

COSTA VERDE SUSTAINABLE HEALTH COMPLEX - PANAMA

Environmental and Social Action Plan (ESAP)

No.	Aspect	Action	Deliverable	Delivery date
PS 1: Assessment and Management of Environmental and Social Risks and Impacts				
1.1	National Legislation	1. Obtain approval of the wastewater treatment system technical report from the National Aqueduct and Sewer Institute ("IDAAN") and the Ministry of the Environment ("MIAMBIENTE").	1. Approval Note or Resolution.	1. Prior to the start of the operation phase.
		2. Obtain approval of the environmental compensation plan from MIAMBIENTE.	2. Approval Note or Resolution.	2. Prior to First Disbursement.
		3. Obtain approval of the Wildlife Rescue and Relocation Plan ("WRRP") from the Protected Areas and Biodiversity Directorate of MIAMBIENTE.	3. Approval Note or Resolution.	3. Prior to the start of construction.
		4. Obtain approval of the Health, Hygiene, and Safety Plan from MITRADEL.	4. Approval Note or Resolution.	4. Prior to the start of construction.
1.2	Environmental and Social Management System	1. Consolidate an Environmental and Social Management System (ESMS) for the construction phase, integrating the environmental management plan ("EMP") of the EIA and relevant environmental and social ("E&S") and occupational health and safety ("OHS") policies, plans, and procedures.	1. ESMS Manual.	1. Prior to First Disbursement.
		2. Implement the ESMS during the construction phase of the Project.	2. Evidence of implementation.	2. As part of the ESCR.
		3. Consolidate an ESMS for the operation phase, integrating the EMP and all the applicable environmental and social ("E&S") and occupational health and safety ("OHS") policies, plans, and procedures.	3. ESMS Manual.	3. Prior to the start of the operation phase.
		4. Implement the ESMS during the operation phase of the Project	4. Evidence of implementation.	4. As part of the ESCR.
1.3	Policy	1. Establish an integrated policy that defines the environmental, social, and OHS objectives and principles that guide the Project to achieve a good environmental and social performance.	1. Integrated policy (E&S and OHS) approved by the Company's senior management.	1. Prior to First Disbursement.
		2. Implement the integrated policy at all levels of the Project.	2. Evidence of implementation.	2. As part of the ESCR.
1.4	Climate Change Exposure	1. Identify climate risks considering the climate change scenarios of the IPCC in the area of the Project.	1. Report on identified climate risks.	1. Prior to the start of construction.
		2. Conduct a climate vulnerability analysis in the Hospital's area of influence.	2. Report on climate vulnerability analysis.	2. Prior to the start of construction.

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		3. Evaluate the proposed climate change adaptation and resilience measures based on the Project's risk and climate vulnerability analysis.	3. Report of evaluation results.	3. Prior to First Disbursement.
		4. Implement climate change adaptation and resilience measures of the Project.	4. Evidence of implementation.	4. As part of the ESCR.
1.5	Management Programs	1. Strengthen the E&S and OHS management programs and plans proposed in the EIA EMPs, considering all Project activities for the construction and operation stage, adding specific preventive and mitigation measures, incorporating key performance indicators ("KPIs"), developing procedures, and assigning responsibilities for their implementation.	1. (i) Updated E&S and OHS management programs and plans. (ii) Procedures related to E&S management programs.	1. (i) Construction phase: Prior to First Disbursement. (ii) Operation phase: prior to the start of operations.
1.6	Organizational Capacity and Competency	1. Appoint a qualified professional in the environmental area to lead the Project's E&S management.	1. Copy of the appointment of the professional and his or her CV.	1. Prior to First Disbursement.
		2. Establish a training program for all Project workers on ESMS programs and plans.	2. Training Program.	2. Prior to First Disbursement.
		3. Implement the training program.	3. Evidence of implementation.	3. As part of the ESCR.
1.7	Emergency Preparedness and Response	1. Develop an Emergency Response Plan ("ERP") with specific measures for the construction and operation stages of the project, addressing the physical risks associated with climate change, and including: (i) identification of emergency scenarios, (ii) specific emergency response procedures, (iii) emergency communication contacts and protocols (including communication with affected Communities when necessary), (iv) procedures for interacting with government authorities (emergency, health, environmental authorities), (v) emergency equipment and facilities (e.g.: first aid stations, firefighting equipment, personal protective equipment, etc.), (vi) protocols for the use of emergency equipment and facilities, (vii) identification of evacuation routes and meeting points; and (viii) a training program for workers that includes emergency drills at defined intervals.	1. ERP	1. Prior to First Disbursement.
		2. Implement the ERP.	2. Evidence of implementation.	2. As part of the ESCR.
1.8	Monitoring and review	1. Develop an environmental and occupational monitoring plan.	1. Environmental and occupational monitoring plan.	1. Prior to First Disbursement.
		2. Implement the environmental and occupational monitoring plan.	2. Evidence of implementation.	2. As part of the ESCR.
		3. Keep the legal compliance matrix up to date and include the Project's contractual obligations for the construction and operation stages.	3. Updated legal compliance matrix.	3. As part of the ESCR.
		4. Establish an internal audit procedure to verify the compliance status of all environmental, social, and OHS policies, plans, and requirements applicable to the Project.	4. Internal audit procedure.	4. Prior to First Disbursement.

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		5. Implement the internal audit procedure to verify the compliance status of all environmental, social, and OHS policies, plans, and requirements applicable to the Project.	5. Evidence of implementation.	5. As part of the ESCR.
1.9	Stakeholder Engagement	1. Develop a Stakeholder Engagement Plan ("SEP") that will include: (i) a mapping, analysis, and planning of the identified stakeholders' participation; (ii) a mechanism for information dissemination and stakeholder communication; and (iii) a mechanism for the reception, resolution, and registration of community complaints.	1. Stakeholder Engagement Plan.	1. Prior to First Disbursement.
		2. Implement the Stakeholder Engagement Plan ("SEP").	2. Evidence of implementation.	2. As part of the ESCR.
1.10	External Grievance Mechanisms	1. Develop a mechanism for receiving and resolving community complaints that includes recording, tracking, analyzing, and responding to complaints; the means to disseminate the mechanism to stakeholders.	1. Mechanism for receiving and resolving community complaints.	1. Prior to the start of construction.
		2. Implement the mechanism for community complaints.	2. Evidence of implementation.	2. As part of the ESCR.
PS 2: Labor and Working Conditions				
2.1	Human Resources Policies and Procedures	1. Develop a human resources ("HR") policy.	1. HR Policy.	1. Prior to the start of construction.
		2. Develop procedures to implement the HR policy.	2. HR Procedures.	2. Prior to First Disbursement.
		3. <u>Implement HR policy and procedures.</u>	3. Evidence of implementation.	3. As part of the ESCR.
2.2	Working Conditions and Management of Worker Relationships	1. Develop a procedure for personnel recruitment, selection, and hiring.	1. Procedure for recruitment, selection, and hiring.	1. Prior to the start of construction.
		2. Implement the procedure for personnel recruitment, selection, and hiring.	2. Evidence of implementation.	1. As part of the ESCR.
2.3	Internal Grievance Mechanism	1. Develop a procedure to handle complaints from its employees and contractors, which establishes: i) channels or means for receiving complaints; ii) the process for evaluating complaints; iii) how and by whom responses are provided and followed up; iv) the process for evaluating and improving the mechanism; v) how the mechanism is disclosed; v) ways to receive and handle anonymous complaints and guarantee the confidentiality of the entire process.	1. Procedure for handling complaints.	1. Prior to the start of construction.
		2. Implement a procedure to handle complaints from employees and contractors.	2. Evidence of implementation.	1. As part of the ESCR.
2.4	Workers Engaged by Third Parties	1. Develop a procedure for contractor and subcontractor management and follow-up.	1. Procedure for contractor and subcontractor management and follow-up.	1. Prior to First Disbursement.
		2. Implement the procedure for contractor and subcontractor management and follow-up.	2. Evidence of implementation.	2. As part of the ESCR.
		3. Include a clause in contractors' contracts requiring compliance with the Company's ESMS.	3. Clause applied in the contracts	3. Prior to First Disbursement.

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2.5	Supply Chain	1. Develop a procedure to manage suppliers in the Project's primary supply chain, which will (a) allows to identify labor (child and forced labor and significant occupational health and safety risks) and biodiversity risks and impacts; and (b) limits purchases to only those suppliers that can demonstrate that they contribute to the significant conservation of critical or natural habitats and that comply with Panama's labor laws.	1. Procedure for management of primary supply chain.	1. Prior to First Disbursement.
		2. Implement the procedure for management of primary supply chain.	2. Evidence of implementation.	2. As part of the ESCR.
PS 3: Resource Efficiency and Pollution Prevention				
3.1	Waste Management	1. Develop an integrated management plan for non-hazardous and hazardous waste for the construction phase, using the measures included in the EMP as a basis, and adding specific strategies for waste reduction, recycling—where feasible—, and provisions for the transport and final destination of waste according to its type.	1. Integrated management plan for the construction phase.	1. Prior to the start of construction.
		2. Implement the integrated management plan for non-hazardous and hazardous waste for the construction phase.	2. Evidence of implementation.	2. As part of the ESCR.
		3. Develop an integrated management plan for non-hazardous and hazardous waste for the operation phase with similar characteristics to the construction stage.	3. Integrated waste management plan for the operation phase.	3. Prior to the start of the operation phase.
		4. Implement the integrated management plan for non-hazardous and hazardous waste for the operation phase.	4. Evidence of implementation.	4. As part of the ESCR.
3.2	Hazardous Materials Management	1. Verify the list of refrigerants to be used in the Hospital's operation to ensure that only refrigerants that are classified as non-ozone depleting substances under the Montreal Protocol are purchased.	1. List of refrigerants by area or process	1. Prior to the start of the operation phase.
PS 4: Community Health, Safety, and Security				
4.1	Infrastructure and Equipment Design and Safety	1. Incorporate the safety requirements of the IFC Environmental, Health, and Safety Guidelines for Health Care Facilities into the Hospital's designs.	1. Technical report of the design.	1. Prior to First Disbursement.
4.2	Security Personnel	1. Establish a Code of Conduct and action protocols for personnel providing asset security services, which will be aligned with the United Nations Voluntary Principles for Security Forces and Human Rights.	1. Code of Conduct and action protocols.	1. Prior to First Disbursement.
		2. Implement the Code of Conduct and action protocols for security personnel.	2. Evidence of implementation.	2. As part of the ESCR.
PS 8: Cultural Heritage				

No.	Aspect	Action	Deliverable	Delivery date
8.1	Protection of Cultural Heritage in Project Design and Execution	1. Develop a chance finds procedure.	1. Chance finds procedure.	1. Prior to the start of construction.
		2. Implement the chance finds procedure.	2. Evidence of implementation.	2. As part of the ESCR.