

**Southern Regional Development Bank (BRDE)  
Banco Regional de Desenvolvimento do Extremo Sul**

**Southern Brazil Urban Resilience Program (SUL  
RESILIENTE) (P170682)**

**UPDATED**

**Environmental and Social Commitment Plan  
(ESCP)**

**November 3, 2022**

## Southern Brazil Urban Resilience Program

### *Environmental and Social Commitment Plan*

1. The Southern Regional Development Bank (BRDE) (the Borrower) will implement the Southern Brazil Urban Resilience Program (the Project), as set out in the Loan Agreement. The International Bank for Reconstruction and Development (the Bank) has agreed to provide financing for the Project, as set out in the referred agreement.
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 Loan Agreement. Unless otherwise defined in this ESCP, capitalized terms used in this ESCP have the meanings ascribed to them in the referred agreement.
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, the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and grievance management. The ESCP also sets out the environmental and social (E&S) instruments that shall be adopted and implemented under the Project, all of which shall be subject to prior consultation and disclosure, consistent with the ESS, and in form and substance, and in a manner acceptable to the Bank. Once adopted, said E&S instruments may be revised from time to time with prior written agreement by the Bank.
4. As agreed by the Bank and the Borrower, this ESCP will be revised from time to time if necessary, during Project implementation, to reflect adaptive management of Project changes and unforeseen circumstances or in response to Project performance. In such circumstances, the Borrower and the Bank agree to update the ESCP to reflect these changes through an exchange of letters signed between the Bank and the Borrower's Planning Director. The Borrower shall promptly disclose the updated ESCP.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
<b>MONITORING AND REPORTING</b>			
A	<p><b>REGULAR REPORTING</b></p> <p>Prepare and submit to the Bank regular monitoring reports on the environmental, social, health and safety (ESHS) performance of the Project, including but not limited to the implementation of the ESCP, functioning of BRDE’s Environmental and Social Risks and Impacts Management System (SARAS), status of preparation and implementation of the Environmental and Social Risks and Impacts Management Manual, application of the exclusion list, and other E&amp;S instruments required under the ESCP, stakeholder engagement activities, functioning of the grievance mechanism(s).</p>	<p>Provide semi-annual Reports on compliance with the requirements of the Environmental and Social Risks and Impacts Management Manual.</p> <p>Semi-annual reports will be due on December 15 and June 15.</p>	BRDE
B	<p><b>INCIDENTS AND ACCIDENTS</b></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, including, inter alia, cases of sexual exploitation and abuse (SEA), sexual harassment (SH), and accidents that result in death, serious or multiple injury. Provide sufficient detail regarding the scope, severity, and possible causes of the incident or accident, indicating immediate measures taken or that are planned to be taken to address it, and any information provided by any sub-borrowers, as appropriate.</p> <p>Subsequently, at the Bank’s request, prepare a report on the incident or accident and propose any measures to address it and prevent its recurrence.</p>	<p>Notify the Bank no later than 48 hours after learning of the incident or accident.</p> <p>Provide subsequent report to Bank within a timeframe acceptable to the Bank.</p>	BRDE
<b>ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS</b>			
1.1	<p><b>ORGANIZATIONAL STRUCTURE</b></p> <p>Establish and maintain an organizational structure with qualified staff and resources to support management of E&amp;S risks, including one environmental specialist and one social development specialist.</p>	<p>Environmental and social Assessment team assigned within 30 days after the Effective Date</p>	BRDE

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
1.2	<p><b>ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS MANUAL</b>                      Implement the Project’s Environmental and Social Risks and Impacts Manual, including: (i) screening and classification of the environmental and social risks and impacts of the subprojects according to the procedures and tools set out in said Manual; (ii) requiring sub-borrowers to comply with any applicable requirements to manage the environmental and social risks and impacts of eligible sub-projects as per the Manual and the SARAS.</p> <p>Any proposed sub-project that falls within the exclusion list set out in the Manual shall be ineligible for financing under the Project.</p>	Throughout the life cycle of the sub-projects. Relevant environmental and social (E&S) requirements included in the sub-loan agreements with sub-borrowers.	BRDE and BRDE’s sub-borrowers
<b>ESS 2: LABOR AND WORKING CONDITIONS</b>			
2.1	<p><b>LABOR MANAGEMENT PROCEDURES</b>                      Adopt, disclose and implement the Labor Management Procedures (LMP) – including the requirement of the establishment, maintenance and operation of grievance mechanism for Project workers and OHS measures.</p>	Within 30 days after the Effective Date and thereafter throughout Project implementation	BRDE
2.2	Provide guidance (through printed materials, training sections, workshops, etc.) to sub-borrowers to apply and monitoring compliance with the procedures required in the Project’s LMP.	As part of the process of selection of subprojects and throughout the life cycle of the sub-projects. Relevant labor requirements included in the sub-loan agreements with sub-borrowers. Provide semi-annual reports on the compliance with the requirements of the LMP.	BRDE and BRDE’s sub-borrowers
<b>ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</b>			
3.1	Provide guidance (through printed materials, training sessions, workshops, etc.) to sub-borrowers to apply and monitoring compliance with the procedures required in the Project’s Environmental and Social Risks and Impacts Management Manual, particularly the Guide for Resource Efficiency and Pollution Prevention and Management, including: (i) Works Environmental Control Plan, (ii) Resource Efficiency and Pollution Prevention and Management Program, (iii) Liquid Effluent Management Plan (iv) Solid Waste Management Plan and (v) Synanthropic Fauna Control Plan (whenever applicable).	As part of the process of selection of subprojects and throughout the life cycle of the sub-projects. Relevant E&S requirements included in the sub-loan agreements with sub-borrowers. Provide semi-annual Reports on compliance with the requirements of the Environmental and Social Risks and Impacts Management Manual throughout the life cycle of the subprojects.	BRDE and BRDE’s sub-borrowers

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
<b>ESS 4: COMMUNITY HEALTH AND SAFETY</b>			
4.1	Provide guidance (through printed materials, training sections, workshops, etc.) to sub-borrowers to apply and monitoring compliance with the procedures required in the Project’s Environmental and Social Risks and Impacts Management Manual, particularly the Guide for Community Health and Safety Programs, including. (i) Works Environmental Control Plan, (ii) Degraded Areas Recovery Plan, (iii) Soil Erosion Control Plan, (iv) Communication, Signaling and Warning Plan and (v) Emergency Preparedness Plan. Resource Efficiency and Pollution Prevention and Management Program, (iii) Liquid Effluent Management Plan (iv) Solid Waste Management Plan and (v) Control of Synanthropic Fauna Control Plan (whenever applicable).	As part of the process of selection of subprojects and throughout the life cycle of the sub-projects. Relevant E&S requirements included in the sub-loan agreements with sub-borrowers. Provide semi-annual Reports on compliance with the requirements of the Environmental and Social Risks and Impacts Management Manual throughout the life cycle of the subprojects.	BRDE and BRDE’s sub-borrowers
<b>ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT</b>			
5.1	Implement the Project’s Resettlement Policy Framework (RPF), and provide guidance (through printed materials, training sections, workshops, etc.) to sub-borrowers to apply and monitor compliance with the procedures required in said Framework (whenever required).	As part of the process of selection of subprojects and throughout the life cycle of the sub-projects. Relevant resettlement requirements included in the sub-loan agreements with sub-borrowers. Provide semi-annual Reports on compliance with the requirements of the Resettlement Policy Framework throughout the life cycle of the subprojects.	BRDE and BRDE’s sub-borrowers.
<b>ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES</b>			
6.1	Provide guidance (through printed materials, training sections, workshops, etc.) to sub-borrowers to apply and monitor compliance with the procedures required in the Project’s Environmental and Social Risks and Impacts Management Manual, particularly the Guide for Biodiversity Conservation and Sustainable Management of Living Natural Resources, which include: (i) Vegetal Suppression Plan, (ii) Recovery Plan of the Plant Cover; and (iii) Protection and Rescue Fauna and Flora Plan.	As part of the process of selection of subprojects and throughout the life cycle of the sub-projects. Relevant E&S requirements included in the sub-loan agreements with sub-borrowers. Provide semi-annual Reports on compliance with the requirements of the Environmental and Social Risks and Impacts Management Manual throughout the life cycle of the subprojects.	BRDE and BRDE’s sub-borrowers
<b>ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES</b>			

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
7.1	Implement the Project’s Indigenous Peoples Planning Framework, and provide guidance (through printed materials, training sections, workshops, etc.) to sub-borrowers to apply and monitoring compliance with the procedures required in the said Framework (whenever required by subprojects).	As part of the process of selection of subprojects and throughout the life cycle of the sub-projects. Relevant indigenous peoples requirements included in the sub-loan agreements with sub-borrowers. Provide semi-annual Reports on compliance with the requirements of the Indigenous Peoples Planning Framework throughout the life cycle of the subprojects.	BRDE and BRDE’s sub-borrowers
<b>ESS 8: CULTURAL HERITAGE</b>			
8.1	Provide guidance (through printed materials, training sections, workshops, etc.) to sub-borrowers to apply and monitoring compliance with the procedures required in the Project’s Environmental and Social Risks and Impacts Management Manual, particularly the Guide for preparation of the Archaeological and Cultural Heritage Management Plan	As part of the process of selection of subprojects and throughout the life cycle of the sub-projects. Relevant E&S requirements included in the sub-loan agreements with sub-borrowers. Provide semi-annual Reports on compliance with the requirements of the Environmental and Social Risks and Impacts Management Manual throughout the life cycle of the subprojects.	BRDE and BRDE’s sub-borrowers
<b>ESS 9: FINANCIAL INTERMEDIARIES</b>			
9.1	<b>FI ORGANIZATIONAL CAPACITY:</b> Designate a representative of BRDE’s senior management to have overall accountability for environmental and social performance of the subprojects and a staff member to be responsible for day-to-day implementation of the project’s environmental and social procedures.	No later than 30 days of the Effective Date.	BRDE
9.2	<b>SARAS – THE ENVIRONMENTAL AND SOCIAL RISK ASSESSMENT SYSTEM</b> Operationalize and implement the SARAS, including the matrixes of environmental and social impact assessment and risk classification of the main typologies of works and sub-projects envisaged under the Project.	SARAS operating within 30 days of the Effective Date and implemented throughout Project implementation. Relevant E&S requirements for sub-projects included in sub-loan agreements with sub-borrowers.	BRDE
<b>ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE</b>			
10.1	Public dissemination of the final version of the Environmental and Social Risk Management documents in BRDE’s website	Within 30 days after Effective Date	BRDE
10.2	Communicate the environmental and social requirements of the Project to municipal managers of approved subprojects	Throughout the cycle of life of the Project	BRDE

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10.3	Implement the Stakeholder Engagement Plan and provide guidance (through printed materials, training sections, workshops, etc.) to sub-borrowers to apply and monitoring compliance with the requirements set in the Project’s Stakeholder Engagement Plan – including the dissemination and operationalization of Grievance Redress Mechanisms (at the municipal level and at BRDE).	As part of the process of selection of subprojects and throughout the life cycle of the sub-projects. Relevant stakeholder engagement requirements for sub-projects included in sub-loan agreements with sub-borrowers. Provide semi-annual Reports on compliance with the requirements of the Stakeholder Engagement Plan and the operation of the Project and subprojects GRMs throughout the life cycle of the subprojects.	BRDE and BRDE’s Sub-borrowers
<b>CAPACITY SUPPORT (TRAINING)</b>			
CS1	Development of SARAS Tutorial	Within 30 days after Effective Date	BRDE
CS2	Training of BRDE’s operational teams using SARAS Tutorial	Within 60 days after the Effective Date and throughout project implementation	BRDE