

PT. South Pacific Viscose (26784)
Environnemental and Social Action Plan (ESAP)

	Action	Deliverable	Implementation Date
Environmental and Social Management System			
1.	Environmental and Social Impact Assessment (ESIA) ESIA should be completed and approved by the Indonesian government prior to commencement of any activity related to the issuance of permits to operate any part of the facility. The ESIA must consider <u>all relevant</u> social and environmental risks and impacts of the project. Scope of review will include separate ESIA's to be conducted for: (a) the new viscose fiber production line, and (b) the new power plant. Transportation impacts from (a) and (b) may be combined. Specific milestones are: (i) Retain and establish Terms of Reference (TOR) for a qualified consultant to complete the ESIA. IFC will review TOR and provide input as needed. (ii) Review of completed ESIA's and recommendations by SPV in consultation with IFC. (iii) ESIA should be disclosed to the public in a culturally appropriate manner at a location that is widely accessed by the local community. (iv) Obtain approval from Indonesian government, including discharge standards for emissions to the environment. (v) Implementation of ESIA action items. Schedule of implementation to be finalized in consultation with IFC.	Documentary Evidence Operating Procedure and Policy	(i) COD¹ – First (ii) + 120 days (iii) +150 days (iv) +150 days (v) +180 days
2.	Oversight of Site Sub-Contractors and Supply Chain and Community Engagement Integrate within existing ESH&S management system oversight of ESH&S for its site subcontractors, and to the extent possible of its supply chain. Specifically, the management system must include (but not limited to): (i) Supervision and compliance program for oversight of ESH&S for site sub-contractors, and supply chain to the extent possible (ii) Integrated monitoring and reporting consistent with existing Lenzing group where applicable (iii) Procedures for communicating environmental and social aspects to external interested parties, including clear procedures for receiving, documenting and responding to concerns from any external interested parties relating to the project.	Documentary Evidence Operating Procedure and Policy Procedures on Community Engagement	Loan Signature(LS) + 180 days

¹ COD – Condition of Disbursement

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Labor and Working Conditions			
3.	Non-Discrimination and Equal Opportunity SPV will review its policies and procedures to identify gaps consistent with the local Indonesian regulations and meeting with IFC PS2 requirements, and implement changes as necessary. The scope of review will include SPV's own operations, as well as where relevant, services procured from subcontractors and to the extent possible its supply chain. Specific milestones are: (i) Completion of review by Lenzing Group HR and implement the recommendations.	Documentary Evidence Review Report and Recommendation w/schedule for implementation	Loan Signature(LS) + 180 days
4.	Review of Compliance of Workplace Safety Review the compliance of SPV's OHS policies, procedures and training program for consistency with good international industry practice and those of the Lenzing group. At a minimum scope of review should include all areas of operations including process, utilities, laboratories, subcontractor work areas, storage, landfill, logistic support, construction site(s) and CS2/H2S emission areas. Specific milestones are: (i) Completion of review by qualified Lenzing staff (ii) Action plan for the non-compliance & observations from the review.	Documentary Evidence Review Report and Recommendation w/schedule for implementation	Loan Signature(LS) + 90 days
Pollution Prevention and Abatement			
5.	Emission Standards To maintain continued compliance with Indonesian regulatory requirements and consistent with IFC Environmental Health and Safety Guidelines where specific limits are defined, establish emission standards for (a) all liquid effluents (process wastewater, stormwater, utilities, etc. and (b) air emissions. Specific requirements are: (i) Equipment specifications, resource allocation and training program to be defined to meet the compliance.	Documentary Evidence	(vi) COD – Second
6.	GHG Emissions SPV will monitor and quantify GHG emissions annually in accordance with internationally recognized methodologies. Specifically, SPV will: (i) Evaluate technically and financially feasible and cost-effective options to reduce or offset project-related GHG emissions during the design and operation of the project. (ii) Develop an implementation plan based on assessment in 6 (i)		Loan Signature(LS) + 360 days

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Community Health Safety and Security			
7.	Access Path for Community In consultation with the impacted community, establish and maintain a path that provides year round alternate access for communities surrounding SPV facilities that have had their traditional access paths restricted due to land acquisition and/or expansion of the SPV facility. Access path should be provided at the same time that fence securing construction site is installed.	Documentary Evidence	COD – First
8.	Assessment of Alternative Livelihoods for Waste Pickers Retain a qualified consultant to assess feasibility of alternative livelihoods for the waste pickers at SPV. IFC will review TOR and provide input as needed. Recommendations from the assessment will be taken up under the umbrella of SPV's on-going Community Development / Home industry activities.	Documentary Evidence Review Reports and Recommendations with schedule for implementation	LS + 60 days