

State of Parana
State Secretariat of Planning - SEPL

Parana Water Security Project
(P510227)

ENVIRONMENTAL AND SOCIAL
COMMITMENT PLAN (ESCP)

Negotiated Version
June 23, 2026

ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The State of Parana (the Borrower) will implement the Parana Water Security Project (the Project), with the involvement of State Secretariat of Planning (SEPL), State Secretariat of Agriculture and Supply (SEAB), Water and Land Institute (IAT), Paraná Rural Development Institute (IDR-Paraná), the Paraná Agricultural Defense Agency (ADAPAR), and the Paraná Sanitation Company (SANEPAR), as set out in the Loan Agreement (the Agreement). The International Bank for Reconstruction and Development (the Bank) has agreed to provide the original financing for the Project, as set out in Agreement.
2. The Borrower shall ensure that the Project is carried out in accordance with the Environmental and Social Standards (ESSs) and this Environmental and Social Commitment Plan (ESCP), in a manner acceptable to the Bank. The ESCP is a part of the Agreement. Unless otherwise defined in this ESCP, capitalized terms used in this ESCP have the meanings ascribed to them in the Agreement.
3. Without limitation to the foregoing, this ESCP sets out material measures and actions that the Borrower shall carry out or cause to be carried out, including, as applicable, their respective timeframes; institutional, staffing, training, monitoring and reporting arrangements; and grievance management. The ESCP also sets out the environmental and social (E&S) documents that shall be prepared or updated, consulted, disclosed and implemented under the Project, consistent with the ESSs, in form and substance acceptable to the Bank. Said E&S documents may be revised from time to time with prior written agreement by the Bank. As provided for under the referred Agreement, the Borrower shall ensure that there are sufficient funds available to cover the costs of implementing the ESCP.
4. As agreed by the Bank and the Borrower, this ESCP will be revised from time to time, if necessary, to reflect adaptive management of Project changes or unforeseen circumstances or in response to Project performance. In such circumstances, the Bank and the Borrower agree to update the ESCP to reflect these changes through an exchange of letters signed between the Bank and the Borrower's Representative specified in the Agreement. The Borrower shall promptly disclose the updated ESCP.
5. The subsection on "Indicators for Implementation Readiness" below identifies the actions and measures to be monitored to assess Project readiness to begin implementation in accordance with this ESCP. Nevertheless, all actions and measures in this ESCP shall be implemented as set out in the "Timeframe" column below irrespective of whether they are listed in the referred subsection.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
IMPLEMENTATION ARRANGEMENTS AND CAPACITY SUPPORT			
A	ORGANIZATIONAL STRUCTURE a) Establish and maintain a Project Management Unit (PMU) with qualified staff and resources to support management of environmental, social, health and safety risks and impacts of the Project including a Social Specialist and an Environmental Specialist. b) Hire or designate a Social Communications focal point (with community consultation background).	a) Establish the PMU as a condition of Effectiveness, thereafter, maintain the PMU and all required positions throughout Project implementation. b) Hire or designate the focal point within 90 days after the Effective Date and thereafter maintain this position throughout Project implementation.	SEPL – PMU
B	FOCAL POINTS AND SUPERVISION FIRMS a) Establish and maintain Project Implementing Units (<i>Unidades de Implementação do Projeto</i> - PIUs) in IAT, SEAB and SANEPAR and hire or designate a socioenvironmental focal point for the day-to-day E&S implementation support activities in each PIU. b) Engage and retain supervising firm(s) with qualified environmental and social risk management specialists to oversee and ensure the implementation of the Environmental and Social Management Framework (ESMF) and the Contractors' Environmental and Social Management Plans (C-ESMPs) by the contractor. The supervising firm(s) will report to IAT and SANEPAR (depending on the specific project work), and these reports must be submitted to SEPL for consolidation regarding the contractors' performance in environmental and social risk management.	a) Establish the PIUs as a condition of Effectiveness, thereafter, maintain the PIUs and all required positions throughout Project implementation. b) Hire the supervising firms prior to the issuance of the service order for infrastructure works and thereafter maintain the supervising firms throughout the implementation of the corresponding infrastructure works.	SANEPAR IAT SEAB

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
C	CAPACITY BUILDING PLAN/MEASURES Prepare and submit to the Bank a comprehensive capacity building strategy addressing the environmental, social, health, and safety (ESHS) requirements of the Project. The strategy shall, at a minimum, include the following components: a) Deliver training to the PMU and all staff directly engaged in the Project on the requirements and tools for environmental and social risk management, including the ESMF, Stakeholder Engagement Plan (SEP), Environmental and Social Commitment Plan (ESCP), and the relevant Environmental and Social Standards (ESSs). b) Provide training to the PMU and staff directly engaged in the Project regarding how to report and address incidents and accidents (see action D below). c) Conduct training for the PMU and all staff directly engaged in the Project on gender requirements and considerations applicable to the Project.	No later than 60 days after the Effective Date and thereafter implement the strategy on an annual basis.	SEPL - PMU
MONITORING AND REPORTING			
D	REGULAR REPORTING Prepare and submit to the Bank regular monitoring reports on the ESHS performance of the Project. The reports shall include, <i>inter alia</i>: • Status of preparation and implementation of E&S documents required under the ESCP. • Summary of stakeholder engagement activities carried out as per the SEP. • Complaints submitted to the grievance mechanism(s), the grievance log, and progress made in resolving them. • E&S performance of contractors and subcontractors as reported through monthly contractors' and supervision firms' reports. • Number and status of resolution of incidents and accidents reported under action E below.	Submit biannually reports to the Bank throughout Project implementation. Submit each report to the Bank no later than 45 days after the end of each reporting period.	SEPL - PMU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
E	INCIDENTS AND ACCIDENTS a) Notify the Bank of any incident or accident relating to the project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including those resulting in death or significant injury to workers or the public; acts of violence, discrimination or protest; unforeseen impacts to cultural heritage or biodiversity resources; pollution of the environment; dam failure; forced or child labor; displacement without due process (forced eviction); allegations of sexual exploitation or abuse (SEA), or sexual harassment (SH); or disease outbreaks. Provide available details of the incident or accident to the Bank upon request. b) Arrange for an appropriate review of the incident or accident to establish its immediate, underlying and root causes and prepare, agree with the Bank, and implement a Corrective Action Plan that sets out the measures and actions to be taken to address the incident or accident and prevent its recurrence.	a) Notify the Bank no later than 48 hours after learning of the incident or accident. Provide available details upon request. b) Provide review report and Corrective Action Plan to the Bank no later than 10 days following the submission of the initial notice, unless a different timeframe is agreed to in writing by the Bank.	SEPL – PMU
ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			
1.1	ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK Finalize, disclose, adopt, and implement an ESMF and update the document to reflect any additional studies required by the licensing authority and/or the Bank (e.g., biodiversity assessments, or other relevant studies); in a manner consistent with ESSs.	No later than 30 days after the Effective Date and thereafter implement the ESMF throughout Project implementation.	SEPL - PMU
1.2	ENVIRONMENTAL AND SOCIAL ASSESSMENTS AND PLANS FOR WORKS Prepare, consult upon, disclose, and adopt out environmental and social assessments for each work, including Environmental and Social Impact Assessments (ESIAs) and Environmental and Social Management Plans (ESMPs), as required by the Borrower E&S Framework (BESF), ESMF and this ESCP, proportionate to the nature and scale of each work and the associated risks and impacts.	Prior to commencement of each specific works and thereafter implemented throughout implementation.	SEPL – PMU SANEPAR IAT SEAB

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
1.3	MANAGEMENT OF CONTRACTORS a) Cause contractors to develop, submit to PMU's approval and implement approved Contractors' ESMP (C-ESMP) complying with the requirements set in both the Project's ESMF, the environmental licenses issued by the state environmental agency and the corresponding ESMP. b) Thereafter ensure that the contractors implement the C-ESMP and that they require their subcontractors to comply with the E&S specifications of their respective C-ESMP. c) Cause the supervising firms to oversee and ensure the implementation of the C-ESMP by Contractors and sub-contractors. d) Provide copies of the relevant contracts with contractors/subcontractors and supervision firms to the Bank upon request.	Throughout Project implementation.	SEPL – PMU SANEPAR IAT SEAB
1.4	TECHNICAL ASSISTANCE Ensure that the consultancies (including for the preparation of ESIA's and ESMPs for each large infrastructure work), studies, capacity building, training, and any other technical assistance activities under the Project are carried out in accordance with terms of reference reviewed and found acceptable to the Bank, that incorporate the relevant requirements of the ESSs, the ESMF, the SEP and BESF. Thereafter, ensure that the outputs of such activities comply with the terms of reference.	Throughout Project implementation.	SEPL - PMU
1.5	ACTIVITIES SUBJECT TO RETROACTIVE FINANCING a) Conduct an E&S Assessment of activities that may be subject to retroactive financing under the project evidencing they have been conducted in a manner consistent with the applicable ESSs (i.e., prior screening and assessment of E&S risks and impacts, implementation of mitigation measures required by the environmental license, compliance with the Brazilian labor law, consultation with affected communities, prior compensation of affected assets at replacement cost) and including a proposal of corrective action plans or measures as deemed necessary in accordance with the ESSs. b) Submit the Report on the E&S Assessment to Bank approval as a disbursement condition and thereafter implement any corrective action plans or measures in a timeline acceptable to the Bank.	As part of the submission of the request for retroactive financing.	SEPL - PMU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
1.6	BORROWER ENVIRONMENTAL AND SOCIAL (ES) FRAMEWORK a) Ensure that the Environmental, Social, Health and Safety (ESHS) risks and impacts of the Project, including in relation to labor and working conditions, are managed in accordance with this ESCP and the Borrower's ES Framework, which includes inter alia, the country's relevant policy, legal and institutional framework, including its national, departmental or local implementing institutions and applicable laws, regulations, procedures and implementation capacity. b) Promptly notify the Bank of any changes to the Borrower ES Framework that may materially adversely affect the Borrower's ability to manage the ESHS risks and impacts of the Project in line with the ESSs and the immediate measures taken or that are planned to be taken to address said changes and the ensuing potential risks and impacts of the Project. If, in the opinion of the Bank, such changes adversely affect relevant ESHS risk management aspects of the Project, the Borrower shall agree to implement measures and actions to address them in a manner acceptable to the Bank and shall update the ESCP to reflect such agreed actions.	a) Throughout Project implementation. b) Notify the Bank immediately after taking notice of the change to the Borrower's framework. Subsequent actions, if requested by the Bank, shall be reflected in an updated ESCP as indicated in paragraph 4 of the Initial Section of this ESCP	SEPL - PMU
ESS 2: LABOR AND WORKING CONDITIONS			
2.1	LABOR MANAGEMENT Incorporate into the E&S specifications of the procurement documents and contracts with contractors, consultancy and supervising firms the requirement to comply with (a) the BESF in relation to labor which includes, inter alia, the country's relevant policies, legal and institutional frameworks with regards to fair and equal treatment of the workforce, non-discrimination, freedom of association, working conditions and Occupational Health and Safety (OHS), zero tolerance with child and forced labor and SEA/SH, and (b) the standards of conduct contained in the ESMF to prevent SEA/SH and GBV in a manner consistent with the requirements of ESS 2.	Throughout Project implementation.	SEPL – PMU SANEPAR IAT SEAB

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
2.2	GRIEVANCE MECHANISM FOR PROJECT WORKERS Provide information and cause contractors, consultancy and supervising firms to provide information to all Project Workers about the grievance mechanism in place for raising concerns about working and working place conditions (including the governmental channels and judicial instances).	Throughout Project implementation.	SEPL – PMU SANEPAR IAT SEAB
ESS 3: RESSOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT			
3.1	RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT a) Adopt and implement the environmental plans and programs in accordance with the guidelines set out in the ESIAs prepared during the environmental licencing process for the Project's activities, and ensure that contractors do the same. These actions should be consistent with the Project's ESMF, as defined in action 1.1 above, and with ESS3. b) Report to the Bank on the implementation of the environmental plans and programs, including eventual corrective and preventive measures and other requests, pursuant to the environmental agency requirements and routinary audits.	a) Throughout project implementation. b) Same as Action A above.	SEPL – PMU SANEPAR IAT SEAB
3.2	HAZARDOUS AND NON-HAZARDOUS WASTE MANAGEMENT a) Require contractors to prepare and implement a Waste Management Plan (WMP) in accordance with the principles and procedures established by the Brazilian National Waste Policy and outlined in the Project's ESMF, to manage both hazardous and non-hazardous waste, consistent with ESS3. b) Require supervising firms to monitor and report on the implementation of the WMP.	a) and b) Throughout project implementation	SEPL -PMU SANEPAR IAT SEAB
ESS 4: COMMUNITY HEALTH AND SAFETY			
4.1	TRAFFIC AND ROAD SAFETY Incorporate in all bidding documents and cause all contractors, subcontractors and supervising firms to adopt and implement measures to manage traffic and road safety risks as required in the ESMF defined in action 1.1 (above).	Prior to commencement of relevant activities, and thereafter throughout implementation.	SEPL – PMU SANEPAR IAT SEAB

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
4.2	COMMUNITY HEALTH AND SAFETY Assess, manage and cause contractors and subcontractors to assess and manage specific risks and impacts to the community arising from Project activities – including, inter alia, erosion, noise and dust emissions, work zones hazards, obstacles to traffic flux – and manage them in accordance with the ESMF defined in action 1.1 (above).	Prior to commencement of relevant activities, and thereafter throughout execution implementation.	SEPL – PMU SANEPAR IAT SEAB
4.3	PREVENTION OF SEA/SH RISKS Prepare and implement a SEA/SH Action Procedure as part of the ESMF to identify and implement SEA/SH measures, including mapping of services for victims of SEA/SH in the Project intervention areas, codes of conduct for Project workers that do not condone SEA/SH and gender-based violence (GBV), and procedures to receive, register, and facilitate the resolution of SEA/SH complaints, including through the grievance mechanism and the referral to service providers, all in a safe and confidential manner.	Same timeframe as action 1.1 above.	SEPL – PMU SANEPAR IAT SEAB
4.4	SECURITY PERSONNEL MANAGEMENT Implement and cause contractors and supervision firms to implement measures to manage the risks of engaging security personnel to safeguard project workers, sites, assets, and activities in a manner consistent with the BESF.	Throughout Project implementation.	SEPL – PMU SANEPAR IAT SEAB
4.5	DAM SAFETY - GENERAL ASPECTS a) Exclude from Project financing any activities that rely on existing dams identified as having serious safety deficiencies or requiring rehabilitation works. b) If any dams that the Project is proposed to rely upon—especially those in the Northwest Region—are identified as large dams according to ESS4 Annex 1, or if they present any safety risks, the Bank must be notified before a decision is made to move ahead with the respective works. Subsequently, a dam safety assessment shall be conducted as per ESS4 Annex 1, including, to determine whether the proposed works can go ahead or should be excluded as set out in a) above.	a) Throughout project implementation b) Throughout project implementation	SEPL - PMU SANEPAR IAT

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
4.6	DAM SAFETY – ALTO IGUAÇU PRIORITY AREA a) Complete the periodic safety assessment for the Iraí, Piraquara 1 and 2, and Miringuava dams, to be conducted by a reputable engineering firm. b) Address any identified issues related to inadequate maintenance and dam monitoring equipment. c) Update and implement dam safety plans for all four dams, in accordance with ESS4 Annex 1, including plans for instrumentation, operation and maintenance (O&M), and emergency preparedness.	a) In the first year of the project implementation. b) No later than the third year of project implementation. c) No later than the third year of project implementation.	SEPL - PMU SANEPAR
ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT			
5.1	RESETTLEMENT FRAMEWORK AND PLANS a) Prepare and implement a Resettlement Framework (RF) for the Project, consistent with ESS5. b) Prepare and implement Resettlement Plans (RP) or a Livelihood Restoration Plan (LRP) for each activity under the Project for such RP or LRP is required, following the principles and procedures set out in the RF and consistent with ESS5.	a) No later than 30 days after the Effective Date and thereafter implement the RF throughout Project implementation.	SEPL – PMU SANEPAR IAT SEAB

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
		b) Prepare and submit the RPs/LRPs to the Bank for no-objection prior to issuing Service Orders for works that may cause adverse impacts related to involuntary resettlement. Adopt and implement the RPs/LRPs prior to taking possession of the land and related assets, ensuring full compensation has been provided (as applicable), displaced people have been resettled and moving allowances have been provided.	
ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES			
6.1	BIODIVERSITY RISKS AND IMPACTS a) Adopt and implement the environmental plans and programs in accordance with the guidelines set out in the ESIAs prepared during the environmental licencing process for the Project's activities, and ensure that contractors do the same. These actions should be consistent with the Project's ESMF, as defined in action 1.1 above, and with ESS6. b) Report to the Bank on the implementation of the environmental plans and programs, including eventual corrective and preventive measures and other requests, pursuant to the environmental agency requirements and routinary audits.	a) Throughout project implementation. b) Same as Action A above.	SEPL – PMU SANEPAR IAT SEAB
ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES			
7.1	INDIGENOUS PEOPLES CONSULTATION STRATEGY	Same time frame as action 1.1 and 1.4.	SEPL – PMU SANEPAR

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	Carry out the Project in accordance with the applicable requirements of ESS7, as further detailed in the ESMF and SEP. The terms of reference of all technical assistance activities, whenever relevant, shall include the requirements of this standard.		IAT SEAB
ESS 8: CULTURAL HERITAGE			
8.1	CULTURAL HERITAGE RISKS AND IMPACTS Adopt and implement Cultural Heritage Management measures as established in the ESMF, as applicable, in a manner consistent with ESS8.	Prior to the beginning of the works and thereafter ensure contractors implement these procedures throughout the construction stage of each large infrastructure work.	SEPL – PMU SANEPAR IAT SEAB
8.2	CHANCE FINDS PROCEDURES Cause contractors in works that involve excavations, demolition, movement of earth, flooding or other changes in the physical environment to adopt chance finds procedures as part of the Contractor's ESMP (C-ESMP) and in a manner consistent with the mutual requirements of BESF and ESS 8.	Prior to the beginning of the works and thereafter ensure contractors implement these procedures throughout the construction stage of each large infrastructure work.	SEPL – PMU SANEPAR IAT SEAB
ESS 9: FINANCIAL INTERMEDIARIES			
This standard is not currently relevant			
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			
10.1	STAKEHOLDER ENGAGEMENT PLAN Incorporate the feedback of the consultation process, update, disclose, and implement the Stakeholder Engagement Plan (SEP) for the Project, in a manner consistent with ESS10, which shall include, at a minimal: a) measures to provide key stakeholders with timely, relevant, understandable, and accessible information on Project activities and material measures taken to address its potential E&S risks; b) measures to receive feedback from key stakeholders on Project activities and the management of its potential E&S risks, and c) receive and respond to requests of information and grievances with regards to Project activities and the management of its potential or actual E&S risks and impacts.	Disclose the updated SEP in SEPL's website no later than 30 days after the Effective Date and thereafter implement it throughout Project implementation.	SEPL - PMU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
10.2	PROJECT GRIEVANCE MECHANISM a) Disclose public information that the State of Paraná Ombudsman System and Sanepar's Ombudsman Office serve as the two overarching Project Grievance Mechanism (GM), including information that the GM are equipped to receive, register, and facilitate the resolution of SEA/SH complaints, including through the referral of survivors to relevant gender-based violence service providers, all in a safe, confidential, and survivor-centered manner. b) Cause contractors to establish, maintain and operate accessible onsite grievance mechanisms, to receive and facilitate resolution of concerns and grievances in relation to their activities, promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all Project-affected parties, at no cost and without retribution, including concerns and grievances filed anonymously, in a manner consistent with ESS10. c) Cause contractors to disclose information on the role of the State of Paraná Ombudsman System and Sanepar's Ombudsman Office as the overarching GM of the Project, available to any individual who prefers not to report grievances through the onsite GM or whose concerns have not been satisfactorily resolved at the onsite level.	Same timeframe as for action 10.1.	SEPL – PMU SANEPAR IAT SEAB
INDICATORS FOR IMPLEMENTATION READINESS			
The following actions are indicators for implementation readiness: A - ORGANIZATIONAL STRUCTURE 1.1 - ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK 4.5.a - DAM SAFETY 10.1 - STAKEHOLDER ENGAGEMENT PLAN 10.2 - PROJECT GRIEVANCE MECHANISM			