

**Southern African Development Community
(SADC)**

**Transactions Cleared on an Immediate Basis
(TCIB) Payment Scheme Project (P176529)**

Final

**ENVIRONMENTAL and SOCIAL
COMMITMENT PLAN (ESCP)**

August 2021

ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

- (a) The South African Reserve Bank (SARB, the Recipient) will facilitate the SADC Low Value Payment Scheme Project called Transactions Cleared on an Immediate Basis (the Project), in collaboration with implementation partner (BankservAfrica), on behalf of the Southern African Development Community (SADC) Payment System Oversight Committee (PSOC).
- (b) The SARB will facilitate implementation of material measures and actions so that the Project is in accordance with the Environmental and Social Standards (ESSs) recorded herein. This Environmental and Social Commitment Plan (ESCP) sets out material measures and actions, any specific documents or plans, as well as the timing for each of these.
- (c) The SARB will also comply with the provisions of any other Environmental and Social (E&S) documents required under the Environmental and Social Framework (ESF) and referred to in this ESCP, such as Labour Management Plan and Stakeholder Engagement Plans (SEP), and the timelines specified in those E&S documents.
- (d) The SARB is responsible for compliance with all requirements of the ESCP where applicable or alternatively requesting compliance by the implementation partner entity referenced in (a) above when implementation of specific measures and actions is conducted.
- (e) Implementation of the material measures and actions set out in this ESCP will be monitored and reported to the World Bank by the SARB as expressed in this ESCP and the conditions of the legal agreement this is attached to, and the World Bank will monitor and assess progress and completion of the material measures and actions throughout implementation of the Project.
- (f) As agreed by the World Bank and the SARB, this ESCP may be revised from time to time during Project implementation, to reflect adaptive management of Project changes and unforeseen circumstances or in response to the assessment of Project performance conducted under the ESCP itself. In such circumstances, the parties will agree on the changes and will update the ESCP to reflect such changes. Agreement on changes to the ESCP will be documented through the exchange of letters signed between the World Bank and the SARB. The SARB will publicly disclose the updated ESCP as agreed by parties.
- (g) Where the Project changes, due to unforeseen circumstances, or the Project performance result in changes to the environmental and social risks and is impacted during Project implementation, the World Bank shall not be expected to provide additional funding and the SARB in collaboration with the SADC community shall implement and secure any necessary financing for actions and measures to address such risks and impacts.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
MONITORING AND REPORTING			
A	<p>REGULAR REPORTING</p> <p>Prepare and submit to the World Bank regular monitoring reports including but not limited to the implementation of the ESCP, status of preparation and implementation of E&S documents required under the ESCP, stakeholder engagement activities, functioning of the grievance mechanism(s).</p>	Annually.	SARB, the Recipient
B	<p>INCIDENTS AND ACCIDENTS</p> <p>Promptly notify the World 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. Subsequently, as per the World Bank's request, prepare a report on the incident or accident and propose any measures to prevent its recurrence.</p>	Notify the World Bank within 48 hours after learning of the incident. Timing of the subsequent report will be provided within a timeframe acceptable to the World Bank.	SARB, the Recipient
ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			
1.1	<p>ORGANIZATIONAL STRUCTURE</p> <p>Identify and assign an internal staff member responsible for managing environmental and social risks and impacts and implementing relevant plans.</p>	Identify and assign staff member within thirty (30) days after Project effectiveness.	SARB, the Recipient
1.2	<p>MANAGEMENT OF IMPLEMENTATION PARTNER (BankservAfrica)</p> <p>Incorporate the relevant aspects of the ESCP, including the labor management procedures, stakeholder engagement plan and grievance mechanism and electronic waste protocol and basic workplace occupational health and safety requirements (described herein) as part of the agreement with the TCIB scheme participants. Thereafter ensure that the Implementation Partner complies with the agreement with SARB.</p>	Prior to the Implementation Partner commencing with the TCIB scheme.	SARB, the Recipient
1.3	<p>Develop, consult and incorporate requirements for protection of identity and personal information in TCIB scheme design, acceptable to the World Bank.</p>	During TCIB scheme design.	Oversight responsibility: SARB, the Recipient Implementing responsibility: BankservAfrica
ESS 2: LABOUR AND WORKING CONDITIONS			

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
2.1	<p>LABOR MANAGEMENT PROCEDURES</p> <p>(a) The Project will engage three (3) senior resources working full time on the project, these persons are employed by the SARB who are civil servants. These employee contracts adhere to South African labour Legislation and are materially consistent with ESS2.</p> <p>(b) Develop, adopt, and implement Labor Management Procedures (LMP) for the Project. To the extent that provisions of national law are relevant to Project activities and satisfy the requirements of this ESS, the Recipient will not be required to duplicate such provisions in labor management procedures.</p>	<p>(a) Prior to engaging staff and maintained throughout Project implementation.</p> <p>(b) Develop LMP three months after Project effectiveness and thereafter implement throughout the Project implementation.</p>	SARB, the Recipient
2.2	<p>The SARB will engage an implementation partner to develop the TCIB Scheme (the Project). SARB will be subjected to the requirements under the World Bank’s “Procurement regulations for IPF Borrowers” (November 2020) Section V – National Procurement Process, however in terms of the SARB letter dated 7 June 2021 to ensure that the Implementation Partner’s engagement of its employees is consistent with non-discrimination and equal opportunity principles in compliance with applicable laws and is materially consistent with ESS2.</p> <p>All persons engaged under the assignment are required to sign and observe a Code of Conduct (CoC) with orientation on sexual exploitation and abuse and sexual harassment (SEA-SH), acceptable to the World Bank. To the extent that provisions of national law are relevant to Project activities and satisfy the requirements of this ESS, the Recipient will not be required to duplicate such provisions in labour management procedures.</p>	Prior to commencement of procurement process and maintained throughout project implementation.	SARB, the Recipient

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
2.3	<p>GRIEVANCE MECHANISM FOR PROJECT WORKERS</p> <p>Project Implementation Unit (PIU) staff to follow SARB Disciplinary Policy (HRD-POL-3/P4/1-V04, dated 01 November 2020) procedures in line with national law.</p> <p>The policy applies to all employees of SARB, including employees employed on a part-time or in terms of a limited duration employment contract. The policy has been tailored to SARB, with the following national acts referenced and used as a foundation:</p> <ul style="list-style-type: none"> • The Labour Relations Act 66 of 1995, Republic of South Africa • Employment Equity Act 55 of 1998, Republic of South Africa • National Key Points Act 102 of 1980, Republic of South Africa <p>(https://www.gov.za/documents/acts)</p> <p>Ensure that the Implementing Partner is contractually obliged to establish labor dispute procedures in line with national law and materially consistent with ESS2.</p>	<p>Upon contract award and maintained throughout Project implementation.</p> <p>During contract award and maintained throughout Project implementation.</p>	<p>Oversight responsibility: SARB, the Recipient</p> <p>Implementing responsibility: BankservAfrica</p>
2.4	<p>OCCUPATIONAL HEALTH AND SAFETY (OHS) MEASURES</p> <p>Implement basic occupational health and safety (OHS) requirements, such as provision of a safe working environment, training of employees on basic workplace OHS, reporting of occupational health and safety accidents, diseases and incidents; to the extent that provisions of national laws satisfy the requirements of the ESS2 without the need to duplicate such provisions in a separate plan or if a plan/provisions already exists; including travel and COVID protocol and anti-child and forced labour (South African) laws which will apply to SARB employees working in connection with the Project.</p>	<p>Establish basic OHS requirements three months after Project effectiveness and thereafter implement throughout the Project implementation phase.</p>	<p>Oversight responsibility: SARB, the Recipient</p> <p>Implementing responsibility: BankservAfrica</p>
<p>ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</p>			

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
3.1	<p>ELECTRONIC-WASTE MANAGEMENT PLAN:</p> <p>Electronic waste protocol: In the event that any electronic equipment needs to be disposed of, the responsible party shall do so in line with the requirements of the relevant waste legislation in the applicable country. Considerations shall be given to energy efficient electronic equipment in the event that any new equipment is to be acquired.</p>	Prior and when disposal and/or procurement of equipment may be needed.	<p>Oversight responsibility: SARB, the Recipient</p> <p>Implementing responsibility: BankservAfrica</p>
ESS 4: COMMUNITY HEALTH AND SAFETY			
	This Standard is not relevant to the project		
ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT			
	This Standard is not relevant to the project		
ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES			
	This standard is not relevant to the project		
ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES			
	This standard is not relevant to the project		
ESS 8: CULTURAL HERITAGE			
	This standard is not relevant to the project		
ESS 9: FINANCIAL INTERMEDIARIES			
	This standard is not relevant to the project		
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE (Reference SEP (P176529))			
10.1	<p>STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION</p> <p>(a) Establish, disclose, and implement a draft Stakeholder Engagement Plan (SEP) materially consistent with ESS10, in a manner acceptable to the World Bank</p>	(a) Disclosed before project appraisal and implemented throughout Project implementation and updated as needed	<p>Oversight responsibility: SARB, the Recipient</p> <p>Implementing responsibility: SARB & BankservAfrica</p>
10.2	<p>PROJECT GRIEVANCE MECHANISM:</p> <p>(a) Prepare, adopt, maintain, and operate a grievance mechanism, as described in the SEP.</p> <p>(b) Ensure that the Implementing Partner prepares, adopts, maintains, and operates a grievance mechanism.</p>	<p>(a) Established before Project appraisal and implemented throughout Project Implementation</p> <p>(b) Adopt before the roll out of the scheme and maintain throughout the lifetime of the Project</p>	<p>Oversight responsibility: SARB, the Recipient</p> <p>Implementing responsibility: BankservAfrica</p>

10.3	Prepare and adopt a Communications Strategy for the TCIB Scheme’s marketing and business development.	Adopt before the roll out of the scheme and maintain throughout the lifetime of the scheme	Oversight responsibility: SARB, the Recipient Implementing responsibility: BankservAfrica
CAPACITY SUPPORT (TRAINING)			
CS1	Training for designated staff member responsible for E&S implementation on awareness and compliance with ESSs including but not limited to ESS1, ESS2, ESS3, ESS10 and SEA-SH and World Bank reporting requirements.	Within 60 days after the date on which the Project becomes effective.	World Bank