ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN (ESCP)

Republic of Ecuador

ELECTRICAL COORPORATION OF ECUADOR

(CELEC EP)

Project Preparation in relation to: the Ecuador Natural Gas to Power and Transmission Project

Grant Facility for Project Preparation

Final version

May 29, 2026

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ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The Republic of Ecuador, through the Electrical Corporation of Ecuador (CELEC EP) is planning to implement the proposed preparation of the Ecuador natural gas to power and transmission Project(the Project), for which it has requested a grant under the Grant Facility for Project Preparation (GFPP), as set out in the GFPP Letter Agreement (the Agreement). The International Bank for Reconstruction and Development (the Bank) has agreed to provide the GFPP grant to finance activities (the Activities) related to the preparation of the Project, as set out in the referred Agreement.

2. The Recipient shall ensure that the Activities are 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 for the Activities, 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, during the implementation of the Activities, to reflect adaptive management of changes and unforeseen circumstances related to the Activities or in response to assessment of performance of the Activities. 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 General Manager of CELEC EP. The Recipient shall promptly disclose the updated ESCP.

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MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
IMPLEMENTATION ARRANGEMENTS			
A	**ORGANIZATIONAL STRUCTURE** Establish and maintain a qualified E&S implementation team within CELEC EP with adequate resources to support the management of E&S risks and impacts of the Activities, including: (i) a designated E&S specialist responsible for providing guidance to individual consultants on E&S aspects to be considered throughout each assignment, reviewing final outputs to confirm that E&S considerations have been effectively incorporated, and ensuring overall compliance with the ESCP commitments throughout grant implementation.	Appoint the designated E&S specialist no later than 30 days after Grant Effective Date and thereafter maintain this position throughout the implementation of the Activities.	CELEC EP
MONITORING AND REPORTING			
A	**REGULAR REPORTING** Prepare and submit to the Bank monitoring reports on the environmental and social (E&S) performance of the Activities, including but not limited to the implementation of the ESCP, status of E&S instruments and measures under implementation, stakeholder engagement activities, and a log and status of any complaints received.	Submit annual reports to the World Bank during implementation of the Activities, commencing after the Effective Date. Submit each report to the Bank no later than 60 days after the end of each reporting period.	CELEC EP
B	**INCIDENTS AND ACCIDENTS** Notify the Bank of any incident or accident relating to the Activities that has, or is likely to have, a significant adverse effect on the environment, 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 upon request. Arrange for an appropriate review of the incident or accident to establish its immediate, underlying and root causes.	Notify the Bank no later than 48 hours after learning of the incident or accident. Provide available details upon request. 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.	CELEC EP

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MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	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.		

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ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			
1	**TECHNICAL ASSISTANCE** Ensure that all grant-financed consultancies and studies, including pre-feasibility studies, technical and financial assessments, transmission diagnostics, and risk mitigation framework design under the Activities, are carried out in accordance with the terms of reference (ToRs) as agreed with the World Bank, consistent with the relevant ESSs. The ToR for consulting firms engaged to carry out pre-feasibility studies and project designs shall include the participation of at least one E&S professional with demonstrated experience in energy infrastructure projects, who shall, inter alia: (i) conduct a preliminary E&S screening of the activities proposed for future financing; (ii) document the findings in a dedicated E&S chapter within the final report of the consultancy; and (iii) recommend the risk rating and E&S instruments to be prepared during the preparation stage of any subsequent investment operation. Thereafter, CELEC EP shall ensure that the outputs of such activities comply with the agreed ToRs.	Prior to the issuance of the respective ToR and throughout Activities' implementation.	CELEC EP
ESS 2: LABOR AND WORKING CONDITIONS			
2	**LABOR MANAGEMENT PROCEDURES** Ensure that workers are engaged in the implementation of the Activities, in a manner consistent with ESS2. To this end, ensure that the following measures are carried out: a) Provide workers with information and documentation that is clear and understandable regarding their terms and conditions of employment through written contracts setting out their rights, including, inter alia, rights related to hours of work, wages, overtime, compensation and benefits, as well as written notice of termination of employment, and details of severance payments, as applicable; b) Implement occupational health and safety measures (including personal protective equipment, and emergency preparedness and response), taking into account the General Environmental, Health and Safety Guidelines (EHSGs) and, as appropriate, other Good International Industry Practice (GIIP);	Carry out the labor management–related measures throughout the implementation of the Activities.	CELEC EP

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	c) Implement measures, as applicable, to, inter alia: (i) prevent the use of all forms of forced labor and child labor; (ii) enable workers to benefit from, inter alia, access to grievance and redress mechanisms without fear of retaliation; and effective freedom to form and join workers organizations or alternative mechanisms for expressing their concerns and protect their rights related to labor and working conditions; d) Develop a code of conduct for workers, which shall include measures to prevent and respond to sexual exploitation and abuse (SEA) and sexual harassment (SH) cases; e) Incorporate the relevant requirements above in the E&S specifications of the procurement documents and contracts with third parties that engage workers in the implementation of the Activities; and f) Establish and maintain a grievance mechanism for workers, in a manner consistent with ESS 2.		
ESS 3 to ESS8			
3	Relevant aspects of these Standards shall be considered in the technical assistance activities under action 1 above.	Same timeframe as for action 1.	CELEC EP
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			
10.1	**STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE** Incorporate stakeholder engagement and information disclosure measures into the implementation of the Activities, in a manner consistent with ESS 10. To this end, ensure that the following measures are implemented: a) Provide stakeholders with information about the environmental and social risks and impacts of the Activities in a timely, understandable, accessible and appropriate manner and format, including but not limited to any environmental and social instruments prepared as part of the Activities; and b) Document any stakeholder engagement activities undertaken, including: (i) stakeholder mapping; (ii) description of consultations and	Carry out the stakeholder engagement–related measures throughout the implementation of the Activities, including ESF instrument preparation.	CELEC EP

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	participation mechanisms utilized, and records of meetings held; (iii) feedback received and responses to said feedback; and (iv) measures to engage stakeholders who, because of their particular circumstances, may be disadvantaged or vulnerable. Stakeholder consultations shall be carried out as part of ESF instrument preparation.		
10.2	**GRIEVANCES MANAGEMENT** Receive and facilitate resolution of concerns and grievances in relation to the Activities, promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all parties affected by the Activities, at no cost and without retribution, including concerns and grievances filed anonymously, in a manner consistent with ESS 10.	Carry out the stakeholder engagement–related measures throughout the implementation of the Activities.	CELEC EP

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