

Republic of Indonesia
Indonesia Disaster Risk Finance Pooling Fund
Project (IndoRISK Project)
(P173249)

ENVIRONMENTAL AND SOCIAL
COMMITMENT PLAN (ESCP)

July 2025
(Updated Version)

ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The Republic of Indonesia (the Borrower) is implementing the Disaster Risk Insurance and Finance Project (the Project), with the involvement of the Ministry of Finance (MOF). The International Bank for Reconstruction and Development, acting in its own capacity and as administrator of the Global Risk Financing Facility Multi-Donor Trust Fund (GRFF-MDTF), has agreed to provide financing for the Project, as set out in the Loan Agreement and the GRFF-MDTF Grant Agreement (the Agreements).
2. The Borrower shall ensure that the Project is carried out in accordance with the Environmental and Social Standards (ESSs) and this Environmental and Social Commitment Plan (ESCP), in a manner acceptable to the Bank. The ESCP is a part of the Agreements. Unless otherwise defined in this ESCP, capitalized terms used in this ESCP have the meanings ascribed to them in the Agreements.
3. Without limitation to the foregoing, this ESCP sets out material measures and actions that the Borrower shall carry out or cause to be carried out, including, as applicable, their respective timeframes; institutional, staffing, training, monitoring and reporting arrangements; and grievance management. The ESCP also sets out the environmental and social (E&S) documents that shall be prepared or updated, consulted, disclosed and implemented under the Project, consistent with the ESSs, in form and substance acceptable to the Bank. Said E&S documents may be revised from time to time with prior written agreement by the Bank. As provided for under the referred Agreements, the Borrower shall ensure that there are sufficient funds available to cover the costs of implementing the ESCP.
4. As agreed by the Bank and the Borrower, this ESCP will be revised from time to time, if necessary, to reflect adaptive management of Project changes or unforeseen circumstances or in response to Project performance. In such circumstances, the Bank and the Borrower agree to update the ESCP to reflect these changes through an exchange of letters signed between the Bank and the Borrower's Representative specified in the Agreements. The Borrower shall promptly disclose the updated ESCP.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/ AUTHORITY
MONITORING AND REPORTING			
A	<p>REGULAR REPORTING</p> <p>Prepare and submit to the Bank six-monthly monitoring reports on the status of implementation of actions outlined in the ESCP, including establishment of an Environmental and Social Management System (ESMS), ESSs compliance monitoring for activities funded by the Bank's proceeds, implementation of stakeholder engagement activities, functioning of the Project's and PFB's feedback and grievance mechanism(s), E&S institutional capacity strengthening for recipient entities, etc.</p>	Six-monthly throughout Project implementation as part of the Project progress reports	MOF/PMU
B	<p>INCIDENTS AND ACCIDENTS</p> <p>Promptly notify the Bank of any incident or accident related to the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers. Provide sufficient detail regarding the incident or accident, indicating immediate measures taken or that are planned to be taken to address it, and any information provided by any contractor and supervising entity, as appropriate. Subsequently, as per the Bank's request, prepare a report on the incident or accident and propose any measures to prevent its recurrence.</p>	Notify the Bank not later than 48 hours following incident or accident. Provide available details upon request. Provide report and corrective measures no later than 10 days following the Bank's request.	MOF/PMU
ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			
1.1	<p>ENVIRONMENTAL AND SOCIAL MANAGEMENT</p> <p>Procure a consulting firm and/or individual consultant(s) to support the E&S management and establishment of ESMS within the PFB as per the agreed Terms of Reference (ToR).</p>	Following loan effectiveness at the latest	MOF

<p>1.2</p>	<p>ORGANIZATIONAL STRUCTURE</p> <p>Establish and maintain an organizational structure with qualified staff, a government focal point, a representative of the senior management within MOF/PMU to have overall accountability for environmental and social performance and resources to support the establishment and operationalization of the ESMS.</p>	<p>An Environmental and Social focal point and a representative of the senior management within MOF/PMU to be appointed and maintained throughout the project implementation.</p> <p>ESMS consulting team to be recruited following loan effectiveness or sooner</p>	<p>MOF</p>
<p>1.3</p>	<p>MANAGEMENT TOOLS AND INSTRUMENTS</p> <p>(a) Establish and adopt, and thereafter implement an ESMS ('initial ESMS') for the PFB for pre-disaster activities with low and moderate E&S risk financed under the Project, integrating relevant procedures for screening, upstream institutional strengthening measures, risk oversight, a feedback and grievance redress mechanism (FRGM), stakeholder engagement, and an ex-post environmental and social audit, as per agreed Terms of Reference (ToR) for the ESMS, and in a manner satisfactory to the Bank.</p> <p>For the purposes of this Action 1.3(a), the initial ESMS shall be considered adopted when:</p> <ul style="list-style-type: none"> (i) the operational guidelines or procedures, aligned with the ESMS, are officially issued; and (ii) institutional arrangements within the Government of Indonesia for implementing the ESMS, including adequate staffing and resources, are confirmed; <p>all in a manner that is consistent with the ESSs and to the satisfaction of the Bank.</p> <p>(b) Complete the update of the initial ESMS ('full ESMS'), and approve a roadmap ('ESMS Roadmap') that sets out the process and steps the Borrower will implement for adopting and operationalizing the full ESMS to support future pre-disaster activities with substantial and high E&S risk, post-disaster activities, and emergency activities (including a provision that requires the adoption and operationalization of the updated ESMS before disbursing any PFB funds for the pre-disaster activities with substantial to high E&S risk, post-disaster activities, and</p>	<p>(a) Adopt the initial ESMS prior to the PFB financing any pre-disaster activities with low or moderate E&S risk activities, and thereafter implement the ESMS throughout Project implementation.</p> <p>(b) Complete the updated full ESMS, and approve the ESMS Roadmap before the closing date.</p>	<p>(a) MOF</p> <p>(b) MOF</p>

	emergency activities), as per agreed ToR and in a manner satisfactory to the Bank; it being understood, however, that such activities shall not be financed during the implementation of the Project and shall be deemed outside the scope of the Project.		
ESS 2: LABOR AND WORKING CONDITIONS			
2.1	LABOR MANAGEMENT PROCEDURES Adopt and implement a Labor Management Procedure (LMP) for PMU staff and consultants.	Prior to assignment of staff and/or recruitment of consultants for the PMU	MOF
2.2	Prepare a Labor Management Procedure (LMP) as part of the ESMS guiding management of risks related to labor and working conditions for project workers (i.e. PFB Task Team, consultants, government secondees, and personnel financed by the Project).	Same timeframe as for the adoption and implementation of the ESMS.	MOF
2.3	FEEDBACK AND GRIEVANCE REDRESS MECHANISM FOR PROJECT WORKERS Establish and maintain a FGRM for project workers as part of the LMP.	Same timeframe as for the adoption and implementation of the LMP and ESMS.	MOF
2.4	OCCUPATIONAL HEALTH AND SAFETY (OHS) MEASURES Integrate and implement relevant OHS provisions under ESS2 as part of the ESMS.	Same timeframe as for the adoption and implementation of the ESMS.	MOF
ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT			
3.1	E-WASTE MANAGEMENT PLAN Prepare, adopt, and implement an E-Waste Management Plan as part of the ESMS.	Same timeframe as for the adoption and implementation of the ESMS.	MOF
3.2	RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT ESMS screening procedures, mitigation measures, selection and monitoring and evaluation shall ensure that the fund proceeds shall not be used for activities that cause pollution and inefficiency of resources.	Same timeframe as for the adoption and implementation of the ESMS.	MOF

ESS 4: COMMUNITY HEALTH AND SAFETY			
4.1	COMMUNITY HEALTH AND SAFETY Integrate and implement community health and safety aspects, including monitoring and reporting, as part of the ESMS.	Same timeframe as for the adoption and implementation of the ESMS.	MOF
4.2	SEXUAL EXPLOITATION AND ABUSE AND SEXUAL HARASSMENT (SEA/SH) Integrate and implement relevant SEA/SH action plan as part of the ESMS	Same timeframe as for the adoption and implementation of the ESMS.	MOF
4.3	Facilitate SEA/SH sensitization and awareness raising to fund recipient entities as part of the upstream capacity building for fund recipients within the scope of the ESMS	Same timeframe as for the adoption and implementation of the ESMS.	MOF
ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT			
5.1	LAND ACQUISITION AND RESETTLEMENT PLANNING FRAMEWORK (LARPF) AND PROCESS FRAMEWORK (PF) Integrate and implement LARPF and PF as part of ESMS procedures to guide management of risks and impacts under ESS5 for pre- and post-disaster investments financed by the PFB. Monitor implementation of LARPF and/or PF by fund channels and recipients where relevant.	Same timeframe as for the adoption and implementation of the ESMS.	MOF
ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES			
6.1	BIODIVERSITY RISKS AND IMPACTS A screening mechanism, mitigation measures, monitoring and evaluation to ensure no significant conversion or degradation to natural habitats and biodiversity from the proposed activities shall be incorporated and implemented as part of the ESMS.	Same timeframe as for the adoption and implementation of the ESMS.	MOF

ESS 7: INDIGENOUS PEOPLES			
7.1	<p>INDIGENOUS PEOPLES PLANNING FRAMEWORK (IPPF)</p> <p>Integrate and implement the IPPF as part of the ESMS procedures to guide management of risks and impacts under ESS7 for pre- and post-disaster investments financed by the PFB. Monitor implementation of IPPF by fund recipients where relevant.</p>	Same timeframe as for the adoption and implementation of the ESMS.	MOF
ESS 8: CULTURAL HERITAGE			
8.1	<p>CHANCE FINDS</p> <p>Integrate and implement a chance find procedure and post-disaster cultural heritage restoration provisions into the ESMS procedures to guide management of risks and impacts under ESS8 for pre and post-disaster investments financed by PFB. Monitor implementation of these procedures by fund recipients where relevant.</p>	Same timeframe as for the adoption and implementation of the ESMS.	MOF
ESS 9: FINANCIAL INTERMEDIARIES			
9.1	<p>ESMS</p> <p>Develop, adopt and implement the ESMS to meet the ESS9 requirements, including ensuring organizational capacity, competency and resources are available following the roll out of PFB, as specified in action 1.3 above.</p>	In accordance with the timeframes specified in action 1.3	MOF
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			
10.1	<p>STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION</p> <p>Update, adopt, and implement Stakeholder Engagement Plan (SEP) for the Project.</p> <p>Establish a Stakeholder Engagement Framework (SEF) as part of the ESMS.</p>	<p>Throughout project implementation.</p> <p>Same timeframe as for the adoption and</p>	MOF

		implementation of the ESMS.	
10.2	<p>PROJECT GRIEVANCE MECHANISM</p> <p>Integrate, maintain, and operate a grievance mechanism as part of the ESMS, as described in the SEF.</p>	Same timeframe as for the adoption and implementation of the ESMS.	MOF
CAPACITY SUPPORT (TRAINING)			
CS1	<p>Develop an institutional capacity building program on ESSs as part of the ESMS deliverables to fund channel and recipient entities. Topics include relevant provisions under ESS1, ESS2, ESS3, ESS4, ESS5, ESS6, ESS7, ESS8, ESS10. Thematic workshops may be considered based on needs and relevance.</p>	Following PFB roll out, and maintained during project implementation.	MOF