

Annex 1: Environmental and Social Action Plan (ESAP)

No.	Reference	Measure	Final product/deliverable	Expected completion date
PS 1: Assessment and Management of Environmental and Social Risks and Impacts				
1.1	Environmental and Social Management System (ESMS)	1. Develop the final, explicit, detailed and specific ESMS for the Project that includes: (i) policies; (ii) procedures to identify, assess, and manage the potential environmental, social, OHS, and labor risks and impacts associated with each of the activities in the Project, as well as for its contractors and subcontractors; (iii) internal procedures for compliance with the environmental and social management plan (ESMP); (iv) organizational capabilities and competences, with the definition of roles and assignment of responsibilities to implement said ESMS; (v) protocols for emergency preparedness and response; (vi) methods or plans for the participation of key players; (vii) external communication and complaints reception mechanisms; (ix) protocols for the dissemination of information to communities, decision-making and training; (x) protocols for the evaluation and continuous improvement of the ESMS; and (xi) periodic audits and inspections regarding environmental, social, and OHS requirements, applicable under GLEBEP and Mexico's FLL.	1. Copy of NASE's updated ESMS	1. Six months after the first disbursement.
1.2	Environmental, Social and Occupational Health, Safety and Security Policy	1. Define an Environmental and Social Policy that takes into account the context and needs of NASE and/or the Project, and establishes who, within the NASE organization, will guarantee its compliance and be responsible for its execution. 2. Complement this comprehensive policy with monitoring programs and communications to all members and levels of the organization.	1. Copy of NASE's or the Project's Environmental and Social Policy, if different 2. Evidence of the implementation of monitoring programs and communications to all members and levels of the organization	1. Six months after the first disbursement. 2. Six months after the first disbursement.

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		3. Create a program to measure ongoing improvements in environmental and social policy implementation.	3. Continuous improvement program.	3. Six months after the first disbursement.
1.3	Risk and Impact Identification	1. If any modification is made to the activities authorized by the existing environmental permits/licenses, an analysis of alternatives and a cumulative impact assessment shall be conducted, within the process of identification and assessment of environmental and social risks and impacts, based on IFC's Manual of Good Practices for the Evaluation and Management of Cumulative Impacts.	1. Copy of the analysis of alternatives and cumulative impact assessment.	1. 30 days before the start of any modification of the activities authorized by the existing environmental permits or licenses.
1.4	Organizational Capacity	1. Appoint a NASE Environmental and Social Unit or an Environmental and Social Unit for each Project Business Unit (BU), responsible for planning, implementing and monitoring all environmental and social actions required by the GLEBEP; as well as define the functions, responsibilities and faculties of each environmental and social manager of said Environmental and Social Unit, for the implementation of the ESMS.	1. Appointment of the Environmental and Social Unit for NASE or for each UN Project.	1. 60 days after signing the loan agreement.
		2. Design an introductory training program and mechanism to update concepts at least once a year, for all personnel in charge of environmental, social and OSH compliance.	2. Copy of the introductory training program and update mechanism.	2. 60 days after signing the loan agreement.
		3. Appoint and maintain a qualified Environmental and Social Coordinator for each Project BU, who will report directly to the Manager/Director of each Project BU, with an independent accountability line to the General Management of NASE.	3. Appointment of the Environmental and Social Coordinator assigned to each Project BU.	3. 60 days after signing the loan agreement.
1.5	Emergency Preparedness and Response	1. Strengthen and update the Emergency Response Plan for each Project BU with Community Facilities and/or Packing Plants, including/enhancing the following aspects: (i) the security policy (see Section Error! Reference source not found.); (ii) an organizational structure with the Plant	1. Copy of the strengthened and updated Emergency Plan for each Project BU.	1. 90 days after signing the loan agreement.

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		<p>Director, a Coordinator of Industrial Safety and Firefighters, for first aid and fire (as a minimum); (iii) specific emergency response procedures, depending on the magnitude and characteristics of the incident, including a search and rescue procedure, for damages due to natural phenomena, to declare the end of the emergency, and for post-emergency; (iv) trained emergency response teams; (v) emergency contacts and communication systems/protocols; (vi) procedures for interaction with local and regional emergency and health authorities, including a contact directory in case of emergency; (vii) a description and inventory of permanent emergency equipment and facilities (for example, first aid, fire extinguishers/hoses, sprinkler systems); (viii) protocols for firefighters, ambulances and other emergency vehicles; (ix) evacuation routes and meeting points; (x) conditions for resumption of activities; and (xi) training exercises such as yearly drills or more frequently if necessary, or actual events in which NASE must include packing plant staff and all community facility workers; as well as adjacent property owners and other key stakeholders to familiarize them with the procedures in the event of an emergency.</p>		
1.6	Monitoring and evaluation indicators	<ol style="list-style-type: none"> 1. Develop a compliance matrix with a set of key performance indicators that should be monitored and met in order to measure the effectiveness of the ESMP and/or the environmental monitoring program, and also reference all the legal and contractual obligations of each Project BU. 2. Strengthen the WWTP Wastewater Discharge Monitoring Program in terms of compliance with local regulations and IFC guidelines on environment, health and safety for water and sanitation (whichever is more rigorous); accompanied by new training campaigns, the establishment of a mechanism for penalties/rewards and/or improvement in the management of wastewater at each industrial complex. 	<ol style="list-style-type: none"> 1. Compliance matrix with the list of key management performance and success indicators. 2. Copy of the Project's WWTPs Wastewater Discharge Monitoring Program. 	<ol style="list-style-type: none"> 1. 60 days after signing the loan agreement. 2. 60 days after signing the loan agreement.

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1.7	Project Compliance with applicable regulations	1. Through an independent environmental and social consultant, prepare a consolidated report on all environmental, social, health, and safety issues, as well as on the compliance status of the Interamerican Investment Corporation's (IIC) Environmental Sustainability Policy, the Environmental, Social and OHS legislation of Mexico, IDB's Environmental and Social Policies, and the IFC's Performance Standards, including the progress of ESMP actions against established key performance indicators.	1. Periodic environmental and social compliance report.	1. Annually over the life of the loan.
1.8	Participation of Social Actors	1. Prepare for each Project BU, a Comprehensive Plan for the participation of Key Social Actors, where the following is incorporated: (i) updated identification of all stakeholders, including local authorities and surrounding communities (within a 1 km radius or adjacent to the BU access roads) that may be interested in the Project; (ii) differentiated measures to enable the effective participation of disadvantaged or vulnerable groups; (iii) a mechanism to ensure that community representatives represent the views of affected communities; (iv) details on how information is disseminated to stakeholders; (v) details on the participatory process among affected communities and how the complaints mechanism can be accessed.	1. Copy of the comprehensive key social player participation plan for each Project BU.	1. 60 days after signing the loan agreement.
1.9	Grievance mechanism for the construction stage	1. Develop and implement an External Grievance Mechanism focused on key stakeholders, affected or with some interest, including local authorities, owners of neighboring land and users of common roads, within the Project's area of indirect influence (within a 1 km radius). This grievance mechanism should include details of how complaints or grievances are recorded, investigated/assessed, and their follow-up and closure/resolution process.	1. Copies of NASE's external grievance mechanism.	1. 60 days after signing the loan agreement.
			2. Copies of the evidence of this implementation in each Project BU.	2. Progress report in each environmental and social compliance report.

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PS 2: Labor and Working conditions				
2.1	Human Resources Policies and Procedures	1. Develop a control and monitoring mechanism to ensure that contractors and subcontractors of engineering, procurement and construction services comply with the recruitment policy and its procedures.	1. Copy of the control and follow-up mechanism for compliance with the human resources policy and its procedures.	1. 45 days after signing the loan agreement.
2.2	Workforce Protection	1. Establish a mechanism to ensure that: (i) procedures for hiring and terminating/reducing jobs are adopted by contractors and subcontractors of the contractor for their workers; and (ii) establish a procedure for managing and monitoring the performance of workers hired by third parties.	1. Copy of the procedure for NASE.	1. 60 days after signing the loan agreement.
2.3	Indigenous workers	1. Hire a full-time person or train an employee who manages at least two of the three most spoken indigenous languages among this segment of the day laborer population, not only to assist in the translation of all signs, posters, and public announcements, but also to offer on-site interpretation assistance in each Project BU where indigenous workers are present.	1. Appointment of the interpreter and/or translator for each Project BU where indigenous workers are present.	1. 60 days after signing the loan agreement.
2.4	Decent housing	1. Implement an annual housing satisfaction survey for the inhabitants of the Community Facilities to obtain direct feedback from users/beneficiaries on the most prominent aspects of the facilities and the main areas of opportunity that could be addressed gradually.	1. Copy of the results of the annual housing satisfaction survey.	1. Annually over the life of the loan.

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2.5	Accidents and fatalities	1. Develop a Notification Procedure to report major accidents, including fatalities.	1. Copy of the report procedure for major accidents.	1. Within 24 hours of the accident.
		2. Prepare a root cause analysis for each major accident or fatality, and ensure the implementation of corrective actions.	2. Copy of the root cause analysis and its corrective actions.	2. Periodic in each half-yearly environmental and social compliance report.
2.6	Occupational Health, Safety and Security	1. Update the Occupational Health and Safety Program, to: (i) provide and encourage the use of fresh clothing articles that protect the worker in the field from solar radiation (bandanas, hats, long-sleeved shirts, etc.) and establish as a precautionary and risk mitigation measure, the presence of available sunscreen next to the hydration stations in the field; (ii) equip the satellite eating areas with refrigerators and/or equip workers with heat-resistant portable containers for food, so as to prevent possible gastrointestinal diseases and/or bad food practices.	1. Copy of the updated Occupational Health and Safety Program.	1. 60 days after signing the loan agreement.
2.7	Complaints mechanism	1. Launch a global outreach/training campaign among the working population to promote the Conflict Resolution and Complaint System and ensure its operationalization.	1. Copy of the outreach/training program to promote the NASE Conflict Resolution and Complaint System.	1. 60 days after signing the loan agreement.
			2. Copies of proof/evidence of its operationalization in the Project.	2. Progress report in each environmental and social compliance report.

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PS 3: Resource Efficiency and Pollution Prevention				
3.1	Efficient Water Use	1. Implement an Efficient Water Saving and Use Program for Community Facilities and Packing Plants, including general water balance management, an analysis of current technological alternatives (dosing devices, etc.) and reuse alternatives for treated water from the WWTP.	1. Copy of the Efficient Water Saving and Use Program for the Project's Community Facilities and Packing Plants.	1. Eight months after the first disbursement.
		2. Develop, as part of the Efficient Water Saving and Use Program, an environmental and economic feasibility study of the two (2) best alternatives for water saving or reuse of WWTP water, and a personnel training program for water saving and efficient use.	2. Copy of the Feasibility Study for water saving and reuse of treated water from the WWTP.	2. Twelve months after the first disbursement.
3.2	Solid Waste Management	1. Register as a Hazardous Waste Generating Company with the SEMARNAT.	1. Copy of the Registry as a Hazardous Waste Generating Company issued by SEMARNAT.	1. Six months after the first disbursement.
		2. Develop and implement a Comprehensive Solid Waste Management Program ("CSWMP") for each Project BU, emphasizing the measures to reduce, reuse and recycle inert materials such as metal, paper, plastic, etc., that derive from the operation of the Project and also provide special management measures for hazardous waste, such as oils, greases, paints, solvents, medicines, disinfectants, herbicides, pesticides, or any other special handling product used during Project activities.	2. Copy of the Comprehensive Solid Waste Management Program for each Project BU.	2. Eight months after the first disbursement.
PS 4: Community Health and Safety				
4.1	External safety protocols and policy	1. Provide a copy of the contract between each Project BU and the security company or companies to verify, among other things, that conditions have been included allowing NASE to perform: (i) reasonable investigations to ensure that security personnel do not have a criminal record and have not been involved in past cases of abuse; (ii) verify details of necessary training in relation to the use of force;	1. Copy of the contracts between each Project BU and the security company(s).	1. 45 days after signing the loan agreement.

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		(iii) verify restrictions on the use of firearms; and (iv) identify details of environmental and social awareness training, including issues of respect for human rights.		