"> c. Domestic waste (non-organic): black bags and containers ▪ Appropriate storage facilities for medical waste are in place; and ▪ If the activity includes facility-based treatment, appropriate disposal options are in place and operational
I Traffic and Pedestrian Safety	Direct or indirect hazards to public traffic and pedestrians by construction activities	<ul style="list-style-type: none"> (b) In compliance with national regulations the contractor will insure that the construction site is properly secured and construction related traffic regulated. This includes but is not limited to <ul style="list-style-type: none"> ▪ Signposting, warning signs, barriers and traffic diversions: site will be clearly visible and the public warned of all potential hazards ▪ Traffic management system and staff training, especially for site access and near-site heavy traffic. Provision of safe passages and crossings for pedestrians where construction traffic interferes. ▪ Adjustment of working hours to local traffic patterns, e.g. avoiding major transport activities during rush hours or times of livestock movement ▪ Active traffic management by trained and visible staff at the site, if required for safe and convenient passage for the public. ▪ Ensuring safe and continuous access to office facilities, shops and residences during renovation activities, if the buildings stay open for the public.
J Development of regulations/provisions, and capacity building	Gender	<ul style="list-style-type: none"> (a) project proponent to ensure that parties supporting the activity (staff/facilitators) implement prevention of violence, harassment and sexual exploitation (b) mass-gathering projects are carried out in a non-discriminatory, accountable, transparent manner and uphold equality and gender mainstreaming (c) security officers involved in safeguarding the projects understand and implement protection against gender and vulnerable groups (d) project proponent to ensure involvement of 20% of vulnerable groups in the activities. (e) accessible open space is allocated and the space should not disturb the vulnerable groups
	Occupational and Community Health and Safety	<ul style="list-style-type: none"> (a) parties supported the activity (staff members/facilitators) are trained on emergency response in advance (b) understand the importance of HSE and implement the occupational health and safety (K3) by carrying out preventive measures through avoidance and management of hazards to minimize risks, to include (i) ensuring that the supporting parties (staff members/facilitators) are in good health; (ii) avoiding placement of hazardous installation at vulnerable place; and (iii) assign personnel with appropriate expertise in implementing activities; (c) health protocol is implemented to prevent prevalence of diseases to parties supporting the activities (staff members/facilitators) ; (d) evacuation routes and gathering points are available in the event of an emergency requiring rapid evacuation; (e) light fire extinguisher (APAR) and first aid kits are available for easy access; (f) implementation of mass gathering programs/activities must consider the capacity of the room used, by taking into account the number of participants and the organizing committee (g) easy access to clean water and sanitation is available in the location used for the activities; and (h) Facilities are available to accommodate the needs of parties supporting the activities (staff members/facilitators) who are categorized as vulnerable groups.
	Pollution prevention and efficiency of resources	<ul style="list-style-type: none"> (a) trash bins or temporary storage for solid or liquid waste are provided (b) sanitation facilities (washrooms, hand washing stations, etc.) are adequately provided; (c) implementation of activities to involve cooperation of cleaning staffs;

PART 2: MITIGATION PLAN		
ACTIVITY	PARAMETER	GOOD PRACTICES MITIGATION MEASURES CHECKLIST
		(d) to apply principles of 3R (reduce, reuse and recycle) to waste generated from the activities; (e) to implement management of electronic waste (Annex 13); and (f) to implement energy efficiency principles throughout the implementation of the activities.
	Access restrictions and/or land acquisition	prior to the implementation of the activities, the project proponent to obtain valid and accountable approval from land owners, local authorities and the community who have interest in the land, including road access
	Biodiversity	(a) implementation of projects does not result in loss of, reduction, change, or threat to composition of biodiversity, ecosystems and/or habitats (b) implementation of projects to consider: (i) cultural services available at the location of activity; (ii) participants working time; and (iii) community access to ecosystem services; and (c) implementation of projects does not result in loss of, reduction, change, or threat to composition of biodiversity, ecosystems and/or habitats.
	Cultural heritage	(a) when implementation of projects intersects or has the potential to cause impacts, either direct or indirectly to cultural heritage, the project proponent should consider the following aspects: (b) area used for implementation of projects does not impede community access to cultural heritage; (c) implementation of projects does not coincide with or potentially hinder cultural heritage rituals; (d) implementation of projects creates no damage to cultural heritage; and (e) implementation of projects has taken into account local prohibitions related to cultural heritage based on information obtained from consultation with the local communities and stakeholders.
	Indigenous peoples	The project proponent ensures that the project involves or potentially impacts indigenous peoples should take into account the following key aspects: (a) assess the project/sub-project activities with impacts on indigenous peoples, including review the legal and institutional framework applicable to Indigenous Peoples in the project context; (b) identify key project stakeholders and elaborate a culturally appropriate and gender-sensitive process for meaningful consultation with Indigenous Peoples; (c) conduct information disclosure, consultation, and participation, incorporating arrangement of Indigenous People participation and its mechanisms; (d) identify and recommend appropriate mitigation measures (minimize, manage, or compensate of the potential impacts), based on meaningful consultation with the affected communities; and (e) describe the procedures to redress grievances by affected Indigenous Peoples, including explaining how the procedures are accessible to Indigenous Peoples and culturally appropriate and gender sensitive.
	Stakeholder engagement	(a) project proponent to ensure that parties supporting the activ (staff/facilitators) implement prevention of violence, harassment and sexual exploitation (b) mass-gathering projects are carried out in a non-discriminatory, accountable, transparent manner and uphold equality and gender mainstreaming (c) security officers involved in safeguarding the projects understand and implement protection against gender and vulnerable groups (d) project proponent to ensure involvement of 20% of vulnerable groups in the activities. (e) accessible open space is allocated and the space should not disturb the vulnerable groups

PART 3: MONITORING PLAN

What (Is the parameter to be monitored?)	Where (Is the parameter to be monitored?)	How (Is the parameter to be monitored?)	When (Define the frequency / or continuous?)	Why (Is the parameter being monitored?)	Cost (if not included in project budget)	Who (Is responsible for monitoring?)

Annex 8 Environmental and Social Corrective Action Plan (ESCAP)

No.	Recommended actions based on due diligence	Risk level	Time-frame	Person in Charge	Project proponent's response	Response and evidence (BNPB)	Time-frame	Risk level	Project proponent's response	Findings and recommendations	Timeframe	Risk level
<i>ESS 1: Assessment and Management of Risk and Impact</i>												
<i>ESS 2: Labour and Working Condition</i>												
<i>ESS 3: Resource Efficiency and Pollution Prevention and Management</i>												
<i>ESS 4: Community Health and Safety</i>												
<i>ESS 5: Land acquisition, Restriction on Land Use and Involuntary Settlement</i>												
<i>ESS 6: Biodiversity conservation and Sustainable Management of Living Natural Resources</i>												
<i>ESS 7: Indigenous peoples</i>												
<i>ESS 8: Cultural Heritage</i>												
<i>ESS 10: Stakeholder Engagement and Information Disclosure</i>												

Annex 9
Environmental and Social Safeguards for The Proposed Project

STATEMENT LETTER OF
ENVIRONMENTAL AND SOCIAL MANAGEMENT
[PROJECT NAME] - [PROJECCT NUMBER]
[YEAR]

The undersigned:

Name :
Position :
Institution :
Address :

Confirm that the information included in this working paper along with the accompanying documents is in accordance with the actual conditions and that its validity and correctness can be accounted for.

We are willing to be further verified for any incorrect/inappropriate information, for further decision on the program and/or activity that we are proposing.

[... place ..., ... date month year ...]

[... full name and signature ...]

**Annex 9.1
Environmental and Social Protection Form**

PART 1: INSTITUTIONAL & ADMINISTRATIVE				
Project title				
Scope of project and activity				
Institutional arrangements (Name and contacts)				
Implementation arrangements (Name and contacts)	Safeguard Supervision	Project Proponent	Local Supervision	Contractor
Duration of proposed Project				
SITE DESCRIPTION				
Name of site				
Describe site location				Attachment 1: Site Map [<input type="checkbox"/> Y [<input type="checkbox"/>] N
Who owns the land?				
Geographic description				
Summary of proposed activity*	<p>Concise, effective, and complete information regarding the following:</p> <ul style="list-style-type: none"> - Main objectives of the proposed activity/program; - Main duties/actions of the proposed activity; - Expected intervention/contribution to environmental and social improvement and/or protection; - The scope of engagement of the relevant rights-holders and stakeholders, and their roles in the proposed activity; - Existing policies related to environmental and social protection; <p>The strategy used to ensure the sustainability of the proposed program or activity.</p>			
LEGISLATION				
Identify national & local legislation & permits that apply to project activity				
PUBLIC CONSULTATION				
Identify when / where the public consultation process took place				
INSTITUTIONAL CAPACITY BUILDING				
Will there be any capacity building?	[<input type="checkbox"/>] N or [<input type="checkbox"/>] Y if Yes, Attachment 2 includes the capacity building program			
PART 2: ENVIRONMENTAL AND SOCIAL MANAGEMENT				
A. NEGATIVE LIST				

1. projects involving the purchase of alcoholic beverages, tobacco products, recreational drugs, luxury goods, military goods, radioactive materials, and/or other similar items;
2. payments prohibited by national laws and regulations as well as UN Security Council decisions based on Chapter VII of the UN Charter;
3. indicated and/or has the potential to violate laws and regulations;
4. projects involving prohibited material(s) according to international and national legislations including but not limited to the production and/or use of asbestos-containing products and/or un-bonded asbestos fibers;
5. projects that indicate discriminatory behavior;
6. has the potential to involve child labor and forced labor that is not in accordance with the provisions of laws and regulations in the field of manpower;
7. project(s) classified as substantial to high E&S risks within the initial PFB implementation according to the milestones as per Section 1.3, particularly related to disaster emergency or post-disaster risk management projects, including but not limited to the activities that:
 - a) are included in activities that require to have an Environmental Impact Assessment (EIA/AMDAL);
 - b) the operation of the projects may generate sensitive, complex, irreversible, and unmitigated environmental and social impacts;
 - c) requires involuntary land acquisition, involving land acquisition, either resulting in forced eviction/transfer/relocation of local communities and/or customary law communities, resulting in physical and/or economic changes/displacements of the community resulting in the impact of limiting or terminating community access to land and/or traditional resources which are their source of livelihood;
 - d) Related to work and financing of major infrastructure development/ major civil works, infrastructure development that is in national/international waters, disputed areas, and/or on land where clean and clear land status cannot be demonstrated; and/or
 - e) The operation of the projects may generate losses to local communities and/or indigenous peoples, for example, affecting the customary rights of indigenous peoples to use and access land, assets, and natural resources.
 - f) has the potential to cause or result in permanent and/or significant damage to cultural assets and heritage, as well as historical buildings and/or archaeological sites that cannot be replicated and replaced; and/or
 - g) has the potential to cause damage to biodiversity and habitats, especially vulnerable and endangered species listed in the criteria and categories of the red list of Appendix 1 and Appendix 2 of the International Union Conservation of Nature in the Convention (IUCN) on International Trade Endangered Species .

Based on the results of the screening against the negative list, the proposed project are considered as:⁸

Included in the negative list

Not included in the negative list

Classify project risks according to the "**B. Environmental and Social Risk Classification**" if the proposed project is not on the negative list.

B. ENVIRONMENTAL AND SOCIAL RISK CLASSIFICATION

Environmental and Social Risk Classification

E&S Risk Levels	Criteria	[Y]	[N]
High	Wide range of significant adverse risks and impacts on human		

⁸ Choose one of the relevant answer on the checklist

	populations or the environment including i) long-term, permanent and/or irreversible and impossible to avoid entirely due to the nature of the project; ii) high in magnitude and/or in spatial extent; iii) significant adverse cumulative impacts or transboundary impacts; and iv) a high probability of serious adverse effects to human health and/or the environment (e.g., due to accidents, toxic waste disposal, etc.)		
Substantial	The Project may not be located in such a highly sensitive area, but potential risks and impacts may be significant. This would take into account whether the potential risks and impacts have the majority or all of the following characteristics: i) mostly temporary, predictable and/or reversible and the nature of the project does not preclude the possibility of avoiding or reversing them; ii) adverse social impacts may give rise to a limited degree of social conflict, harm, or risk to human security; iii) medium in magnitude and/or spatial extent; iv) there is medium to low probability of serious adverse effects to human health and/or the environment (e.g., due to accidents, toxic waste disposal, etc.), and there are known and reliable mechanisms available to prevent or minimize such incidents. Mitigatory and/or compensatory measures may be designed more readily and be more reliable than those of High-Risk Projects		
Moderate	Potential adverse risks and impacts on human populations and/or the environment are not likely to be significant. This is because the Project is not complex and/or large, does not involve activities that have a high potential for harming people or the environment and is located away from environmentally or socially sensitive areas. As such, the potential risks and impacts, and issues are likely to have the following characteristics: i) predictable and expected to be temporary and/or reversible; ii) low in magnitude; iii) site-specific, without likelihood of impacts beyond the actual footprint of the Project; and iv) low probability of serious adverse effects to human health and/or the environment (e.g., do not involve use or disposal of toxic materials, routine safety precautions are expected to be sufficient to prevent accidents, etc.). The Project's risks and impacts can be easily mitigated in a predictable manner.		
Low	Potential adverse risks to and impacts on human populations and/or the environment are likely to be minimal or negligible. These Projects, with few or no adverse risks and impacts and issues, do not require further ES assessment following the initial screening.		

Evaluate the potential environmental and social risks generated by the project/activity in accordance with the relevant environmental and social standards (ESSs) outlined in "**C. Environmental and Social Risk Screening**".

C. ENVIRONMENTAL AND SOCIAL RISK SCREENING

Parameters	Yes	No	Notes	Reference
Will the proposed project activities and its associated facilities ⁹ (if any) likely to generate environmental and social				

⁹ Associated Facilities means facilities or activities that are not funded as part of the project and, in the judgment of the Bank, are: (a) directly and significantly related to the project; (b) carried out, or planned to be carried out, contemporaneously with the project; and (c) necessary for the project to be viable and would not have been constructed, expanded or conducted if the project did not exist. For facilities or activities to be Associated Facilities, they must meet all three criteria.

impacts?				
Are there dissenting views from the community about the proposed activities?				
Is the proposed activity listed under Minister of Environment and Forestry Regulation No. 4 of 2021 as activity that requires national environmental impact assessment (Analisis Mengenai Dampak Lingkungan Hidup, AMDAL), Environmental Management Efforts and Environmental Monitoring Efforts (UKL-UPL), or Statement of Consent concerning Environmental Management and Monitoring (SPPL)?				
Will the proposed project involve mixed workforce (local and/or external) or lead to Occupational Health and Safety (OHS) risks such as work accidents and/or disruption to work environment?				
Will there be risks of child labor associated with project activities?				
Is there a risk of labor influxes?				
Will the proposed project involve the use of chemical and hazardous materials and/or result in the production of solid or liquid waste (e.g. water, hazardous, domestic or construction wastes), or an increase in waste production during construction or operation phase?				
Will the proposed project involve the use of resources, including energy, water, and raw material?				
Will the proposed subproject create risks of increased air pollution (e.g., dust, noise, vibration, gas emissions)?				
Will the proposed project affect the quantity or quality of surface waters (e.g., sea, rivers, streams, wetlands) or groundwater (e.g., wells)?				
Will the proposed project create risks of increased soil degradation or erosion?				
Will the proposed project have possible impacts and risks on community health and safety from construction and/or operational activities?				

Are there any potential risks of community and worker exposure to water-borne, water based, water-related, and vector-borne diseases, and communicable and noncommunicable diseases that could result from project activities?				
Will the proposed project involve interactions between contractors and the remote local beneficiaries and affected communities?				
Will the proposed project involve any disproportionate impacts and risk on certain groups (vulnerable groups, gender, etc.)?				
Will the proposed project be in a disputed area and/ or unable to proof the clean and clear status of the land?				
Will the proposed locations be located in an area that is not aligned with the regional spatial planning?				
Will the proposed project require land (public or private) to be acquired (temporarily or permanently)?				
Will project activities affect people economic activity/community access to land use?				
Will the proposed project use land that is currently occupied or regularly used for productive purposes (e.g., gardening, farming, a fishing location, forests)?				
Will the proposed project result in the loss of income sources and means of livelihood due to land acquisition?				
Will the project likely to induce or exacerbate social conflicts (in places where historically known of having social conflicts)?				
Are there any sensitive natural habitats (forest, riverine, coastal, mangroves, coral reefs, wetlands, peat land) areas or threatened species that could be adversely affected by the project?				
Will the proposed project involve				

primary production ¹⁰ and harvesting ¹¹ of living natural resources?				
Does the project procure pesticides (either directly through the project, or indirectly through on-lending, co-financing, or government counterpart funding), or may affect pest management in a way that harm could be done, even though the project is not envisaged to procure pesticides?				
Will the proposed project involve harvesting or exploiting a significant volume of natural resources such as marine and aquatic resources, timber and non-timber forest products, fresh water, etc.?				
Are there social-cultural groups present in the project area, or who use the project area, who may be considered as “Indigenous Peoples/ethnic minorities/tribal groups”?				
Are there community members of the indigenous groups in the project area who will either receive benefits or are adversely impacted by the project?				
Will the project area be located within customary land/forest?				
Do such groups use indigenous languages that differ from the national language or language used by the majority, in the project area?				
Will the proposed construction activities be implemented in areas known as a cultural heritage site?				
Will the project involve the relevant stakeholders (i.e., public discussions, meeting, capacity building, workshop, or other relevant activities)?				

¹⁰ Primary production of living natural resources is cultivation or rearing of plants or animals, including annual and perennial crop farming, animal husbandry (including livestock), aquaculture, plantation forestry, etc.

¹¹ Harvesting of living natural resources, such as fish and all other types of aquatic and terrestrial organisms and timber, refers to productive activities that include extraction of these resources from natural and modified ecosystems and habitats.

Annex 10

Abbreviated Land Acquisition and Resettlement Policy Framework – for low and moderate pre-disaster activities

A. Background

The initial ESMS manual applies to the *pre-disaster phase activities of low to moderate risk levels*, which may cause minor land/asset impacts. The purpose of the Abbreviated LARPF is to clarify resettlement principles, organizational arrangement, and design criteria to be applied to subprojects to be prepared during the initial stage of the ESMS.

A social screening will be conducted to make the impacts are minor, involve no more than 10 percent of the area of any holding, and require no physical relocation. The Abbreviated LARPF will be updated during the improvement of ESMS in the 2nd and 3rd years. The project-level land acquisition and resettlement action plans (LARAP) will be developed once proposed project sites have been identified and a land acquisition scheme has been determined for the land in question. LARAP will be developed through a consultative process with the potentially affected communities and/or individuals in line with applicable provisions in the Environmental and Social Standard 5 on land acquisition and resettlement (ESS 5) for pre and post-disaster activities.

B. Principles governing land acquisition and resettlement preparation and implementation

Any land acquisition must be undertaken in compliance with the requirements of national law and the provisions of ESS 5 and is conducted in a manner consistent with the following basic principles:

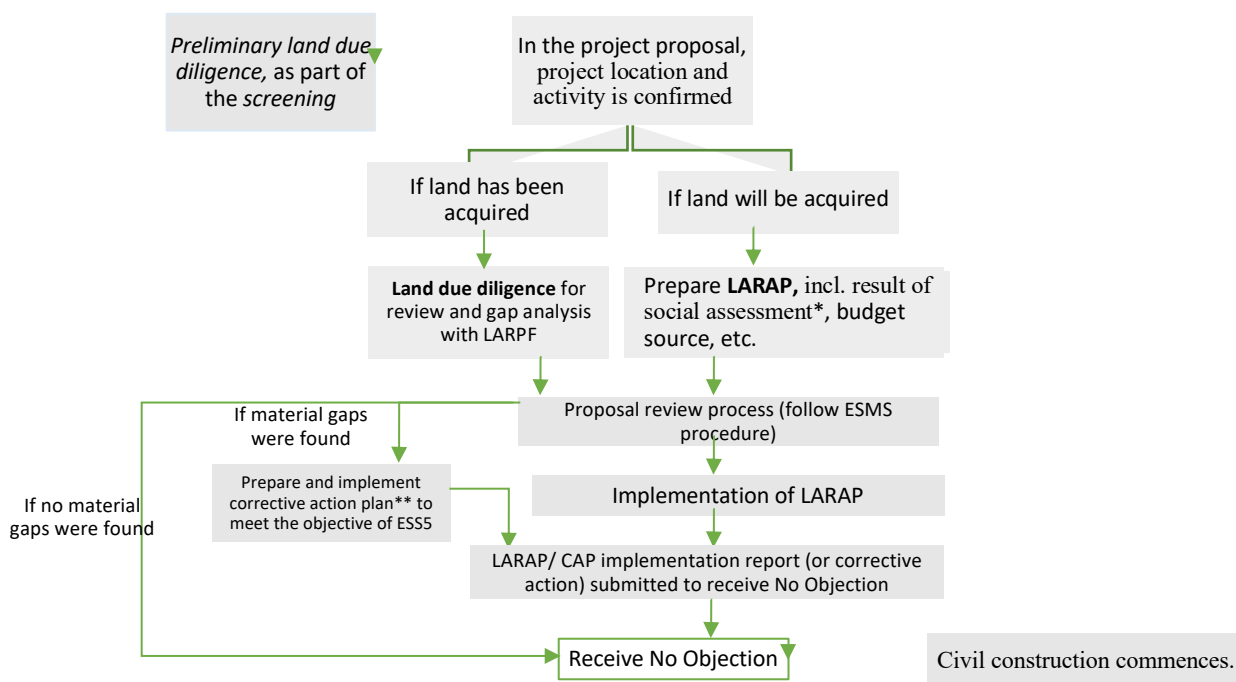
- Efforts will be made to avoid and minimize involuntary resettlement risks. No forced eviction will be exercised.
- Preliminary land due diligence will be conducted as part of the assessment process, and efforts made to avoid and minimize land acquisition impact.
- Projects for which land has previously been acquired or cleared will be excluded if preliminary land due diligence finds a significant legacy issues.
- Regarding government or state-owned land, the Project will make every effort to help those with recognizable rights receive official recognitions to enable them to receive compensation at replacement value, and those without recognizable rights to receive rehabilitation measures in lieu of compensation, through consultative processes.
- Affected households are well-informed on their entitlements, including their recognizable rights and forms and valuation of compensation.
- Affected households receive timely compensation for loss of assets at replacement costs and are assisted to improve/restore their livelihoods.

- Voluntary land donations are allowed only if conditions provided in this LARPF are met;
- Every effort will be made to reach mutually agreeable terms of land acquisition and compensation with land owners and land users;
- Appropriate feedback and grievance redress mechanisms are put in place; and
- Mechanisms are put in place for monitoring compliance with the LARPF.
- Directly and significantly related to the project;
- Carried out or planned to be carried out contemporaneously with the project; and
- Necessary for the project to be viable and would not have been constructed, expanded, or conducted if the project did not exist.

C. Process

The application of ESS5 will be required in the event that the GoI seeks to resettle people in disaster-prone areas as a pre-emptive measure in anticipation of future disasters, and post-disaster response activities financed by the PFB may involve the reconstruction of damaged infrastructure on an expanded footprint, requiring land acquisition, in order to strengthen resilience to future shocks. The overall process prior to the commencement of civil construction is illustrated in Figure 1.

Figure 1. Land Acquisition and Resettlement Processes



*Social assessment includes census, identification, and assessment of physical and non-physical components of land; rehabilitation support for residents with unrecognized land ownership rights.

** Corrective action implementation report is to be received before civil works start/resume.

At the initial stage for pre disaster activities with low and moderate risk level, the project proponent need to complete preliminary land due diligence (see part J below) as part of the proposal screening process to assess land acquisition risk and impacts from the proposed projects. A Corrective Action Plan (CAP) is prepared if preliminary land due diligence finds that the land acquisition conducted in anticipation of respective proposed projects have gaps in meeting the objective of the ESS5. In developing a CAP, the project proponent is first to determine when land acquisition has been conducted based on available information and documentation. They will be responsible for collecting as much documentation as possible, including through existing planning documents, reports, etc, and interviews with relevant government officials and local community members including if possible PAPs themselves. These data will be used to establish the profile of affected people, the scale and scope of impacts, and mitigation measures planned/ implemented. Their findings will be presented in the CAP, which will include the profile of vulnerable groups, such as informal/ unrecognizable land occupants and those without local domicile, and data gaps that the team is not able to fill despite demonstrated good faith efforts. In addition, implementation procedures, grievance mechanisms, monitoring and evaluation mechanisms, and budgets should also be included. These corrective action plans should be consulted with PAPs.

Social assessment will be included in the updated LARPF. Survey of land and assets & census of Project Affected Peoples, including squatters and informal settlers:

- the surveyed land and assets should be identified, marked, and photographed, and by the defined eligibility cut-off date the areas should be secured against encroachers.
- the Project Affected People should be identified and registered with full data and photographs.
- a compensation package should be developed (categories of impacts and appropriate entitlements to formal and informal settlers landholders and squatters). and
- initial consultations should be conducted to identify any salient issues or concerns impacting on affected people. Gender-separate consultations should be conducted in order to properly ascertain the views of the women.

The compensation package and abbreviated Resettlement Plan should be submitted to the Bank for No Objection. The acquisition process is only completed with the actual payment of compensation to Project Affected People and settlement of any grievances they may hold.

Abbreviated LARAP

The potential projects to be supported during the initial ESMS stage are likely to cause minor impacts, for instance, temporary land/asset impacts or loss of crops. Projects requiring involuntary acquisition of land, or the resettlement or compensation of more than 200 people

and or land acquisition above 10% of total land holdings, including projects requiring physical relocation will be excluded at this initial stage ESMS. For minor impact, the project proponent will prepare and implement an Abbreviated LARAP. The LARAP can be made as part of the ESMP.

The abbreviated plan covers the following minimum elements:

- a census survey of displaced persons and valuation of assets.
- description of compensation and other resettlement assistance to be provided.
- consultations with displaced people about acceptable alternatives.
- institutional responsibility for implementation and procedures for grievance redress.
- arrangements for monitoring and implementation; and
- a timetable and budget

Voluntary Land Donation Guidelines

The Voluntary Land Donation (VLD) applies when individuals or local groups wish to donate land for the subproject implementation. Voluntary land donations should generally be discouraged given the overwhelming vulnerability of Project-Affected Persons (PAPs). It should only be authorized for formal and non-vulnerable owners in exceptional cases. Activities or sub-projects have to clearly document (a) the potential donor or donors have been appropriately informed and consulted about the program and the choices available to them; (b) potential donors are aware that refusal is an option, and have confirmed in writing their willingness to proceed with the donation; (c) the amount of land being donated is minor and will not reduce the donor's remaining land area below that required to maintain the donor's livelihood at current levels; (d) no household relocation is involved; (e) the donor is expected to benefit directly from the program; and (f) for community or collective land, the donation can only occur with the consent of individuals using or occupying the land. Procedures must be put into place to ensure that the donation is indeed voluntary, that the donor is the legitimate owner of land-use rights on such lands, and that the donor is fully informed of the purpose of the donation and of the implications of donating the property. If the land is donated on a conditional basis, the terms and conditions for the temporary use of the property must be clearly documented.

Voluntary land donation for a proposed project will be an acceptable option if:

- Consent from landowners and their spouses and eligible heirs is given;
- The land donor has been informed clearly of his/her public meeting prior to the decision to donate the land voluntarily, but nevertheless, he or she still wishes to donate his/her land without any pressure;
- There is an option to adjust the sub-project design or location in the case that the landowners refuse to donate their land;

- The land is identified by beneficiary communities and confirmed by technical staff to be suitable for the sub-project and free from any environmental or health risks;
- The impact on the landowners is insignificant and does not result in the displacement of households, or cause loss of households' incomes and livelihoods;
- The donated land is free from any ownership disputes or any other claims (e.g. tax, municipal fees/*retribusi daerah*) or encumbrances;
- Consultations with the land donors or beneficiaries are conducted in a well-informed, free, and transparent manner in the presence of community leaders and facilitators, and they wish to donate the land without pressure.
- Land donors will benefit directly from the project; and
- Land donors have the right to refuse to donate their land and therefore there should be alternative sites for sub-projects.

In the case that project proponents recommend land through voluntary donation, the proposal should provide information on potential donors and necessary documentation indicating land donors' consent. A sample for documentation for Land Donation is presented in part J.

E. National Legislation and Policies

The current laws and regulations in Indonesia have addressed the main requirements of ESS 5 as mentioned in the initial ESMS chapter 3.2. The initial ESMS has also provided gap analysis with proposed gap-filling measures in the initial ESMS chapter 3.3, which has been translated in this initial LARPF. The laws and regulations on land acquisition, restrictions on land use and involuntary resettlement include:

- Law No. 2/2012 concerning Land Acquisition for Development in the Public Interest.
- Government Regulation No. 19/2021 concerning the Implementation of Land Procurement for Development in the Public Interest.
- Presidential Regulation No. 62/2018 concerning Managing Social Impacts of Land Acquisition for National Development.
- Presidential Regulation No. 71/2012 concerning the Implementation of Land Acquisition for Development in the Public Interest.
- Law No. 24/2007 and Government Regulation No. 21/2008 concerning Disaster Management.

F. Methods of valuing affected assets.

Land valuation/appraisal by the licensed appraisers will be carried out based on the MAPPI¹² Standards as specified in MAPPI Guidelines, also known as SPI 204¹³, which is consistent with International Valuation Standards (IVS). Value assessments will be carried out on an affected land plot basis, which includes land, the space above and beneath land, buildings or structures, plants, things that relate to the affected land, and/or other losses that are directly derived from the use of affected land which can be valued. Compensation should be at least equal to the “replacement value” per ESS5 which will be assessed as a combination of the replacement value of the Physical and Non-Physical Components of affected land and other values that are lost as a direct result of land loss that can be calculated. A summary of physical and non-physical components eligible for compensation and the basis of valuation, and compensation form will be developed in the enhanced LARPF for full ESMS.

H. Feedback and Grievance Redress Mechanism

Feedback and Grievance Redress Mechanisms should be in place from the beginning and be made accessible for PAPs to express their grievance. The same FGRM presented in ESMS will be used to receive and process grievances related to land acquisition and resettlement. This proposed FGRM will be included in the Project manuals and guidelines. The PMU, Implementing Agencies, project workers, contractors, and facilitators, and all potential PFB recipients will be trained in its implementation.

The overall project approach in enabling transparency and consultation should allow solutions to local problems locally, quickly, and effectively. If any affected persons or other community members have a complaint regarding the framework or its application in practice, the project will strengthen established systems in BNPB that address complaint handling with dedicated staff in charge of handling and following up on complaints. The LARAP should include a clear grievance redress mechanism for landowners and users, as well as communities surrounding the proposed sites. The FGRM should specify the contact and/or venue(s) to file complaints, service standards to respond to complaints, and documentation and ensure that the proposed mechanism is widely disseminated.

J. Template for Land Due Diligence and Sample Form for Land Donation

Preliminary Land Due Diligence

The following provides main criteria which need to be covered as part of the overall land due diligence processes:

Table Criteria to be covered as part of the land due diligence

Criteria	Applicability (Y/N)	Assessment	Document references	Information Source
Legal aspects				

¹² Indonesian Society of Appraisers (ISA)

¹³ Indonesian Valuation Standard (SPI) 204.

Criteria	Applicability (Y/N)	Assessment	Document references	Information Source
State owned land?				
Government owned land? If so, which government?				
Privately owned land?				
land acquisition, clearance of existing structures and other private assets, already done?				
If Yes to d, did affected people physically relocate, and if so, approx. number of relocated HHs? Any simmering disputes or complaints? Documentation of past land acquisition/ clearance available? What support informal occupants incl. those without local ID cards received?				
Physical land uses and ownership				
Approx. how many HHS are present on project site and affected?				
Physical relocation inevitable? Sufficient space available for in-situ resettlement?				
Informal/illegal land uses/occupation observed? If so, approx. number of users?				
Economic/livelihoods activities observed? If so, what are types and scale of such activities conducted?				
Active land use observed? If so, for what purpose and share of land used for active				
Conflicts/land disputes likely to be present?				
Many landowners/ occupants without local ID cards?				

Sample of format for documentation for Land Donation

- Name of sub-project proponent (local government, community group, or other, please specify):
- Brief description of sub-project acquiring land:
- Size, existing use, and location (with map or sketch) of donated land (ensuring that the land donated is under 10 percent of the overall ownership of productive land):
 - Name and identity of land donor(s):
 - Date of the donation:
 - Map/site plan of the donated land:
 - Type of use (for the sub-project) of the donated land:
 - Date and signing of the form:
(by the sub-project proponent—or authorized representatives in the case of a community group—who received the donated land; land donor; head of

village, representative(s) of BKM, heirs of the land donor, and witnesses—at least three people). The land donor should put his/her signature on a legal stamp (*materai*).

- Attachments:
 - Minutes of consultations, signed by sub-project proponent or authorized representatives in the case of a community group, witnesses (NGOs, civil society and/or community leaders), landowners, and consultant/facilitator;
 - Attendance list;
 - A copy of *akta hibah* or donation deed issued by a notary or PPAT.
 - Certification of the donated land and the remaining land

Annex 11

Preliminary Indigenous People Planning Framework – for low and moderate pre-disaster activities

A. Objective

The presence of Indigenous Peoples as per ESS 7 will remain to be determined once specific proposed project locations have been confirmed. Under these circumstances, a Preliminary Indigenous Peoples Planning Framework (IPPF) has been prepared to guide the screening, consultations and engagement and management of impacts on Indigenous Peoples if they are present and/or will be affected by the project activities.

The proposed project is required to avoid adverse impacts of projects on Indigenous Peoples or when avoidance is not possible, to minimize, mitigate and/or compensate for such impacts. ESS 7 also promotes sustainable development benefits and opportunities for Indigenous Peoples in a manner that is accessible, culturally appropriate and inclusive. Preliminary E&S screening will be conducted to inform whether IPs are present in the subproject locations/ surrounding areas; and the result will be laid out in the project proposal submitted to the BNPB.

B. Scope of Application

The IPPF covers *Masyarakat Hukum Adat* (Customary Law Community) and respectful to Indigenous Peoples and vulnerable communities as characterized by the ESS 7 (section 3.2 and 3.4), irrespective of formal recognition by the Government of Indonesia. The scope of the measures required under the IPPF is defined based on the nature of risks and impacts and specific provisions may be required depending on the nature of the anticipated impacts. These are described in the following sections:

Identification Criteria

In the context of Indonesia, Indigenous Peoples are often referred to as *Masyarakat Adat* (Customary Communities) and *Masyarakat Hukum Adat* (Customary Law Communities) for those who have obtained legal recognition. The application of ESS 7 will equally apply to other vulnerable groups who may not necessarily identify themselves and/or meet the requirements of *Masyarakat Adat* under the Government of Indonesia's framework but qualify for policy coverage under ESS 7. Such a rationale was adopted to recognize the diversity and complexity of socio, cultural, and traditional characteristics, vulnerability, and relationships with land and natural resources amongst communities in local areas.

Under ESS 7, the term Indigenous Peoples is used in a generic sense to refer exclusively to a distinct social and cultural group possessing the following characteristics:

- Self-identification as members of a distinct indigenous social and cultural group and recognition of this identity by others;

- Collective attachment to geographically distinct habitats, ancestral territories, or areas of seasonal use or occupation, as well as to the natural resources in these areas;
- Customary cultural, economic, social, or political institutions that are distinct or separate from those of the mainstream society or culture; and
- A distinct language or dialect, often different from the official language or languages of the country or region in which they reside.

The IPPF also applies to communities or groups of Indigenous Peoples who, during the lifetime of members of the community or group, have lost collective attachment to distinct habitats or ancestral territories in the project area, because of forced severance, conflict, government resettlement programs, dispossession of their land, natural disasters, or incorporation of such territories into an urban area. This IPPF also applies to forest dwellers, hunter-gatherers, pastoralists or other nomadic groups, subject to satisfaction of the criteria established in this framework.

Site Screening

Site screening will commence in consultations with community representatives, local organizations, including Adat organizations or other community organizations, relevant government agencies, academics, etc. of affected Indigenous Peoples and *Masyarakat Adat*, their leaders and recognized institutions. Site screening will refer to the identification criteria and be led by relevant social specialists in the management ESMS, assisted by facilitators and other expert consultants. This screening will inform further engagement processes, including consultation approaches which seek to promote participation of women, youth and other vulnerable members of the affected communities.

Consultations and Engagement

On the basis of screening, project proponents will engage in a process of meaningful consultations with affected Indigenous Peoples and/or *Masyarakat Adat*. Such engagement is expected to be an iterative process until a common understanding has been reached, including involvement of Indigenous people's knowledge in disaster mitigation and emergency response, and participation and consultation if shelter is built on and nearby Indigenous land.

The extent, frequency, and degree of engagement required by the consultation process should be commensurate with the identified potential risks and concerns raised by respective Indigenous Peoples and *Masyarakat Adat*. Meaningful consultations are built on mutually accepted processes by community representatives and their legitimate leaders. These consultations serve at least two purposes:

- Provide a platform to enable community participation to express their concerns, views on the project's benefits, risks, impacts, and mitigation measures and explore ways to ensure project implementation is culturally and socially acceptable; and

- Enable decision-making processes based on local/customary mechanisms.

Community participation needs to be based on gender-sensitive and inter-generationally inclusive approaches. Effective consultations are built upon a two-way process that should:

- Involve members of affected communities and their recognized representative bodies and organizations in good faith;
- Capture the views and concerns of men, women and vulnerable community segments including the elderly, youth, displaced persons, children, people with special needs, etc., about impacts, mitigation mechanisms, and benefits where appropriate. If necessary, separate forums or engagements need to be conducted based on their preferences;
- Begin early in the process of identification of environmental and social risks and impacts and continue on an ongoing basis as risks and impacts arise;
- Be based upon the prior disclosure and dissemination/socialization of relevant, transparent, objective, meaningful, and easily accessible information that is in a culturally appropriate language(s) and format and is understandable for affected communities. In designing consultation methods and use of media, special attention needs to be paid to include the concerns of Indigenous women, youth, and children and their access to development opportunities and benefits;
- Place greater emphasis on inclusive engagement for people directly affected by the project, rather than people affected indirectly;
- Ensure that the consultation processes are free of external manipulation, interference, coercion and/or intimidation. The consultation design should create enabling environments for meaningful participation, where applicable. In addition to the language(s) and media used, the timing, venues, and participation composition needs to be carefully thought through to ensure everyone can express their views without repercussions; and
- Be documented.

Free, Prior, and Informed Consent

Circumstances requiring Free, Prior, and Informed Consent (FPIC) from Indigenous Peoples will be excluded from financing under PFB for initial ESMS, such circumstances include:

- Activities/sub-activities have adverse impacts on land and natural resources subject to traditional ownership or under customary use or occupation.
- Activities/sub-activities cause relocation of IPs and/or *Masyarakat Adat* from land and natural resources subject to traditional ownership or under customary use or occupation; or

- Activities/sub-activities have significant impacts on Indigenous Peoples and/or *Masyarakat Adat's* cultural heritage that is material to the identity and/or cultural, ceremonial, or spiritual aspects of the affected Indigenous Peoples and/or *Masyarakat Adat*.
- No financing under the scope of the initial ESMS will be made for activities with potential impacts as above. Further arrangements will be discussed in the full ESMS considering the higher-risk activities.

IPs Impact Assessment

Commensurate to the potential risks and impacts, social assessments will be required as part of the UKL/UPL process to identify the presence and understand the nature of projects impacts on Indigenous Peoples and/or *Masyarakat Adat*. The assessment is expected to provide a more informed understanding and analysis of risks as well as opportunities through which mitigation measures can be tailored to specific contexts and needs. In this circumstance, both qualitative and quantitative data will inform the assessment, including baseline information on the demographic, social, cultural, and political characteristics of the affected Indigenous Peoples and *Masyarakat Adat*, the land and territories that they have traditionally owned or customarily used or occupied, and the natural resources on which they depend.

Main areas to be covered include:

- Nature of vulnerability and attachments to land and natural resources.
- Specific risks and potential adverse impacts as a result of project and/or sub-project implementation.
- Level of community acceptance to the activities and/or initiatives supported by the project and/or sub-project activities;
- Analysis of relevant stakeholders, either who will be impacted or who have an interest to the activities in question, and the elaboration of a culturally appropriate process for consulting with the Indigenous Peoples and *Masyarakat Adat* at each stage of activity preparation and implementation;
- Opportunities to enhance participation of the communities concerned as well as benefit-sharing arrangements; and
- Approach to participation, including specific measures to promote participation and inclusion of vulnerable groups in risk management and overall project implementation.
- The approach and engagement with affected communities for social assessment purposes are based on meaningful consultations in good faith.

Indigenous Peoples Plan (IPP)

Prior to proposed project under initial ESMS, environmental and social screening will be undertaken to assess whether IPs are present. If the activity/sub-project will interact and/or affect IPs, a social assessment will examine the nature and scale as well as forms of potential risks and impacts. No activities requiring FPIC will be processed under PFB. An Indigenous Peoples Plan (IPP) or Community Development Plan, which may be integrated under the Land Acquisition and Resettlement Planning (LARAP) and Stakeholder Engagement Plan (SEP) will be developed by project implementers. Such a plan will include relevant measures to avoid and/or minimize impacts, as well as outline a community engagement strategy, as well as available avenues for FGRM and community feedback.

Such a planning instrument will be prepared in a flexible and pragmatic manner and its level of detail varies depending on the specific activities and nature of risks. IPPs will reflect key agreements reached during the consultations, main findings of the social assessments, proposed risk mitigation measures and time-bound action plans, including measures to promote community participation, related costs and resources needed to implement the IPPs and FGRM arrangements. The IPP will be disclosed in respective project sites where Indigenous Peoples and/or *Masyarakat Adat* are affected, and if necessary, a summary of key agreements will be prepared and/or communicated in language(s) accessible to the affected communities. At the project level, IPPs and other relevant documents will also be disclosed on the project's website.

A guideline for the development of an IPP will be developed in the full ESMS.

Institutional Arrangement

Implementation of the IPPF will follow the ESMS stages and institutional arrangement. The development of proposed project plans addressing ESS 7 requirements, such as community engagement plans or community outreach plans will be the responsibility of ESMS management with technical support from the project's social specialist or other expert as needed. The projects social specialists will be responsible for the overall implementation with ground support from the expert consultants.

Monitoring and Grievance Handling

Indigenous People Plan will include Monitoring and Evaluation and Feedback and Grievance Redress Mechanism (FRGM). FGRM for Indigenous people will be tailored to be socially and culturally appropriate, including by identifying the existing grievance channels and extra measures will be provided to meet ESS 7, if necessary. FGRM will also consider a local dispute-resolving mechanism to ensure that the process entails goodwill and respects traditional values and practices. Engagement activities, including consultations and dialogues, will be designed to respect local values systems, and practices.

The Terms of References for social specialists in ESMS management include the responsibility for monitoring of the project's potential risks and impacts on Indigenous Peoples and *Masyarakat Adat*. Where these communities are identified to be present in the project

areas or their resources and/or access to land and resources will be disturbed by project activities, the social specialists will be required to ensure due implementation of the IPPF. Grievance handling will follow the proposed processes in the ESMS, although some tailored approaches to grievance identification through direct communication with the affected communities may be called for depending on the level and nature of risks and impacts.

Annex 12 Chance Find Procedures

Definition: a chance find is limited to tangible cultural heritage such as archaeological, historical, cultural, or remaining material, encountered unexpectedly during project construction or operation. A chance find procedure is a procedure that responds to potential discoveries of tangible cultural heritage during the implementation of activities that have the potential to impact the cultural heritage. This type of procedure generally includes i) a requirement to notify relevant authorities of found objects or sites by cultural heritage experts; ii) fence off the area of finds or sites to avoid further disturbance; iii) conduct an assessment of found objects or sites by cultural heritage experts; iv) to identify and implement actions consistent with the requirements of the World Bank and Indonesian law; and v) to train project personnel and project workers on chance find procedures.

I. Objective

The objectives of Chance Find Procedures include:

- To protect physical cultural resources from the adverse impacts of project activities and support their preservation.
- To promote the equitable sharing of benefits from the use of physical cultural resources (PCR).

II. Procedures

If there is a discovery of archeological sites, historical sites remains and/or objects, including sacred graveyards and/or individual graves during excavation or construction, due to sub-project activities, the sub-project shall:

- Halt the construction activities in the area of the chance find.
- Delineate and fence the discovered site or area.
- Secure the site to prevent any damage or loss of removable objects. In cases of removable antiquities or sensitive remains, a night guard shall be arranged until the responsible local authorities or the District/Provincial Department of Culture, or the local Institute of Archaeology, if available, can take over.
- Forbid any taking of the objects by the workers or other parties.
- Notify all subproject personnel of the finding and take preliminary precautions of protection.
- Record the chance find objects and the preliminary actions.
- Notify the responsible local authorities and the relevant Institute of Archaeology immediately (within 24 hours or less).
- Responsible local authorities should be in charge of protecting and preserving the site before deciding on subsequent appropriate procedures. This would require a preliminary evaluation of the findings to be performed by the local Institute of Archaeology. The significance and importance of the findings should be assessed according to the various criteria relevant to cultural heritage, including the aesthetic, historic, scientific or research, social and economic values.
- Decisions on how to handle the finding shall be taken by the responsible authorities. This could include changes in the subproject layout (such as when finding an irremovable

remain of cultural or archeological importance) conservation, preservation, restoration and salvage.

- Implementation of the authority decision concerning the management of the findings shall be communicated in writing by relevant local authorities.
- The mitigation measures could include changing the subproject design/layout, protection, conservation, restoration, and/or preservation of the sites and/or objects.
- Construction work at the site can resume only after permission is given from the responsible local authorities concerning safeguarding the heritage.
- The subproject proponents are responsible for cooperating with the relevant local authorities to monitor all construction activities and ensure the adequate preservation actions already taken and hence the heritage sites protect.

Annex 13

Electronic Waste (E-Waste) Management

Electronic waste, or E-waste, refers to electronic items or equipment that are no longer needed (whether still functioning or broken) and are intended to be discarded. This type of waste is classified as hazardous due to the presence of materials such as lead, mercury, arsenic, cadmium, selenium, and chrome. Proper disposal management is necessary for e-waste to prevent negative impacts on human health and the environment.

The following are list of some electrical and electronic equipment relevant to Information Technology and Communications (ITCs) equipment which subject to e-waste disposal management once they are removed or discarded:

- Centralized data processing systems: mainframes, mini computer;
- Personal computing:
 - Personal computer (Central Processing Unit with input and output devices);
 - Laptop;
 - Notepad computers;
- Printer including cartridge;
- Copying equipment;
- Scanner;
- UPS and Batteries;
- Electrical and electronic typewriter;
- User terminal and systems;
- Facsimile; and/or
- Telephones, including smartphone.

Following the Law No 32/2009 on Protection and Management of the Environment, the Law no 18/2008 on Solid Waste Management, and Government Regulation No 101 Year 2014 on Management of Hazardous Waste, the Government has specify the procedures to determine, reduce, storage, collection up to dumping and transboundary movement of hazardous waste as well as emergency response. The government shall ensure that the e-waste is handled properly while the community/individual must participate in reducing, separating, and bringing this waste to the dropping point or Temporary Collection Facility (arranged by sub-national government) for further collection by a certified waste collector company.

Any goods including electronic equipment which was procured under government funds will be registered as national assets on which removal of these assets is subject to Minister of Finance Regulation PMK No 83/PMK.06/2016 on Procedure for Implementation of Disposing

State assets, whereas the sub-national assets will be managed by following its sub-national regulation its assets whereabouts. Pending official notification of the removal of used equipment from the list of state assets, all used equipment (including e-waste) shall be placed in certain storage. The used equipment which is categorized as e-waste should be put in a separate box/container and labeled as “hazardous waste” or “B3”. Once the goods (including used electronic equipment or e-waste) are declared to be removed from the registration/state’s asset list then it will be ready to follow the disposal procedure under the e-waste disposal management.

Procedure for disposal management of electronic/IT items from the government office:

- Separate from other hazardous and non-hazardous wastes.
- Place in a container or other proper container labeled as “hazardous waste”
- Pending the process of removal from the list of State Assets (BMN), the item is placed in a storage room.
- Once notification/clearance is obtained that the item is delisted and depending on the condition of the item (in particular, for computer or notebook) at the time of delisted, the item can be treated as follows:
 - Donate to appropriate institutions for further use; or Transport to the E-Waste Shelter: Dropping Point/Temporary Collection Facility (determined by the local government); or
 - Invite a certified waste collector company to collect the item for disposal (note: a certain fee may apply).

Annex 14
Term of Reference
Environmental and Social Specialist(s)

Job Title	:	Environmental and Social Specialist(s)
Organization	:	Badan Pengelola Dana Lingkungan Hidup (BPD LH)
Expected Duration of Assignment	:	Until the project closure with performance evaluation every year end

A. Background and Context

Located in the Pacific Ring of Fire with 127 active volcanoes, Indonesia experiences frequent earthquakes, tsunamis, and floods. Between 2007 and 2018, recorded disaster events caused the loss of 7,375 lives and displaced 55,000,000 people with annual economic losses of approximately US\$2.2 to US\$3 billion (equivalent to 0.2-0.3% of 2018 GDP). Subnational impacts can be much more severe, with damages from past events reaching up to 50% of provincial GDP. Earthquake risk is particularly high, with around 80% of the country located in earthquake-prone areas. It is expected that by 2055, approximately 64% of Indonesia's population will be living in earthquake hazard zones, up from 53% in 2016, with the largest increase in exposure across Java Island. The poor and vulnerable often bear the brunt of disaster impacts as they tend to live in hazardous areas, lack access to basic services, and have limited access to financial resources and assets to cope with the aftermath.

Before 2019, the Government relied only on the national state budget and international assistance to cover disaster losses. According to the National Disaster Risk Financing and Insurance Strategy, from 2005-2017 the government on average each year set aside IDR 3.1 trillion (US\$219 million) in contingent budget lines for disasters. This has proven insufficient for the estimated average annual economic cost of IDR 22.8 trillion (US\$1.6 billion), leading to an estimated post-disaster funding gap of IDR 19.75 trillion (US\$1.4 billion). From 2015 to 2018, the central government spent every year between US\$400 and US\$900 million (0.03-0.09 percent of GDP) on disaster response and reconstruction. This includes spending on pre- and post-disaster activities, disaster-related and emergency response, social support, housing reconstruction, and rehabilitating or reconstructing public infrastructure.

Responding to this challenge, the Government of Indonesia launched its National Disaster Risk Financing and Insurance (DRFI) strategy during the WB-IMF Annual Meetings in October 2018 under the leadership of the Minister of Finance and the Vice President. The overarching mission of the strategy is to protect state finances and the population through sustainable and efficient risk financing mechanisms that meet disaster-related expenditures in a planned and timely manner, and that deliver well-targeted and transparent assistance following shocks. The strategy brings together key government priorities to protect the state budget by establishing a dedicated budgetary mechanism under a dedicated disaster reserve fund which is hereinafter referred to as the Disaster Pooling Fund Project (Pooling Fund Bencana/PFB) to improve overall coordination and governance of disaster expenditures (including international assistance).

The Pooling Fund Bencana (PFB) is the most critical activity of the implementation of the Government's DRFI strategy. To protect the state budget, the Government decided to develop a dedicated disaster reserve fund (a 'pooling fund') to improve overall coordination and governance of disaster expenditures (including international assistance). The PFB is expected to help improve disaster financing by (i) enabling the Government to accrue unspent budget allocations for disaster response for future years and build reserves; (ii) improving efficiency in the use of funds from the state budget for all phases of disaster expenditures through improved upfront planning and budgeting; (iii) leveraging additional financial instruments by linking them directly to the PFB with clear and pre-agreed operating procedures; (iv) connecting the PFB to clear pre-arranged disbursement channels and rules, thereby increasing speed and transparency of post-disaster spending and providing predictability to implementing agencies on the availability of funds; and (v) increasing the ability to link risk financing to incentives and activities for all phases of disaster risk management, including preparedness and prevention.

Under the Grant Agreement No. TF0B4675 of Global Risk Financing Facility Multi-Donor Trust Fund Grant Agreement (Indonesia Disaster Risk Finance & Insurance) signed between BPD LH and International Bank for Reconstruction and Development, acting as administrator of Global Risk Financing Facility Multi-Donor Trust Fund, As the financial intermediary, the BPD LH will collaborate with BNPB to channel its funds into disaster risk intervention activities. To ensure the environmental and social (E&S) risks and impacts management are taken into consideration throughout the cycle of PFB-funded projects, those institutions (i.e. BPD LH and BNPB) put the E&S risks and impacts management requirements as the prerequisite of the proposal and as a part of the commitment of the proponent(s) to comply with. In essence, to comply with the Environmental and Social Standard-9 (ESS-9) regarding Financial Intermediaries, the BPD LH and BNPB engage E&S consulting firm¹⁴ to establish the PFB Environmental and Social Management System (ESMS) in 2024.

In order to finalize and adopt the initial PFB ESMS, assist the BPD LH and BNPB as focal point of PFB ESMS implementation, as well as oversee the E&S consulting firm by liaising with the relevant stakeholders, the PFB requires two E&S Specialists with the Scope of Work (SoW) and Duties, Qualification and Professional Experiences and Deliverables are provided in the following sections.

B. Scope of Work and Duties

Throughout the project implementation, The Environmental and Social Specialists will work closely with BNPB and coordinate with the DRFI E&S Focal Point in BPD LH. The Environmental and Social Specialists are responsible for the following tasks:

General responsibilities

- Legislation Frameworks

¹⁴ the Term of Reference of E&S Consulting Firm can be seen in <https://fiskal.kemenkeu.go.id/strategi-drfi/pooling>.

- undertake a legal framework review relevant to the establishment and implementation of an ESMS within the PFB's organizational structure and mandates; and
- Ensuring the PFB legal framework(s) is eligible to operate the adopted ESMS and Environmental and Social Management within BNPB.
- Institutional Capacities
 - Undertake periodic institutional capacity assessments and review of past performance/track records for environmental and social management across relevant fund channeling entities (i.e., line ministries agencies, sub-national governments, community groups, private entities).
- Implementation of ESMS Procedures and its instruments
 - support pilot activity, adoption, and implementation of initial ESMS within PFB and finalize the initial draft of the ESMS upon the final comments provided by the World Bank or BPKP;
 - oversee the E&S consulting firm during the establishment of improvement stage of PFB ESMS; and
 - conduct QA/QC on the deliverables of E&S consulting firm.

Throughout the PFB operation

- Capacity building
 - Deliver relevant capacity-building activities for MOF's staff, Pre-disaster Task Team, and consultants in charge of managing the PFB as well as line ministries/agencies and sub-national governments based institutional capacity and performance review;
 - Assist the PFB Pre-disaster Task Team to operate the ESMS within the BNPB.
- Disaster risk intervention activities
 - Proposal assessment and project approval phases:
 - to assess, verify, and evaluate the proposals, including the E&S safeguards assessment and mitigation measures;
 - to review and determine the Proponent E&S Commitment (Proponent E&S Commitment) of the projects; and
 - to coordinate with and submit the request for consideration to the line ministries.
 - Project operation phase:
 - to review the required E&S instruments prepared by the project proponents;

- to monitor and evaluate the operation of the projects, including reviewing the E&S implementation periodic reports, conducting E&S monitoring and evaluation, and E&S audit;
- to review the ESCAP submitted by the project proponents and monitor its implementation;
- to prepare the E&S monitoring and evaluation reports; and
- to prepare the E&S audit reports (if necessary).

Evaluation:

- evaluate the project performance in implementing the E&S risk management;
- evaluate the ESMS implementation for the projects funded by the PFB; and
- prepare and submit annual ESMS implementation report to the Ministry of Finance.

C. Contract Duration

The Environmental and Social Specialists will be stationed in BNPB office, Jakarta, Indonesia throughout the PFB operation. The initial engagement will be until the project closure with annual performance review. Occasional travel may be necessary, and if required, travel costs and other related expenses will be covered by the project as specified within the assignment letter. The E&S Specialists will develop and deliver on project work plan, liaising closely with the Project Director, Project Manager, Project Management Unit (PMU)'s members, relevant ministries/agencies, and the wider BNPB team.

D. Qualifications and Professional Experience

Qualification:

- Minimum Bachelor's degree (Master's degree from reputable university is preferable) in a relevant Environmental and Social Management discipline with at least 5 years of experience in environmental and social risks, environmental and social assessment and management or natural resource management with reference to national laws and regulations, the World Bank Environmental and Social Framework (ESF), and other international standards on safeguards from other Multilateral Development Banks such as the World Bank Group Environmental, Health, and Safety Guidelines, the IFC Performance Standards, ADB Safeguards Policy, and other development partners/donors.
- Substantial and diverse experience in all facets of the post requirements. Experience working in both government and donor-funded projects and institutions would be an advantage, including the understanding of the project cycle and delivery of large and complex infrastructure projects.
- Professional experience in spatial analysis such as GIS tools, modeling, and mapping preferred (for the position of Environmental Specialist).

- Substantial professional experience at senior technical and advisory levels on issues related to environmental review, E&S safeguards, and mainstreaming issues and processes as practiced in Indonesia.
- Proven ability to conceptualize, design, and produce major and complex safeguards instruments, reports, and studies (ESMS, ESHIA, ESIA, ESMFs, EIAs, EMPs, SEAs, etc).
- Demonstrated professional leadership and ability to lead a team of professionals in the execution of major safeguards interventions in high-risk or complex investment projects.
- Ability to effectively and proactively communicate with BPD LH 's focal points on environmental and social safeguards.
- Strong organizational, analytical, and research skills.
- Proven ability to work in a team with minimal supervision.
- Excellent computer skills.
- Excellent oral and written communication skills in English and Bahasa Indonesia.

D. Deliverables

1. The operation of ESMS within BNPB;
2. Capacity building regarding E&S risk management and ESMS;
3. E&S monitoring and evaluation, including the evaluation of ESMS implementation in the organizational level.