

Environmental and Social Action Plan (ESAP)					
<b>Project Name:</b>	Indufoam	<b>Project ID:</b>	13596-01	<b>Category:</b>	B
<b>Sector:</b>	MANUFACTURING INDUSTRY	<b>Country:</b>	El Salvador		

No.	Deliverable	Compliance date
<b>PS 1: Assessment and Management of Environmental and Social Risks and Impacts</b>		
<b>1.1 Environmental and Social Management System</b>		
1.1.1	Hire a consulting firm to support the development of its Environmental and Social Management System ("ESMS").	
a.	Copy of the Consulting contract.	As a pre-payment condition of the first disbursement.
1.1.2	Develop an ESMS Manual.	
a.	ESMS Manual.	180 days after the first disbursement.
1.1.3	Adopt the ESMS.	
a.	Evidence of the adoption of ESMS.	180 days after the first disbursement and then as part of the Environmental and Social Compliance Report (ESCR).
<b>1.2 Policy</b>		
1.1.1	Develop a general policy outlining its E&S and occupational health and safety ("OHS") commitments (ESHS).	
a.	ESHS Policy	60 days after the first disbursement.
1.1.2	Disseminate the General Policy within and outside the organization.	
a.	Evidence of dissemination.	90 days after the first disbursement and then as part of the ESCR.
<b>1.2 Identification of Risks and Impacts</b>		
1.2.1	Develop a procedure to systematically identify ESHS risks for its existing activities and for all phases of the Project.	
a.	Risk and Impact Identification Procedure.	30 days after the first disbursement.
1.2.2	Develop environmental risk matrices for existing operating activities and for the Project's construction activities.	
a.	Environmental Risk Matrix.	30 days after the first disbursement.
1.2.3	Update the Environmental Risk Matrix to incorporate the Project's operating activities.	
a.	Updated Environmental Risk Matrix.	30 days prior to the start of Project operation, and then as part of the ESCR.
<b>1.3 Gender Programs</b>		
1.3.1	Disseminate the Sexual Violence Protocol throughout the organization.	
a.	Evidence of dissemination.	60 days after the first disbursement.
1.3.2	Implement the Sexual Violence Protocol.	
a.	Evidence of implementation.	90 days after the first disbursement and then as part of the ESCR.
<b>1.4 Management Programs</b>		
1.4.1	Develop procedures to address the management of the following issues: i) efficient use of water resources; ii) waste and effluent; and iii) hazardous materials.	
a.	Water resources management procedure.	60 days after the first disbursement.
b.	Integrated waste and effluent management procedure.	60 days after the first disbursement.

c.	Hazardous materials management procedure.	60 days after the first disbursement.
1.4.2	Implement the Management Programs.	
a.	Evidence of implementation.	As part of the ESCR.
<b>1.5 Organizational Capacity and Competency</b>		
1.5.1	Hire an Environmental, Health, and Safety Manager.	
a.	Communication of the appointment throughout the organization.	As a pre-payment condition of the first disbursement.
<b>1.6 Emergency Preparedness and Response</b>		
1.6.1	Modify the Emergency and Evacuation Plan to update the 2023 brigade training plan.	
a.	Updated Emergency and Evacuation Plan.	60 days after the first disbursement.
1.6.2	Implement the Emergency Evacuation Plan.	
a.	Evidence of brigade member training.	90 days after the first disbursement and then as part of the ESCR.
b.	Copy of drill reports.	90 days after the first disbursement and then as part of the ESCR.
<b>1.7 Monitoring and review</b>		
1.7.1	Develop a procedure to follow up on issues such as: work-related accidents, internal and external complaints, waste and effluents, water and electricity consumption.	
a.	Monitoring and Evaluation Procedure.	90 days after the first disbursement.
1.7.2	Develop a procedure to monitor the performance of its contractors and ensure that the working conditions of their employees comply with contractual requirements, Salvadoran regulations, and international requirements.	
a.	Contractor performance monitoring procedure.	60 days after the first disbursement.
1.7.3	Implement the Contractor performance monitoring procedure.	
a.	Evidence of implementation.	Quarterly during the construction of the Project and then as part of the ESCR.
<b>1.8 Stakeholder Engagement</b>		
1.8.1	Develop a Stakeholder Engagement Plan that outlines communication channels and details how stakeholders will be regularly informed about the Company's Environmental and Social ("E&S") performance.	
a.	Stakeholder Engagement Plan.	90 days after the first disbursement.
b.	Stakeholder Map.	90 days after the first disbursement.
1.8.2	Implement the Stakeholder Engagement Plan.	
a.	Evidence of implementation.	As part of the ESCR.
<b>1.9 Grievance Mechanisms for Affected Communities</b>		
1.9.1	Develop a procedure for receiving and processing communications from external stakeholders.	
a.	Procedure for receiving and processing communications.	60 days after the first disbursement.
1.9.1	Implement the procedure for receiving and processing communications from external stakeholders.	
a.	Evidence of implementation.	As part of the ESCR.
1.9.2	Develop a documented mechanism (formal registry) to address any complaints by communities in the area of influence.	
a.	External Grievance Mechanism.	60 days after the first disbursement.
1.9.3	Implement the External Grievance Mechanism.	
a.	Evidence of implementation.	As part of the ESCR.

<b>PS 2: Labor and Working Conditions</b>		
<b>2.1 Human Resources Policies and Procedures</b>		
2.1.1	Develop a HR Policy ("HR").	
a.	HR Policy.	30 days after the first disbursement.
2.1.2	Disseminate the HR Policy throughout the organization.	
a.	Evidence of dissemination.	60 days after the first disbursement and then as part of the ESCR.
2.1.3	Update variable remuneration employment contracts to include a description of the salary calculation per work produced.	
a.	Updated employment contracts.	180 days after the first disbursement.
2.1.4	Provide a copy of the Internal Labor Regulations ("ILR") to all employees.	
a.	Evidence that the ILR has been distributed to employees.	180 days after the first disbursement and then as part of the ESCR.
2.1.5	Update the Induction Procedure to ensure new workers receive copies of the ESHS Policy, HR Policy, and ILR.	
	Updated Induction Procedure.	180 days after the first disbursement.
<b>2.2 Internal Grievance Mechanism</b>		
2.2.1	Develop an internal grievance mechanism for direct and indirect workers to file complaints.	
a.	Internal Grievance Mechanism.	30 days after the first disbursement.
2.2.3	Disseminate the Internal Grievance Mechanism for direct and indirect workers.	
a.	Evidence of dissemination.	60 days after the first disbursement and then as part of the ESCR.
<b>2.3 Occupational Health and Safety</b>		
2.3.1	Update the Occupational Risk Prevention Management Program to i) include an OHS risk analysis for all activities carried out at the plant; ii) incorporate a risk analysis for tasks that have generated accidents; iii) implement a safety training plan for new and continuing personnel; iv) include the format of the accident log for both direct and indirect workers; v) develop the occupational health program to prevent occupational diseases; and vi) describe when and how the safety inspection program will be implemented.	
a.	Updated Occupational Risk Prevention Management Program.	60 days after the first disbursement.
2.3.2	Develop an Occupational Health and Safety Plan for contractors that: i) describes the OHS guidelines to be applied in the planning, development, and execution of their activities as a precondition for commencement of work; and ii) obliges them to (a) have qualified personnel, (b) prepare OHS risk matrices and written procedures to mitigate them; (c) train their personnel; and (d) allow Indufoam to conduct daily inspections to ensure that OHS issues are being properly managed.	
a.	Occupational Health and Safety Plan for contractors.	60 days after the first disbursement.
<b>2.4 Supply Chain</b>		
2.4.1	Develop a Sustainable Sourcing Policy.	
a.	Sustainable Sourcing Policy.	60 days after the first disbursement.
2.4.2	Disseminate the Sustainable Sourcing Policy internally and externally throughout the Organization.	
a.	Evidence of dissemination.	90 days after the first disbursement.
<b>PS 3: Resource Efficiency and Pollution Prevention</b>		
<b>3.1 Resource Efficiency</b>		
3.1.1	Submit a copy of the Authorization for the Use and Development of Well Water granted by the Salvadoran Water Authority.	
a.	Authorization for the Use and Development of Well Water.	As a pre-payment condition of the first disbursement.

3.2 Hazardous Materials Management		
3.2.1	Fit out a room for the storage of fuels, flammable liquids, and hazardous materials, following the requirements of local law and in line with the guidelines established in the World Bank's General Guidelines on Environment, Health and Safety and the standards of the National Fire Protection Association ("NFPA").	
a.	Hazardous Materials Storage Room Designs.	As a pre-payment condition of the first disbursement.
b.	Evidence that the Hazardous Materials Storage Room has been fitted out according to the Storage Room Designs.	180 days after the first disbursement of the Project financing
PS 4: Community Health, Safety, and Security		
4.1 Security Personnel		
4.1.1	Develop a procedure to i) assess and manage the risks associated with physical security, ii) document the need to hire armed personnel, and ii) include in the code of conduct for security personnel the need for ongoing training.	
a.	Physical Security Procedure.	90 days after the first disbursement.
4.1.2	Include in the contract with the security services provider the obligation to comply with the requirements of the Physical Security Procedure and the guidelines of the IFC's <i>Use of Security Forces: Risk and Impact Assessment and Management Manual</i> .	
a.	Copy of the Physical Security contract.	90 days after the first disbursement.
PS 8: Cultural Heritage		
4.1 Chance Find Procedures		
4.1.1	Develop a Chance Finds Procedure to be adopted by civil works contractors.	
a.	Chance Finds Procedure.	30 days after the first disbursement.