

Independent State of Papua New Guinea

Department of Provincial and Local Government Affairs

Papua New Guinea Urban Youth Employment Project III (UYEP III) (P518905)

ENVIRONMENTAL and SOCIAL COMMITMENT PLAN (ESCP)

DRAFT VERSION

October 2026

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ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The Independent State of Papua New Guinea (the Recipient) will implement the Urban Youth Employment Project III (the Project), with the involvement of the Department of Provincial and Local Government Affairs (DPLGA), the National Capital District Commission (NCDC), the Lae City Authority (LCA), Mt. Hagen City Authority, Kokopo City Authority, and the Provincial Administrations of Kavieng, Madang, Alotau, and Wabag, as set out in the Financing Agreement (the Agreement). The International Development Association (the Association) has agreed to provide financing for the Project, as set out in the Agreement.
2. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards (ESSs) and this Environmental and Social Commitment Plan (ESCP), in a manner acceptable to the Association. The ESCP is a part of the Agreement. Unless otherwise defined in this ESCP, capitalized terms used in this ESCP have the meanings ascribed to them in the Agreement.
3. Without limitation to the foregoing, this ESCP sets out material measures and actions that the Recipient shall carry out or cause to be carried out, including, as applicable, their respective timeframes; institutional, staffing, training, monitoring and reporting arrangements; and grievance management. The ESCP also sets out the environmental and social (E&S) instruments that shall be prepared or updated, consulted, disclosed and implemented under the Project, consistent with the ESSs, in form and substance acceptable to the Association. Said E&S instruments may be revised from time to time with prior written agreement by the Association. As provided for under the referred Agreement, the Recipient shall ensure that there are sufficient funds available to cover the costs of implementing the ESCP.
4. As agreed by the Association and the Recipient, this ESCP will be revised from time to time, if necessary, to reflect adaptive management of Project changes or unforeseen circumstances or in response to Project performance. In such circumstances, the Association and the Recipient agree to update the ESCP to reflect these changes through an exchange of letters signed between the Association and the Recipient through the Secretary of the Department of Provincial and Local Government Affairs. The Recipient shall promptly disclose the updated ESCP.
5. The subsection on “Indicators for Implementation Readiness” below identifies the actions and measures to be monitored to assess Project readiness to begin implementation in accordance with this ESCP. Nevertheless, all actions and measures in this ESCP shall be implemented as set out in the “Timeframe” column below irrespective of whether they are listed in the referred subsection.

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MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
IMPLEMENTATION ARRANGEMENTS AND CAPACITY SUPPORT			
A	**ORGANIZATIONAL STRUCTURE** a. Establish and maintain a Project Coordinating Unit (PCU) at the national level, hosted by DPLGA in Port Moresby, with qualified staff and resources to support management of environmental, social, health and safety (E&S) risks and impacts of the Project, including an Environmental and Social and Inclusion Specialist. Until these positions are filled, DPLGA shall designate qualified and experienced interim E&S focal point(s), under terms of reference acceptable to the Association. b. Establish and maintain Project Management Units (PMUs) in the established city authorities of the National Capital District Commission (NCDC) and the Lae City Authority (LCA), each including an Environmental and Social (E&S) Risk Management Officer. c. Establish and maintain Project Implementation Units (PIUs) within the participating city authorities/provincial administrations including Mt Hagen and Kokopo City Authorities, and Provincial Administrations of Alotau, Madang, Wabag and Kavieng, each including an Environmental and Social (E&S) Risk Management Officer.	a. No later than 3 months after Effectiveness Date, and thereafter maintain and implement throughout Project implementation. b. No later than 3 months after the signing of the subsidiary agreement and thereafter maintain and implement throughout Project implementation. c. No later than 3 months after the signing of the partnership/ memorandum of agreement with the participating city authority/provincial government and, maintain and implement throughout Project implementation.	DPLGA, NCDC, LCA, Mt Hagen and Kokopo City Authorities, and Provincial Administrations of Alotau, Madang, Wabag and Kavieng
B	**CAPACITY BUILDING AND TRAINING PLAN** Prepare and implement an environmental and social risk management capacity-building plan to ensure that the project's Environmental, Social, Health and Safety (ESHS) requirements and processes are understood and implemented effectively throughout the project lifecycle by all responsible persons in the PCU, PMUs, PIUs and contractors, as described in the ESMF and satisfactory to the Association. Update the plan annually to reflect implementation experience and emerging risks.	Within three months of Project Effectiveness Date, and thereafter throughout Project implementation.	DPLGA, NCDC, LCA
MONITORING AND REPORTING			
C	**REGULAR REPORTING** Prepare and submit to the Association regular monitoring reports on the environmental and social risk management performance of the Project. The reports shall include:	Submit six-monthly reports to the Association throughout Project	DPLGA

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	• status of preparation and implementation of the E&S instruments required under this ESCP; • status of E&S staffing in the PCU, PMUS, and PIUS, and E&S readiness of centres yet to commence; • E&S performance of the works program in each centre, including screening coverage, ESMPs prepared and site inspection findings; • due diligence coverage and monitoring findings for internship hosts, referral employers, training providers, NGO partners and supported enterprises; • summary of stakeholder engagement activities carried out in accordance with the Stakeholder Engagement Plan (SEP); • complaints submitted to the grievance mechanism(s), the grievance log, and progress made in resolving them; • number and status of resolution of incidents and accidents reported under action E below; and • participation and completion against inclusion targets for women, youth with disability and Indigenous youth. • Progress against the E&S Capacity Building and Training Plan targets (e.g., persons trained by category, gaps identified) • Sex-disaggregated participation data t and by urban centre across all program pathways.	implementation, commencing after the Effectiveness Date. Submit each report to the Association no later than 30 days after the end of each reporting period.	
D	**CONTRACTORS' MONTHLY REPORTS** Require contractors and supervising firms engaged for urban works and services subprojects to provide monthly monitoring reports on E&S performance in accordance with the metrics specified in the respective bidding documents and contracts and submit such reports to the Association.	Submit the monthly reports to the Association upon request and as annexes to the reports to be submitted under action C above.	DPLGA, NCDC, LCA, Mt Hagen and Kokopo City Authorities, and Provincial Administrations of Alotau, Madang, Wabag and Kavieng
E	**INCIDENTS AND ACCIDENTS** Notify the Association 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	Notify the Association no later than 48 hours after learning of the incident or accident. Provide available details upon request.	DPLGA, NCDC, LCA, Mt Hagen and Kokopo City Authorities, and Provincial Administrations

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	heritage or biodiversity resources; pollution of the environment; 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 Association upon request. Arrange for an appropriate review of the incident or accident to establish its immediate, underlying and root causes. Prepare, agree with the Association, 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.	Provide review report and Corrective Action Plan to the Association no later than 10 days following the submission of the initial notice, unless a different timeframe is agreed to in writing by the Association.	of Alotau, Madang, Wabag and Kavieng
ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			
1.1	**ENVIRONMENTAL AND SOCIAL ASSESSMENTS AND/OR PLANS** a. Finalize, disclose and implement an Environmental and Social Management Framework (ESMF) for the Project, consistent with the relevant ESSs, comprising, inter alia, an Exclusion List, an Environmental and Social Screening Form, and Environmental and Social Code of Practice (ESCoPs) and an Environmental and Social Management Plan (ESMP) templates. b. Incorporate the key E&S management processes of the ESMF into the Project Operations Manual (POM). c. Conduct a Social Conflict Analysis (SCA), as set out in the ESMF, for each project location rated Substantial or High conflict risk, prepare and implement a Social Conflict Action Plan integrating risk mitigation measures into subproject design, stakeholder engagement, and security management arrangements, in a manner acceptable to the Association. d. Require the PMUs and PIUs to screen each proposed urban works and services subproject against the Exclusion List and the Environmental and Social Screening Form. Before works begin, prepare and implement the applicable ESCoPs or, where required by the screening, a site-specific ESMP. Subprojects and activities included in the Exclusion List shall be ineligible for Project financing. e. Ensure that all project-level E&S permits, approvals and statutory clearances required under applicable PNG law have been obtained.	a. Implement the ESMF, which has been prepared and disclosed, throughout Project implementation and update as required. b. Prior to the implementation of the POM. c. Prior to commencement of activities in applicable urban centre and implement throughout Project implementation. d. Prior to the commencement of works for that subproject and thereafter implement throughout Project implementation. e. Prior to commencement of civil works.	DPLGA, NCDC, LCA, Mt Hagen and Kokopo City Authorities, and Provincial Administrations of Alotau, Madang, Wabag and Kavieng

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
1.2	**MANAGEMENT OF CONTRACTORS AND OTHER THIRD PARTIES** Incorporate the relevant aspects of this ESCP, including, inter alia, the ESMF and its annexes, the Labour Management Procedure (LMP), the Project Worker Code of Conduct and the Trainee Code of Conduct, into the E&S risk management specifications of procurement documents and contracts with contractors and supervising firms, and into due diligence assessments and agreements with internship employers, referral employers, and, where applicable, training providers and TVET institutions, NGO partners, referral lenders and MSME training providers, and any other referral partners. Thereafter ensure that these parties comply, and require contractors to ensure their subcontractors comply, with the E&S risk management specifications of their respective contracts/agreements, including due diligence before engagement and periodic re-verification. Provide copies of the relevant contracts/agreements to the Association upon request.	As part of the preparation of procurement documents and respective contracts/agreements, and prior to each engagement; monitor and supervise compliance throughout Project implementation. Copies of relevant contracts/agreements provided to the Association upon request.	DPLGA, NCDC, LCA, Mt Hagen and Kokopo City Authorities, and Provincial administrations of Alotau, Madang, Wabag and Kavieng, Contractors
1.3	**TECHNICAL ASSISTANCE** Carry out the assessments, studies, capacity building, training, and any other technical assistance activities under the Project – including, inter alia, the pilot Labour Market Information System (LMIS) and Worker and Job Seeker Registry, the feasibility assessment of the Talent Hub labor-hire pilot under Subcomponent 2a, and the assessment and piloting of the MSME support services under Subcomponent 2b – in accordance with terms of reference reviewed by the PCU Environmental and Social and Inclusion Specialist and acceptable to the Association, that are consistent with the ESSs. Thereafter, prepare and finalize the outputs of such activities in compliance with the terms of reference.	Throughout Project implementation.	DPLGA
1.4	**CONTINGENT EMERGENCY RESPONSE FINANCING** Not Applicable		
1.5	**ASSOCIATED FACILITIES** Not Applicable		
ESS 2: LABOR AND WORKING CONDITIONS			
2.1	**LABOUR MANAGEMENT PROCEDURE** Finalize and implement the Labour Management Procedure (LMP) for the Project, prepared as an annex to the ESMF, covering terms and conditions of engagement, non-discrimination, minimum age, occupational health and safety, prevention of sexual exploitation, abuse and harassment, and worker grievance redress for all categories of Project worker, including Project-funded staff, government employees, contracted	Prior to Appraisal and thereafter implement throughout Project implementation. Update the LMP before any Talent Hub labour-hire pilot begins operating, once the	DPLGA, NCDC, LCA, Mt Hagen and Kokopo City Authorities, and Provincial administrations of Alotau, Madang, Wabag and Kavieng

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	workers, community workers (including participants engaged on Urban Works and Services), participants placed in internships, and, subject to confirmation of the employer of record, any workers placed through a Talent Hub labour-hire pilot.	employer of record for that pilot is confirmed.	
2.2	**OCCUPATIONAL HEALTH AND SAFETY** a. Prepare and implement a standalone Project Occupational Health and Safety (OHS) Plan, incorporating and building on the OHS requirements of the LMP, to operationalize the management of OHS risks across all Project works sites, training venues and placements. b. Require contractors and subcontractors, and the PMU or PIU where it delivers a subproject without a contractor, to implement occupational health and safety (OHS) management measures in accordance with the OHS Plan, the LMP and the applicable ESCoP or ESMP.	a. No later than three months after the Effectiveness Date and, in any event, before works commence in the first participating centre; thereafter implement throughout Project implementation. b. Prior to the commencement of each task, and thereafter throughout Project implementation.	DPLGA, NCDC, LCA, Mt Hagen and Kokopo City Authorities, and Provincial Administrations of Alotau, Madang, Wabag and Kavieng Provincial Governments
2.3	**GRIEVANCE MECHANISM FOR PROJECT WORKERS** Establish and operate a grievance mechanism for Project workers, as described in the LMP and consistent with ESS2, accessible at site level and independently of the immediate supervisor, contractor, host employer or client, with anonymous grievances accepted and acted on.	Prior to engaging Project workers or participants in each centre and thereafter maintain and operate it throughout Project implementation.	DPLGA, NCDC, LCA, Mt Hagen and Kokopo City Authorities, and Provincial Administrations of Alotau, Madang, Wabag and Kavieng
ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT			
3.1	**WASTE MANAGEMENT** Prepare and implement waste management measures as set out in the ESCoPs and, where required, site-specific ESMPs, to manage mobilisation, construction and demolition waste, green waste, municipal solid waste and silt collected during waste management and drain works, and any other waste generated, consistent with ESS3.	Throughout Project implementation.	DPLGA, NCDC, LCA, Mt Hagen and Kokopo City Authorities, and Provincial Administrations of Alotau, Madang, Wabag and Kavieng
3.2	**ASBESTOS MANAGEMENT** Manage potential asbestos-containing materials (ACM) on the basis of avoidance of disturbance, as set out in the ESMF. Inspect any building constructed before 1990, or of unknown age, for ACM at screening.	At screening for every subproject involving a building constructed before 1990 or of unknown age, and thereafter throughout Project implementation.	DPLGA, NCDC, LCA, Mt Hagen and Kokopo City Authorities, and Provincial Administrations of Alotau, Madang, Wabag and Kavieng
3.3	**RESOURCE EFFICIENCY AND POLLUTION PREVENTION**		

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	Incorporate resource efficiency and pollution prevention and management measures, including controls on spills of fuel, oil, bitumen, cement and paint, dust suppression and sediment control, in the ESCoPs and, where required, the site-specific ESMPs prepared under action 1.1 above.	Same timeframe as for the preparation and implementation of the ESCoPs and ESMPs.	DPLGA, NCDC, LCA, Mt Hagen and Kokopo City Authorities, and Provincial Administrations of Alotau, Madang, Wabag and Kavieng
ESS 4: COMMUNITY HEALTH AND SAFETY			
4.1	**TRAFFIC AND ROAD SAFETY** Incorporate traffic and pedestrian safety management measures in the ESCoPs and, where required, the site-specific ESMPs and apply them at every roadside subproject site.	Throughout Project implementation.	DPLGA, NCDC, LCA, Mt Hagen and Kokopo City Authorities, and Provincial Administrations of Alotau, Madang, Wabag and Kavieng
4.2	**COMMUNITY HEALTH AND SAFETY** Assess and manage specific risks and impacts to the community arising from Project activities, including, inter alia, works at occupied schools and health facilities, works in and beside water, and the conduct of the Project workforce towards the community, and include mitigation measures in the ESCoPs and the site-specific ESMPs prepared in accordance with the ESMF. Rehabilitation works for the schools and hospitals that involve structural/material changes to be in accordance with the PNG building code (which is assessed to be consistent with GIIP on LFS and structural aspects) Where a permit (including certification by competent authority), is required, obtain such permit before the works commence.	Same timeframe as for the preparation and implementation of the ESCoPs and ESMPs.	DPLGA, NCDC, LCA, Mt Hagen and Kokopo City Authorities, and Provincial Administrations of Alotau, Madang, Wabag and Kavieng Provincial Governments
4.3	**SEXUAL EXPLOITATION AND ABUSE AND SEXUAL HARASSEMENT RISKS** Finalize and implement a SEA/SH Action Plan, prepared as an annex to the ESMF, to assess and manage the risks of sexual exploitation and abuse (SEA) and sexual harassment (SH), including a mandatory Project Worker Code of Conduct and Trainee Code of Conduct, a survivor-centred grievance pathway with referral to gender-based violence service providers mapped in each centre, and mandatory SEA/SH induction and refresher training for all Project personnel, contractors, providers, employers and intermediaries.	Prior to Appraisal, and thereafter throughout Project implementation.	DPLGA, NCDC, LCA, Mt Hagen and Kokopo City Authorities, and Provincial Administrations of Alotau, Madang, Wabag and Kavieng
4.4	**SECURITY MANAGEMENT AND SOCIAL CONFLICT** Assess and implement measures to manage conflict and security risks of the Project, including undertaking a Social Conflict Analysis on entry to each participating urban centre	Prior to a centre commencing activities and update it annually and	DPLGA, NCDC, LCA, Mt Hagen and Kokopo City Authorities,

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	and periodically thereafter, applying its findings to selection, siting and crew composition decisions, and implementing staff security protocols, including in respect of any security personnel engaged to safeguard project workers, sites, assets and activities.	after any significant incident; implement security measures throughout Project implementation.	and Provincial Administrations of Alotau, Madang, Wabag and Kavieng
ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT			
5.1	**LAND ACCESS PROCEDURE** Finalize and implement a Land Access Procedure (LAP), prepared as an annex to the ESMF, consistent with ESS5 and ESS7, to secure access to land – and, for foreshore works, to the intertidal and near-shore area – for urban works and services subprojects without involuntary land acquisition or physical or economic displacement, and to avoid or address disturbance to informal users, including through the voluntary land donation protocol governing use of customary land and customary marine tenure. Where temporary or minor impacts on land, assets, livelihoods or access cannot be avoided, they will be compensated or fully restored, consistent with ESS5.	Prior to Appraisal, and thereafter implement it throughout Project implementation Confirm that land access arrangements are in place for each subproject before the commencement of works for that subproject.	DPLGA, NCDC, LCA, Mt Hagen and Kokopo City Authorities, and Provincial Administrations of Alotau, Madang, Wabag and Kavieng
ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES			
6.1	**BIODIVERSITY RISKS AND IMPACTS** a. Screen subprojects as set out in the ESMF; subprojects requiring removal of mangroves, seagrass or coral, or otherwise appearing on the Exclusion List (which includes activities that may cause significant impacts to biodiversity), shall be ineligible to receive financing under the Project. b. Implement biodiversity-related mitigation measures set out in the ESCoPs and, where required, site-specific ESMPs, for works in and beside water, including sourcing rock and fill only from permitted quarries and excluding beach sand and coral extraction.	a. Throughout Project Implementation. b. Same timeframe as for the preparation and implementation of the ESCoPs and ESMPs.	DPLGA, NCDC, LCA, Mt Hagen and Kokopo City Authorities, and Provincial Administrations of Alotau, Madang, Wabag and Kavieng
ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES			
7.1	**ENGAGEMENT WITH CUSTOMARY LANDOWNING GROUPS** In lieu of a stand-alone Indigenous Peoples Plan, incorporate the elements of such a plan – informed consultation, culturally appropriate engagement, and participation targets for the customary landowning groups of each participating urban centre – into the overall Project design, the Stakeholder Engagement Plan (SEP) and the ESMF, consistent with ESS7.	Prior to Project Appraisal and Throughout Project implementation.	DPLGA, NCDC, LCA, Mt Hagen and Kokopo City Authorities, and Provincial Administrations of Alotau, Madang, Wabag and Kavieng
ESS 8: CULTURAL HERITAGE			
8.1	**CULTURAL HERITAGE RISKS AND IMPACTS**	Throughout Project implementation.	

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	Sub-projects are to be screened as per the process set out in the ESMF and activities described in the exclusion list set out in the ESMF (which includes activities that may cause impacts to cultural heritage) shall be ineligible to receive financing under the Project.		DPLGA, NCDC, LCA, Mt Hagen and Kokopo City Authorities, and Provincial Administrations of Alotau, Madang, Wabag and Kavieng
8.2	**CHANCE FINDS** Implement the Chance Find Procedure, as set out in the ESMF and consistent with ESS8, for all ground-disturbing works.	Throughout Project implementation.	DPLGA, NCDC, LCA, Mt Hagen and Kokopo City Authorities, and Provincial Administrations of Alotau, Madang, Wabag and Kavieng
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			
10.1	**STAKEHOLDER ENGAGEMENT PLAN** Update and implement a Stakeholder Engagement Plan for the Project, consistent with ESS10, which shall include measures to, inter alia, provide stakeholders with timely, relevant, understandable and accessible information, and consult with them in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation.	The SEP (dated September 2026) will be reviewed and updated not later than six (6) months after the Effectiveness Date and thereafter implemented throughout Project implementation.	DPLGA, NCDC, LCA, Mt Hagen and Kokopo City Authorities, and Provincial Administrations of Alotau, Madang, Wabag and Kavieng
10.2	**PROJECT GRIEVANCE MECHANISM** Establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances in relation to the Project, promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all Project-affected parties, at no cost and without retribution, including concerns and grievances filed anonymously, in a manner consistent with ESS10. The grievance mechanism shall be equipped to receive, register, and facilitate the resolution of SEA/SH complaints, including through the referral of survivors to relevant gender-based violence service providers, all in a safe, confidential, and survivor-centred manner.	Establish the grievance mechanism prior to Project Effective date and thereafter maintain and operate throughout Project implementation. ness Date.	DPLGA, NCDC, LCA, Mt Hagen and Kokopo City Authorities, and Provincial Administrations of Alotau, Madang, Wabag and Kavieng
INDICATORS FOR IMPLEMENTATION READINESS			
The following actions are indicators for implementation readiness:			

MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
Action A(a) – Interim E&S focal point(s) designated during implementation readiness stage; PCU established, PCU Environmental and Social and Inclusion Specialist, and the NCDC and LCA PMU Environmental and Social Risk Management Officers hired. Action 2.1 – Labour Management Procedures finalized and disclosed. Action 2.3 – Worker grievance mechanism established and operational. Action 4.3 – SEA/SH Action Plan finalized, and SEA/SH prevention and response service providers mapped for the National Capital District and Lae (the first centres to commence activities). Action 10.1 – SEP finalized and disclosed. Action 10.2 – Project grievance redress mechanism established and operational. Action B – All PCU and PMU staff completed E&S induction and SEA/SH induction ESMF finalized and disclosed; the Exclusion List, Environmental and Social Screening Form, ESCoPs and site-specific ESMP templates approved for use; and ESMF's key environmental and social management processes incorporated into the Project Operations Manual.		