

Republic of Uzbekistan
Entrepreneurship Development Company
Financial Access for Growth, Returns, And
Opportunities for Work MPA Phase 1 -
Uzbekistan
(P511700)

ENVIRONMENTAL AND SOCIAL
COMMITMENT PLAN (ESCP)

Draft for Appraisal

October 7th, 2025

ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The Entrepreneurship Development Company (the Recipient) will implement the Financial Inclusion for Growth, Returns, And Opportunities for Work (FINGROW) Multiphase Programmatic Approach (MPA) Phase 1 in Uzbekistan (the Project) as set out in the Loan Agreement. The International Bank for Reconstruction and Development (the Bank) has agreed to provide financing for the Project as set out in Agreement.
2. The Recipient 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 Loan Agreement. Unless otherwise defined in this ESCP, capitalized terms used in this ESCP have the meanings ascribed to them in the referred agreement.
3. Without limitation to the foregoing, this ESCP sets out material measures and actions that the Recipient will 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 Bank, 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 Recipient, this ESCP will be revised from time to time, if necessary, to reflect adaptive management of Project changes and unforeseen circumstances or in response to Project performance. In such circumstances, the Bank and the Recipient agree to update the ESCP to reflect these changes through the exchange of letters signed between the Bank and the Recipient. The Recipient 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	ORGANIZATIONAL STRUCTURE a. Establish and maintain core staff dedicated to the project within the Entrepreneurship Development Company (EDC) that is tasked with E&S management including at least one E&S responsible personnel (E&S Specialist) all with experience and qualifications acceptable to the Bank, to be responsible for ensuring full compliance with the ESSs, ESCP, and relevant instruments. b. Enter into cooperation arrangements with the Participating Financial Intermediaries (PFIs) from the Partial Credit Guarantee (PCG) scheme and Fund Managers (FMs) under the Fund of Funds (FOF) to manage E&S risks of the subprojects. Each PFI shall include at minimum one E&S specialist responsible for ensuring the application of the screening, classification and monitoring procedures for environmental and social risk management established by each PFI's environmental and social management system (ESMS) to all PFI Sub-Projects. FMs shall appoint core staff responsible for the application of the screening, classification and monitoring procedures for environmental and social risk management.	a. EDC E&S core staff appointed and on-boarded prior to the project effectiveness and thereafter maintain throughout Project implementation. b. Commencing from the Project's effective date these arrangements to be detailed in Subsidiary Loan Agreement with the EDC and in any subsequent subsidiary agreements	EDC
B	CAPACITY BUILDING PLAN/MEASURES Prepare and implement a capacity-building program for EDC core project staff, for PFIs and FMs E&S staff on: - E&S assessment and risk management and implementation of ESMS - Stakeholder engagement and grievance redress mechanisms (GRM) - Occupational Health and Safety (OHS) management - Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) prevention measures. - E&S Screening along with preparation and implementation of site-specific E&S assessments and management plans (e.g. ESIA, ESMP and ESMP checklists, etc.) as per the ESMS prepared for the Project - Reporting on Environmental, Social, Health, and Safety (ESHS) performance of the Project	Within 6 months of Project Effective Date and annually thereafter	EDC
MONITORING AND REPORTING			

MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
C REGULAR REPORTING Prepare and submit semi-annual reports to the World Bank on the Project's E&S performance, including: - List of Sub-Projects financed by PFIs. - Implementation of E&S management plans. - Stakeholder engagement and GRM progress. - E&S compliance of contractors. - Incident and accident reports. - Status of preparation and implementation of E&S documents required under the ESMS. - Complaints submitted to the grievance mechanism (including PFIs, Beneficiary GMs and LPs), the grievance log, and progress made in resolving them.	Semi-annual reports must be prepared commencing from the Project's effective date and continuing throughout the implementation period. Each report shall be submitted to the Bank within fifteen (15) days following the conclusion of the respective reporting period.	EDC
D PFIs UNDER PCG SCHEMES AND FMs REPORTS AND CONTRACTORS' MONTHLY REPORTS a. Require PFIs and FMs to prepare and submit reports on E&S performance of their credit line and Beneficiary Subprojects financed under the credit line, including the operation of their respective ESMS. b. Require and cause PFIs and FMs to cause and require contractors, supervising firms, and subproject developers to submit monthly reports on E&S performance, covering: - OHS risks and mitigation measures - Compliance with ESMS, and labor management procedures - Community health and safety impacts.	a. Quarterly throughout implementation. b. Monthly throughout the implementation of the Project and the Subproject. Provide these reports as Annex to reports submitted under Action C above, upon request.	EDC
E INCIDENTS AND ACCIDENTS 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 SEA/SH;	Immediate reporting within 48 hours, full report within 10 days. 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.	EDC

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	or disease outbreaks. Provide available details of the incident or accident to the Bank upon request. Require and cause PFIs and FMs to report any incident or accident that has occurred in Subprojects financed under the Project. The report will be prepared with the minimum requirements set forth in the POM. 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.		
ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			
1.1	ENVIRONMENTAL AND SOCIAL INSTRUMENTS a) Require and cause PFIs under the PCG scheme to establish and implement its own Environmental and Social Management System (incl.E&S policy) and integrate this requirement as part of the Subsidiary Loan Agreements. b) Incorporate clauses in the Guarantee/Investment Agreement(s) to ensure each PFI's, FMs and Beneficiary's compliance with the material measures required to mitigate the risks and impacts associated with each one of the Subprojects, considering the relevant requirements of ESS 1, ESS 2, ESS 3, ESS 4, ESS 6, ESS 8, ESS 9 and ESS 10. c) Require and cause PFIs and FMs to screen all Subprojects against the IFC/IBRD Exclusion Criteria, conduct environmental and social risk management – screening, identification, classification, monitoring and evaluation and prepare/review the ESIs, ESMPs or ESMP Checklists to ensure compliance with the World Bank's ESF, the relevant ESSs and the Project ESMS. d) Maintain a portfolio-view database of credit guarantees with the associated E&S risk level from PFIs under the PCG scheme. e) Submit first 2 (two) Subprojects from each FM under FOF facility for the prior review by the Bank.	a: ESMS of each PFI or FM should be operational before participation in the Project and maintained throughout implementation. b, c, d and e: Throughout Project implementation and as part of the process for identification, screening, selection, and monitoring of Subprojects.	EDC, PFIs, FMs and beneficiary subprojects
1.3	MANAGEMENT OF CONTRACTORS Incorporate and cause PFIs/FMs/Beneficiaries to incorporate the relevant aspects of the E&S contractual clauses and covenants and provisions of the ESCP, including, inter alia,	Throughout Project implementation.	EDC, PFIs, FMs and beneficiary subprojects

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	the Labor Management Procedure (LMP), and Code of Conduct (CoC), into the E&S specifications of the procurement documents and contracts with contractors and supervising firms (if any). Thereafter ensure and cause PFIs/FMs/Beneficiaries to ensure that the contractors comply and that they require their subcontractors to comply with the E&S specifications of their respective contracts. Provide copies of the relevant contracts with contractors/subcontractors to the PIU.		
1.4	TECHNICAL ASSISTANCE Carry out the consultancies, studies (including feasibility studies, if applicable), capacity building, training, and any other technical assistance activities under the Project in accordance with terms of reference acceptable to the Association, that are consistent with the ESSs. Thereafter prepare and finalize the outputs of such activities in compliance with the terms of reference.	Throughout Project implementation.	EDC
1.5	ASSOCIATED FACILITIES If relevant, incorporate in the Subsidiary Agreements the E&S contractual clauses to cause PFIs/FMs and Beneficiaries (and their contractors and subcontractors) to ensure that activities that meet the criteria for associated facilities are carried out in accordance with the applicable requirements of this ESCP and the ESSs, including, inter alia, the ESMS, relevant Subproject ESIA, ESMPs, ESMP Checklists, and the POM.	Throughout Project implementation. Relevant requirements included in each Subsidiary Credit/Loan Agreement with the PFIs and FMs.	EDC
ESS 2: LABOR AND WORKING CONDITIONS			
2.1	LABOR MANAGEMENT PROCEDURES Prepare and implement the Labor Management Procedures (LMP) for the Project, including, inter alia, provisions on working conditions, management of workers relationships, occupational health and safety (including personal protective equipment, and emergency preparedness and response), code of conduct (including relating to SEA and SH), forced labor, child labor, grievance arrangements for Project workers, and applicable requirements for contractors, subcontractors, and supervising firms. Adopt and require PFIs and FMs to adopt and implement the Labor and working condition provisions set in the national labor laws and ESS2, for all direct workers and contracted workers, including but not limited to: a) Labor Code of the Republic of Uzbekistan,	Prepare the LMP prior to the effective date, no later than 30 and thereafter implement the LMP throughout Project Implementation PFI's ESMS shall incorporate provision of ESS2 prior to the commencement of funds allocation to the relevant beneficiaries as part of the Subsidiary Credit/Loan Agreement with the PFIs. ESIA, ESMPs and ESMP Checklists shall incorporate provision of national and	EDC, PFIs, FMs and beneficiary subprojects

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	b) Labor management procedure and monitoring measures conducted by the Labor Inspectorate of Ministry of Employment and Poverty Reduction, c) Management and responsibility for labor and working conditions between the employer and employee such as informed worker's rights, ensuring safety and welfare, non-discrimination, equality, and equity, not constraining the rights and freedom, grievance mechanism, and preventing the exploitation of children and forced labor based on labor law and child protection. The provisions of the national legal framework shall be reviewed to identify gaps to be met for meeting Bank requirements in particular for contractors, and subcontractors and provisions will be added if any gaps are identified in the PFI's Environmental and Social Guideline within ESMS.	ESS2 prior to bidding process and thereafter implement throughout subproject implementation.	
2.2	GRIEVANCE MECHANISM FOR PROJECT WORKERS Establish and maintain a confidential and accessible grievance mechanism within Stakeholder Engagement Plan (SEP) for all project stakeholders consistent with ESS2.	Establish a grievance mechanism prior to engaging Project workers and thereafter maintain and operate it throughout Project implementation.	EDC, PFIs, FMs and beneficiary subprojects
ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT			
3.1	WASTE MANAGEMENT PLAN Incorporate waste management measures in the ESIAs, ESMPs and ESMP Checklists to properly manage construction and operational waste.	Prior to construction phase of subprojects.	PFIs, FMs and beneficiary subprojects
3.2	RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT Integrate resource-efficiency and pollution-prevention measures into subproject ESIAs, ESMPs, and ESMP checklists, including: - Air pollutants emission (including GHG emissions) reduction strategies - Efficient water use and conservation practices - Measures to prevent oil leaks to protect soil and water quality - Sustainable sourcing of construction raw materials	Prior to construction phase of subprojects.	PFIs, FMs and beneficiary subprojects
ESS 4: COMMUNITY HEALTH AND SAFETY			
4.1	TRAFFIC AND ROAD SAFETY Include and require PFIs, FMs and beneficiaries (and their contractors/subcontractors) to include traffic management measures in subproject ESIAs, ESMPs, and ESMP Checklists to mitigate risks during both construction and operation phases.	During construction and operation phases of subproject.	EDC, PFIs, FMs and beneficiary subprojects

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
4.2	COMMUNITY HEALTH AND SAFETY Assess and manage community-specific risks and impacts arising from Project activities, including, among others, subproject worker conduct, labor influx risks, and emergency response, and incorporate mitigation measures for HIV/AIDS and other sexually transmitted infections, hazardous material handling and disposal, excessive noise and dust, site safety awareness, and access controls in the ESIA's, ESMPs, and ESMP Checklists prepared in accordance with the ESMS.	Prior to commencement of civil works and in the same timeframe as for the adoption and implementation of the ESIA's, ESMPs and ESMP Checklists.	EDC, PFIs, FMs and beneficiary subprojects
ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT			
ESS 5 is not relevant for the project because activities involving involuntary land acquisition or negative impacts on economic activities caused by the use of land will not be financed.			
ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES			
6.1	BIODIVERSITY RISKS AND IMPACTS Any substantial impact on Protected Areas or critical habitats will be screened out and excluded from financing. If subprojects impact biodiversity, adopt and implement a Biodiversity Action Plan as part of the ESIA's, ESMPs, and ESMP Checklists in accordance with the guidelines of the ESS6.	Adopt the Biodiversity Action Plan Prior to commencement of civil works and in the same timeframe as for the adoption and implementation of the ESIA's, ESMPs and ESMP Checklists.	EDC, PFIs, FMs and beneficiary subprojects
ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES			
ESS 7 is not relevant for the project.			
ESS 8: CULTURAL HERITAGE			
8.1	CHANCE FINDS EDC's and participating FIs/FMs ESMS should include as part of its due diligence process screening for potential impacts on known cultural heritage (including intangible cultural heritage) and, a chance find procedure. Describe and implement the chance finds procedures, as part of the ESIA's, ESMPs, and ESMP Checklists in accordance with the guidelines of the ESS8.	Implement the procedures throughout Project implementation.	EDC, PFIs, FMs and beneficiary subprojects
ESS 9: FINANCIAL INTERMEDIARIES			
9.1	ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM (ESMS) Develop, maintain, and implement an ESMS at EDC to identify, assess, manage, and monitor the environmental and social risks and impacts of PFI's and FM subprojects that receive support from the Project. The ESMS shall include, inter alia, the following elements:	Project ESMS at EDC shall be operational before Project Effective Date and maintained throughout implementation. The timeline for PFI's and FMs ESMSs	EDC, PFIs and FMs

MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
• Identification of the PFI's subprojects that may receive support from the Project. • An environmental and social policy endorsed by PFI's senior management, including its own ESMSs. • Clearly defined procedures for the identification, assessment and management of the environmental and social risks and impacts of PFI's subprojects, in accordance with ESS9, including, inter alia, stakeholder engagement and disclosure requirements PFI's subprojects. • Exclusion list with the activities for PFI subprojects that are not eligible for financing. • An organizational capacity and competency for implementing the ESMS with clearly defined roles and responsibilities. • Monitoring and reporting of environmental and performance of PFI subprojects and the effectiveness of the ESMS. • Incidents and accidents notification and subsequent reporting requirements. • An external communications mechanism, including measures to respond to public enquiries and concerns in a timely manner. Disclose a summary of each of the elements of the ESMS through the EDC's website.	shall be established in Credit Guarantee or Investment Agreements, ESMS' must become operational prior first disbursements and maintained throughout implementation.	
9.2 EXCLUSIONS Screen all proposed activities of PFIs subprojects against the IFC/IBRD exclusion list set out in the Project ESMS. Any substantial impact on Protected Areas or critical habitats will be screened out and excluded from financing. Activities involving involuntary land acquisition or negative impacts on economic activities caused by the use of land will not be financed.	Screen PFI and FMs subprojects before determining whether they are eligible to receive support from the Project.	EDC, PFIs and FMs
9.3 SENIOR MANAGEMENT REPRESENTATIVE Each PFI and FM supported by the Project shall designate a senior management (SM) representative to assume the overall responsibility for coordinating the management and performance of the E&S aspects of the relevant credit guarantee or investment line for the PFI/FM and the Beneficiary's Sub-Projects financed by the PFI/FM.	Cause PFIs and FMs to designate SM representatives prior to the commencement of credit guarantee or investment allocation to the relevant PFI as part of the Credit Guarantee or Investment Agreement with the PFI.	EDC, PFIs and FMs

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
		Retain designated representatives during the entire term of the credit line.	
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			
10.1	STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION Adopt and implement a Stakeholder Engagement Plan (SEP) for the Project, consistent with ESS10, which shall include measures to, inter alia, 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.	SEP is already developed and being disclosed and consulted by the Project and to be implemented the throughout Project implementation.	EDC
10.2	PROJECT GRIEVANCE MECHANISM 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. The grievance mechanism shall be equipped to receive, register, and facilitate the resolution of SEA/SH complaints, including through the referral of survivors to relevant gender-based violence service providers, all in a safe, confidential, and survivor-centered manner.	The Grievance Mechanism is developed within SEP and disclosed for all stakeholders through public consultations and the official website of EDC and shall be maintained and operate the mechanism throughout Project implementation.	EDC
INDICATORS FOR IMPLEMENTATION READINESS			
A (a) Establish and maintain core staff dedicated to the project within the Entrepreneurship Development Company (EDC) that is tasked with E&S management including at least one E&S responsible personnel (E&S Specialist). 9.1. Develop, maintain, and implement an ESMS at EDC to identify, assess, manage, and monitor the environmental and social risks and impacts of PFI's and FM subprojects that receive support from the Project. 10.1 Adopt and implement a Stakeholder Engagement Plan (SEP) for the Project 10.2 Establish, publicize, maintain, and operate an accessible grievance mechanism			