



**MINISTERIO
DE ECONOMÍA Y
FINANZAS PÚBLICAS**

**Ministry of Economy and Public Finance
Bolivia Social Transformation and
Economic Protection Project
(P514751)**

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

Negotiations Version

January 7, 2026





ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The Plurinational State of Bolivia (“Borrower”), through its Ministry of Economy and Public Finances (“MEFP”), will implement the Bolivia Social Transformation and Economic Protection Project (the “Project”) with the involvement of GESTORA, as set out in the Loan Agreement (“Agreement”). The International Bank for Reconstruction and Development (“Bank”) has agreed to provide financing for the Project, as set out in 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 Agreement. Unless otherwise defined in this ESCP, capitalized terms used in this ESCP have the meanings ascribed to them in the 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, 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 Agreement, 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 Agreement or the MEFP’s Deputy Minister of the Treasury and Public Credit. The Borrower shall promptly disclose the updated ESCP.
5. The subsection on “Indicators for Implementation Readiness” below identifies the actions and measures to be monitored to assess Project readiness to begin implementation in accordance with this ESCP. Nevertheless, all actions and measures in this ESCP shall be implemented as set out in the “Timeframe” column below irrespective of whether they are listed in the referred subsection.



MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
IMPLEMENTATION ARRANGEMENTS AND CAPACITY SUPPORT			
A	<p>ORGANIZATIONAL STRUCTURE</p> <p>Establish and maintain the Project Implementation Unit (PIU) with qualified staff and resources to ensure compliance with the ESCP and adequate management of the environmental and social aspects of the Project. Such staff shall include one (1) Social Specialist.</p> <p>Include in the POM an annex specifying the profile and responsibilities of this Specialist to inform the development of the Terms of Reference for designating or hiring such Specialist.</p>	<p>Establish the PIU, including by designating or hiring one (1) Social Specialist, no later than 30 days after the Effective Date; and thereafter maintain this position throughout Project implementation.</p>	MEFP
B	<p>CAPACITY BUILDING PLAN/MEASURES</p> <p>(a) Prepare a Capacity Building Plan, including training on the Environmental and Social Standards (ESS 1, 2, 4, 7 and 10), the Stakeholder Engagement Plan (SEP), Indigenous Peoples, Sexual Harassment, Sexual Exploitation and Abuse in Human Development Operations, Grievance Redress Mechanisms in Bank projects, and the Bank's Guidelines for Working with Vulnerable Groups and related topics.</p> <p>(b) Implement the Capacity Building Plan, which shall include, <i>inter alia</i>, training for Project Coordination Unit (PCU) staff and other stakeholders related to the Project.</p>	<p>(a) No later than 45 days after the Effective Date.</p> <p>(b) Throughout Project implementation.</p>	MEFP
MONITORING AND REPORTING			
C	<p>REGULAR REPORTING</p> <p>Prepare and submit to the Bank regular monitoring reports on the environmental, social, health and safety (ESHS) performance of the Project. The reports shall include:</p> <ul style="list-style-type: none"> • Status of preparation and implementation of E&S documents required under the ESCP. • Summary of stakeholder engagement activities carried out as per the SEP. • Complaints submitted to the grievance mechanism(s), the grievance log, and progress made in resolving them, including SH/SEA referenced by the Project. • Number and status of resolution of incidents and accidents reported under action E below. 	<p>Submit a monthly report within fifteen (15) days after first calendar month, for the first three (3) months. Thereafter submit the report within fifteen (15) days after each calendar semester.</p>	MEFP
E	<p>INCIDENTS AND ACCIDENTS</p> <p>Notify the Bank of any incident or accident relating 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 those resulting in death or significant injury to workers or the public; acts of violence, discrimination or protest; unforeseen impacts to cultural heritage or biodiversity resources; pollution of the environment; dam failure; forced or child labor; displacement without due process (forced eviction); allegations of sexual exploitation or abuse (SEA), or</p>	<p>Notify the Bank no later than 48 hours after learning of the incident or accident. Provide available details upon request.</p>	MEFP



MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	<p>sexual harassment (SH); or disease outbreaks. Provide available details of the incident or accident to the Bank upon request.</p> <p>Arrange for an appropriate review of the incident or accident to establish its immediate, underlying and root causes. Prepare, agree with the Bank, and implement a Corrective Action Plan that sets out the measures and actions to be taken to address the incident or accident and prevent its recurrence.</p>	<p>Provide review report and Corrective Action Plan to the Bank no later than 10 days following the submission of the initial notice, unless a different timeframe is agreed to in writing by the Bank.</p>	
ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			
1.1	<p>SOCIAL ASSESSMENT AND/OR PLANS</p> <p>Prepare a basic Social Assessment (SA) as part of the draft SEP, proportional and consistent with the operation design and the management measures resulting from it and consistent with the relevant ESSs.</p>	<p>Prepare the basic SA as part of the draft SEP and thereafter implement the measures resulting from it throughout Project implementation.</p>	MEFP
1.2	<p>ACTIVITIES SUBJECT TO RETROACTIVE FINANCING</p> <p>Activities subject to retroactive financing will undergo environmental and social due diligence, and, where required, implementation of a corrective action plan in accordance with the ESCP.</p>	<p>From the date of retroactive financing eligibility (as defined in the Loan Agreement) until 30 days after the Effective Date, including completion of environmental and social due diligence and implementation of any corrective actions identified.</p>	MEFP
ESS 2: LABOR AND WORKING CONDITIONS			
2.1	<p>LABOR MANAGEMENT PROCEDURES</p> <p>Provide direct workers at MEFP, contracted workers and associated workers in financial entities clear and understandable information on their terms and conditions of employment related to the Project, including information of their rights under national labor and employment laws and ESS2 requirements.</p> <p>Ensure that associated workers at financial entities have access to grievance mechanisms, as outlined in the POM.</p>	<p>Deliver chapter related to the LMP in the POM by the Effective Date and then implement throughout Project implementation.</p>	MEFP
2.2	<p>OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT PLAN</p> <p>Implement Occupational Health and Safety (OHS) measures to ensure that Project workers have a safe working environment, equipment and processes, including related to: (a) worker training and record maintenance; (b) documentation and reporting of accidents, diseases, and incidents; (c) emergency prevention, preparedness, and response; and (d) remedies for injuries, fatalities, disabilities, and diseases.</p>	<p>Throughout Project implementation.</p>	MEFP
2.3	<p>GRIEVANCE MECHANISM FOR PROJECT WORKERS</p> <p>Utilize existing mechanisms for receiving and facilitating the resolution of concerns and grievances of direct, contracted and associated Project workers, including SH/SEA cases, as</p>	<p>Enable 15 days after the Effective Date and then implement throughout Project implementation.</p>	MEFP



MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	outlined in the POM. Ensure that these grievance mechanisms address concerns adequately and promptly.		
2.4.	<p>CODES OF CONDUCT</p> <p>(a) Annex to the POM and adopt the Codes of Conduct (CoC) of financial entities in Bolivia that include prevention SEA and SH cases under Law 348.</p> <p>(a) Deliver regular trainings to all Project workers.</p>	<p>(a) Adopt 15 days after the Effective Date and implement throughout Project implementation.</p> <p>(b) Throughout Project implementation.</p>	MEFP
ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT			
	Not relevant		
ESS 4: COMMUNITY HEALTH AND SAFETY			
4.1	<p>SEA AND SH RISKS AND PREVENTION OF OTHER TYPES OF DISCRIMINATION</p> <p>Prepare and implement a SH/SEA and prevention Action Plan as part of the SEP, including dissemination of information related to equity issues. Document and report results as part of draft SEP activities.</p>	Prepare the SH/SEA and prevention Action Plan as part of the draft SEP and thereafter implement it throughout Project implementation.	MEFP
ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT			
	Not relevant		
ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES			
	Not relevant		
ESS 7: INDIGENOUS PEOPLES			
7.1	<p>INDIGENOUS PEOPLES</p> <p>(a) Address indigenous peoples' (IP) specific needs related to the Project through the SEP and its contextual and stakeholder analysis.</p> <p>(b) Integrate IP elements into Project design and E&S instruments, such as the SEP and POM, without requiring a stand-alone plan.</p> <p>(c) Ensure that consultations are meaningful, participatory, and conducted without coercion or undue influence, providing comprehensive, accurate, and culturally appropriate information to enable informed engagement and strengthen mutual trust.</p> <p>(d) Engage with IPs in a culturally and linguistically appropriate manner, using in-person and/or low-tech modalities.</p> <p>(e) Include in the draft SEP a dedicated IP engagement and consultation chronogram with targeted communication, languages, local interlocutors, and culturally adapted GRM design.</p> <p>(f) Update final SEP with suggestions, opinions collected during consultation, particularly regarding reaching vulnerable groups.</p>	Deliver draft SEP before appraisal, and update SEP, including consultations, not later than 30 days after the Effective Date.	MEFP
ESS 8: CULTURAL HERITAGE			



MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	Not relevant		
ESS 9: FINANCIAL INTERMEDIARIES [This standard is only relevant for Projects involving Financial Intermediaries (FIs).]			
	Not relevant		
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			
10.1	<p>STAKEHOLDER ENGAGEMENT PLAN</p> <p>Update and implement a SEP for the Project, consistent with ESS10, which shall include measures to, <i>inter alia</i>, provide stakeholders with timely, relevant, understandable and accessible information, and consult with them in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation.</p>	Update the SEP no later than 30 days after the Effective Date, and thereafter implement the SEP throughout Project implementation.	MEFP
10.2	<p>PROJECT GRIEVANCE MECHANISM</p> <p>Establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances in relation to the Project, promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all Project-affected parties, at no cost and without retribution, including concerns and grievances filed anonymously, in a manner consistent with ESS10 and ESS7.</p> <p>The grievance mechanism shall be equipped with a specific protocol to receive and refer the SEA/SH complaints to relevant gender-based violence service providers, all in a safe, confidential, and survivor-centered manner.</p>	Establish the grievance mechanism no later than 30 days after the Effective Date, and thereafter maintain and operate the mechanism throughout Project implementation.	MEFP
INDICATORS FOR IMPLEMENTATION READINESS			
<p>The following actions are indicators for implementation readiness:</p> <p>PIU is fully staffed with qualified personnel, including the Social Specialist.</p> <p>Functional GRM established, with clear procedures for receiving and resolving complaints.</p> <p>Conduct at least two consultations with Indigenous Peoples.</p> <p>Borrower and PIU staff have received training on ESS2, ESS 10, ESS 7 and instruments applicable to the Project.</p>			