

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

**PT Perusahaan Listrik Negara (Persero) (PLN)
Low Carbon Power Sector Development
(LCPSD) (P181921)
Grant under the Grant Facility for Project
Preparation**

**Final
July 22, 2025**

ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. PT Perusahaan Listrik Negara (Persero) (PLN or the Recipient) is planning to implement proposed Just Transition and Repurposing Project and Power Grid Strengthening and Development Project (collectively, the Projects), for which it has requested a grant under the Grant Facility for Project Preparation (GFPP), as set out in the GFPP grant agreement. The International Bank for Reconstruction and Development (hereinafter the Bank), acting as trustee of the GFPP, has agreed to provide the GFPP grant to finance activities (the Activities) related to the preparation of the Projects, as set out in the referred agreement.
2. The Recipient shall ensure that the Activities are carried out in accordance with the Environmental and Social Standards (ESSs) and this Environmental and Social Commitment Plan (ESCP), in a manner acceptable to the Bank. The ESCP is a part of the GPFF grant agreement. Unless otherwise defined in this ESCP, capitalized terms used in this ESCP have the meanings ascribed to them in the referred agreement.
3. Without limitation to the foregoing, this ESCP sets out material measures and actions that the Recipient shall carry out or cause to be carried out, including, as applicable, their respective timeframes; institutional, staffing, training, monitoring and reporting arrangements; and grievance management. The ESCP also sets out the environmental and social (E&S) documents that shall be prepared or updated, consulted, disclosed and implemented for the Activities, consistent with the ESSs, in form and substance acceptable to the Bank. Said E&S documents may be revised from time to time with prior written agreement by the Bank. As provided for under the referred GFPP grant agreement, the Recipient shall ensure that there are sufficient funds available to cover the costs of implementing the ESCP.
4. As agreed by the Bank and the Recipient, this ESCP will be revised from time to time if necessary, during the implementation of the Activities, to reflect adaptive management of changes and unforeseen circumstances related to the Activities or in response to assessment of performance of the Activities. In such circumstances, the Bank and the Recipient agree to update the ESCP to reflect these changes through an exchange of letters signed between the Bank and the Recipient. The Recipient shall promptly disclose the updated ESCP.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
IMPLEMENTATION ARRANGEMENTS			
A	ORGANIZATIONAL STRUCTURE Establish and maintain an Activity team, under PLN, with qualified staff and resources to, <i>inter alia</i> , support management of environmental, social, health and safety (E&S) risks and impacts of the Activities, including appoint an E&S focal point and hire consultants or firms with qualified environmental and social specialists to support the assessment and management of E&S risks for each feasibility study and to prepare relevant risk management documents and E&S instruments.	Maintain an Activity team throughout implementation of the Activities. Appoint the E&S focal point no later than 90 days after the effective date of the GFPP grant agreement (Effective Date), and thereafter maintain the position within the Activity team throughout implementation of the Activities.	PLN
MONITORING AND REPORTING			
A	REGULAR REPORTING Prepare and submit to the Bank regular monitoring reports on the environmental and social (E&S) performance of the Activities, including but not limited to the implementation of the ESCP, status of E&S assessment and instruments under preparation, stakeholder engagement activities, complaints submitted to the grievance mechanism, the grievance log, and progress made in resolving them, and number and status of resolution of incidents and accidents, if any.	Submit six-monthly reports to the Bank during implementation of the Activities, commencing after the Effective Date. Submit each report to the Bank no later than 45 calendar days after the end of each reporting period.	PLN
B	INCIDENTS AND ACCIDENTS Notify the Bank of any incident or accident relating to the Activities 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; forced or child labor; allegations of sexual exploitation or abuse (SEA), or sexual harassment (SH); or disease outbreaks. Provide available details of the incident or accident to the Bank upon request. Arrange for an appropriate review of the incident or accident to establish its immediate, underlying and root causes.	Notify the Bank no later than 48 hours after learning of the incident or accident. Provide available details upon request.	PLN

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	Prepare, agree with the Bank, and implement a Corrective Action Plan that sets out the measures and actions to be taken to address the incident or accident and prevent its recurrence.	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.	
ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			
1.1	TECHNICAL ASSISTANCE Ensure that the consultancies, studies (including, <i>inter alia</i> , feasibility studies, detailed engineering designs and E&S studies and instruments), capacity building, training, and any other technical assistance activities under the Activities are carried out in accordance with the terms of references (TORs) as agreed with the Bank, that are consistent with the relevant requirements of the ESSs. Thereafter ensure that the outputs of such activities comply with the terms of reference.	Throughout implementation of the Activities.	PLN
ESS 2: LABOR AND WORKING CONDITIONS			
2.1	Implement relevant provisions of labor management in line with ESS2, Indonesia's labor law, and the existing health and safety guideline of PLN for all workers engaged in the implementation of the Activities. This includes among others health and safety measures and standard behavior on respectful workplace and measures to prevent and respond to Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) cases. Incorporate measures to assess and manage specific risks to labor, and preparation of labor management procedure, as applicable, in the TORs and the E&S assessments and the corresponding E&S instruments to be prepared under action 1.1 above, consistent with ESS2.	Throughout implementation of the Activities.	PLN
2.2	Ensure the availability, accessibility, and functioning of a grievance mechanism for Project's workers consistent with ESS2.	Throughout implementation of the Activities.	
2.3	Incorporate the relevant requirements above in the E&S specifications of the procurement documents and contracts with third parties that engage workers in the implementation of the Activities.	Throughout implementation of the Activities.	

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT			
3.1	WASTE MANAGEMENT Incorporate measures to assess and manage waste related risks in the TORs and the E&S assessments and the corresponding E&S instruments to be prepared under action 1.1 above, consistent with ESS3.	Throughout implementation of the Activities.	PLN
3.2	RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT Incorporate resource efficiency and pollution prevention and management measures in the TORs and the E&S assessments and the corresponding E&S instruments to be prepared under action 1.1 above, consistent with ESS3.	Throughout implementation of the Activities.	PLN
ESS 4: COMMUNITY HEALTH AND SAFETY			
4.1	TRAFFIC AND ROAD SAFETY Incorporate measures to assess and manage traffic and road safety risks in the TORs and the E&S assessments and the corresponding E&S instruments to be prepared under action 1.1 above, consistent with ESS4.	Throughout implementation of the Activities.	PLN
4.2	COMMUNITY HEALTH AND SAFETY Incorporate measures to assess and manage specific risks and impacts to the community health and safety in the TORs and the E&S assessments and the corresponding E&S instruments to be prepared under action 1.1 above, consistent with ESS4.	Throughout implementation of the Activities.	PLN
4.3	SEXUAL EXPLOITATION AND ABUSE (SEA) AND SEXUAL HARRASHMENT (SH) RISKS Adopt a SEA/SH Action Plan based on the TORs and the E&S assessments and the corresponding E&S instruments to be prepared under action 1.1 above to assess and manage the risks of SEA and SH, consistent with ESS4.	Throughout implementation of the Activities.	PLN
4.4	SECURITY MANAGEMENT	Throughout implementation of the Activities.	PLN

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	Incorporate measures to assess and manage the security risks of the subproject, including the risks of engaging security personnel to safeguard Project workers, sites, assets, and activities, in the TORs and the E&S assessments and the corresponding E&S instruments to be prepared under action 1.1 above, consistent with ESS4 and guided by the principles of proportionality and GIIP, and by applicable law, in relation to hiring, rules of conduct, training, equipping, and monitoring of such personnel.		
ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT			
5.1	LAND ACQUISITION AND RESETTLEMENT POLICY FRAMEWORK Incorporate measures to assess and manage risks and impacts related to land acquisition, restrictions on land use and involuntary resettlement in the TORs and the E&S assessments and the corresponding E&S instruments (including a Land Acquisition and Resettlement Action Plan (LARAP) as applicable) to be prepared under action 1.1 above, consistent with ESS5.	Throughout implementation of the Activities.	PLN
ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING RESOURCES			
6.1	BIODIVERSITY RISKS AND IMPACTS Incorporate measures to assess and manage specific risks and impacts to the biodiversity in the TORs and the E&S assessments and the corresponding E&S instruments to be prepared under action 1.1 above, consistent with ESS6.	Throughout implementation of the Activities.	PLN
ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES			
7.1	INDIGENOUS PEOPLES PLANNING FRAMEWORK Incorporate measures to assess and manage risks and impacts related to Indigenous Peoples in the TORs and the E&S assessments and the corresponding E&S instruments (including an Indigenous Peoples Plan/IPP as applicable) to be prepared under action 1.1 above, consistent with ESS7.	Throughout implementation of the Activities.	PLN

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
ESS 8: CULTURAL HERITAGE			
8.1	CULTURAL HERITAGE RISKS AND IMPACTS Incorporate measures to assess and manage specific risks and impacts to cultural heritage in the TORs and the E&S assessments and the corresponding E&S instruments to be prepared under action 1.1 above, consistent with ESS8.	Throughout implementation of the Activities.	PLN
8.2	CHANCE FINDS PROCEDURE Describe and adopt the chance find procedures in the E&S instruments to be prepared under action 1.1 above, consistent with ESS8.	Throughout implementation of the Activities.	PLN
ESS 9: FINANCIAL INTERMEDIARIES – <i>Not applicable</i>			
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			
10.1	Prepare and adopt a Stakeholder Engagement Plan (SEP) for each activity as part of the E&S instruments to be prepared under action 1.1 above, consistent with ESS10. To this end, ensure that the following measures are implemented: a) Provide stakeholders with information about the environmental and social risks and impacts of the Activities in a timely, understandable, accessible and appropriate manner and format, including but not limited to any environmental and social instruments prepared as part of the Activities; b) Consult stakeholders in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation, including with regards to any environmental and social instruments prepared as part of the Activities; c) Document the stakeholder engagement activities, including: (i) stakeholder mapping; (ii) description of consultations and participation mechanisms utilized, and records of meetings held; (iii) feedback received and responses to said feedback; and (iv) measures to engage stakeholders who, because of their particular circumstances, may be disadvantaged or vulnerable.	Implement the stakeholder engagement activities throughout the implementation of the Activities.	PLN

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
10.2	GRIEVANCE MANAGEMENT Receive and facilitate resolution of concerns and grievances in relation to the Activities, promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all parties affected by the Activities, at no cost and without retribution, including concerns and grievances filed anonymously, in a manner consistent with ESS10.	Throughout implementation of the Activities.	PLN