

**Republic of Indonesia**  
**The Environment Fund and**  
**Ministry of Marine Affairs and Fisheries**

**Indonesia Coral Reef Bond**  
**(P181486)**

*Draft (to be consulted and finalised)*

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

**Appraisal**

**June, 2025**

*(updated from the October 2024 consulted version)*

## **ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN**

1. The Republic of Indonesia (the Recipient) will implement Indonesia Coral Bond Project, with the involvement of Indonesian Environment Fund (IEF), Ministry of Marine Affairs and Fisheries (MMAF), and the Indonesia Climate Change Trust Fund (ICCTF) - BAPPENAS, as set out in the Grant Agreement (the Agreement). The International Bank for Reconstruction and Development (the Bank), acting as the implementing agency of the Global Environment Facility (GEF), has agreed to provide financing for the Project, as set out in the 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 Recipient 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 Recipient shall ensure that there are sufficient funds available to cover the costs of implementing the ESCP.
4. As agreed by the Bank and the Recipient, 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 Recipient agree to update the ESCP to reflect these changes through an exchange of letters signed between the Bank and the Recipient's Representative specified in the Agreement or the Executive Director of Indonesian Environment Fund (IEF). 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  | <p><b>ORGANIZATIONAL STRUCTURE</b></p> <p>Establish and maintain an organizational structure within the PMU at IEF; and establish and maintain five PIUs at DG of Oceans Management (DGMSM) -Ministry of Marine Affairs and Fisheries (MMAF), Provincial Marine and Fisheries Department in East Nusa Tenggara and Papua Barat Daya Provinces, Natural Resources Management Deputy – BAPPENAS, and the Indonesian Agency for Science and Innovation (BRIN), with qualified staff and resources to support management of environmental, social, health and safety (E&amp;S) risks and impacts of the Project. Appoint and maintain one E&amp;S focal point, hire and maintain one environmental consultant and one social consultant for PMU; appoint and maintain one Project Implementation Coordinator (PIC) for each of the five PIUs, and hire and maintain adequate environmental and social consultants for each of the PIUs based on business needs.</p> | <p>a. Establish and operationalize PMU, including appoint E&amp;S focal point(s) and E&amp;S consultants, no later than three months of project effective date, and thereafter maintain the PMU and these positions throughout Project implementation.</p> <p>b. Establish and operationalize PIUs, including appoint one E&amp;S focal point for each of the PIUs, no later than one month of project effective date, and thereafter maintain the PIUs and these positions throughout Project implementation.</p> <p>c. Hire and maintain adequate environmental and social consultants for PIUs based on business needs before Project activities commence.</p> <p>d. Appoint a FGRM focal point before project activities commence and maintain throughout Project implementation.</p> | <p>Indonesia Environment Fund (IEF) /PMU</p> <p>MMAF, Southwest Provincial Government, East Nusa Tenggara Provincial Government, ICCTF- BAPPENAS, and BRIN (PIUs)</p> <p>IEF / PMU</p> |

| MATERIAL MEASURES AND ACTIONS   |  | TIMEFRAME   | RESPONSIBLE ENTITY   |
|---------------------------------|--|---|--|
| B                               | <p><b>CAPACITY BUILDING PLAN/MEASURES</b></p> <ul style="list-style-type: none"> <li>Conduct capacity building and/or training for the PMU, PIUs, and project workers by appointed qualified environmental and social specialists, which shall include, among others: <ul style="list-style-type: none"> <li>Environmental and social management of Technical Assistance activities.</li> <li>Process Framework</li> <li>Awareness-raising sessions regarding SEA/SH prevention</li> <li>Screening and assessment of specific aspects of biodiversity</li> <li>Grievance redress mechanism</li> <li>Stakeholder engagement and inclusion</li> <li>Code of Conduct</li> <li>Incident Reporting Mechanism</li> </ul> </li> <li>Training for surveillance officers, MPA Management Units/PIU Staffs, and Community-based surveillance groups/ POKMASWAS, who conduct Project-related patrols or law enforcement activities in Project areas. Training shall include, among others, log recordkeeping and reporting and other patrolling and law enforcement protocols, Project code of conduct, Project community health and safety requirements, and Project grievance and incident reporting mechanisms.</li> </ul> | Throughout Project implementation.  | <p>IEF / PMU</p> <p>MMAF, East Nusa Tenggara Provincial Government, Southwest Papua Provincial Government, ICCTF-National Development Planning Agency, BRIN / PIUs</p> |
| <b>MONITORING AND REPORTING</b> |  |   |  |
| C                               | <p><b>REGULAR REPORTING</b></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"> <li>Status of preparation and implementation of E&amp;S documents required under the ESCP.</li> <li>Summary of stakeholder engagement activities and Process Framework activities carried out as per the Stakeholder Engagement Plan.</li> <li>Complaints submitted to the grievance mechanism(s), the grievance log, and progress made in resolving them.</li> <li>If there are incidents reported, number and status of resolution of incidents and accidents reported under action E below.</li> </ul>  | <p>Submit semestral (Biannual) reports to the Bank throughout Project implementation (commencing after the Effective Date).</p> <p>Submit each report to the Bank no later than 45 days after the end of each reporting period.</p> | IEF / PMU  |

| MATERIAL MEASURES AND ACTIONS   |   | TIMEFRAME  | RESPONSIBLE ENTITY   |
|---|---|--|--|
| D   | <b>CONTRACTORS' MONTHLY REPORTS</b><br>Not relevant.  | N/A  |  |
| E   | <b>INCIDENTS AND ACCIDENTS</b><br><br>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 sexual harassment (SH); or disease outbreaks. Provide available details of the incident or accident to the [Bank/Association] upon request. This incident reporting obligation also applies to incidents in the course of Project-related patrolling and marine law enforcement activities in the Project areas, which shall be reported to the Bank in accordance with a dedicated protocol to be agreed with the Bank and included in the Project Operations Manual and relevant Environmental and Social instruments, and implemented throughout the implementation of the Project.<br><br>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. | Notify the Bank no later than 48 hours after learning of the incident or accident.<br><br>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. | IEF / PMU  |
| <b>ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS</b> |   |  |  |
| 1.1   | <b>ENVIRONMENTAL AND SOCIAL ASSESSMENTS AND/OR PLANS</b><br><br>Adopt and implement the Stakeholder Engagement Plan/ Process Framework and the Project Operations Manual (POM) which include institutional and implementation arrangements, E&S capacity building plan, compliance with E&S requirements, including management of TA activities, labors and community health and safety, Indigenous Peoples Planning Framework (IPPF), incident reporting, progress monitoring, supervision and reporting of the project consistent with the relevant ESSs.   | Adopt E&S instruments and POM throughout Project Implementation.<br><br>Implement the E&S instruments and POM throughout Project implementation.   | IEF / PMU<br><br>MMAF, East Nusa Tenggara Provincial Government, Southwest Papua Provincial Government ICCTF-National Development Planning Agency, and BRIN / PIUs |
| 1.2   | <b>TECHNICAL ASSISTANCE</b>   | Throughout Project implementation.   | IEF / PMU  |

| MATERIAL MEASURES AND ACTIONS              |  | TIMEFRAME  | RESPONSIBLE ENTITY   |
|--|--|--|--|
|  | Ensure that the consultancies, studies, assessment exercise, capacity building, training, and any other technical assistance activities under the Project, including, inter alia, assessment of gaps between EVIKA and IUCN Green List, trainings for IUCN Green List certification, are to be carried in accordance with terms of reference acceptable to the Bank, that are consistent with the ESSs. Thereafter prepare and finalize the outputs of such activities in compliance with the terms of reference.  |  |  |
| 1.3  | <p><b>USE OF RECIPIENT'S ENVIRONMENTAL AND SOCIAL FRAMEWORK</b></p> <p>Use of part of the Recipient's, the Indonesia's Environment Fund's, Environment and Social Management System (IEF ESMS).</p> <p>Ensure that screening and mitigation planning and its implementation process, labor and working conditions, are consistent with this ESCP and the Borrower's ESMS, which includes, inter alia, the country's relevant policy, legal and institutional framework, including its national, departmental and local institutions, and the applicable laws, regulations, procedures and implementation capacity.</p> <p>The use of IEF ESMS will be accompanied by several additional measures, including on ESS 1 (E&amp;S risk management approach for TA component); ESS 2 (Labor Management Procedure, which includes Project workers Code of Conduct, SEA/SH prevention and respectful workplace, Labor Grievance Redress Mechanism, and Incident Reporting Mechanism); ESS 3; ESS 5 on Process Framework; ESS 6; ESS 7; and ESS 10.</p> <p>Following the use of BESF, the Recipient has an obligation to notify the Bank of any change in the BESF that may have an impact on E&amp;S risk management for the Project.</p> | Gap-filling measures, including additional instruments and templates to materially meet ESS requirements shall be prepared and submitted to the Bank prior to commencement of the activity. These shall be included in POM and SEP/ PF, and to be implemented throughout Project implementation. | IEF/ PMU   |
| <b>ESS 2: LABOR AND WORKING CONDITIONS</b> |  |  |  |
| 2.1  | <p><b>LABOR MANAGEMENT PROCEDURES</b></p> <p>Adopt, as part of the POM, and implement labor management procedures in line with ESS2 and Indonesia's labor law, including provisions on workers' code of conduct, code of conduct on SEA/SH prevention, worker's grievance arrangements, and incident reporting mechanism.</p> <ul style="list-style-type: none"> <li>Adopt and implement a Code of Conduct consistent with ESS 2 for all project workers, including surveillance officers, including MPA management units/PIU Staffs and community-based surveillance groups/POKMASWAS who conduct Project-related patrols and law enforcement activities in Project areas, and conduct awareness raising on the Code of Conduct.</li> </ul>   | Prepare and incorporate the relevant labor management procedures in line with ESS2 in POM prior to the Effective Date. All project workers shall be trained on and acknowledge the Code of Conduct prior to beginning Project-related work in the relevant Project area.                         | IEF / PMU<br><br>MMAF, East Nusa Tenggara Provincial Office, Southwest Papua Provincial Government, ICCTF-National Development Planning Agency, and BRIN / PIUs. |

| MATERIAL MEASURES AND ACTIONS   |  | TIMEFRAME   | RESPONSIBLE ENTITY   |
|---|--|---|--|
|   | <ul style="list-style-type: none"> <li>Ensure that standard work logs are kept by all officers who conduct Project-related patrols and law enforcement activities in the Project areas and made available to the Bank upon request.</li> <li>Ensure that all parties, including MPA management units and POKMASWAS are aware of the Incident Reporting Mechanism.</li> </ul> <p><b>Occupational Health and Safety</b></p> <ul style="list-style-type: none"> <li>Prepare and implement an Environmental Health and Safety (EHS) Management Plan for Coral Reef Survey (refer to POM).</li> </ul> | <p>Include Incident Reporting Mechanism in POM before the Effective Date; and ensure updating of work logs throughout the project implementation and implementation of IRM when incidents occur. Updated worklog shall be made available upon the Bank's request.</p> <p>Implement all measures in this Action 2.1 throughout Project implementation.</p> <p>EHS management plan for coral reef survey prepared before the coral reef survey and implemented during the survey.</p> | Surveyor, PIUs, PMU  |
| 2.2   | <p><b>GRIEVANCE MECHANISM FOR PROJECT WORKERS</b></p> <p>Establish and operate a grievance mechanism for Project workers, as described in POM and consistent with ESS2.</p>  | Establish grievance mechanism prior to engaging Project workers and thereafter maintain and operate it throughout Project implementation.   | <p>IEF / PMU</p> <p>MMAF, East Nusa Tenggara Provincial Government, Southwest Papua Provincial Government, and ICCTF-National Development Planning Agency / PIUs</p> |
| <b>ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</b> |  |   |  |
| 3.1   | <p><b>RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</b></p> <p>See 1.2</p>   |   |  |
| <b>ESS 4: COMMUNITY HEALTH AND SAFETY</b>                                 |  |   |  |
| 4.1   | <b>COMMUNITY HEALTH AND SAFETY</b>   | Throughout project implementation.  |  |

| MATERIAL MEASURES AND ACTIONS   |   | TIMEFRAME   | RESPONSIBLE ENTITY |
|---|---|---|--------------------|
|   | Establish training and awareness measures, strict monitoring over the work of all community-based surveillance groups and MPA Management Units who conduct Project-related patrols or law enforcement activities in Project areas in line with the patrolling and law enforcement protocols and codes of conduct specified in the POM and E&S instruments, including Stakeholder Engagement Plan/Process Framework, as well as grievance and incident reporting mechanisms which can be used by any party in the Project areas to report potential incidents, conflict, or grievances related to the Project. |   |                    |
| 4.2   | <b>SEA AND SH RISKS</b><br>Incorporate SEA/SH prevention COC in the POM and implement it.   | Same timeframe as for the preparation and implementation of the POM, and throughout Project implementation.   |                    |
| 4.3   | <b>SECURITY MANAGEMENT</b><br>Not relevant.   | N/A   |                    |
| <b>ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT</b>                       |   |   |                    |
| 5.1   | <b>PROCESS FRAMEWORK</b> <ul style="list-style-type: none"> <li>Adopt and implement the Process Framework, as part of the Stakeholder Engagement Plan, in accordance to ESS5.</li> <li>Prepare and implement Action Plan in line with the Project Stakeholder Engagement Plan/Process Framework, with the participation of affected persons, where such risks are identified within legally designated protected areas.</li> </ul>  | Prepare Stakeholder Engagement Plan/ Process Framework prior to Appraisal, and thereafter implement these provisions throughout Project implementation. | IEF (PMU),MMAF,    |
| <b>ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES</b>              |   |   |                    |
| 6.1   | <b>BIODIVERSITY RISKS AND IMPACTS</b><br>See 1.2  |   |                    |
| <b>ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES</b> |   |   |                    |



| MATERIAL MEASURES AND ACTIONS                                    |  | TIMEFRAME  | RESPONSIBLE ENTITY   |
|--|--|--|--|
| 7.1  | <b>INDIGENOUS PEOPLES FRAMEWORK</b><br><br>1. Adopt and implement an Indigenous Peoples Planning Framework (IPPF), as part of POM, for the Project, consistent with ESS7.  | Prepare the IPPF prior to Appraisal, and thereafter implement the IPPF throughout Project implementation.  | IEF (PMU), MMAF  |
| <b>ESS 8: CULTURAL HERITAGE [</b>                                |  |  |  |
| 8.1  | <b>CULTURAL HERITAGE RISKS AND IMPACTS</b><br>Not relevant.  | N/A  |  |
| <b>ESS 9: Financial Intermediary (not relevant)</b>              |  |  |  |
|  | <b>FINANCIAL INTERMEDIARY</b><br>Not relevant.   | N/A  |  |
| <b>ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE</b> |  |  |  |
| 10.1   | <b>STAKEHOLDER ENGAGEMENT PLAN</b><br><br>Adopt and implement Stakeholder Engagement/ Process Framework for the Project, consistent with ESS10.  | Throughout Project implementation.   | MMAF, Southwest Papua Provincial Government, East Nusa Tenggara Provincial Government, BRIN and ICCTF-National Development Planning Agency (PIUs). |
| 10.2   | <b>PROJECT GRIEVANCE MECHANISM</b><br><br>Establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances in relation to the Project, as described in the POM, 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. | Establish the grievance mechanism before project activities commence, and thereafter maintain and operate the mechanism throughout Project implementation. | IEF (PMU)  |

| MATERIAL MEASURES AND ACTIONS   |   | TIMEFRAME  | RESPONSIBLE ENTITY  |
|---|---|--|---|
|   | The grievance mechanism shall be equipped to receive, register, and facilitate the resolution of complaints related to monitoring, patrolling and law enforcement of Project-related activities in Project areas. | Appoint a FGRM focal point before project activities commence, and maintained throughout Project implementation. | MMAF, Southwest Papua Provincial Government, East Nusa Tenggara Provincial Government, BRIN and ICCTF-National Development Planning Agency (PIU)s |
| INDICATORS FOR IMPLEMENTATION READINESS   |   |  |   |
| <p>The following actions are indicators for implementation readiness:</p> <ul style="list-style-type: none"> <li>a. Establish and operationalize PMU, including appoint E&amp;S focal point(s)</li> <li>b. Establish and operationalize PIUs, including appoint one E&amp;S focal point for each of the PIUs.</li> <li>c. Appoint a FGRM focal point before project activities commence, and maintained throughout Project implementation.</li> <li>d. Draft Safeguard Instruments/ templates in Project Operation Manual (POM) to fill the gaps with the PMU's Environmental and Social Management System (ESMS)</li> <li>e. Draft Process Framework in Stakeholder Engagement Plan (SEP)</li> </ul> |   |  |   |