

Environmental and Social Action Plan (ESAP)				
Project Name:	Laki	Project ID:	14334-01	Category: B
Sector:	INDUSTRY	Country:	El Salvador, Guatemala, Honduras	

No.	Product/Deliverable	Completion Date
PS1: Assessment and management of E&S risks and impacts		
1.1 E&S Assessment and Management System		
1.1.1	Improve the Environmental Management System (ESMS) following the International Finance Corporation (IFC) General Environment, Health and Safety Guidelines.	
a.	Improved Environmental and Social Management System (ESMS)	8 months after the first disbursement
1.2 Identification of risks and impacts		
1.2.1	Identify the direct and indirect risks per plant and job position considering the IFC General Environment, Health and Safety Guidelines, and the gender and climate risks.	
a.	Risk identification and mitigation matrix for the Copacasa plants (mill)	6 months after first disbursement
b.	Risk identification and mitigation matrix for the Cegsa, Carsa and Canasa plants (corrugated packaging and conversion)	8 months after the first disbursement
c.	Risk identification and mitigation matrix for the Litozadik and Specialty Products plants (folding and luxury packaging)	10 months after the first disbursement
1.3 Management programs		
1.3.1	Develop a procedure to select and assess suppliers to identify the environmental and social risks related to the primary supply chain.	
a.	Supplier selection and assessment procedure	12 months after the first disbursement
1.4 Emergency preparedness and response		
1.4.1	Prepare emergency plans for the Copacasa, Cegsa y Carsa plants, following the IFC General Environment, Health and Safety Guidelines.	
a.	Emergency plans for the Copacasa, Cegsa and Carsa plants	8 months after the first disbursement
1.4.2	Update the emergency plans for the Litozadik, Specialty Products and Canasa plants, following the IFC General Environment, Health and Safety Guidelines.	
a.	Updated emergency plans for the Litozadik, Specialty Products and Canasa plants	10 months after the first disbursement
1.4.3	Make sure the fire protection system in each plant complies with the NFPA standards.	
a.	Submit a design for an NFPA-compliant fire protection system for the Copacasa plant, including a tiered execution plan, with a first phase starting with the implementation of the detection and (visual and auditory) alert systems, the identification of the evacuation routes and the fire suppression system in the bunker areas, and raw material storage.	6 months after the first disbursement
b.	Submit a design for NFPA-compliant fire protection systems for the Cegsa, Carsa and Canasa plants, including a tiered execution plan, with a first phase starting with the implementation of the detection and (visual and auditory) alert systems, the identification of the evacuation routes and the fire suppression system in the bunker areas, and raw material storage.	8 months after the first disbursement
c.	Submit a design for NFPA-compliant fire protection systems for the Litozadik and Canasa plants, including a tiered execution plan, with a first phase starting with the implementation of the detection and (visual and auditory) alert systems, the identification of the evacuation routes and the fire suppression system in the diesel storage areas, and raw material storage.	11 months after the first disbursement
d.	Proof of execution for the first phase of the design of the fire protection system for the Copacasa plant	15 months after the first disbursement
e.	Proof of execution test for the first phase of the design of the fire protection system for the Cegsa, Carsa and Canasa plants	11 months after the first disbursement

f.	Proof of execution test for the first phase of the design of the fire protection system for the Litozadik and Specialty Products plants	14 months after the first disbursement
g.	Certification issued by an accredited professional to attest the fire protection system implemented in the Copacasa plant is compliant with the NFPA standards	24 months after the first disbursement
h.	Certification issued by an accredited professional to attest the fire protection systems implemented in the Cegsa, Carsa and Canasa plants are compliant with the NFPA standards	24 months after the first disbursement
i.	Certification issued by an accredited professional to attest the fire protection systems implemented in the Litozadik and Canasa plants are compliant with the NFPA standards	24 months after the first disbursement
1.5 Stakeholder analysis and engagement planning		
1.5.1	Devise a stakeholder engagement plan which will; (i) identify the types of stakeholders that may be interested in or affected by LAKI's activities; (ii) detail how the stakeholders and the general public will be informed; and (iii) mention who will be the person inside the Company to liaise with the communities.	
a.	Stakeholders engagement plan	12 months after the first disbursement
1.5.2	Implement a stakeholder engagement plan.	
a.	Evidence of implementation	As part of the Environmental and Social Compliance Report (ESCR)
1.6 Grievance mechanism for workers and affected communities		
1.6.1	Produce a grievance mechanism to receive and manage the grievances from several stakeholder groups across the facilities.	
a.	External grievance mechanism	12 months after the first disbursement
1.6.2	Implement the grievance mechanism.	
a.	Evidence of implementation	As part of the ESCR
PS2: Labor and working conditions		
2.1 Occupational health and safety		
2.1.1	Prepare a procedure to supply and replace the personal protection equipment (PPE) in line with the risk matrix per job position.	
a.	PPE supply and replacement procedure	6 months after the first disbursement
2.1.2	Implement a PPE supply and replacement procedure.	
a.	Evidence of implementation	As part of the ESCR
PS3: Resource Efficiency and Pollution Prevention		
3.1 Greenhouse gases		
3.1.1	Prepare a monitoring plan to make sure the thresholds stated in the IFC General Environment, Health and Safety Guidelines for the boiler operation are observed.	
a.	Emission monitoring plan	6 months after the first disbursement
b.	Implemented emission monitoring plan	12 months after the first disbursement
3.1.2	Implement a monitoring plan for the boiler operation.	
a.	Evidence of implementation	10 months after the first disbursement and later as part of the ESCR
3.1.3	Implement the necessary corrective measures in line with the thresholds stated in the IFC General Environment, Health and Safety Guidelines for the boiler operation.	
a.	Implementation of corrective actions	As part of the ESCR
3.2 Water consumption		
3.2.1	Prepare a study of the water sources health for the Copacasa, Litozadik and Cegsa plants, with recommendations for sustainable use and consumption.	
a.	A study of the water sources health for the Copacasa, Litozadik and Cegsa plants	12 months after the first disbursement
3.2.2	Implement the recommendations for the sustainable use of the water sources in the Copacasa, Litozadik and Cegsa plants.	
	Implementation of recommendations	As part of the ESCR

3.3 Pollution prevention		
3.3.1	Install a wastewater treatment plant in the Copacasa plant, in compliance with the most stringent wastewater quality standards, the General Guidelines or the local legislation.	
a.	A wastewater treatment plant in operation at the Copacasa plant in compliance with the national legislation	15 months after the first disbursement
b.	A wastewater treatment plant in operation at the Copacasa plant in compliance with the General Guidelines	36 months after the first disbursement
3.3.2	Update the waste management matrix following the IFC General Environment, Health and Safety Guidelines.	
a.	Updated waste management matrix	12 months after the first disbursement
3.3.3	Implement the waste management matrix.	
b.	Implementation of the matrix	As part of the ESCR
3.3.4	Produce a hazardous materials management plan following the IFC General Environment, Health and Safety Guidelines.	
a.	Hazardous materials management plan	12 months after the first disbursement
3.3.5	Implement the hazardous materials management plan.	
a.	Evidence of implementation	As part of the ESCR