



Environment and Social Management System (ESMS)



PKSF
Palli Karma-Sahayak Foundation (PKSF)

Environment and Social Management System (ESMS)

December, 2022

Updated: January 2024



PKSF
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Code Version Control and History

Titel	Environment and Social Management System (ESMS), PKSf
Version	Version: 1.0
Responsible Unit	Environment and Climate Change Unit (ECCU), PKSf
Developed by	SEP PMU (Environmental Unit)
Reviewed by	Environment and Climate Change Unit (ECCU), PKSf
Approved by	Managing Director (MD), PKSf
Purpose	To provide guidance on the implementation of the ESMS principles, standards and procedures along the PKSf and its POs
Disclosure	PKSf Website
Distribution	Within the PKSf and its POs
Published by	Published by Palli Karma-Sahayak Foundation (PKSf) PKSf Bhaban, E-4/B Agargaon Administrative Area, Sher-E-Bangla Nagar, Dhaka-1207 Tel: 880-2- 02222218331-33, & 880-2- 02222218335-39 Fax: 880-2-02222218341 & 880-2-02222218343

Document History

Version	Released Date	Summary of Change
Version 1.0	Released in February, 2021	Released in the PKSf website
Version 1.1		
Version 2		

Abbreviations

CHMP	Cultural Heritage Management Plan
EHS	Environment Health Safety
EHSG	Environment Health Safety Guideline
ESMF	Environment and Social Management Framework
ERP	Emergency Response Plan
ESCP	Environmental and Social Commitment Plan
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
ESMS	Environmental and Social Management System
ESS	Environmental and Social Standard
FPIC	Free, Prior and Informed Consent
GCF	Green Climate Fund
GHG	Green House Gas
GRM	Grievance Redress Mechanisms
IPM	Integrated Pest Management
IUCN	International Union for the Conservation of Nature
IVM	Integrated Vector Management
NGOs	No-Government Organizations
OHS	Occupational Health and Safety
PMP	Pest Management Plan
POs	Partner Organisations
RHA	Risk Hazard Assessment
SEP	Stakeholder Engagement Plan
SESA	Strategic Environmental and Social Assessment

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Strategic Plan of PKSf

Vision

Bangladesh where poverty has been eradicated; the ruling development and governance paradigm is inclusive, people-centred, equitable and sustainable; and all citizens live healthy, appropriately educated and empowered and humanly dignified life.

Mission

To implement policies and action programmes involving multiple dimensions of human living and human poverty; pursue a life-cycle approach to human progress, catering to the appropriate needs at all stages of life. The policy planning and action programming centre on human beings and focus on socio-economic development and environmental protection. The support and services provided relate to education, workforce development, health and nutrition, infrastructure, inclusive and appropriate financing for planned economic activities, social issues and social capital, response to climate change impacts, gender issues, cultural dimensions, sports and social advocacy etc.

The PKSf and Its Mandate

PKSF announced its presence in the development sector of the country in 1990 with some humble yet promising accents. It may be noted that the PKSf is a public sector foundation established by the Government of Bangladesh as a not-for-profit organization. PKSf, from the beginning of its journey, has been recognized as a supplementary actor in the overall socio-economic progress of the country. Initially PKSf started different microcredit programs and projects with some local NGO's aimed to institutionalize these organizations and to make them capable as a development entity. Through building these institutions, the ultimate goal of PKSf was to organize poor people & provide them with necessary trainings along with financial support. The mandate of the PKSf may be succinctly put as: sustainable poverty reduction and socio-economic progress through sustainable employment generation, empowerment and people's capability development.

Initially, PKSf extended assistance to people in the form of microcredit. From 2000, PKSf stretched the financial services through different projects and programs. Training and other social development was also provided to the poor. PKSf also started some specific activities (health, job creation etc.) in a limited scale through a project named 'PRIME' - a comprehensive program to tackle the munga situation.

Up until 2009, the PKSF, despite introduction of some diversifications in its microcredit programmes and some innovations in its approach, essentially remained a source of funding for the Partner Organizations (POs) to provide microcredit.

Chapter-1: Introduction

A. Background

1. The Palli Karma-Sahayak Foundation (PKSF), an apex development organization established by the Government, is mandated for poverty alleviation through sustainable employment generation by providing appropriate financing, skill training, and other necessary services. As a second-tier organization, PKSF implements all programs and projects through its Partner Organizations (POs) across the country. PKSF has more than 200 active POs all over the country. As of June, 2022 total 1.75 crore members across the country, who are the life force of PKSF, managed through POs.

2. The 15.4 million people that PKSF works with across the country include the extremely poor, ethno-culturally and socio-economically disadvantaged people, and micro-entrepreneurs. For them, PKSF makes appropriate interventions that are not time-bound. These officially call 'programs' and few of the programs are Jagoron, Agrosor, Buniad and Sufolon which remain in operation for as long as there is demand in the field. These programs are operated solely with PKSF's own financing. With a view to building up and fostering microenterprises, PKSF launched its Microenterprise program titled 'Agrosor' to extend financial services to the progressive clients of its POs for undertaking enterprises that require bigger amounts of funds.

3. PKSF's activities have always been demand-driven. Hence, the nature of its interventions constantly evolves with the changing needs of people. In order to ensure services that are out of the purviews of its programs, PKSF takes up tailor-made projects with specific objectives. Various development partners co-finance such projects that usually have a specific duration. PKSF executed significant amounts of projects funded by GoB as well as development partners (ADB, World Bank, IFAD, JICA, GCF, European Union).

B. Purpose of this ESMS

4. This document describes the system that is implemented by PKSF to manage the impacts and risks associated with the appropriate financing interventions under the management (hereafter the 'ESMS'). This ESMS describes the requirements, processes and arrangements required to comply with the requirements of the microfinance activity set out in PKSF and its POs appropriate financing policy. It describes how arrangements are implanted into PKSF's microfinance lifecycle. It also describes the E&S management measures that need to be adopted by POs.

5. The ESMS sets out the PKSf's commitment to sustainable development and a set of Environmental and Social Standards that are designed to support PKSf and its partner's projects/programs, with the aim of ending extreme poverty and promoting employment generation.

C. Scope of Application

6. This ESMS apply to all projects and programs supported by PKSf through Project Financing. PKSf will only support projects that are consistent with, and within the boundaries of the Articles of Association and are expected to meet the requirements of standards related to the Environment, Social and Governance in a manner and within an acceptable timeframe.

D. Structure of the ESMS Document

7. Following this introductory chapter, Chapter 2 outlines the Environmental and Social Policy Statement of this ESMS. The Chapter 3 presents the Legal regulations and requirements. Chapter 4 and Chapter 5 describes ESMS principles form the overall Responsible Investment Framework. Chapter 5 describes how Environmental and Social Risks and impacts will be mitigated for its projects and programs. Chapter 6 presents the institutional arrangement, organizational capacity and competency of Environmental and Social units to execute this ESMS rightly at various level of PKSf. Chapter 7 describes system in place for monitoring and periodically reviewing the effectiveness of the ESMS. Chapter 8 outlines the GRM and responsiveness to grievances.

E. ESMS Disclosure

8. This document and associated ESMS documentation are shared with Partner Organizations, Stakeholder, and others, as required. The document is publicly available on the [PKSf website](#). The first version of this ESMS Manual was disclosed on 02/03/2021. This current version was disclosed on DD/MM/YYYY.

Chapter-2: PKSf's Environmental and Social Policy Statement

A. Environment and Social Policy Statement

9. The Environmental and Social (ES) Policy Statement represents PKSf's commitment to the principles of sustainable development, environmental protection and social responsibility. An important objective of the PKSf Environmental and Social (ES) Policy is proper implementation of this ESMS to ensure compliance with national legislation and environmental health and safety (EHS) standards. PKSf is committed to implement its all programs and providing services in a thoughtful and responsible way, with a view to preventing environmental and social impacts and safeguarding the natural biodiversity. PKSf is committed to the continuous improvement of operational performance in order to reduce any adverse environmental and social impacts that result from its activities.

10. PKSf works closely with its partner organizations (POs) in order to manage the environmental and social impact of its operations. POs are supported in their efforts to improve their own environmental and social sustainability performance. The Environmental and Social policy applies to all activities taking place at PKSf and its Partner Organizations (POs) level.

11. To achieve this, PKSf hereby commits itself and its operations to the following:

- Design, develop and implement all activities in a way that is efficient, sustainable, and socially and environmentally responsible;
- Abide with international norms and country laws;
- Take a proactive approach in identifying and assessing environmental and social risks and impacts associate with PKSf's interventions and apply mitigation hierarchy to foresee and prevent those risks
- Educating and encouraging partners, suppliers, contractors, employees, and other stakeholders about environmental and social responsibility as well as accountability;
- Ensure employees understand their responsibilities towards environment, social, and health and safety performance that enabling to operate in a manner.
- Providing mechanisms for employees and other stakeholders to express concerns and make suggestions about PKSf's activities and practices and acting in a transparent and accountable manner to address and respond to concerns and feedback;

- Engaging in open dialogue with, and considering the views of local communities and stakeholders before making decisions that could affect those communities and community members via free, prior, and informed consultations;
- Ensuring that PKSF's procurement system considers the environmental, social, and health and safety credentials in of awarding contract and takes into account the full lifecycle of assets when procuring equipment or infrastructure;
- Supporting actively the development of new technologies and processes that could further improve environmental, social, and health and safety performance;
- Workforce diversity is recognized as an essential component of the PKSF's intellectual capital.
- The PKSF's partners and contractors are also expected to be mindful of gender equality.
- Bribery and corruption will not be condoned under any circumstances. When applicable concerning such matters, action will be taken immediately as per Policy of PKSF.

12. PKSF's service rules, gender policy, policy on complain redress system, project appraisal guideline, procedures for risk mitigation, statement of non-discriminatory practices, environment & social management framework, policy and strategy to prevent women employees from possible sexual harassment are all complementary elements of this Policy.

B. Management Approval

13. This policy goes into effect as of the date on which it is approved by the management of PKSF.

Chapter 3: Legal Regulations and Requirements

A. Review of National Environmental & Social Acts, Rules, Polices and Strategies

14. The subsequent subsections of this ESMS represent relevant laws, regulations, policies of Bangladesh Government as well as requirements of major development partners of PKSF relating to management of environmental and social risks and impacts. The list will be updated as and when required.

15. **Constitution of the People’s Republic of Bangladesh:** The Constitution enshrines values of equality of opportunity to all citizens and adoption of effective measures to remove social and economic inequalities towards sound economic growth [Article 19]. It attests to citizens’ right to work and compensation as is owed [Article 20], and engage in any lawful profession, occupation, trade or business [Article 40], extending such provisions unto its tribes, minor races, ethnic sects and communities [Article 23A]. It prohibits all forms of forced labor [Article 34]. It also guarantees its citizens rights to move, reside and settle freely throughout the country [Article 36]; as well as assemble and participate in public meetings and processions, subject to reasonable restrictions in the interest of public health [Article 37]; and form associations or unions [Article 38]. Freedom of thought, conscience, speech, expression and press are guaranteed subject to them not overriding interests of the State [Article 39].

16. **Labor Act, 2006 [and its amendments] and Labor Rules, 2015:** This Act pertains to the occupational rights and safety of workers and provision of reasonable working conditions. With overarching tenets being directly applicable to the Project, specific provisions on leave [Article 10], payment of wages for unveiled leave [Article 11], stoppage of work [Article 12], grievance redress procedure [Article 33] and prohibition of employment of children and adolescent [Article 34] have particular relevance to Project activities. Taken further, this Act outlines standards for health, hygiene and safety, including its special provisions, with particular emphasis on disposal of wastes and effluents, fire safety [and also against fumes, explosives and inflammable dust], access to drinking water, latrines and urinals, safe usage and safety with[in] machineries and premises, and response to accidents, diseases and other dangerous occurrences [Chapters V-VII]. It also provisions welfare, working hours, leave, payment of wages, and compensation for injuries, focusing on access to first aid appliances, shelters and daycare; daily hours, holidays, shifts, overtime, and casual, sick and annual leave; and schedule, form, deductions, claims and appeals on wages; and liability of employers, amount of redress and investigation of damages received [Chapters VIII-X and XII]. Even more so, it outlines obligations of employers and apprentices for arrangements for apprenticeships

[Chapter XVIII], which are further elaborated upon in Chapter VII of the Labor Rules, notably on inclusion of eligible participants, allowance and working hours, among others.

17. **Child Labor Elimination Policy, 2010:** The main objectives of the policy are withdrawing working children from different forms of occupations, e.g., hazardous work and the worst forms of child labor; providing special emphasis for indigenous and physically challenged children to bring them back to the congenial environment; Planning and implementing different short-, medium-, and long-term strategies and programs to eliminate various forms of child labor.

18. **National Skills Development Policy, 2011:** This Policy guides skill development strategies, outlining commitments and reforms envisioned to that affect. With direct relevance to the Project, it the standards for demand-driven, flexible and responsive provisions for skills training [Chapter 4], competency-based training and assessment [Chapter 6], quality assurance of programs and providers [Chapter 7], data collection and analysis on skills availability and labor market [Chapter 9], and effective and flexible institutional management [Chapter 11]. It further sets the stage for competencies and certification of instructors and trainers [Chapter 10], design and delivery of apprenticeships [Chapter 12], recognition of prior learning [Chapter 13], industry training and workforce development [Chapter 17], and skills development for overseas employment [Chapter 18]. And, it advises on improved access for underrepresented groups [Chapter 14], enhanced social status of Technical and Vocational Education and Training [Chapter 16], and extends unto roles of industry sectors in skills development [Chapter 8].

19. **Microcredit Regulatory Authority Act, 2006:** This Act outlines guidance on the efficient regulation of microcredit programs and transparency and accountability in the activities of microcredit organizations. It mandates receiving certificate from the Authority [Chapter 4], submitting yearly balance sheets [Article 22], providing loan support and advice to poor people, alongside other eligible activities [Article 24] for an organization to be considered eligible, for the purposes of the Project.

20. **Mobile Financial Services Regulations, 2018:** The Regulations provides regulatory framework to facilitate cost-efficient and prompt services, particularly for poor and under banked population segments, as serviced through this Project. It sets models for business-to-person and government-to-person payments, including their operation modalities [Articles 5-7], thus guiding mechanisms for delivery of cash transfers to targeted beneficiaries.

21. **Environmental Conservation Act, 1995 and Environmental Conservation Rules, 2023 and amendments:** This Act includes laws for conservation of the environment, improvement of environmental standards, and control and mitigation of environmental

pollution, cautioning in particular against work in ecologically critical area [Article 5], manufacture or sale of articles injurious to the environment [Article 6a] and discharge of excessive environmental pollutant [Article 9]. Meanwhile, the Rules issue Environmental Clearance Certificate for projects categorized as Green, Yellow, Orange and Red. For Orange B and Red, Initial Environmental Examination and Environmental Impact Assessment respectively are required for clearance to be obtained from the Department of Environment.

22. **National Environmental Policy, 2018:** This Policy provides specific directives on land resource management; water resource management; air pollution control; safe food and water; public health and health services; accommodation, housing and urbanization; education and mass awareness; forest and wildlife; biodiversity, ecosystem conservation and biosafety; fisheries and livestock; climate change preparedness and adaptation; disaster management; management of chemical substances; other pollution control; environment-friendly economic development, sustainable production and consumption that will inform the design and implementation of sub-projects, including management of environmental risks and impacts.

23. **Bangladesh Factories Act, 1965:** The Act pertains to the occupational rights and safety of factory workers and the provision of a comfortable work environment and reasonable working conditions. This Act provides for inspection of factories and regulates matters related to hygiene, ventilation, overcrowding, night work, safety, dangerous machinery, leave, overtime, canteens and child care facilities. The Act prohibits employment of children under the age of 14 years in factories. Children over the age of 14 shall be registered and subject to provisions regarding hours of work. Factories Act 1965 (originally East Pakistan Factories Act 1965) was adopted by the then Government with the objective of regulating the appointment of workers, their wages and the working conditions in factories including health and hygiene, safety, welfare, working hours, leave and holidays and also punishments and penalties for both the owners and workers for noncompliance of the requirements. The Act has 11 chapters and 116 main sections. It incorporates the provisions for obtaining approval of factory plans, including the construction or extension, class or description of factories from the chief inspector. According to the Act, every factory is to be maintained clean and free from effluents arising from any drain, privy or other nuisance. Effective arrangements are to be made in every factory for the disposal of wastes and effluents, prevention of accumulation of dust and fume, and proper ventilation and maintenance of room temperature. The Act requires that factory must ensure adequate fire safety measures, appropriate means of escaping in case of fire, and protection against dangerous and accident-prone parts of machinery, electric and mechanical devices, self-acting machines, etc. Workers are to be given proper training before they are

employed on dangerous machines. Every factory is to have adequate and suitable facilities for washing and bathing and provide first-aid medicines and appliances.

24. **The Noise Pollution Control Rules, 2006:** The Noise Pollution Control Rules have been established to manage noise-generating activities which have the potential to impact the health and wellbeing of workers and the surrounding communities.

25. **Air Pollution Control Rules 2021:** The Air Pollution Control Rules 2021 is prepared by mostly accommodating the previously prepared Draft Clean Air Act 2017. In case of vehicular emission, this rule set the emission standards more explicitly for passenger car, light commercial car, heavy duty vehicle, motorcycle, three-wheelers, and in-use motor vehicle (spark ignition engine, compression ignition engine, motorcycle, and three-wheelers). This rule established emission standards for carbon monoxide, hydrocarbon, oxides of nitrogen, and particulate matter for both petrol and diesel operated engines. Moreover, the rules set separate emission standards for new and in-use vehicles. Since this rule contain the most updated emission standard and measuring instructions in the country, it will be used as governing rules for vehicular pollution control once the rules is finalized.

26. **Bangladesh Water Act 2013 and Bangladesh Water Rules 2018:** The key features of the Act are: A National Water Resources Council (NWRC) to be established for implementing the provisions of the Act and A National Water Policy shall be adopted by the Council addressing the following issues:

- Purpose and sectors of water use
- Affordability of water users
- Actual cost of water abstraction and distribution
- Financial ability and backwardness of water users of any group there of
- Water demand and supply
- Any other issues considered relevant by the government
- An Executive Committee of the Council shall be established or ensuring efficient performance of the Council.
- The GoB can declare certain areas as Water Stress Areas for the protection of water sources or aquifers.

- Water zone demarcation (industrial, agricultural, brackish water aquaculture and hatchery water zones) through gazette notification and issuance of protection order for efficient water management in such zones.
- Declaration of flood control zone and its management.
- Restriction on abstraction of total water from any water source.

27. **Acquisition and Requisition of Immovable Property Act, 2017:** Current GOB Act and Guidelines, relating to acquisition and requisition of land; According to the law, the affected person will get an additional 200% of assessed value for land and an additional 100% for structures, trees, crops, and other assets; This law deals with social and economic impacts as a consequence of land acquisition;

28. **Solid Waste Management Rules 2021:** The Solid Waste Management Regulations 2021 were published in Bangladesh on December 23, 2021, under the Bangladesh Environmental Protection Act, 1995. The Regulations define the responsibilities of businesses involved in solid waste management and impose collection, recycling, and disposal obligations according to Extended Producer Responsibility (EPR) on manufacturers of non-biodegradable products such as glass, plastic, and bottles. The Regulations also include provisions for the treatment of solid waste such as composting and energy recovery. The main provisions of the Regulations are as follows.

- When recovering resources from waste, the principles of management that consider the waste hierarchy, such as the 3Rs, segregation, and reduction, must be followed at all stages from waste generation to final disposal.
- Responsibilities of waste generators, consumers, and users:
- Dispose of waste in accordance with the regulations of Authorities including local government.
- Dispose of waste separately.
- Do not dump, store, or burn waste outdoors.
- Responsibilities of manufacturers (*not defined) and importers of products
- Collect non-biodegradable products such as glass, plastic, polyethylene, multi-layered packaging, bottles, and cans from consumers and recycle or dispose of them if appropriate.

- Determine work plans and implementation procedures for recycling and disposal.
- Ensure that EPR is properly implemented.
- Submit an annual report to the Department of Environment (DOE) on the amount of plastic recycled.
- Raise public awareness of proper waste management.

Chapter4: ESMS Principles

A. Environmental and Social Risks & Impacts Assessment and Management

29. The key elements of the ESMS is the assessment and management of risks and impact. The primary involves the following:

B. Climate Change Mitigation and Adaptation

30. Considering the vulnerability of the poor to the negative impacts of climate change, PKSF established the Environment and Climate Change Unit (ECCU) to facilitate climate-smart interventions, to ensure sustainable poverty reduction. PKSF has been accredited as a Direct Access Entity (DAE) of the Green Climate Fund (GCF) of the United Nations Framework Convention on Climate Change (UNFCCC). So far PKSF executed two Green Climate Fund (GCF) dedicated projects areas are susceptible to climate induced disaster. PKSF adheres to climate change mitigation and adaptation measures for its working regions after consulting with the ECCU.

C. Environmental Health and Safety

31. Environmental health and safety (EHS) is one of the imperative principles of the ESMS. PKSF highly emphasizes on maintaining compliance to the relevant environment laws and acts of the Peoples' Republic of Bangladesh and also rules set by the development partners (for example World Bank's Environment, Health and Safety Guidelines) and also PKSF's Environment and Health Safety Guideline.

32. Besides, the following approaches should be implemented to ensure EHS practices:

- Environmental Health & Safety (EHS) compliance is to be monitored regularly;
- Arrange awareness raising programs and training of EHS for the staff of the projects;

D. Biodiversity Conservation

33. During design a program or project, here in the country, PKSF and POs always consider the impact on biodiversity. As emphasized by the national and international guidelines biodiversity, PKSF and POs thrives to reduce loss while receiving ecosystem services those are contributing to economic growth and human development. PKSF takes especial consideration of ecosystem and biodiversity prior initiating any project or programs.

E. Conservation of Heritage

34. During design a program or project, here in the country, it's always considered the impact cultural heritage, so that impacts can be avoided. In Bangladesh, impacts on cultural heritage are usually avoided when selecting project sites. Similarly, projects should not be designed in a way that would envision removal, significantly alter, or damage critical cultural heritage. In exceptional circumstances when impacts on critical cultural heritage are unavoidable, the project sponsors have to meet key requirements.

F. Gender Equality & Social Inclusion

35. [PKSF's gender policy](#) spells out the commitments and arrangements for achieving gender equality and women's empowerment. PKSF gender policy focus on the creating equal, helpful and friendly working environment for all. Noteworthy that PKSF has its own gender policy in addition of specific policies to ensure sexual exploitation, abuse and harassment free working environment for women which is applicable and should be followed in all projects and programs undertaken by PKSF including day-to-day operations. In addition to protect women from sexual harassment, PKSF has a separate [guideline and workplan](#) on Sexual Harassment. The key objective of the plan is to create healthy working environment free from sexual harassment. PKSF gives utmost importance creating awareness among all level of employees about gender equality, suppress torture and sexual harassment.

G. Vulnerable Groups or Ethnic Minorities Communities

36. To cover vulnerable or ethnic minority community from adverse impacts, PKSF and POs will use the following principles in the selection, design and implementation of project or programs:

- Ensure that vulnerable or ethnic minority community in general and their organizations, if any, are fully included in the process leading to selection, design and implementation of the adaptation measures.
- Together with vulnerable or ethnic minority community, screen the adaptation measures for a preliminary understanding of the nature and magnitude of potential impacts and, if necessary, explore alternatives to avoid or minimize the adverse ones.
- Where alternatives are infeasible and adverse impacts are unavoidable, POs, together with vulnerable or ethnic minority community and others knowledgeable of vulnerable or ethnic minority community culture and concerns, will immediately make an assessment of the key impact issues.

- POs will undertake the tasks necessary to adopt appropriate mitigation measures. The most important in this respect is intensive consultation with the vulnerable or ethnic minority communities, community elders/leaders, and formal and informal vulnerable or ethnic minority community organizations, civil society organizations like POs, and others who are interested in and have knowledge of vulnerable or ethnic minority community issues.
- Free, prior and informed consent consultation will include the objectives and scope of the proposed adaptation measures; the likely key adverse impacts on and benefits for vulnerable or ethnic minority community; vulnerable or ethnic minority communities own perception of the impacts and feedback; and a preliminary assessment of economic opportunities which PKSF/POs could promote – in addition to mitigating the adverse impacts.

H. Stakeholder Engagement

37. Extensive consultations with the community and other stakeholders will be a key to undertaking community-based inclusive activities and ESMS adaptation measures and integrating social and gender issues. In addition to open community meetings, both the PKSF and the POs will hold separate consultations/focused group discussions with women for a better understanding of how they have been impacted by the project or program as well as coping. Besides the consultation will discuss possible measures would help them most to cope with or adapt to the changes. Community consultation and participation framework will be an integral part for any kind of project/program activities.

I. Human Rights and Gender Equality

38. PKSF is committed to ensure human rights, gender equity and PKSF's service rules, gender policy, policy on complain redress system, project appraisal guideline, procedures for risk mitigation, statement of non-discriminatory practices, environment & social management framework, policy and strategy to ensure human rights, prevent women employees from possible sexual harassment are all complementary elements of this Policy.

39. PKSF does not allow any discrimination against any employee or project participants for employment because of race, color, national or ethnic origin, age, religion, disability, sex, sexual orientation, gender identity and expression. PKSF follows and encourages its Partner Organizations (POs) to maintain a uniform pay scale for all incumbents irrespective of race, color, national or ethnic origin, age, religion, disability, sex, sexual orientation, gender identity

and expression. PKSf treated this as a serious offence in case of its violation of non-discriminatory policies that are described.

J. Negative list

40. PKSf and its POs makes available financial services (Micro-credit, Agricultural credit, Micro-Enterprise credit, Micro-Insurance), Technical knowhow, Capacity Building, and comprehensive community development services through a network of Partner Organizations to increase Income generating Activities and employment generation that will ensure sustainable up gradation of standard of living of Poverty-stricken marginalized people. A negative list set has been appended in the Annex-2.

Chapter 5: Management Environmental and Social Risks and Impacts

A. Introduction

41. PKSF is responsible to assess, manage and monitor environmental and social risks and impacts associated with each stage of programs or projects. PKSF will conduct environmental and social assessment to ensure interventions are environmentally and socially sound and sustainable. The environmental and social assessment will be proportionate to the risks and impacts of any particular program or project. PKSF will manage environmental and social risks and impacts of the project throughout the project life cycle in a systematic manner, proportionate to the nature and scale of the project and the potential risks and impacts. In assessing, developing and implementing a project/program, PKSF and its POs will follow PKSF's Environmental and Social Management System (ESMS), to address the risks and impacts.

B. Environmental and Social Risk Classification

42. Projects or programs of PKSF will classify into one of four classifications: **High Risk, Substantial Risk, Moderate Risk, and Low Risk**. In determining the appropriate risk classification, PKSF will take into account relevant issues, such as the type, location, sensitivity, and scale of the project; the nature and magnitude of the potential environmental and social risks and impacts; and the capacity and commitment of the PO to manage the environmental and social risks and impacts. Other areas of risk may also be relevant to the delivery of environmental and social mitigation measures and outcomes, depending on the specific project and the context in which it is being developed. These could include legal and institutional considerations; the nature of the mitigation and technology being proposed; governance structures and legislation; and considerations relating to stability, conflict or security. PKSF will disclose the classification and the basis for that classification on the PKSF's website and in relevant documents.

43. PKSF will review the risk classification assigned to the project on a regular basis, including during implementation, and will change the classification where necessary, to ensure that it continues to be appropriate.

C. Defining Environmental Category

44. Each project or program will be categorized by its activity or magnitude of environmental and social impacts. Generally, a particular project or program will be categorized under four categories of risks. Most of the development partners categorized risks as- high risk, substantial risk, moderate risk, and low risk while Green, Yellow, Orange or Red as per the national rule (Environmental Conservation Rule, 2023). The categories are defined below table.

Table 1: Environmental and Social Risk Categorization

High risk/ Red Category	Substantial risk/ Orange Category	Moderate risk/ Yellow Category	Low risk/ Green Category
The projects/activities likely to have significant adverse environmental impacts those are sensitive, diverse or unprecedented.	These are site and area specific; sometimes have potential impact on human health, nature, wetland forest, garland and other natural habitat.	These are site and area specific; sometimes have potential impact on human health, nature, wetland forest, garland and other natural habitat.	Likely to have minimal or no adverse environmental impact.
Need IEE and then EIA/ ESIA	Usually need corrective or mitigation measures after Environmental Screening and IEE.	Usually need corrective or mitigation measures after Environmental Screening	Usually need no corrective measures;

45. Responsibility for E&S risk assessment and categorization: The PKSf is responsible to carry out the E&S risk assessment and take decision on the category of the project. PKSf will also ensure that the environmental compliances are duly addressed during implementation of PKSf-funded projects/programs.

D. Environmental and Social Assessment

46. The environmental and social assessment will be based on current information, including an accurate description and delineation of the project/program and any associated aspects, and environmental and social baseline data at an appropriate level of detail sufficient to inform characterization and identification of risks and impacts and mitigation measures. The assessment will evaluate the project’s potential environmental and social risks and impacts;

examine project alternatives; identify ways of improving project selection, siting, planning, design and implementation in order to apply the mitigation hierarchy for adverse environmental and social impacts and seek opportunities to enhance the positive impacts of the project/program.

47. The environmental and social assessment will apply a mitigation hierarchy, which will:
 - a. Anticipate and avoid risks and impacts;
 - b. Minimize or reduce risks and impacts to acceptable levels, where avoidance is not possible;
 - c. Minimize or reduce and mitigate the risks and impacts; and
 - d. Compensate for or offset them, where significant residual impacts remain and where technically and financially feasible.
48. The environmental and social assessment will be an adequate, accurate, and objective evaluation and presentation of the risks and impacts, prepared by qualified and experienced persons. The environmental and social assessment will include stakeholder engagement as an integral part.
49. PKSF will ensure that the environmental and social assessment takes into account all issues relevant to the project, including (a) Bangladesh’s applicable policy framework, national laws and regulations, and institutional capabilities relating to environment and social issues; Bangladesh conditions and project context; country environmental or social studies; national environmental or social action plans; and obligations of Bangladesh directly applicable to the project in an appropriate manner.

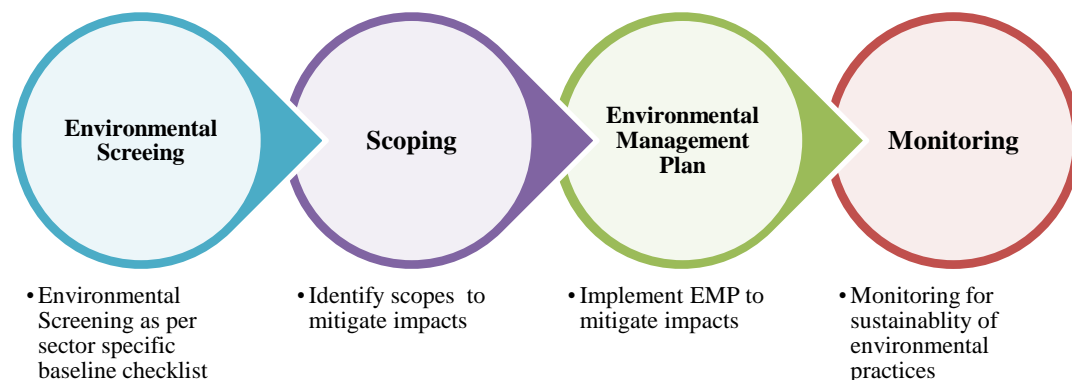


Figure 1: Process flow of implementing environmental improvement activities

50. The environmental and social assessment tools to be used are:

- a) ES Screening
- b) Initial Environmental Examination (IEE)

(a) ES Screening

51. The 'ES screening' is a mandatory requirement for the design of a project. The purpose of the ES screening is to address environmental concern before further decision and/or design of a sub-project and to ensure that actions to mitigate environmental impacts. It is the first step to understand the possible environmental and social impacts and also to identify the environmental and social categorization of the project or sub-project. The participation and consultation with local communities are important to identify the potential impacts of the project interventions. The environmental and social screening format for the grant projects under PKSf finance is provided in Annex 1. The proposed screening criteria have been selected from the experience of other projects and typical environmental impacts of the proposed project interventions. In addition, under the environment and social assessment local people including men, women and elderly citizen, tribal or minority people (if available), and other relevant or project affected stakeholders will be invited for collecting information regarding environment and social issues. Individual/KII/FGD should be carried out in this process.

52. Steps of Environmental and Social (ES) screening before carrying out environmental and social assessment. Steps for ESS Screening:

- (i) Review the list of negative attributes
- (ii) Review the design of interventions (if applicable).
- (iii) Review whole process of implementation.
- (iv) Review the list of environmental code of practice.
- (v) Review the Screening Format before going to field.
- (vi) Fill the screening format in the field.
- (vii) Prepare an environmental mitigation and management plan following prescribed format.
- (viii) Prepare a monitoring plan as per attached format.

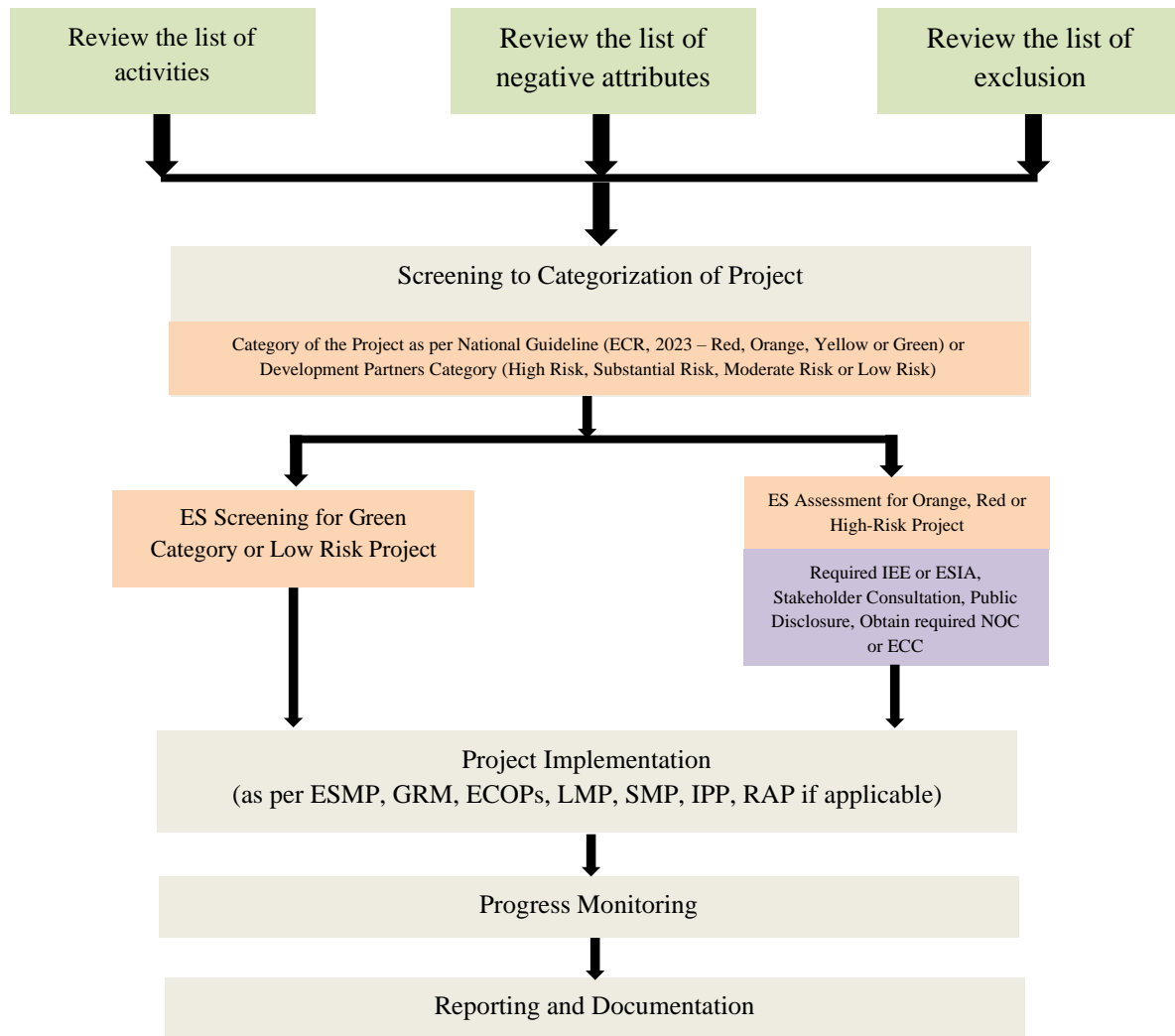
(b) Initial Environmental Examination (IEE)

53. The IEE is a review of the reasonably foreseeable effects on the environment of a proposed development intervention/activity. The IEE is conducted if the project is likely to

have minor or limited impacts, which can easily be predicted and evaluated, and mitigation measures could be prescribed easily. However, the IEE is also important to confirm whether the specific activity requires an EIA/ESIA or not. The steps of IEE is presented below:

- (i) Review the list of negative attributes
- (ii) Review the design of interventions (if applicable)
- (iii) Review whole process of implementation.
- (iv) Review the list of environmental code of practice.
- (v) Review carefully the IEE Format before going to field.
- (vi) Fill the IEE format in field.
- (vii) Prepare an environmental mitigation and management plan following prescribed format
- (viii) Prepare a monitoring plan as per attached format.

54. **Environmental Assessment and Monitoring Flow Chart**



55. **Inclusion of people’s participation in assessment:** People’s participation is an integral part of the environmental and social assessment. Throughout the whole assessment process, local people including men, women and elderly will be asked for gathering information regarding the environmental issue. Individual/KII/FGD should be carried out in this process.

56. **Suggested mitigation measures:** During the assessment, mitigation measures will be suggested to eliminate/minimize the problem when the proposed interventions will create any adverse environmental impact in moderate or major magnitude. Most of the suggestive measures of PKSf will be simple and cost effective. A list of suggested environmental and social mitigation measures and suggested environmental code of practices has been attached in Annex 3 for designing and implementation of PKSf interventions.

E. Environmental and Social Impact Assessment (ESIA)

57. Environmental and social impact assessment (ESIA) is an instrument to identify and assess the potential environmental and social impacts of a proposed project, evaluate alternatives, and design appropriate mitigation, management, and monitoring measures. Environmental and Social Impact Assessment studies have mostly been applied to individual projects and have led to various offshoot techniques, such as health impact assessments, social impact assessments, cumulative effects assessments, and strategic environmental assessments (environmental assessments of proposed policies, programs, and plans). In some cases, social and economic impacts are assessed as part of the environmental impact statements. In other cases, they are considered separately.

F. Environmental and Social Audit

58. Environmental and social audit is an instrument to determine the nature and extent of all environmental and social areas of concern at an existing project or activities. The audit identifies and justifies appropriate measures and actions to mitigate the areas of concern, estimates the cost of the measures and actions, and recommends a schedule for implementing them. For certain projects, the environmental and social assessment may consist of an environmental or social audit alone; in other cases, the audit forms part of the environmental and social assessment.

G. Environmental and Social Commitment Plan (ESCP)

59. PKSF will develop and implement an Environmental and Social Commitment Plan (ESCP) for certain development partners funded projects (for example World Bank Funded Projects). The ESCP will set out measures and actions required for the project to achieve compliance with the ESSs over a specified timeframe. The ESCP will take into account the findings of the environmental and social assessment and the results of engagement with stakeholders. It will be an accurate summary of the material measures and actions required to avoid, minimize, reduce or otherwise mitigate the potential environmental and social risks and impacts of the project.

60. The ESCP will describe the different management tools that PKSF will use to develop and implement the agreed measures and actions. These management tools will include, as appropriate, environmental and social management plans, environmental and social management frameworks, operational policies, operational manuals, management systems, procedures and practices. All management tools will apply the mitigation hierarchy, and incorporate measures so that the project will meet the requirements of applicable laws and

regulations of Bangladesh and the ESSs in accordance with the ESCP throughout the project life cycle.

H. Environmental and Social Due Diligence

61. PKSF will conduct environmental and social due diligence of all projects proposed for support through Project Financing. The purpose of the environmental and social due diligence is to assist PKSF in deciding whether to provide support for the proposed project and, if so, the way in which environmental and social risks and impacts will be addressed in the assessment, development and implementation of the project.

62. PKSF's environmental and social due diligence will be appropriate to the nature and scale of the project, and proportionate to the level of environmental and social risks and impacts, with due regard to the mitigation hierarchy. The due diligence will assess whether the project is capable of being developed and implemented in accordance with standard guidelines.

I. Training/Capacity building

63. Training activities will be developed to ensure PKSF, PO and project staffs and other involved FIs for sub-projects implementation can confidently and effectively screen projects, implement the ESMS and Codes of Practice, monitor effectiveness of implementation, supervise PKSF staffs, POs and project beneficiaries including consultants and contractors, identify risks and issues, and report on safeguards to development partners. In addition, the PKSF and POs will conduct relevant trainings to ensure safety, security including community health safety. Safety security trainings might be provided to Security Personnel, Drivers; Emergency Response Training and drills provided to all. A detailed training plan appended in the Annex 4.

J. Stakeholder engagement and information disclosure

64. As set out in the development partners policies for example: the World Bank's Environment and Social Standard-10 (ESS10), PKSF will continue to be engaged with, and provide sufficient information to stakeholders throughout the life cycle of the project, in a manner appropriate to the nature of their interests and the potential environmental and social risks and impacts of the project.

65. If there are significant changes to the project that results in additional risks and impacts, particularly where these will impact project-affected parties, PKSF will provide information on such risks and impacts and consult with project-affected parties as to how these risks and impacts will be mitigated. A detailed Stakeholder engagement plan is appended in the Annex

K. Labor and working condition

66. For employment creation and income generation in the pursuit of poverty reduction and inclusive economic growth, PKSf and POs will promote sound worker management relation and enhance the development benefits by treating workers fairly, providing equal opportunity, non-discrimination and providing healthy working condition.

67. PKSf and the POs will develop and implement written labor management procedures. The workers will be managed in accordance with the requirements of national law and development partners requirement. A detailed Labour and working condition plan append in the Annex-8.

Chapter-6: Organizational Capacity and Competency

A. Institutional arrangement

68. PKSF works through an integrated network with its organizational structure to ensure that all employees irrespective of their ladder work towards realizing its proclaimed vision and mission. The PKSF officials are morally and strategically motivated through different meetings and necessary training sessions to demonstrate skills and efficiency in performing their duties with a commitment to their profession and society. The Human Resource Unit (HR) is extremely careful to apply a competitive and rigorous recruitment process that guarantees that only the persons with proven talent and capability are recruited. Their skills are regularly updated and sharpened through in-service training at various intervals both at home and abroad.

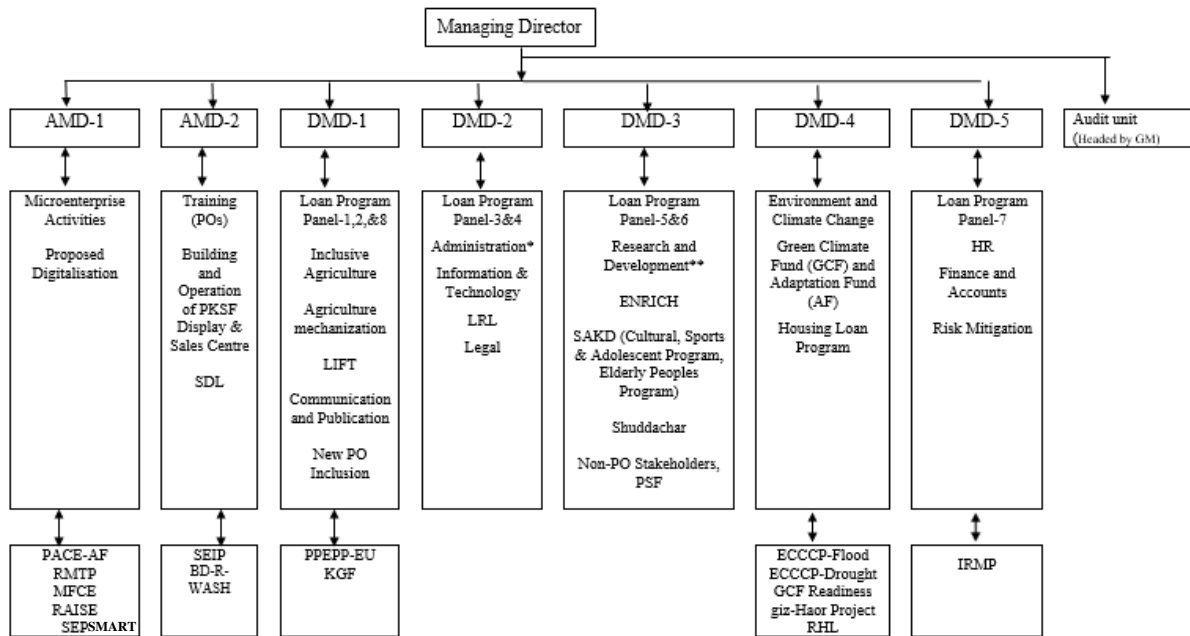
69. The Managing Director is the Chief Executive Officer of PKSF. At present, two Additional Managing Directors (AMDs) assist Managing Director to ensure fair, transparent, accountable and efficient management of PKSF. AMD-1 plays the responsibility to determine policy and plans of action to execute the activities of PKSF considering national priorities and possible new realities. Rural, national and international context in one hand, and different financial and economic perspectives on the other are taken into consideration to carry out this responsibility. AMD-2 deals with the issues related to keeping good relation with the Partner Organizations (POs), ensuring their transparency, accountability as well as efficiency, and helping them to restructure or reorganize their activities in response to the changing socio-economic realities.

70. The activities of PKSF are mainly carried out under the supervision of two Additional Managing Directors, five Deputy Managing Directors (DMDs) and one General Manager as Head of Audit Unit who directly report to the Managing Director. The core microfinance programs of PKSF such as Jagoron, Agrosor, Buniad and Sufolon are being implemented by 8 different panels. Each panel is headed by one Panel Supervisor. These panels are the main contact points of the POs at PKSF level. Each panel takes care of around 25 POs. Currently these panels are administered under the direct supervision of four DMDs.

71. Funded by different multi and bilateral development partners, PKSF also implements different projects which address a wide range of development issues related to poverty reduction such as employment, rural microenterprise, environment and climate change, sanitation, low-income community housing etc. PKSF generally establishes separate Project Management Unit (PMU) to manage different projects. A Project Coordinator (PC) as head of the PMU is in charge of the overall implementation of the project. He/she directly reports to

the head of the concerned Division of PKSf. He/She is also the contact person at PKSf for the relevant government bodies and development partners.

72. As on 22 August 2023, PKSf management team consists of 439 talented and committed staff, which includes 239 regular officers, 15 contractual personnel, 111 project officers and 74 support staff.



(Source: PKSf Website, Nov-2023)

Figure 2: PKSf Organogram

B. Environmental and Social Units of PKSf

73. PKSf mission is to implement policies and action programs involving multiple dimensions of human living and human poverty; pursue a life-cycle approach to human progress, catering to the appropriate needs at all stages of life. The policy planning and action programming center on human beings and focus on socio-economic development and environmental protection. The support and services provided relate to education, workforce development, health and nutrition, infrastructure, inclusive and appropriate financing for planned economic activities, social issues and social capital, response to climate change impacts, gender issues, cultural dimensions, sports and social advocacy etc. To address the mission, PKSf has established Social Advocacy and Knowledge Dissemination; and Environment and Climate Change Unit (ECCU). For any specific project, PKSf will incorporate the personnel/specialist if required in consultation with development partners.

a. Environment and Climate Change Unit

74. Considering the vulnerability due to the climate induced change and disasters, the environment and climate change in Bangladesh became a crucial and important issue. Based on these dimensions, PKSF established ‘Environment and Climate Change Unit (ECCU)’ in 189th Governing Body meeting in 2015. The Environment and Climate Change Unit of PKSF is responsible to mainstream the issues of environment and climate change in all

Intervention Areas of ECCU		
Environment	Climate Change	People’s voice on SDGs
<ul style="list-style-type: none"> • Environmental Compliance • Environmental Management <ul style="list-style-type: none"> • Environmental Management Framework (EMF) • Initial Environmental Examination (IEE) • Environmental Impact Assessment (EIA) • Environmental Management Plan (EMP) • Environmental monitoring 	<ul style="list-style-type: none"> • Climate Change Adaptation • Climate Change Mitigation • Climate Change Financing 	<ul style="list-style-type: none"> • Research and knowledge management • Seminar and Workshops • Assessment of achievements • Publication

of PKSF’s activities, projects and programs such as environmental impact assessment and waste management in all activities, suitable adaptation options and protocols for different climate vulnerable areas, appropriate mitigation actions for PKSF etc. The unit contributes developing environmental protocol and climate change adaptation & appropriate climate change mitigation protocol in accordance with government policy as well as based on the scientific and indigenous knowledge. The ECCU also develops environmental management and compliance strategies for PKSF, Partner Organizations (POs) and the people associated with the activities. The unit identifies activities focusing environment and climate sensitivity and develop appropriate framework and code of practice to address those issues. The ECCU also enhance capacity and awareness level on environmental compliance, management and climate change at PKSF, PO and beneficiary level. Building capacity of POs on environment and climate change issues addressing through different activities is one of the key objectives of ECCU.

75. Addressing climate change is another important working area of the unit. The unit works in both adaptation and mitigation of climate change. Palli Karma-Sahayak Foundation (PKSF) was accredited to GCF in its 18th board meeting in 2017. Through POs, PKSF operates various projects and programs relevant to climate change. In addition, various government departments and research institutes show their interest to work with PKSF like DAE of GCF, who are PKSF’s important stakeholder in addressing climate change adaptation and mitigation issues in national and local level. As of January 2024, the Environment and Climate Change Unit consist of a Deputy Managing Director, a General Manager, two Assistant General

Manager, two Managers, and four Deputy Managers. The roles of the ECCU in different stages of PKSf’s program/project are presented below:

Activities performed by ECCU	
Project Formulation	ECC unit of PKSf gives valuable inputs in project formulation during negotiation, Safeguard document preparation, project screening, participating stakeholder meetings and consultation etc.
Safeguard Document Preparation	ECC unit of PKSf provides support to preparation, review and upgrade of Safeguard Documents (ESMS, ESMF, TPF,)
Capacity building and training	Impart trainings for capacity building on Safeguard Documents, Policy, National Acts and Guidelines for PKSf staffs, PMU staffs and PO staffs
Identify environmental, climate and social impacts of sub-project activities	The ECC unit also provides support to the PMU in categorization of sub-projects based on risk and impacts. The Head of ECC Unit is the chair of Technical Evaluation Committee, where sub-project activities identified and review possible impacts may leads due to the implementation of sub-project into different location of business clusters.
Preparation of monitoring tools	The ECC unit also support the PMU to develop project monitoring tools, reporting formats
Sector Specific Environmental Management Guideline	The ECC unit provide additional support to the PMU by formulating Environmental Management Guidelines on different sub-sectors.
Monitor sub-project activity	The ECC Unit makes frequent visits to sub-projects activities in various locations. The ECC unit also explore environmental impacts occurs due to sub-project activity at ground level and suggest possible mitigation measures.
Review and feedback on sub-sectoral studies	The ECC Unit also contribute valuable feedback on studies (service).
Technical Evaluation Committee:	Subproject evaluation committee for example the Sustainable Enterprise Project is chaired by the head of Environment and Climate Change Unit. Responsibility of the TEC <ul style="list-style-type: none"> • Evaluate the sub-project activates (Revenue generating and Non-Revenue generating) • Screen and categorize of the sub-projects based on ECR, 1997 & ECR 2023. • Review climate change and environmental condition of clusters • Suggest suitable and doable mitigation measures those may arise due to the implementation of sub-project activity

Activities performed by ECCU	
	<ul style="list-style-type: none"> • Approve sub-project activities, or recommends for deletion/review of proposed activities those may cause moderate to severe impacts in the environment.

b. Social Advocacy and Knowledge Dissemination Unit

76. PKSF set up a full-fledged Social Advocacy and Knowledge Dissemination unit in 2013. Besides its regular development programs, this unit facilitates right-based activities on several contemporary critical and cross-cutting social issues like child marriage and child labor, violence against women and children, and drug abuse; promoting child education, adolescent health, and inclusion of persons with disabilities in mainstream economic growth and job market along with focusing human dignity for the marginalized and disadvantaged people of the society. The unit is comprised of a Deputy Managing Director, an Assistant General Manager, a Deputy Manager and an Assistant Manager. As to implementing the ESMS, required input, feedback and collaboration will be sought on social safeguard issues in case of project formulation, implementation and monitoring. In addition, endeavor will be undertaken for timely dissemination of explicit and tacit knowledge on social issues associated to programs or projects.

C. Organizational capacity and commitment

77. PKSF will define clear roles, responsibilities and authority as well as designate specific personnel to be responsible for the implementation and monitoring of this ESMS.

Chapter-7: Monitoring and Reporting

78. PKSF has vast experience in implementing, monitoring including risk assessment, implementing environmental management framework and environmental and social performance of the project and programs required by the statutory as well as development partners. PKSF has established a dedicated and independent Environmental and Climate Change Unit (ECCU) to institutionalize the environmental and social management in its operation where full time dedicated responsible staffs are engaged headed by one Deputy Managing Director.

79. PKSF also ensure that adequate institutional arrangements, systems, resources, and personnel are in place to carry out monitoring. Where appropriate PKSF engages stakeholders and third parties: such as independent experts, local communities or Partner Organizations, to complement or verify its own monitoring activities. PKSF also collaborate with other agencies or third parties for managing specific risks and impacts and implementing mitigation measures.

80. PKSF will provide implementation support regarding the environmental and social performance of different programs and projects to execute ESMS. Besides PKSF will guide and extend its support to POs implementing programs and project.

81. Besides, POs will prepare monitoring reporting those will be provided to the PKSF on a regular interval. PKSF will review POs' monitoring reports on compliance of the project with the requirements of the legal agreement, including the ESCP.

82. To monitor EHS compliance performance for projects PKSF monitors as per agreed action. In addition, the responsible E&S person of project will be responsible to conduct stakeholder consultation, public consultation with support of subproject Environmental & Social focal of sub-project execution POs and prepare or update ESA and EMP. The PKSF will be duly submitted report to the development partners on the project progress.

Chapter-8: Grievance Redress Mechanism

A. GRM at PKSF level

83. PKSF has established GRM for ensuring its accountability to the people who might be affected by projects or programs financed by PKSF. PKSF acknowledges and accepts complaints from the affected community and solve those complaints through the GRM. The GRM ensures participation of the relevant stakeholders including aggrieved person.

84. The principles are:

GM principles	Guidance Points (not exhaustive)
<p>Equitable Users are treated fairly and provided with information & resources that allow for meaningful participation. The GM should seek to redress imbalances in power, knowledge and influence between the company and potential complainants to enable informed dialogues and a process based on respect</p>	<ol style="list-style-type: none"> 1. Have access to neutral human rights expertise 2. Treat every complainant with respect 3. Ensure full participation of both genders and vulnerable groups 4. Ensure sensitivity in logistical arrangements
<p>Efficient</p>	<ol style="list-style-type: none"> 1. Address concerns promptly, using an understandable and transparent process that is readily accessible to all segments of the affected communities – and at no cost and without retribution
<p>Legitimate Perceived as legitimate by the potential affected stakeholders who may need to access it, and believe they will get a fair and effective hearing to their grievances</p>	<ol style="list-style-type: none"> 1. Create an oversight stakeholder body 2. Provide for transparent funding of expert resources 4. Be aware of judicial and administrative mechanisms available in the country for resolution of disputes and do not impede access to these mechanisms
<p>Effective</p>	<ol style="list-style-type: none"> 1. Refine core company values 2. Start early in the project cycle 3. Seek solutions to complaints in a collaborative manner with the involvement of the affected community 4. Maintain a wide scope of issues 5. Develop culturally appropriate procedures 6. Incorporate a variety of grievances resolution approaches 7. Take into consideration customary and traditional methods of dispute resolution when designing the system
<p>Accessible Potential users are aware of the GM, how to make a complaint and can do so easily</p>	<ol style="list-style-type: none"> 1. Provide easy access to for complainants 2. Publicize the mechanism and its supporting resources 3. Carefully identify parties to the grievance

GM principles	Guidance Points (not exhaustive)
	4. Ensure that even the poor and most marginalized get their concerns heard and addressed
Independent The GM must be sufficiently independent governance structure to ensure that no party to a particular grievance process can interfere with the fair conduct of the process (CAO)	1. The GM decision maker enjoys a sufficient degree of separation between the mechanism and the Manager 2. The GM decision maker has guaranteed tenure of their office 3. The GM decision maker can only be removed for cause
Predictable Users know the key steps and options within the process; GM should be time-bound where appropriate and provide for agreed outcomes for monitoring	1. Inform the affected communities about the mechanism during the company-community engagement process 2. Treat every complaint seriously 3. Agree on provisions for
Transparent Users and other are informed, understand the outcomes of their complaints and the broader systematic implications of the GM. In the same time the GM allows for dialogue and complainant to remain confidential, where requested	1. Communicate transparently about the process as it advances 2. Allow protection of a complainant's identity where requested 3. Document grievances received, and responses provided and report back to the community periodically
Continuous learning The GM helps the institution to capture risks, learn from gaps and mistakes, and course correct. Cumulative lessons from complaints should be reviewed to identify systematic changes needed to company practices or the workings of the GM.	1. Agree and monitor key performance indicators 2. Provide periodic reports on issues that the GM has identified as of concern to affected communities 3. Integrate lessons learned into company system 4. Review the mechanism, as appropriate, in line with experience

85. The Citizen's Charter of PKSf established the GRM process. A designated officer receives complaints through email, website, courier or post offices. S/he registers the complaint and prepare a case file. The Additional Managing Director is given responsibilities to solve the complaints. A complain should be solved within 30 working days of receiving it. The details are presented below.

Sl. No.	Eligibility of complaints	Complaints to Whom	Address of complaints	Time limit
1	When officer concerned fails to solve complaints	GRM Focal Person	Additional Managing Director-2 Phone: 02-8181658-61 Email: jashim@pksf-bd.org	30 working days

Sl. No.	Eligibility of complaints	Complaints to Whom	Address of complaints	Time limit
2	When AMD solve the complaints within the time	Chairman, Governing Body	PKSF Bhaban E-4/B, Agargaon Administrative Area, Dhaka. Phone: 02-8181658-61	30 working days

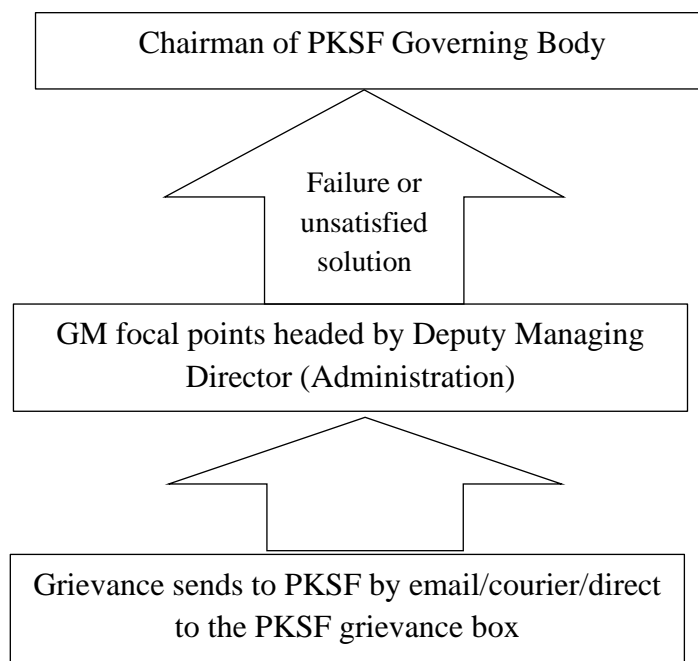


Figure 3: Institutional arrangement of independent GRM at PKSf

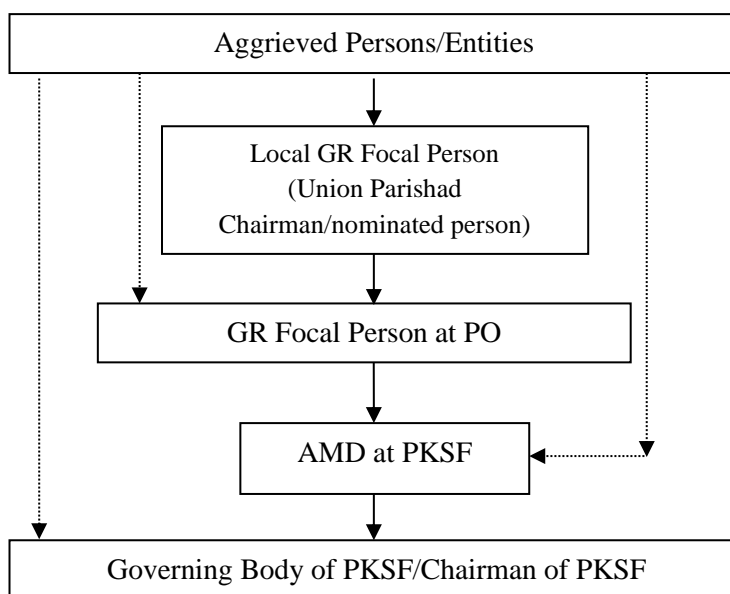


Figure 4: Institutional Arrangement of GRM at PO level

B. GRM at PO to PKSF level

86. Grievance Redress Mechanism (GRM) will be established at PO level to deal with any complaints/grievances about environmental and social issues. At the PO level, the Union Parishad (U/P) Chairman or his/her nominated representative from the U/P will be the Local Grievance Redress (LGR) focal point. At the PKSF level, Deputy Managing Director will be Central Grievance Redress (CGR) focal Point. The aggrieved persons or entities will submit the complaints/grievances in sealed envelopes to the selected POs office duly entered in the Grievance Register (GR) and will collect a receipt with entry reference to the GR. Partners will not open the envelopes, but inform the LGR focal point about receiving of complaints and schedule hearings as per his/her advice. In open meetings, the PO will facilitate the LGR focal Point to hear and discuss the complaints and resolve them in view of the applicable guidelines. The aggrieved person, if female, will be assisted by a female UP member in hearing, and if from a tribal community, by a tribal representative. LGR focal Point with the help of PO will ensure sending a copy of the complaint by postal mail, email or other means to the Deputy Managing Director at the PKSF headquarters.

87. The POs will forward the unresolved cases with all proceedings to the Grievance Redress (GR) focal point within 7 days of taking decision by the LGR focal point. Unresolved cases forwarded by POs will be registered in the office of the GR focal point and disposed within 15 days. If any decision made by GR focal point is unacceptable to the aggrieved persons, he/she will forward the complaints with all proceedings to the PKSF Deputy Managing Director (DMD). The DMD will review and resolve the cases. Finally, the aggrieved person can lodge the complaint to the PKSF chairman. A decision agreed by the complainants at any level of hearing will be binding on the concerned POs and PKSF. The GRM will, however, not pre-empt an aggrieved person's right to seek redress in the courts of law.

C. Steps of resolving complaints



88. Reporting and disclosure: PKSF will document all the complaints under programs and projects to be implemented by PKSF. Once, the complaints is solved, PKSF will published the report in its website within a month of resolving the complaint.

89. In addition to GRM of PKSF's finance, there is GRM in the service rule for resolving complaints of its own staff. The 8th chapter of the service rule describes the code of the employees. Article 8.17.0 of the service rule focused on grievance. As per the article, the GRM is presented below:

- (a) Any employee of the Foundation seeking to inform the authority of his/her grievance about official matters shall have to inform verbally or in writing to the dedicated officer/committee.
- (b) The concerned responsible officer/committee shall try to resolve that within 15 working days after receiving the application in order to reconcile the grievance fairly and reasonably. If that responsible officer/committee fails to resolve that, the matter has to be brought to the attention of appropriate authority.
- (c) The Deputy Managing Director or the person/committee authorized by him/her shall have to, within 30 working days, in view of the investigation or hearing from the employee inform the employee of the decision in black and white.
- (d) The authority shall place a complaint box with the intention to be informed of the general complaints of the employee. The complaints must be submitted with own name(s).

References

The following documents were reviewed and considered as reference document for preparing this Environmental and Social Management System:

1. IUCN Environmental and Social Management System (ESMS) Manual Version 2.0 – May 2016
2. IFC Environmental and Social Management System Implementation Handbook Version 2.1, November 2015
3. The World Bank Environment and Social Framework 2017
4. Climate Fund Managers Environmental and Social Management System Manual Version 3; 2022.
5. IDCOL Environmental and Social Management System (ESMS) July 2018

Annexures

Annex 1: Environmental and Social Screening Checklist

Environmental Screening Checklist

Date of Screening:.....

Name of union:.....

Name of upazila:.....

Name of district:.....

Section I: Identify Interventions

Category of Intervention	Name of the interventions	Number of Interventions

Section II: Checklist for Environmental and Social Screening

Exclusion criteria	YES	NO	Remark
Will the activities involve associated facilities and require further due diligence of such associated facilities?	<input type="checkbox"/>	<input type="checkbox"/>	
Will the activities involve trans-boundary impacts including those that would require further due diligence and notification to downstream riparian states?	<input type="checkbox"/>	<input type="checkbox"/>	
Will the activities adversely affect working conditions and health and safety of workers or potentially employ vulnerable categories of workers including women, child labour?	<input type="checkbox"/>	<input type="checkbox"/>	
Will the activities potentially generate hazardous waste and pollutants including pesticides and contaminate lands that would require further studies on management, minimization and control and compliance to the country and applicable international environmental quality standards?	<input type="checkbox"/>	<input type="checkbox"/>	
Will the activities contaminate the groundwater	<input type="checkbox"/>	<input type="checkbox"/>	
Will the activities involve the construction, maintenance, and rehabilitation of critical infrastructure (like dams, water impoundments, coastal and river bank infrastructure) that would require further technical assessment and safety studies?	<input type="checkbox"/>	<input type="checkbox"/>	
Will the proposed activities potentially involve resettlement and dispossession, land acquisition, and economic displacement of persons and communities?	<input type="checkbox"/>	<input type="checkbox"/>	
Will the activities be located in protected areas and areas of ecological significance including critical habitats, key biodiversity areas and internationally recognized conservation sites?	<input type="checkbox"/>	<input type="checkbox"/>	
Will the activities affect small ethnic community that would require further due diligence, free, prior and informed consent (FPIC) and documentation of development plans?	<input type="checkbox"/>	<input type="checkbox"/>	
Will the activities be located in areas that are considered to have archaeological (prehistoric), paleontological, historical, cultural, artistic, and religious values or contains features considered as critical cultural heritage?	<input type="checkbox"/>	<input type="checkbox"/>	

Section III: Specific Environmental and Social Risks and Impacts

Assessment and Management of Environmental and Social Risks and Impacts	YES	NO	TBD	Remarks

Has the AE provided the E&S risk category of the project in the concept note?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Has the AE provided the rationale for the categorization of the project in the relevant sections of the concept note or funding proposal?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Are there any additional requirements for the country?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Are the identification of risks and impacts based on recent or up-to-date information?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Labour and Working Conditions	YES	NO	TBD	
Are the proposed activities expected to have impacts on the working conditions, particularly the terms of employment, worker's organization, non-discrimination, equal opportunity, child labour, and forced labour of direct, contracted and third-party workers?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Will the proposed activities pose occupational health and safety risks to workers including supply chain workers?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Resource Efficiency and Pollution Prevention	YES	NO	TBD	
Are the activities expected to generate (1) emissions to air; (2) discharges to water; (3) activity-related greenhouse gas (GHG) emission; and (5) waste?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Are the activities expected to utilize natural resources including water and energy?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Will there be a need to develop detailed measures to reduce pollution and promote sustainable use of resources?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Community Health, Safety, and Security	YES	NO	TBD	
Will the activities potentially generate risks and impacts to the health and safety (including SEA/SH) of the affected communities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Will there be a need for an emergency preparedness and response plan that also outlines how the affected communities will be assisted in times of emergency?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Will there be risks posed by the security arrangements and potential conflicts at the project site to the workers and affected community?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Land Acquisition and Involuntary Resettlement	YES	NO	TBD	
Will the activities likely involve voluntary transactions under willing buyer-willing-seller conditions and have these been properly communicated and consulted?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Biodiversity Conservation and Sustainable Management of Living Natural Resources	YES	NO	TBD	
Are the activities likely introduce invasive alien species of flora and fauna affecting the biodiversity of the area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Will the activities have potential impacts on or be dependent on ecosystem services including production of living natural resources?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Small Ethnic Community	YES	NO	TBD	
Are the activities likely to have indirect impacts on small ethnic community?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Will continuing stakeholder engagement processes and a grievance redress mechanism be integrated into the management / implementation plans?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Cultural Heritage	YES	NO	TBD	
Will the activity allow continuous access to the cultural heritage sites and properties?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Will there be a need to prepare a procedure in case of the discovery of cultural heritage assets?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Sign-off: *Specify the name of the person responsible for the environmental and social screening and any other approvals as may be required in the accredited entity's own management system.*

Social Screening Checklist

PO Name:

Project Title:

Location:

Screening Date:

A. The Proposed Project

1. *Project/programTitle:*

.....

2. *Location of the project and target/beneficiary communities*

Village:
.....

Union:

Upazila:
.....

District:

3. *Project proposed for communities where residents are:*

All mainstream or non-Tribal People

All Tribal People

Majority mainstream or non-Tribal People

Majority Tribal People

4. *Brief description of proposed activities and expected benefits:*

.....
.....
.....
.....
.....
.....
.....
.....

5. *How do poor in general and women in particular benefit from the proposed activities,?*

.....
.....
.....
.....
.....

6. *Description of any physical/construction activities that will be required by the project:*

.....
.....
.....
.....
.....

B. Community Participation

1. *Community consultations conducted on the following dates:*

2. *Women were consulted separately:* Yes No

Consultation minutes are available for review: Yes No

3. *Names of PO personnel participated in screening:*

.....
.....

4. *Names of community members participated in screening:*

.....
.....
.....
.....
.....
.....

C. Social Safeguard Issues

1. *Were free prior and informed consultations held with the communities?* Yes No

If 'Yes', consultation dates:
.....

2. Does the project require any physical/construction activities?
 Yes No
3. Will there be a need for lands to carry out the physical/construction works?
 Yes No
4. If 'Yes', the required lands presently belong to:
 Government (Public Lands: *Khas*, other GoB agencies, Local Governments)
 Private citizens
 Commons land
 Others (mention)
5. If the required lands are Public Lands, they are presently used for:
 Agriculture (No. of persons/households using the lands:)
 Residential purposes (No. of households living on them:)
 Commercial purposes (No. of persons: No. of shops, etc:)
6. If the required lands are Private Lands, they are presently being used for:
 Agriculture (No. of landowners/households:)
 Residential purposes (No. of households:)
 Commercial purposes (No. persons: No. of shops, etc:)
7. If the required lands are Private, they will be mobilized through:
 Voluntary contribution
 "Contribution against compensation"
 Other means (Mention):

D. Information on Tribal People (TP)

1. If the required lands are Private and belong to Tribal People, they will be obtained through:
 Voluntary contribution
 "Contribution against compensation"
 Other means (mention):

2. *Do the physical/construction works restrict any Tribal People' access to any resources that they use for livelihood?*
[] Yes [] No

3. *If yes, dates of consultation held with the TP communities and their organizations:*
.....
Are consultation minutes available for review: [] Yes [] No

4. *Names of TP community members and organizations which participated in social screening:*
.....
.....
.....
.....

5. *Is there a traditional grievance redress mechanism (GRM) in the project locality?*
[] Yes [] No

6. *If 'Yes', did any member of this GRM participated in social screening?*
[] Yes [] No

7. *The would-be affected TP have the following forms of rights to the required lands (more than one may apply):*
[] Legal (No. of TP households:)
[] Customary (No. of TP households:)
[] Lease agreements with the government (No. of TP households:)
[] Others (Mention):
.....
(No. of TP households:)

8. *The following are the three main economic activities of the would-be affected TP households:*
a.
.....
.
b.
.....
.
c.
.....
.

9. *Social concerns expressed by TP communities and organizations?*
.....
.....

10. *The TP community and organizations perceive the social outcomes of the proposed adaptive measures:*

Positive

Negative

Neither positive nor negative

11. *In respect of the social impacts and concerns, is there a need to undertake an additional impact assessment study?*

Yes

No

This form completed by (Name of PO official):

Signature:

Date:

Annex 2: Check List of Negative Attributes

If the screening identifies significant environment & social impacts like possibility of drainage congestion in the adjacent areas due to the new embankment or uses of excessive agrochemicals or shrimp farming encroaching the mangrove area, the subprojects will not be recommended for financing under Project.

The proposed project in the environmentally sensitive areas or proposed subproject with significant and long-term environment & social impacts will not be recommended. Approval will not be given to the beneficiary who will deals with unauthorized and excessive pesticides, toxic chemicals, polythene, narcotics or any unlawful/environmentally unacceptable interventions. The following activities will not be supported under project (Negative List):

SI #	Intervention/ Attributes/	Brief Description
1.	Protected areas/Archaeological Historical Sites declared by the Government of Bangladesh	Activities within or adjacent to the protected areas or archaeological historical sites identified by DoE or other Government agencies
2.	Natural habitat and sensitive ecosystem	Activities that may adversely affect the natural habitat with sensitive ecosystems like natural pond/beel/baor/haor etc with important aquatic life
3.	Harmful for forest	commercial logging operations or the purchase of logging equipment for use in primary tropical moist forests or old-growth forests
4.	Use of pesticides	Use of excessive pesticides in agricultural land, tree plantation, large scale nursery.
5.	Road construction	Construction, reconstruction and extension of regional, national road and highway involving major concrete/cement concrete/reinforced cement concrete/ concrete block
6.	Extraction of Natural Resource	Activities supporting commercial logging in forested areas or involving the use of unsustainably harvested timber or fuel-wood or significant conversion or degradation of critical natural habitats
7.	Extensive Shrimp Farming	Sub-projects involving threats to mangrove forest and coastal environment
8.	Dams/Embankment	Construction/reconstruction of dam/embankment involving major concrete/cement concrete/reinforced cement concrete /concrete blocks

SI #	Intervention/ Attributes/	Brief Description
9.	Supply of contaminated water	Tube-wells with Arsenic contamination (higher than national standard (0.05 mg/l) base below the 10 years flood level water supply schemes with high probability of bacterial contamination
10.	Unsanitary disposal of solid waste and waste water	New or significant expansion of disposal facilities with negative health impacts to nearby water sources or population
11.	Major loss of agricultural land	Construction/reconstruction of road/drain, canal/pond excavation with major loss of agriculture land and use of concrete cement/ reinforced concrete cement
12.	Land filling	Sub-projects that will impact major destruction of top soil of agricultural land and land filling by industrial, household and commercial waste
13.	Religious/Historical Heritage	Activities within or adjacent to the Religious/ Historical Heritage sites identified by the Government agencies
14.	Small Ethnic Community	Activity that will impact the small ethnic community
15.	Living and Livelihood	Activities that possess the risk of living and livelihood of the community (gambling, casinos, and equivalent enterprises,
16.	Local Conflict of Interests	Any activities that may create the local conflicts of interest
17.	Forest labour or child labour	Any activities that may involving harmful or exploitative forms of forced labor or child labor
18.	Leads conflicts or not permitted by the country	production of or trade in weapons and munitions, including paramilitary materials;
19.	Illegal activity or not supported by land of law	to production of or trade in alcoholic beverages, excluding beer and wine; production of or trade in tobacco
20.	Hazardous to health	production of or trade in radioactive materials including nuclear reactors

Annex 3: Environmental Impacts and Mitigation Measures and Environmental Code of Practices (ECoPs)

Environmental Impact and Mitigation Measures

Sub-sector/ Enterprise type	Potential negative impacts	Possible mitigation measures
Manufacturing and Food processing cluster		
<p><i>Power loom (shawl, shari, lungi and paposh), jamdani</i></p> <p><i>(Category ECR, 7(2), 1997; Orange-B)</i></p>	<p>If the electric wire is connected loosely into the motor and any types of faulty electrical circuit related accidents.</p>	<p>Regular checking on electrical connections should be maintained.</p>
	<p>Workers including neighbors may face health complications due to high sound and vibration of the machineries.</p>	<p>Workers should be aware of noise pollution generated from power loom. Well set-up of machineries, adequate height of the roof and sound protection device should be maintained</p>
	<p>Improper disposal of liquid waste on land or solid waste dumped on the surface. Some of the toxic compounds in these wastes find their way to ground water, aquifers or to nearby surface waters contaminating both the water and the aquatic biota through contaminating their tissues, thus causing health hazards to nearby inhabitants.</p>	<p>Management of liquid wastes and solid waste properly, prevent passing to the water bodies and landfills should be ensured.</p>
<p><i>Handicraft</i></p> <p><i>(Category ECR, 7(2), 1997; Orange-A)</i></p>	<p>Traditional handicraft and hand-weaving can have negative effects on the environment due to wastewater produced by using chemicals, bleaching and dyeing materials.</p>	<p>Provide training to the participants to improve and/or adopt environmentally friendly production techniques for activities such as weaving, making silk string, dyeing, etc.</p>
		<p>Raise awareness of producers on environmental management practices and encourage to practice them. Reuse water from the various rinsing steps involved in dyeing and other activities in order to increase the efficiency of water (most common in the processing of handicrafts).</p>
<p><i>Leather processing and shoe making, Belt making</i></p>	<p>Leather processing is more harmful to the environment than the textile, fertilizer and paper industries.</p>	<p>Leather processing unit should be established outside the residential and commercial areas.</p>

Sub-sector/ Enterprise type	Potential negative impacts	Possible mitigation measures
<i>(Category ECR, 7(2), 1997; Orange-A; capital up to 5 lakh taka)</i>	Worst smell felt from rotten meat during processing leather and it affects the neighbors and workers.	Least corrosive and less odor generating chemical may be used to protect bad smell.
	Corrosive chemical use that could have potential effects on water and aquatic lives. Liquid effluent pollutes the water and soil.	Workers should use PPE (Mask and Gloves) during processing. Properly disposed the liquid wastes to the nearby fixed point not to the common water bodies.
	Solid wastes generated from shoe and belt making activities with pollutes soil and clog drainage system.	Proper solid waste management should be adopted. Where possible solid waste should recycle.
	Dust generates due to finishing of shoe and belts.	Workers should use mask, hair net and eye googles. Good housekeeping should be maintained.
<i>Rice mill (Category ECR, 7(2), 1997; Orange-A; capital up to 5 lakh taka)</i>	During operation, high speed moving parts may cause accident if handled carelessly.	High speed moving parts (fly wheels, electric motors) must be checked regularly and carefully handled.
	Ash, dust, and other particulates affect workers and neighbors health.	Workers in the rice mill must use protective instrument (mask) during operation. Ash and dust must be dumped into the nearby fixed place.
<i>Automobile workshop (Category ECR, 7(2), 1997; Orange-B; capital up to 10 lakh taka)</i>	Improper handling of welding machine and gas cylinder can lead to accident.	Proper training should be provided to the workers so that they can handle welding works effectively.
	Waste lubricating oil, brake oil may be generated.	The lubricating and other oils generated should be recycled through lube oil-recycling.
	Solid (metallic, glass or plastic) waste may be generated.	The solid waste generated should managed or recycled.
<i>Hosiery and mini garments. omanian cap manufacturing (Category ECR, 7(2), 1997; Orange-B)</i>	Loosely connected electric wire into the motor and faulty electrical circuit may cause accidents.	Regular checking of electrical connections should be ensured.
	Workers including neighbors may face health complications due to high sound and vibration of the machineries.	Workers should be aware of noise pollution from the faulty electrical connection

Sub-sector/ Enterprise type	Potential negative impacts	Possible mitigation measures
	Liquid effluent disposed improperly and solid wastes dumped on the surface. Some of the toxic compounds in these wastes contaminate ground water, aquifers or nearby surface water. These waste also contaminate aquatic life and thus causing health hazards to nearby inhabitants.	Well set-up of machineries, adequate height of the roof, and sound protection device should be maintained. Proper management of liquid effluent and solid waste to prevent soil and water contamination.
<i>Flour mill</i> <i>(Category ECR, 7(2), 1997; Orange-A; up to 20 horse power)</i>	Generated dust creates health hazard for the workers.	Use cover in the rear of the machine to protect dust. Maintain cleaning activity on a regular interval. Workers must use mask during operation.
<i>Brass & Bronze utensils, Aluminum utensils</i> <i>(Category ECR, 7(2), 1997; Orange-A)</i>	During production excessive heat generated from the furnace.	Adequate exhaust fan and cross ventilation should be ensured to maintain the proper temperature.
	Emission of soot and flue gasses from the melting furnace comprising of oxides of sulphur and carbon monoxide.	Installation of chimney of minimum 15 feet height.
	Water used for quenching is contaminated.	The contaminated quenching water must be neutralized/purified before disposal
	The lathe machines, drilling machines may pose safety problem due to absence of precautionary measures.	Use of eye protective equipment.
	Solid waste is generated from metal work.	Maintain proper segregation and disposal of generated solid waste.
<i>Furniture and Fixers</i> <i>(Category ECR, 7(2), 1997; Orange-A)</i>	Generation of wood cuttings and saw dust.	The solid waste generated may be used as fuel or dumped in a sanitary landfill.
	The operation uses polish, varnish and thinners.	Use of nose mask.
<i>Jewelry/ imitation; silver ornaments</i>	Excessive lead content used in the artificial jewelry (>300 ppm).	Awareness, encourage to use less lead content in the artificial jewelry or imitation.

Sub-sector/ Enterprise type	Potential negative impacts	Possible mitigation measures
<i>(Category ECR, 7(2), 1997; Orange-A)</i>	Lead is the highly toxic, does not break down in environment through natural process and can create health hazard.	Alternative of lead may be allowed in manufacturing jewelry.
<i>Electronic item production (Category ECR, 7(2), 1997; Not classified)</i>	Heavy metals are used in the production of electronic items, while others, such as Polycyclic Aromatic Hydrocarbons (PAHs) are produced by e-waste burning.	Introduce 3R (Recycling, Reuse and Reduce) mechanism.
	Burning the isolating plastic cover of cables in open barrels produces 100 times more dioxins than domestic waste burning.	Properly dumping the e-waste (a dug with certain height).
	Landfills or recycling centers affecting the environment and/or public health.	It should be far away from the residential area.
	CFCs emit from the e-waste dumping site.	Use proper PPE while handling hazardous e-waste.
<i>Food processing (Gur Processing, Mango bar processing, potato chips and Milk based product) (Category ECR, 7(2), 1997; Orange-B)</i>	Emission of smoke from burning of fuel.	Certain height of chimney should be used (10 to 15 feet).
	Waste water supposed to be rich with organic matter content.	The solid waste should be separated for composting or to be converted as animal/poultry / fishmeal.
	Limited solid waste generation.	Proper disposal to landfill.
	Workers are likely to suffer from health hazards due to long hours of exposure to high ambient temperature especially during the summer period.	Provisions for temperature control through adequate ventilation/exhaust fan.
	Workers having contagious or infectious diseases may contaminate the food stuff.	Regular health check-up of the workers.
<i>Salt processing and trade (Category ECR, 7(2), 1997; Orange-A, capital up to 10 Lakh taka)</i>	Health hazards (illness, acute diseases).	Promote safety practices e.g.: use PPE (mask, gloves, and safety boots). Regular health check-up of the workers.
	Fungal infection in different parts of the body due to moist air.	Ensure availability of sanitation, drinking water and proper housing.
	Safety hazards (accidents, injuries).	Promote to apply Best Management Practices (BMP), health and safety measures.

Sub-sector/ Enterprise type	Potential negative impacts	Possible mitigation measures
	Leakages of toxic liquid and gases that could contaminate the surface water.	Regular check of leakages of gas/toxic liquids.
	Air pollution due to using acids and hazardous chemicals.	Train workers on safety issues and safety management.
	Excessive use of electricity.	Promote to use solar energy.
		Promote to reuse wastewater.
		Safety audits after regular interval.
		Housekeeping should be good, allowing sufficient space for material & worker movement without any obstruction.
<i>Dry fish processing (Category ECR, 7(2), 1997; Orange-B)</i>	Worst smell generated that could effects on workers' health	Discourage to use poisonous pesticides like DDT for fish drying.
	The poisonous chemicals, including DDT and different types of insecticides, are used to protect those from decomposition and cause of acute diseases and contamination of surface water.	Promote to use mechanical driers.
	Use of poisonous chemicals and other contaminated water directly pass into the nearest low lying areas and birds and commercial fish are exposed to danger.	Wastewater should be kept in a confined area.
		A faster flow of air over the fish results in even and rapid drying.
		Workers must use face mask during working hours.
If pesticides use, then balance dose of pesticides should be used and use PPE during application. Maintained the Relative Humidity (RH) for moisture content.		
<i>Crop cultivation (Aromatic rice cultivation, Mung bean Cultivation & Trade, peanut cultivation and trade, Pineapple cultivation</i>	Crop cultivation can pose a threat to the environment in numerous ways including degradation of marginal and fragile lands, deforestation, loss of biodiversity, introduction of exotic species, soil erosion, nutrient	Introducing IPM (Integrated Pest Management) approaches like, intercropping, multi-cropping, mulching, perching, sex pheromone, light trap, biological trap/controls, botanic aroma etc. to reduce the dependency on pesticides.
		Use of PPE (Personal Protective Equipment) during pesticides spray.

Sub-sector/ Enterprise type	Potential negative impacts	Possible mitigation measures
<p><i>and trade, potato cultivation & trade, banana cultivation & trade, ginger, green chili cultivation & trade, HYV. Vegetable seed production, safe vegetable cultivation, soya bin cultivation, specialized vegetables (Broccoli, squash), garlic cultivation & trade, guava cultivation & trade, litchi cultivation & trade, mango cultivation & trade etc.) (Category ECR, 7(2), 1997; Not Classified)</i></p>	depletion, loss of wildlife habitat, and reduction in water quality due to farm runoff.	Crop rotation improves the soil nutrient status and proves to be very beneficial in keeping away pests and diseases by changing the host.
	Pesticides pose a risk to the environment and human health if improperly used, including contamination of soil and water, harmful to non-target organisms, destruction of natural pest control systems, and pest resurgence and resistance	Promote to use balance doses of chemical fertilizers and organic fertilizers
		Use organic manure (compost, vermi-compost etc.)
		<p>Emphasize on surface water irrigation through solar energy</p> <p>Project will prepare a detail ‘Pest Management Plan (PMP)’ to promote and reduces the dependency on pesticide/insecticide</p>
<p><i>Aquaculture (fish culture, fish hatchery, shrimp culture and crab culture)</i></p> <p><i>(Category ECR, 7(2), 1997; Not Classified)</i></p>	If not properly managed, potential negative environmental impacts include loss of native species; pollution of water due to overuse of fertilizers; and the killing of predator fish by chemicals like rotenone, which can also have a negative impact on environment and human health.	<p>Develop and use Environmental Due Diligence Review (EDDR) checklist for potential aquaculture</p> <p>Promote fingerlings (puna) from hatcheries rather than from natural bodies of water to reduce the burden on the ecosystem</p> <p>Train producers in the application of GAPs, including proper feed preparation and application method and disease management</p> <p>Encourage traditional practices, such as netting and drying of pond, for capturing predator fish</p> <p>Train participants to apply balanced doses of organic and chemical fertilizers to the cultured water body.</p> <p>Hormonal treatment will be discouraged.</p>

Sub-sector/ Enterprise type	Potential negative impacts	Possible mitigation measures
<i>Poultry & Dairy firm, Beef fattening, cow rearing, goat rearing, Buffalo rearing, duck rearing and sheep rearing</i> (Category ECR, 7(2), 1997; Orange-A and Orange-B)	There can be significant negative effects on the environment if livestock and poultry are not properly managed. Livestock can be affected by many different types of diseases (e.g., viral, bacterial, ecto-parasites and endo-parasites, etc.) and create waste.	Train workforce of business clusters on cleaning of poultry and goat/pig rearing hut and shed.
	Viral and bacterial diseases can be easily transmitted from infected to non-infected poultry and livestock.	Train workforce of business clusters on disposal and dumping of poultry and goat/pig fecal discharge to nearby safe dumping / collection point.
	Inappropriate use of veterinary drugs and improper disposal of related medical waste can pollute the surrounding environment.	Aware to control odor, insects and mosquito breeding around the poultry and goat/pig rearing farm.
	Improper management and burial of poultry and livestock that die as a result can cause air and water pollution. Certain zoonotic diseases (e.g., anthrax, brucellosis etc.) can even be transmitted to humans.	Train workforce of business clusters on composting manure and slurry management.
	Animal waste can also be a health hazard and contribute to environmental problems, as farmyard manure is often allowed to deteriorate on the ground or contaminate water systems.	Manage animal wastes at farm, encourage use of proper PPE to reduce health risk.
	Smell from the poultry firm affects neighbors' health adversely.	Encourage use of cattle manure or poultry litter as fertilizer.
<i>Establishment or repairing of architectures</i> (change it based on the previous correction)	Damaging cultivable or agricultural land	Develop and use a checklist to examine the suitability of proposed projects with regard to physical, biological, and socio-economic considerations
	Possibility of loss of fertile land	Promote proper positioning of construction sites and adherence to best engineering practices
	Health risks to labor involved in these activities	

Sub-sector/ Enterprise type	Potential negative impacts	Possible mitigation measures
	<p>Possibilities of adverse effects on locally valued ecosystem</p> <p>Possibility of water-borne diseases</p> <p>Noise problem etc.</p>	<p>Incorporate standard mitigation measures in design based on rehabilitation/construction activity such as re-vegetation, planting trees, etc.</p>
<i>Safe-water supply and improve market access</i>	<p>Affect culture or capture fishery</p> <p>Possibility of water-borne diseases</p> <p>Odor problem</p> <p>Damage of cultivable or agricultural land</p> <p>Loss of fertile top soil</p> <p>Water stagnation or drainage congestion/water logging situation/ affect storm run-off</p>	<p>Conduct environmental screening prior to the construction of safe-water supply and improvement of market access structures as part of the site selection process</p> <p>Monitor harvested water to ensure it does not become a breeding ground for mosquitos</p> <p>Ensure natural over-flow of water</p> <p>Train communities to protect water sources to reduce likelihood of contamination</p> <p>Train members of the community to maintain and properly use constructed water reservoirs and market access or approaches of improvement.</p>
<i>Public toilets</i>	<p>Sanitation activities can have negative impacts on the environment including the contamination of water sources and surrounding environment, as well as the occurrence of fecal and waterborne diseases, if facilities are poorly maintained.</p> <p>The improper disposal of refuse can have a significant effect on the health of communities, and can lead to pollution of surface water, as rain washes refuse into rivers and streams</p> <p>Refuse disposed of in storm drains may cause blockages and encourage fly and mosquito breeding.</p>	<p>Monitor use of lined pits to prevent contamination of water sources</p> <p>Using of lime or ash could be explored to kill fecal bacteria</p> <p>Monitor awareness session on fecal management and disposal of solids</p>

Environmental Code of Practices (ECoPs)

Activity	Impacts	Mitigation Measures/ Management Guidelines
Waste Management		
Waste Management	Soil contamination, water pollution and drainage congestion from the improper management of wastes. Storage, and burn/burial of waste at work sites may damage the topsoil	<p>The ME shall:</p> <ul style="list-style-type: none"> ● Prepare a proper waste management plan with a program/mechanism for various specific waste streams (e.g., reusable waste, flammable waste, debris, food waste etc.). ● Minimize the production of waste following 3R (Reduce, Recycle and Reuse) approach. Segregate and reuse or recycle all the wastes, wherever practical. ● Provide dedicated covered waste collection bins at appropriate locations to ensure safe storage. ● Remove collected wastes for dispose in approved waste disposal sites. ● Prohibit burning of solid waste at the enterprise. ● Waste mapping and inventory should be conduct by the enterprise submitted to the PO management entity in every quarter. ● Ensure environmentally sound disposal of all waste including fecal sludge. ● Set up a prearranged mechanism for post disaster related waste. ● Use appropriate PPEs before handling wastes (gloves, mask, apron, safety boots). ● Execute waste management program and trainings on safe handling, collecting, storing and safe disposal.

Activity	Impacts	Mitigation Measures/ Management Guidelines
Hazardous Waste	Pose health hazards and cause soil contamination due to improper waste management practice	<p>The ME shall:</p> <ul style="list-style-type: none"> ● Provide sufficient numbers of containers for collecting chemical wastes, appropriately labelled for safe transport to an approved chemical waste depot. ● Store, transport, and handle all chemicals avoiding potential spillage. ● Ensure availability of Material Safety Data Sheets (MSDS) for all materials (chemicals). ● Provide secondary container/construct concrete or other impermeable flooring to prevent seepage/spills of lube oil, machine oil, and lubricants. Store at approved locations before safe transportation for off-site recycle, reuse or treatment via approved vendors. ● Provide appropriate PPEs during handling wastes (gloves, mask, apron, and safety boots).
Water Resource Management		
Water resource management	Scarcity of water may be arise due to unplanned water consumption. Salinity intrusion may disrupt availability of fresh water supply. Seasonality affect may differ water available in different location of the subprojects.	<p>The ME shall:</p> <ul style="list-style-type: none"> ● Track baseline of available water resources in the case of business as usual. ● Set up targets (reasonable percentage) for water saving percentage. ● Establish a monitoring system to track water quantity (water efficiency and rainwater harvesting) and circularity of water (wastewater recycling and reuse). ● Get advice from PO/PKSF to monitor and suggest water efficiency, recycling, reuse and rainwater harvesting. ● Conduct and execute capacity development/ technical sessions for related members of staff.
Discharges from production activities	Water resource- surface and groundwater quality may be deteriorated due to generated wastewater	<p>The ME shall:</p> <ul style="list-style-type: none"> ● Install/construct drainage system in the enterprise that required for sediment and erosion control. ● Collect sewerage related waste to manage through pit. ● Check and test managed waste water to ensure quality as per standard. ● Manage generated solid wastes (sludge) from pit into reusable products (for example fire briquettes from sludge cakes).

Activity	Impacts	Mitigation Measures/ Management Guidelines
Hazardous Material and Waste	Water pollution from the storage, handling and disposal of hazardous materials and general construction waste and accidental spillage.	<p>The ME shall:</p> <ul style="list-style-type: none"> ● Follow the wastes management guidelines. ● Minimize the generation of sediment, slurry, oil and grease, organic matter, litter, debris and any form of waste. ● These substances must not enter into waterways, storm water systems or underground water table.
Groundwater Extraction	Excessive pumping from groundwater wells can decrease the amount of groundwater that would flow naturally into water bodies, such as wetlands, streams, rivers and lakes	<p>The ME shall:</p> <ul style="list-style-type: none"> ● Enhance infiltration by green vegetation or green infrastructure. ● Conservation and efficiency are key components of sustainable water management. ● Awareness & Education
Noise and Vibration		
Noise and vibration can be caused by machinery and vehicles movement	Noise and vibration may have an impact on people, property, and the natural environment	<p>The ME shall:</p> <ul style="list-style-type: none"> ● Ensure Noise levels of all machineries, or vehicles are within the standard limits (ECR, 1997/2017 or WHO Guidelines). ● Maintain all equipment's in order to keep it in good working order in accordance with manufactures maintenance procedures. ● Modify equipment to reduce noise (for example, noise control kits, use rubber etc.). ● Install acoustic enclosures around generators to reduce noise levels. ● Fit high efficiency mufflers to appropriate construction equipment. ● Avoid the unnecessary use of alarms, horns and sirens. ● Employ best available work practices on-site to minimize occupational noise levels. ● Provide trainings on noise limits, use of horns and sirens. Insert signage to aware on noise pollution. ● Ensure use of protective gears (ear mufflers/ earplugs to protect from noise).
Air Quality Management		

Activity	Impacts	Mitigation Measures/ Management Guidelines
Air, dust or fugitive flumes may generate due to improper management of production/manufacturing process	Working area air quality can be adversely affect to the ecosystem, surrounding environment and human health	<p>The ME shall:</p> <ul style="list-style-type: none"> ● Fit equipment's with appropriate exhaust systems and emission control devices. Maintain these devices in good working condition. ● Procure safe and clean fuel to reduce air pollution from emissions. ● Recover waste heats from hot flue gas (exhausts) from power station or generators. ● Set up standard air emission (partials, aerosols, gases, and odor) guidelines (WHO, ECR 1997/ 2017) both for indoor and outdoor. ● Monitor and measure air quality by internal laboratory, external independent firms sporadically, at regular intervals, or continuously.
GHG gas emission	Contribute in the global warming and induce disasters related to climate change	<p>The PO management entity shall:</p> <ul style="list-style-type: none"> ● Source primary electricity/energy from renewable resources.
Occupational Health and Safety		
Occupational Health and Safety (OHS) Best practices	ME operational activity may pose health and safety risks to the workers and site visitors leading to severe injuries and deaths. The population in the proximity of the subprojects site and the workers will be exposed to a number of (i) biophysical health risk factors, (e.g., noise, dust, flumes, chemicals, construction material, solid waste, wastewater, vector transmitted diseases etc.), and (ii) road accidents from traffic	<p>The PO/ME management entity shall:</p> <ul style="list-style-type: none"> ● Implement suitable safety standards for all workers and site visitors which should not be less than those laid down on the international standards (e.g. International Labor Office guideline on 'Safety and Health in Construction; BEZA Act, 2010, Bangladesh Labor Law 2018/06, BSCI or SA8000) ● Execute risk and hazard assessment on materials, process and equipment. ● Provide the workers with a safe and healthy work environment, taking into account inherent risks in its particular construction activity and specific classes of hazards in the work areas. ● Provide personal protective equipment (PPE) for workers, such as safety boots, helmets, masks, gloves, protective clothing, goggles, full-face eye shields, and ear protection. ● Maintain the PPE properly by cleaning dirty ones and replacing them with the damaged ones. ● Ensure trainings on PPE with records. ● Safety procedures include provision of information, training for workers those are involved in hazardous operations and proper performance of their job. ● Light, air, noise, temperature assessment records.

Activity	Impacts	Mitigation Measures/ Management Guidelines
		<ul style="list-style-type: none"> ● Ensure sufficient toilets with manpower ration and clean frequently. ● Appoint an environment, health and safety manager to look after the health and safety of the workers.
Injuries due to major or minor accidents	Lack of first aid facilities and health care facilities in the immediate vicinity will aggravate the health conditions of the victims	<p>The ME shall:</p> <ul style="list-style-type: none"> ● Ensure health care facilities and first aid facilities are readily available. ● Ensure first aid boxes at first-aid stations and should be easily accessible throughout the place of work. ● Arrange training for first aider and equipped with proper first aid facilities. ● Prepare document and reports accidents, injuries, diseases, and incidents. ● Prevent accidents, injury, and disease arising from, associated with, or occurring in the course of work by minimizing, in a manner consistent with good international industry best practice. ● Identify potential hazards to workers, particularly those that may be life-threatening and provide necessary preventive and protective measures. ● Provide safe machinery and ensure safe working area or production places for workers.
Water and sanitation facilities at the workplace	Lack of Water sanitation facilities at workplace cause inconvenience to the workers and affect their personal hygiene.	<p>The ME/PO should</p> <ul style="list-style-type: none"> ● Provide portable toilets at the construction sites, if about 25 people are working the whole day for a month. ● Ensure the location of portable facilities at least 6m away from storm drain system and surface waters. These portable toilets should be cleaned once a day and all the sewerage should be pumped from the collection tank once a day and should be brought to the common septic tank for further treatment. ● Provide filtered/bottled drinking water facilities to the workers at all the workplace.
Social Accountability Guidelines		

Activity	Impacts	Mitigation Measures/ Management Guidelines
Implementation of social accountability	Labor unrest, dissatisfaction, turmoil, vandalism even ratios can be arise due to lack of social accountability	<p>The ME shall:</p> <ul style="list-style-type: none"> ● Ensure social management policy and procedures are available as per the Labor Law, 2016/08 ● Ensure child labor is not used directly or sourced ● Ensure that young workers (15-18) are not employed in dangerous work ● Check the ages of all employees ● Ensure that forced labor is not used directly, or through contractors or the supply chain. ● Implement equal opportunity and no discrimination ● Maintain equal opportunity for male and female workers including pregnant women ● Ensure all the entities have grievance mechanism policy and procedure with responsible person ● Grievance committee established for the workers ● Grievance mechanism established and operating smoothly
Emergency Response		
Implement Emergency Response procedure	Asset loss, manpower loss, accident, injury, productivity loss	<p>The PO shall:</p> <ul style="list-style-type: none"> ● Prepare an Emergency Response Plan to mitigate any kind of prevailing risk and hazards ● Ensure responsibility of the team to deal with catastrophic accidents, natural calamities, breakout/ spread of dieses, accidental release of hazardous chemical or manmade unrest (student agitation). ● Ensure the emergency response team’s responsibilities are to immediately meet when an emergency situation is reported and to determine the course of action. ● Ensure the emergency response team is prepare for any kind of emergency situation arise ● Develop a list of contact information for all internal and external resource. The list should include name, description, location and contact details (phone number, email) for each of the resources and maintained annually. ● Communicated with relevant organizations (Fire service, Hospital, Police station, Ambulance, Suppliers, Mechanics or others) at any emergency situation. ● Prepare emergency response plan for each type of emergency (fire, natural calamity, cyclone, tidal surge, and earthquake, accidental release of chemicals, or turmoil’s / agitation).

Activity	Impacts	Mitigation Measures/ Management Guidelines
		<ul style="list-style-type: none"> ● Identify training needs based on roles and responsibilities, capabilities and requirements of personnel in an emergency. ● Impart refresher training on hazard and risk identification, risk assessment and mitigation rescue & recovery etc. ● Develop and updated training plans to address needs, particularly for firefighting, spill response and evacuation. ● Record keeping on training activities and the outcomes.
Fire Safety Management System		
Implement Fire Safety Management System	May cause economic loss, loss of human life as well as property	<p>The PO/ME shall:</p> <ul style="list-style-type: none"> ● Ensure the regular inspection conducted by PO to ME. ● Fire firefighting equipment are updated and well maintained, emergency telephone numbers are available. ● Impart firefighting trainings and fire drill regularly and maintain records. ● Conduct emergency evacuation drills and alarm testing to evaluate the effectiveness. ● Train all workers and staffs how to operation the fire alarm systems with clear instructions. ● Develop training plans to address needs, particularly for firefighting, spill response and evacuation. ● Ensure that the escape routes easily identifiable and free from obstructions. ● Ensure that the exit doors are labelled, unlocked and designed to open outwards. ● Ensure that the fire extinguishers are fully charged and inspected monthly.
Chemical Management System		
Chemical Storage	Unsafe chemical storage or store in an open area may affect the physical environment and harmful for human health	<p>The ME shall:</p> <ul style="list-style-type: none"> ● Store required amounts in order to reduce waste. ● Safe storage (in dry, cool temperature) with sufficient air circulation at chemical store. Ensure temperature and humidity records to storing at a suitable condition. ● Ensure proper ventilation/ air circulation in the store. ● Use proper PPE (gloves, mask, goggles, safety shoe) before handling chemical. ● Ensure Material Safety Data Sheet (MSDS) and labelling for all chemicals.

Activity	Impacts	Mitigation Measures/ Management Guidelines
		<ul style="list-style-type: none"> ● Provide absorbent materials to control accidental release of chemicals. ● Ensure secondary containments for all chemicals. ● Ensure eyewash station for accidental spillage or contact with workers. ● Provide training to related staffs on the safe chemical storage.
Transport and disposal	Unsafe disposal may pollute surface and ground water Uncontrolled disposal cause soil contamination	<ul style="list-style-type: none"> ● Dispose chemicals as per given instruction (on the MSDS). ● Dilute chemicals and dispose into the treatment plant if available otherwise dispose into the soak-well, do not dispose chemical into surface water. ● Provide training to related staffs on the safe transportation and disposal of chemicals.
Potential Risk of Pandemics (COVID-19) or communicable and Non-communicable disease		
Release Pandemics, Communicable disease or non-communicable disease	Lack of awareness and knowledge in health care among worker laborer pose a risk of transmitting pandemics (COVID and other communicable disease)	<p>The Enterprise shall:</p> <ul style="list-style-type: none"> ● Enforce health and hygiene protocols: hand washing, wearing a mask for all workers and labourers. ● Conduct all types of business operation as well as construction activities as per plan to minimize risks. ● Ensure use of personal protection equipment (PPE), such as safety boots, masks, gloves, protective clothing, goggles etc. where required. ● Ensure adequate ventilation facilities (HVAC) at all working areas, dormitories and camps. ● Ensure safe and reliable water supply that meets the national standards. ● Arrange hygienic sanitary facilities and sewerage system. ● Follow the wastes management guidelines ● Implement OHS safety standards for all those laid down on the international standards (WHO and CDC guidelines) as well as national guidelines (for example: Bangladesh Government Covid-19. response guidelines, DGHS and MoHFW or Labor Law 2018/06).

Social Impact Assessment and Mitigation Data Sheet

1. PO Name & Address:

2. *Project* *Title:*

3. *Project* *Location:*

 Village: Union:
 Upazila: District:

4. *Description of the physical/construction activities that will be implemented under the project:*

5. *Description of lands used for the project:*

6. Public Lands: Total amount used (decimals):

	Squatters	Encroachers	Others (specify)
<i>Number of affected users</i>			

Other assets affected on public lands:

Livelihood impacted of vulnerable persons:

Private Lands: Total amount used (decimals): Total number of affected landowners:

Other private assets affected:

Livelihood impacted:

7. *How the private lands obtained:*

	Amount	No. of Contributors
Voluntary contribution		
Contribution against compensation		
Other means (Specify:)		

8. Compensation payment:	No. of persons paid	Total amount paid (Tk)
Contributors against compensation		
Squatters		
Others (specify)		
.....		

9. Documentation: Types of evidence of voluntary contribution obtained:

Signed MOU witnessed by community members

Others (specify)

.....

This form filled in by (Name):

Signature:

Date:

Annex 4: Capacity Development and Training

Capacity Development Support	
Specific Training to be provided	Targeted Groups
PKSF will design and implement training for targeted groups involved in the Project to improve their awareness of risks and mitigate the impacts. This ESMS proposes a preliminary training plan covering the following topics. This plan will be adapted to meet needs during Project implementation.	
ESF Training on ESF and the 10 ESSs—including preparation of ESMS	Personnel directly related with project at the IAs
Issues Related to ES, ESMP, IEE <ul style="list-style-type: none"> • Sub-project screening, scoping and categorization • Sub-project Environmental and Social Management Plan (ESMP) • Adaptation of sustainable environmental practices and monitoring activity 	Officials of IAs, Trainers, Microenterprises, Beneficiaries,
Occupational Health and Safety Module: <ul style="list-style-type: none"> • Workplace risk management • Prevention of accidents at work sites • Health and safety rules • Preparedness and response to emergency situations • Use of PPE (for all) • Waste Management • Community Health and Safety • Traffic Management • Security 	Officials of IAs, Trainers, Microenterprises, and Beneficiaries,
Labor and Working Conditions <ul style="list-style-type: none"> • Terms and conditions of employment according to national working laws and regulations • Codes of Conduct • Worker’s organizations • Child labor and minimum age employment rules 	IAs Local officials, POs, Workshops/ Microenterprises,
Grievance Redress Mechanism Module , design and production of a training module addressing the following aspects: <ul style="list-style-type: none"> • Registration and processing procedure • Grievance redress procedure • Documenting and processing grievances • Use of the procedure by different stakeholders 	ES, SDS, HS, IAs’ Officials, POs, Welfare Officers
GBV Risk Module Raising awareness and measures to prevent and mitigate GBV/SEAH risks. The topics and activities will be developed and included in the Project’s GRM.	IAs Local officials, Trainers, Beneficiaries

Annex 5: Guidelines for Land Use, Resettlement and Compensation

1. Land Availability and Resettlement Issues

Involuntary resettlement issues are expected to arise where project proposals include land-based physical infrastructures. But as stipulated, private lands cannot be acquired, and use of public lands will depend on current uses and users. Where the proposed infrastructures are a critical part of the activity/adaptation measure, the POs will use the following guidelines to obtain public and private lands.

Public Lands. Where they are in use by well-off persons and stoppage of further use would be socioeconomically inconsequential, the POs and communities may persuade the users to relinquish occupancy of the lands and look for alternative lands, if they refuse. Where these lands are currently used for living and/or livelihood by the poor and vulnerable, the POs and beneficiaries can obtain them by offering socioeconomic rehabilitation measures acceptable to the affected persons. The following condition will however apply:

The current users will have the option to refuse to relinquish occupation of the lands without the fear of any adverse consequences.

Private Land on ‘Voluntary Contribution’. As is often the practice in the rural areas, the concerned members of the community, if persuaded, may elect to contribute the lands without compensation. This method will be followed only for small amount of lands and the project will ensure that,

- The contributions are voluntary;
- There are no encumbrances on the contributed lands;
- The contributions do not affect the livelihood of vulnerable persons and, if it does, the PO and community devise and implement mitigation measures acceptable to the affected persons; (see *Attachment B1*)
- The affected persons/contributors are made aware of the Grievance Redress Mechanism described in the preceding section;
- The contributors give up all claims on the lands and the titles are transferred to the recipient through the legal process in the country; and
- The contributions are documented through an MOU (see *Attachment B2*)

Private Land on ‘Contribution Against Compensation’. Voluntary contributions are seen more feasible where the landowners are well-off and very few in number. Contributions for infrastructures like irrigation and drainage canals, roads, etc, may involve a larger number of landowners -- some of whom might be quite marginal and vulnerable. In such cases, the beneficiary communities can offer this option as an incentive for contribution. The following condition will however apply:

The landowners will have the option to refuse or to accept the ‘contribution against compensation’ offer without the fear of any adverse consequences.

In cases of voluntary contribution and ‘contribution against compensation’, the POs will (i) ensure that landowners and communities are made fully aware of their rights and obligations; (ii) verify that contributions without and against compensation are truly voluntary; and (iii) that the contributors are the legitimate owners of the lands being obtained and there are no outstanding disputes over ownership.

2. Impact Mitigation Objectives

The principles and guidelines provided in this framework are to avoid or minimize adverse impacts on private landowners and public land users, mitigate the impacts that are unavoidable, and assist to improve, or at least restore, their living standards and income earning or production capacity to pre-project levels. To achieve the objectives, POs will adhere to the following strategic guidelines.

- Avoid or minimize displacement of persons/households who may have been using public lands for residential and livelihood purposes;
- Establish guidelines and procedures to ensure that private land contributions are voluntary and sought and accepted in transparent manners without causing unacceptable adverse impacts on the owners;
- Collectively decide on community-based impact mitigation measures where private lands are required for critical adaptation measures and adverse impacts are to be shared together by many landowners;

3. Guiding Principles for Land Availability

While preparing their proposals, the POs will explore alternatives to avoid or minimize use of private and public lands, especially those that have been under use by poor and vulnerable. In unavoidable cases, they will adhere to the following principles:

- Where lands are absolutely required, POs will,
 - Use as much of public lands as possible
 - Completely avoid displacement from private homesteads
 - Avoid or minimize displacement of homesteads from public lands
 - Use lands of lower value in terms of productivity and uses
 - Avoid affecting premises that are used for business/commercial activities
 - Avoid affecting religious sites like places of worship, cemeteries, and buildings/structures that are socially and historically important.
- POs will not propose any physical activities in their adaptation proposals which will significantly restrict access of the communities, especially the socioeconomically vulnerable groups, to common property resources that have been a primary source of their livelihood.

4. Impact Mitigation Principles

A) Where physical activities affect persons/households on public land, or require private land on “contributions against compensation”, POs will adhere to the following principles to avoid/minimize adverse impacts and adopt appropriate mitigation measures:

- As a first step toward mitigating adverse impacts, POs will always try to avoid adversely affecting persons/households who are socioeconomically vulnerable.
 - Where adverse impacts are absolutely unavoidable, the POs will ensure that the beneficiary communities collectively rehabilitate the affected persons / households with measures acceptable to them.
 - Where displacement of public land users is unavoidable, POs will assist the affected persons/households to relocate on available public lands in the vicinity.
 - POs will mobilize the communities to collectively provide financial and material assistance to the affected persons/households to move and rebuild their houses.
 - Where businesses, such as small-scale road-side shops, are displaced, POs will mobilize community assistance to relocate them in the vicinity to ensure that they remain operational and do not lose income.
 - Where private land is unavailable on voluntary contribution, contribution can only be sought against compensation.
- B) Resettlement Action Plan (RAP) is prepared to follow the guidelines and principles contained in this SMF in the case that use of private lands or public lands from private uses could not be

avoided. The POs and communities will implement the RAP once the SGP is accepted for sub-grant and implemented before receiving the sub-grant.

5. Eligibility for Compensation/Assistance

The persons/households affected directly and indirectly by the physical activities under an SGP are eligible for compensation and assistance. The most likely eligible groups are:

- Private Landowners: Persons who have legal rights to the affected lands and other assets, such as houses/structures, trees, etc, built and grown on them.
- Squatters: Persons/households who do not have legal rights to the lands, but use them for residential and livelihood purposes constructing structures on the lands.
- Encroachers: Persons/households who do not have legal rights to the affected lands, but use them for agricultural or other productive purpose without any construction.

6. Compensation/Assistance Principles

Depending on an affected person's preference, POs and the beneficiary communities may consider using both financial and material forms of compensation and assistance. POs will ensure delivery of the agreed compensation/assistance in a timely and transparent manner. Compensation for the affected assets will be according to the following principles:

- Replacement cost for an equal amount of land of same productive quality.
- Replacement cost of houses/structures at the current prices of same building materials, plus the current cost of labor (without deducting the depreciation value) to build them.
- Current market prices of trees that are to be felled (owners will retain ownership of un-felled trees).
- Other acceptable in-kind compensation.
- Compensation in cash will be made in public.

The POs, beneficiary communities and the landowners will jointly determine the replacement costs of land based on the most recent transactions made in the same or adjacent localities, in view of the land type, productive quality and accessibility. Current prices of other assets, such as building materials, trees, etc, will be in accord with those in the local markets.

POs will document the impacts and affected persons/households, mitigation measures agreed with them, and verifiable evidence that the agreed measures have been implemented. The cases of voluntary private land contributions and contributions against compensation will also be documented with appropriate evidence and will remain open to be verified by PKSf, and others interested bodies related to the project (Documentation formats for impact assessment and mitigation; contribution of lands and other assets; and a schedule of compensation for using public and private lands are suggested in *Attachments B1, B2 and B3*).

7. Community Consultation

Consultations will be inclusive of all stakeholders and used as a two- way communication strategy to provide information about the project and solicit support and agreements on the mitigations proposed.

A) Community consultation will be a vital part of decision making about all land-based activities in a project. In addition to general consultation about the benefits and feasibility of specific physical activity, POs will make certain that the users of the required lands (with and without legal rights), are consulted very early in the proposal preparation process. Consultations will focus on the issue of land availability and the conditions under which they could be used for projects. In cases where the would-be affected persons are women, POs will arrange culturally appropriate or separate consultations.

B) POs will prepare consultations minutes, indicating dates, venues, compensation issues discussed, and the details of the agreements reached. The affected persons will be provided with copies of the minutes signed by the affected persons and the POs. Copies of all such signed minutes will be kept by POs and will be made available for review by PKSF and the development partners.

8. Documentation

The POs will keep the minutes of community meetings, records of persons/households who may have been displaced from public lands, voluntary contribution and ‘contribution against compensation’ of private lands; and agreements made on compensation and the evidence of compensation payment. POs will make them available for review as and when asked by PKSF.

Involuntary Resettlement Instruments

1. This section describes the elements of the plans addressing physical and/or economic displacement. These plan shall be referred to as ‘resettlement plans’. Resettlement plans include measures to address physical and/or economic displacement, depending on the nature of the impacts expected from a project. Projects may use alternative nomenclature, depending on the scope of the resettlement plan—for example, where a project involves only economic displacement, the resettlement plan may be called a ‘livelihood plan’ or where restrictions on access to legally designated parks and protected areas are involved, the plan may take the form of a ‘process framework’.

A. Resettlement Plan

2. The scope of requirements and level of detail of the resettlement plan depends on the magnitude and complexity of resettlement. The plan is based on up-to-date and reliable information about (a) the proposed project and its potential impacts on the displaced persons and other adversely-affected groups, (b) appropriate and feasible mitigation measures, and (c) the legal and institutional arrangements required for effective implementation of resettlement measures.

Minimum elements of a resettlement plan

3. Description of the project. General description of the project and identification of the project area.
4. Potential impacts. Identification of:
 - (a) The project components or activities that give rise to displacement, explaining why the selected land must be acquired for use within the timeframe of the project;
 - (b) The zone of impact of such components or activities;
 - (c) The scope and scale of land acquisition and impacts on structures and other fixed assets;
 - (d) Any project imposed restrictions on use of, or access to, land or natural resources;
 - (e) Alternatives considered to avoid or minimize displacement and why those were rejected;
and
 - (f) The mechanisms established to minimize displacement, to the extent possible, during project implementation.

5. Objectives.

The main objectives of the resettlement program.

6. Census survey and baseline socioeconomic studies. The findings of a household level census identifying and enumerating affected persons, and, with the involvement of affected persons, surveying land, structures and other fixed assets to be affected by the project. The census survey also serves other essential functions:
 - (a) Identifying characteristics of displaced households, including a description of production systems, labor, and household organization; and baseline information on livelihoods and standards of living (including health status) of the displaced population;
 - (b) Information on vulnerable groups or persons for whom special provisions may have to be made;
 - (c) Identifying public or community infrastructure, property or services that may be affected;
 - (d) Providing a basis for the design of, and budgeting for, the resettlement program;
 - (e) In conjunction with establishment of a cutoff date, providing a basis for excluding ineligible people from compensation and resettlement assistance; and
 - (f) Establishing baseline conditions for monitoring and evaluation purposes.
7. Legal framework. The findings of an analysis of the legal framework, covering:
 - (a) The scope of the power of compulsory acquisition and imposition of land use restriction and the nature of compensation associated with it, in terms of both the valuation methodology and the timing of payment;
 - (b) The applicable legal and administrative procedures, including a description of the remedies available to displaced persons in the judicial process and the normal timeframe for such procedures, and any available grievance redress mechanisms that may be relevant to the project;
 - (c) Laws and regulations relating to the agencies responsible for implementing resettlement activities; and
 - (d) gaps, if any, between local laws and practices covering compulsory acquisition, imposition of land use restrictions and provision of resettlement measures and ESS5, and the mechanisms to bridge such gaps.

8. Institutional framework. The findings of an analysis of the institutional framework covering:
 - (a) the identification of agencies responsible for resettlement activities and NGOs/CSOs that may have a role in project implementation, including providing support for displaced persons;
 - (b) An assessment of the institutional capacity of such agencies and NGOs/CSOs; and
 - (c) Any steps that are proposed to enhance the institutional capacity of agencies and NGOs/CSOs responsible for resettlement implementation.
9. Eligibility. Definition of displaced persons and criteria for determining their eligibility for compensation and other resettlement assistance, including relevant cutoff dates.
10. Valuation of and compensation for losses. The methodology to be used in valuing losses to determine their replacement cost; and a description of the proposed types and levels of compensation for land, natural resources and other assets under local law and such supplementary measures as are necessary to achieve replacement cost for them.
11. Community participation. Involvement of displaced persons:
 - (a) A description of the strategy for consultation with, and participation of, displaced persons in the design and implementation of the resettlement activities;
 - (b) A summary of the views expressed and how these views were taken into account in preparing the resettlement plan;
 - (c) A review of the resettlement alternatives presented and the choices made by displaced persons regarding options available to them; and
 - (d) Institutionalized arrangements by which displaced people can communicate their concerns to project authorities throughout planning and implementation, and measures to ensure that such vulnerable groups as small ethnic community, ethnic minorities, the landless, and women are adequately represented.
12. Implementation schedule: An implementation schedule providing anticipated dates for displacement, and estimated initiation and completion dates for all resettlement plan activities. The schedule should indicate how the resettlement activities are linked to the implementation of the overall project.

13. Costs and budget: Tables showing categorized cost estimates for all resettlement activities, including allowances for inflation, population growth, and other contingencies; timetables for expenditures; sources of funds; and arrangements for timely flow of funds, and funding for resettlement, if any, in areas outside the jurisdiction of the implementing agencies.
14. Grievance redress mechanism: The plan describes affordable and accessible procedures for third-party settlement of disputes arising from displacement or resettlement; such grievance mechanisms should take into account the availability of judicial recourse and community and traditional dispute settlement mechanisms.
15. Monitoring and evaluation: Arrangements for monitoring of displacement and resettlement activities by the implementing agency, supplemented by third-party monitors to ensure complete and objective information; performance monitoring indicators to measure inputs, outputs, and outcomes for resettlement activities; involvement of the displaced persons in the monitoring process; evaluation of results for a reasonable period after all resettlement activities have been completed; using the results of resettlement monitoring to guide subsequent implementation.
16. Arrangements for adaptive management: The plan should include provisions for adapting resettlement implementation in response to unanticipated changes in project conditions, or unanticipated obstacles to achieving satisfactory resettlement outcomes. Additional planning requirements where resettlement involves physical displacement
17. When project circumstances require the physical relocation of residents or businesses, resettlement plans require additional information and planning elements. Additional requirements include:
18. Transitional assistance: The plan describes assistance to be provided for relocation of household members and their possessions. The plan describes any additional assistance to be provided for households choosing cash compensation and securing their own replacement housing, including construction of new housing. If planned relocation sites (for residences or businesses) are not ready for occupancy at the time of physical displacement, the plan establishes a transitional allowance sufficient to meet temporary rental expenses and other costs until occupancy is available.

19. Site selection, site preparation, and relocation: When planned relocation sites are to be prepared, the resettlement plan describes the alternative relocation sites considered and explains sites selected, covering:
- (a) institutional and technical arrangements for identifying and preparing relocation sites, whether rural or urban, for which a combination of productive potential, locational advantages, and other factors is better or at least comparable to the advantages of the old sites, with an estimate of the time needed to acquire and transfer land and ancillary resources;
 - (b) Identification and consideration of opportunities to improve local living standards by supplemental investment in infrastructure, facilities or services;
 - (c) Any measures necessary to prevent land speculation or influx of ineligible persons at the selected sites;
 - (d) Procedures for physical relocation under the project, including timetables for site preparation and transfer; and
 - (e) Legal arrangements for regularizing tenure and transferring titles to those resettled, including provision of security of tenure for those previously lacking full legal rights to land or structures.
20. Housing, infrastructure, and social services. Plans to provide housing, infrastructure, and social services (e.g. schools, health services); plans to maintain or provide a comparable level of services to host populations any necessary site development, engineering, and architectural designs for these facilities.
21. Environmental protection and management: A description of the boundaries of the planned relocation sites; and an assessment of the environmental impacts of the proposed resettlement and measures to mitigate and manage these impacts.
22. Consultation on relocation arrangements: The plan describes methods of consultation with physically displaced persons on their preferences regarding relocation alternatives available to them, including, as relevant, choices related to forms of compensation and transitional assistance, to relocating as individual households families or with preexisting communities or kinship groups, to sustaining existing patterns of group organization, and for relocation of, or retaining access to, cultural property (e.g. places of worship, pilgrimage centers, cemeteries).

23. Integration with host populations: Measures to mitigate the impact of planned relocation sites on any host communities, including:
- (a) Consultations with host communities and local governments;
 - (b) Arrangements for prompt tendering of any payment due the hosts for land or other assets provided in support of planned relocation sites;
 - (c) Arrangements for identifying and addressing any conflict that may arise between those resettled and host communities; and
 - (d) Any measures necessary to augment services (e.g. education, water, health, and production services) in host communities to meet increased demands upon them, or to make them at least comparable to services available within planned relocation sites.

Additional planning requirements where resettlement involves economic displacement

24. If land acquisition or restrictions on use of, or access to, land or natural resources may cause significant economic displacement, arrangements to provide displaced persons with sufficient opportunity to improve, or at least restore, their livelihoods are also incorporated into the resettlement plan, or into a separate livelihoods improvement plan. These include:
25. Direct land replacement: For those with agricultural livelihoods, the resettlement plan provides for an option to receive replacement land of equivalent productive value, or demonstrates that sufficient land of equivalent value is unavailable. Where replacement land is available, the plan describes methods and timing for its allocation to displaced persons.
26. Loss of access to land or resources: For those whose livelihood is affected by loss of land or resource use or access, including common property resources, the resettlement plan describes means to obtain substitutes or alternative resources, or otherwise provides support for alternative livelihoods.
27. Support for alternative livelihoods: For all other categories of economically displaced persons, the resettlement plan describes feasible arrangements for obtaining employment or for establishing a business, including provision of relevant supplemental assistance including skills training, credit, licenses or permits, or specialized equipment. As warranted, livelihood planning provides special assistance to women, minorities or vulnerable groups who may be disadvantaged in securing alternative livelihoods.

28. Consideration of economic development opportunities: The resettlement plan identifies and assesses any feasible opportunities to promote improved livelihoods as a result of resettlement processes. This may include, for example, preferential project employment arrangements, support for development of specialized products or markets, preferential commercial zoning and trading arrangements, or other measures.
29. Transitional support: The resettlement plan provides transitional support to those whose livelihoods will be disrupted. This may include payment for lost crops and lost natural resources, payment of lost profits for businesses, or payment of lost wages for employees affected by business relocation. The plan provides that the transitional support continues for the duration of the transition period.

B. Resettlement framework

30. The purpose of the resettlement framework is to clarify resettlement principles, organizational arrangements, and design criteria to be applied to subprojects or project components to be prepared during project implementation. Once the sub-project or individual project components are defined and the necessary information becomes available, such framework will be expanded into a specific plan proportionate to potential risks and impacts.
31. The resettlement policy framework covers the following elements:
- (a) A brief description of the project and components for which land acquisition and resettlement are required, and an explanation of why a resettlement policy framework rather than a resettlement plan is being prepared;
 - (b) Principles and objectives governing resettlement preparation and implementation;
 - (c) A description of the process for preparing and approving resettlement plans;
 - (d) Estimated displacement impacts and estimated numbers and categories of displaced persons, to the extent feasible;
 - (e) Eligibility criteria for defining various categories of displaced persons;
 - (f) A legal framework;
 - (g) Methods of valuing affected assets;
 - (h) Organizational procedures for delivery of compensation and other resettlement assistance, including, for projects involving private sector intermediaries, the

responsibilities of the financial intermediary, the government, and the private developer;

- (i) A description of the implementation process, linking resettlement implementation to civil works;
- (j) A description of grievance redress mechanisms;
- (k) A description of the arrangements for funding resettlement, including the preparation and review of cost estimates, the flow of funds, and contingency arrangements;
- l) A description of mechanisms for consultations with, and participation of, displaced persons in planning, implementation, and monitoring; and
- (m) Arrangements for monitoring by the implementing agency and, if required, by third-party monitors.

Annex 6: Project Environment and Social Reporting Format

Example:

Sustainable Microenterprise and Resilient Transformation (SMART)

Monitoring Report

Partner Organization Name:

Date:

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1. **Project Background (Sector & Sub-sector):**
2. **Sub-project Name:**
3. **Sub-project implementation area:**
4. **Sub-sector categorization by ECR 1997(amendment 2023):**
5. **Environmental Management and Mitigation Plan:**

Environmental Issues	Mitigation Measures	Implemented by (ME/PO)	Frequency	Observation			
				Good	Bad	No measures taken	

Observation Summary:

6. Raw Material Information:

7. Information of energy/ resource (energy, water) consumption

Energy Consumption

Source of Energy	Energy Consumption Qty	Unit of energy	Consumption/ME	Remarks

Water Consumption

Source of Water	Water Consumption Qty	Consumption/ME	Remarks

Waste Management

Name of waste	Waste Quantity (unit: Kg or Ton)	Manageable waste Qty	Managing Measures (Reuse/ recycle/ Sell/other)	Unmanaged Waste qty	Remarks

8. Environment and Social Safeguard Training

Training Category	Training Title	Audience (ME/Worker/PO Staff/Others)	Modalities (On job/Classroom/Online)	Total Trainee	Certification (If applicable)

9. Conclusion:

Annex:

Annex-1: Screening Checklist (ESS), & Other

Annex-2: Baseline Images

Annex-3: Permits/ Certificates/Licenses:

Annex-4: Baseline Images

Annex 7: Stakeholder Engagement and Information Disclosure

Introduction

1. Stakeholders as an essential element of PKSF, POs and sub-projects, stakeholder engagement is an inclusive process conducted throughout the life cycle. Effective stakeholder engagement can improve the environmental and social sustainability of projects, enhance project acceptance, and make a significant contribution to successful project design and implementation. successful management of a project's environmental and social risks particularly risk's associated with the environment & social aspect, community related, biodiversity related, indigenous people.
2. Where properly designed and implemented, it supports the development of strong, constructive and responsive relationships that are important for successful management of a project's environmental and social risks. Stakeholder engagement is most effective when initiated at an early stage of the project development process, and is an integral part of early project decisions and the assessment, management and monitoring of the project's environmental and social risks and impacts.
3. The Stakeholder Engagement and Information Disclosure must be read in conjunction with environmental and social risk assessment, Requirements regarding engagement with workers are found in labor and working condition. Special provisions on emergency preparedness and response are covered in labor and working condition and community health and safety. In the case of projects involving involuntary resettlement, small ethnic community or cultural heritage, the PKSF and PO will also apply the special disclosure and consultation requirements.

Objectives

- To establish a systematic approach to stakeholder engagement that will help PKSF to identify stakeholders and build and maintain a constructive relationship with them, in particular project-affected parties.
- To assess the level of stakeholder interest and support for the project and to enable stakeholders' views to be taken into account in project design and environmental and social performance.
- To promote and provide means for effective and inclusive engagement with project-affected parties throughout the project life cycle on issues that could potentially affect them.

- To ensure that appropriate project information on environmental and social risks and impacts is disclosed to stakeholders in a timely, understandable, accessible and appropriate manner and format.
- To provide project-affected parties with accessible and inclusive means to raise issues and grievances, and allow PKSF to respond to and manage such grievances.

Scope of application

4. Stakeholder Engagement and Information Disclosure applies to all projects supported by PKSF through Project Financing. PKSF will engage with stakeholders as an integral part of the project’s environmental and social assessment and project design and implementation.
5. For the purpose of this policy ‘stakeholder’ refers to individuals or groups who:
 - (a) Are affected or likely to be affected by the project (project-affected parties); and
 - (b) May have an interest in the project.

Requirements

6. PKSF will engage with stakeholder’s through-out the project life cycle, commencing such engagement as early as possible in the project development process and in a timeframe that enables meaningful consultations with stakeholders on project design. The nature, scope and frequency of stakeholder engagement will be proportionate to the nature and scale of the project and its potential risks and impacts.
7. PKSF will engage in meaningful consultations with all stakeholders. PKSF will 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.
8. The process of stakeholder engagement will involve:
 - (i) stakeholder identification and analysis;
 - (ii) planning how the engagement with stakeholders will take place;
 - (iii) disclosure of information;
 - (iv) consultation with stakeholders;
 - (v) addressing and responding to grievances; and
 - (vi) reporting to stakeholders.

9. The PKSf will maintain, and disclose as part of the environmental and social assessment, a documented record of stakeholder engagement, including a description of the stakeholders consulted, a summary of the feedback received and a brief explanation of how the feedback was taken into account, or the reasons why it was not.

Stakeholder identification and analysis

10. PKSf will identify different stakeholders, both project-affected parties and other interested parties. Individuals or groups that are affected or likely to be affected by the project will be identified as ‘project-affected parties’ and other individuals or groups that may have an interest in the project will be identified as ‘other interested parties’.

11. PKSf will identify those project-affected parties (individuals or groups) who, because of their particular circumstances, may be disadvantaged or vulnerable. Based on this identification, the Borrower will further identify individuals or groups who may have different concerns and priorities about project impacts, mitigation mechanisms and benefits, and who may require different, or separate, forms of engagement. An adequate level of detail will be included in the stakeholder identification and analysis so as to determine the level of communication that is appropriate for the project.

12. Depending on the potential significance of environmental and social risks and impacts, PKSf may require to retain independent third-party specialists to assist in the stakeholder identification and analysis to support a comprehensive analysis and the design of an inclusive engagement process.

Stakeholder Engagement Plan

13. PKSf will develop and implement a Stakeholder Engagement Plan (SEP) proportionate to the nature and scale of the project and its potential risks and impacts. A draft of the SEP will be disclosed as early as possible, and before project appraisal, and the Borrower will seek the views of stakeholders on the SEP, including on the identification of stakeholders and the proposals for future engagement. If significant changes are made to the SEP, the Borrower will disclose the updated SEP.

14. The SEP will describe the timing and methods of engagement with stakeholders throughout the life cycle of the project. The SEP will also describe the range and timing of information to be communicated to project-affected parties and other interested parties, as well as the type of information to be sought from them.

15. The SEP will be designed to take into account the main characteristics and interests of the stake-holders, and the different levels of engagement and consultation that will be appropriate for different stakeholders. The SEP will set out how communication with stakeholders will be handled throughout project preparation and implementation.
16. The SEP will describe the measures that will be used to remove obstacles to participation, and how the views of differently affected groups will be captured. Where applicable, the SEP will include differentiated measures to allow the effective participation of those identified as disadvantaged or vulnerable. Dedicated approaches and an increased level of resources may be needed for communication with such differently affected groups so that they can obtain the information they need regarding the issues that will potentially affect them.
17. When the stakeholder engagement with local individuals and communities depends substantially on community representatives, PKSf will make reasonable efforts to verify that such persons do, in fact, represent the views of such individuals and communities, and that they are facilitating the communication process in an appropriate manner.
18. In certain circumstances, depending on the level of information available about the project, the SEP will take the format of a framework approach, outlining general principles and a collaborative strategy to identify stakeholders and plan for an engagement process in accordance with this chapter that will be implemented once the location is known.
Information disclosure
19. PKSf will disclose project information to allow stakeholders to understand the risks and impacts of the project, and potential opportunities. PKSf will provide stakeholders with access to the following information, as early as possible before it proceeds to project appraisal, and in a timeframe that enables meaningful consultations with stakeholders on project design.
 - (a) The purpose, nature and scale of the project
 - (b) The duration of proposed project activities
 - (c) Potential risks and impacts of the project on local communities, and the proposals for mitigating these, highlighting potential risks and impacts that might disproportionately affect vulnerable and disadvantaged groups and describing the differentiated measures taken to avoid and minimize these

- (d) The proposed stakeholder engagement process highlighting the ways in which stakeholders can participate
 - (e) The time and venue of any proposed public consultation meetings, and the process by which meetings will be notified, summarized, and reported
 - (f) The process and means by which grievances can be raised and will be addressed.
20. The information will be disclosed in relevant local languages and in a manner that is accessible and culturally appropriate, taking into account any specific needs of groups that may be differentially or disproportionately affected by the project or groups of the population with specific information needs (such as, disability, literacy, gender, mobility, differences in language or accessibility).

Meaningful consultation

21. PKSf will undertake a process of meaningful consultation in a manner that provides stakeholders with opportunities to express their views on project risks, impacts, and mitigation measures, and allows PKSf to consider and respond to them. Meaningful consultation will be carried out on an ongoing basis as the nature of issues, impacts and opportunities evolves.
22. Meaningful consultation is a two-way process, that:
- (a) Begins early in the project planning process to gather initial views on the project proposal and inform project design;
 - (b) Encourages stakeholder feedback, particularly as a way of informing project design and engagement by stakeholders in the identification and mitigation of environmental and social risks and impacts;
 - (c) Continues on an ongoing basis, as risks and impacts arise;
 - (d) Is based on the prior disclosure and dissemination of relevant, transparent, objective, meaningful and easily accessible information in a timeframe that enables meaningful consultations with stakeholders in a culturally appropriate format, in relevant local language(s) and is understandable to stakeholders;
 - (e) Considers and responds to feedback;
 - (f) Supports active and inclusive engagement with project-affected parties;

- (g) Is free of external manipulation, interference, coercion, discrimination, and intimidation; and
- (h) Is documented and disclosed.

Engagement during project implementation and external reporting

23. PKSf will continue to be engaged with, and provide information to, project-affected parties and other interested parties throughout the life cycle of the project, in a manner appropriate to the nature of their interests and the potential environmental and social risks and impacts of the project.

Grievance mechanism

26. PKSf will respond to concerns and grievances of project-affected parties related to the environmental and social performance including GBV/SEA/SH of the project in a timely manner. For this purpose, PKSf will propose and implement a grievance mechanism to receive and facilitate resolution of such concerns and grievances.

27. The grievance mechanism will be proportionate to the potential risks and impacts of the project and will be accessible and inclusive and will address project related GBV/SEA/SH. Where feasible and suitable for the project, the grievance mechanism will utilize existing formal or informal grievance mechanisms, supplemented as needed with project-specific arrangements. Further details on grievance mechanisms at PKSf and PO level are set out in **Chapter 8** of the ESMS.

- (a) The grievance mechanism is expected to address concerns promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all project-affected parties, at no cost and with-out retribution. The mechanism, process or procedure will not prevent access to judicial or administrative remedies. PKSf and the POs will inform the project-affected parties about the grievance process in the course of its community engagement activities, and will make publicly available a record documenting the responses to all grievances received; and
- (b) Handling of grievances will be done in a culturally appropriate manner and be discreet, objective, sensitive and responsive to the needs and concerns of the project-affected parties. The mechanism will also allow for anonymous complaints to be raised and addressed

Organizational capacity and commitment

28. PKSF will define clear roles, responsibilities, and authority as well as designate specific personnel to be responsible for the implementation and monitoring of stakeholder engagement activities and compliance with this ESMS.

Annex 8: Labor and Working Condition

Introduction

1. PKSF and PO ~~ESS2~~ recognizes the importance of employment creation and income generation in the pursuit of poverty reduction and inclusive economic growth. PKSF and the POs can promote sound worker management relationships and enhance the development benefits of a project by treating workers in the project fairly and providing safe and healthy working conditions.

Objectives

- To promote safety and health at work
- To promote the fair treatment, nondiscrimination and equal opportunity of project workers.
- To protect project workers, including vulnerable workers such as women, persons with disabilities, children, contracted workers, community workers and primary supply workers, as appropriate
- To prevent the use of all forms of forced labor and child labor
- To support the principles of freedom of association and collective bargaining of project workers in a manner consistent with national law
- To provide project workers with accessible means to raise workplace concerns.

Scope of application

2. The scope of labor and working condition is established during the environmental and social assessment. The scope of application of this policy depends on the type of employment relationship between the POs and the project workers. The term “project worker” refers to:
 - (a) People employed or engaged directly by PKSF and the POs (including the project proponent and the project implementing agencies) to work specifically in relation to the project (direct workers);
 - (b) People employed or engaged through third parties to perform work related to core functions of the project, regardless of location (contracted workers);
 - (c) People employed or engaged by the PO’s primary suppliers (primary supply workers);and

- (d) People employed or engaged in providing community labor (community workers). This Labor and Working Condition applies to project workers including full-time, part-time, temporary, seasonal and migrant workers.

Requirements

A. Working conditions and management of worker relationships

3. PKSf and the POs will develop and implement written labor management procedures applicable to the project. These procedures will set out the way in which project workers will be managed, in accordance with the requirements of national law. The procedures will address different categories of project workers including direct workers, and the way in which PKSf and the POs will require third parties to manage their workers.

Terms and conditions of employment

4. Project workers should be provided with information and documentation that is clear and understandable regarding their terms and conditions of employment. The information and documentation will set out their rights under national labor and employment law (which will include any applicable collective agreements), including their rights related to hours of work, wages, overtime, compensation and benefits as well as those arising from the requirements. This information and documentation should be provided at the beginning of the working relationship and when any material changes to the terms or conditions of employment occur.
5. Project workers should be paid on a regular basis as required by national law and labor management procedures. Deductions from payment of wages will only be made as allowed by national law or the labor management procedures, and project workers will be informed of the conditions under which such deductions will be made. Project workers should be provided with adequate periods of rest per week, annual holiday and sick, maternity and family leave, as required by national law and labor management procedures.
6. Where required by national law or the labor management procedures, project workers will receive written notice of termination of employment and details of severance payments in a timely manner. All wages that have been earned, social security benefits, pension contributions and any other entitlements will be paid on or before termination of the working relationship, either directly to the project workers or where appropriate, for the benefit of the project workers. Where payments are made for the benefit of project workers, project workers will be provided with evidence of such payments.

Nondiscrimination and equal opportunity

7. Decisions relating to the employment or treatment of project workers will not be made on the basis of personal characteristics unrelated to inherent job requirements. . The employment of project workers will be based on the principle of equal opportunity and fair treatment, and there will be no discrimination with respect to any aspects of the employment relationship, such as recruitment and hiring, compensation (including wages and benefits), working conditions and terms of employment, access to training, job assignment, promotion, termination of employment or retirement, or disciplinary practices. The labor management procedures will set out measures to prevent and address harassment, intimidation and/or exploitation. Where national law is inconsistent with this paragraph, the project will seek to carry out project activities in a manner that is consistent with the requirements of this paragraph to the extent possible.
8. Special measures of protection and assistance to eliminate discrimination or selection for a particular job based on the inherent requirements of the job or the objectives of the project will not be deemed as discrimination, provided they are consistent with national law.
9. PKSf, POs, and project beneficiaries will provide appropriate measures of protection and assistance to address the vulnerabilities of project workers, including specific groups of workers, such as women, people with disabilities, migrant workers and children (of working age). Such measures may be necessary only for specific periods of time, depending on the circumstances of the project worker and the nature of the vulnerability.

Worker's organizations

10. All the projects under PKSf will be implemented in accordance with national law. In such circumstances, the role of legally established workers' organizations and legitimate workers' representatives will be respected, and they will be provided with information needed for meaningful negotiation in a timely manner. PKSf and the POs will not discriminate or retaliate against project workers who participate, or seek to participate, in such workers' organizations and collective bargaining or alternative mechanisms.

B. Protecting the work force

Child labor and minimum age

11. A child under the minimum age established in accordance with Bangladesh law will not be employed or engaged in connection with the project. The labor management procedures

will specify the minimum age for employment or engagement in connection with the project, which will be the age of 18.

12. A child over the minimum age and under the age of 18 may be employed or engaged in connection with the project only under the following specific conditions:

- (a) The work does not fall within paragraph 13 below;
- (b) An appropriate risk assessment is conducted prior to the work commencing; and
- (c) PKSF and the POs conducts regular monitoring of health, working conditions, hours of work and the other requirement of this chapter.

13. A child over the minimum age and under the age of 18 will not be employed or engaged in connection with the project in a manner that is likely to be hazardous or interfere with the child's education or be harmful to the child's health or physical, mental, spiritual, moral or social development.

Forced labor

14. Forced labor, which consists of any work or service not voluntarily performed that is exacted from an individual under threat of force or penalty, will not be used in connection with the project. This prohibition covers any kind of involuntary or compulsory labor, such as indentured labor, bonded labor, or similar labor-contracting arrangements. No trafficked persons will be employed in connection with the project.

C. Grievance mechanism

15. A grievance mechanism will be provided for all direct workers and contracted workers to raise work place concerns. Such workers will be informed of the grievance mechanism at the time of recruitment and the measures put in place to protect them against any reprisal for its use. Measures will be put in place to make the grievance mechanism easily accessible to all project workers.

16. The grievance mechanism will be proportionate to the nature, scale, and the potential risks and impacts of the project. It will be designed to address concerns promptly, using an understandable and transparent process that provides timely feedback to those concerned in a language they understand, without any retribution, and will operate in an independent and objective manner. The grievance mechanism may utilize existing grievance mechanisms, providing that they are properly designed and implemented, address concerns promptly, and are readily accessible to such project workers. Existing grievance

mechanisms may be supplemented as needed with project specific arrangements. Overall, the grievance mechanism would address.

17. The grievance mechanism will not impede access to other judicial or administrative remedies that might be available under the law or through existing arbitration procedures, or substitute for grievance mechanisms provided through collective agreements.

D. Occupational Health and Safety (OHS)

18. Measures relating to occupational health and safety will be applied to the project. The OHS measures will include the requirements of this Section, and will take into account the EHS related national guideline and PKSf's General EHS including development partners guidelines. The OHS measures applied to the project will be set out in the legal agreement and development partners agreement for example in the ESCP.
19. The OHS measures will be designed and implemented to address:
 - a) the identification of potential hazards to project workers, particularly to the ones are life threatening;
 - b) the provision of preventive and protective measures, including modification, substitution, or elimination of hazardous conditions or substances;
 - c) training of project workers and maintenance of training records;
 - d) documentation and reporting of occupational accidents, diseases, and incidents;
 - e) emergency prevention and preparedness and response arrangements to emergency situations; and
 - f) remedies for adverse impacts such as occupational injuries, deaths, disability, and disease.
20. All parties, who employ or engage project workers, will develop and implement procedures to establish and maintain a safe working environment, including that workplaces, machinery, equipment, and processes under their control are safe and without risk to health, including the use of appropriate measures relating to chemical, physical and biological substances and agents. Such parties will actively collaborate and consult with project workers in promoting understanding, and methods for, implementation of OHS requirements, as well as in providing information to project workers, training on occupational safety and health, and provision of personal protective equipment without expense to the project workers.
21. Workplace processes will be put in place for project workers to report work situations that they believe are not safe or healthy, and to remove themselves from a work situation which

they have reasonable justification to believe presents an imminent and serious danger to their life or health. Project workers who remove themselves from such situations will not be required to return to work until necessary remedial action to correct the situation has been taken. Project workers will not be retaliated against or otherwise subject to reprisal or negative action for such reporting or removal.

22. Project workers will be provided with facilities appropriate to the circumstances of their work, including access to canteens, hygiene facilities, and appropriate areas for rest. Where accommodation services are provided to project workers, policies will be put in place and implemented on the management and quality of accommodation to protect and promote the health, safety, and wellbeing of the project workers, and to provide access to or provision of services that accommodate their physical, social and cultural needs.
23. Where project workers are employed or engaged by more than one party and are working together in one location, the parties who employ or engage the workers will collaborate in applying the OHS requirements, without prejudice to the responsibility of each party for the health and safety of its own workers.
24. A system for regular review of occupational safety and health performance and the working environment will be put in place and include identification of safety and health hazards and risks, implementation of effective methods for responding to identified hazards and risks, setting priorities for taking action, and evaluation of results.

D. Contracted workers

25. PKSF will make reasonable efforts to ascertain that third parties who engage contracted workers are legitimate and reliable entities and have in place labor management procedures applicable to the project that will allow them to operate in accordance with the requirements labor and working conditions.
26. PKSF and the POs will establish procedures for managing and monitoring the performance of such third parties in relation to the requirements of this chapter. In addition, the POs will incorporate the requirements of this ESS into contractual agreements with such third parties, together with appropriate noncompliance remedies. In the case of subcontracting, the POs will require such third parties to include equivalent requirements and non-compliance remedies in their contractual agreements with subcontractors.
27. Contracted workers will have access to a grievance mechanism. In cases where the third party employing or engaging the workers is not able to provide a grievance mechanism to

such workers, PKSf and the POs will make the grievance mechanism, available to the contracted workers.

E. Community workers

28. Projects may include the use of community workers in a number of different circumstances, including where labor is provided by the community as a contribution to the project, or where projects are designed and conducted for the purpose of fostering community-driven development, providing a social safety net or providing targeted assistance in fragile and conflict-affected situations. In all such circumstances, PKSf, POs, and project beneficiaries will require measures to be implemented to ascertain whether such labor is or will be provided on a voluntary basis as an outcome of individual or community agreement.
29. Accordingly, where the project includes the provision of labor by community workers, PKSf and the POs will apply the relevant provisions of this chapter in a manner which reflects and is proportionate to:
 - (a) The nature and scope of the project;
 - (b) The specific project activities in which the community workers are engaged; and
 - (c) The nature of the potential risks and impacts to the community workers.
30. Working Conditions and Occupational Health and Safety will be assessed in relation to community labor, and will be applied in a manner which reflects (a) to (c) above. The way in which these requirements will apply in the circumstances of the project will be set out in the labor management procedures. In preparing the labor management procedures, the POs will clearly identify the terms and conditions on which community labor will be engaged, including amount and method of payment (if applicable) and times of work. The labor management procedures should be specified the way in which community workers can raise grievances in relation to the project. PKSf and the POs with the assistance of project beneficiaries as applicable will assess the potential risks and impacts of the activities to be conducted by community workers and, at a minimum, apply the relevant requirements of the General EHS guidelines of PKSf.
31. PKSf and the POs will assess whether there is a risk of child labor or forced labor within community labor, identifying those risks. The labor management procedures will set out roles and responsibilities for monitoring community workers. If cases of child labor or forced labor are identified, the POs will take appropriate steps to remedy them.

32. The review system established, pursuant to paragraph 30, will take into account the provision of labor by community workers in the project, and that adequate training is provided to such workers, tailored to their particular needs and the potential risks and impacts of the project.

F. Primary supply workers

33. As part of the environmental and social assessment, PKSf and the POs will identify potential risks of child labor, forced labor, and serious safety issues which may arise in relation to primary suppliers.

34. Where there is a significant risk of child labor or forced labor related to primary supply workers, PKSf and the POs will require the primary supplier to identify those risks. The labor management procedures will set out roles and responsibilities for monitoring primary suppliers. If child labor or forced labor cases are identified, PKSf and the POs will require the primary supplier to take appropriate steps to address them.

35. Additionally, where there is a significant risk of serious safety issues related to primary supply workers, PKSf and the POs will require the relevant primary supplier to introduce procedures and mitigation measures to address such safety issues. Such procedures and mitigation measures will be reviewed periodically to ascertain their effectiveness.

36. The ability of PKSf and the POs to address these risks will depend upon PKSf and the PO's level of control or influence over its primary suppliers. Where remedy is not possible, PKSf and the POs will, within a reasonable period, shift the project's primary suppliers to suppliers that can demonstrate that they are meeting the relevant requirements of this chapter.