

**Environmental and Social Action Plan - ESAP**  
**RIGA Working Capital Revolving Line - PANAMA**  
**Hospital Puerto Armuelles and Hospital Almirante Revolving Line - PANAMA**

No.	Reference	Action Item	Final product/deliverable	Anticipated Completion Date
<b>PS1: Assessment and Management of Environmental and Social Risks</b>				
1.1	Environmental and Social Management System (ESMS)	1. Preparing an ESMS draft including: (i) an Environmental, Social and Health and Safety (ESHS) policy; (ii) internal procedures to identify, assess, and manage possible environmental and social (E&S), occupational, health and safety (OHS) risks and impacts associated with each Project activity, both for their own workers and those engaged by third parties (contractors and subcontractors); (iii) internal procedures to ensure compliance with the Environmental Management Plan (EMP); (iv) organizational capacity and competency, including the definition of roles and allocation of responsibilities for the implementation of said ESMS; (v) emergency preparedness and response protocols; (vi) stakeholder engagement methods or plans; (vii) external communication and grievance mechanism; (viii) protocols for the disclosure of information, decision making and education of communities; (ix) protocols for the evaluation and continuous improvement of the ESMS; and (xi) regular audits and reviews of E&S and OHS requirements under Panama environmental regulations.	1. Copy of the proposed ESMS	1. 270 days after signing the loan agreement
		2. Implementing the ESMS	2. Evidence of the ESMS implementation	2. As from 30 days after the implementation of the ESMS, in each E&S

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				compliance report
		3. Assessing the implementation of the ESMS on the basis of the IFC Implementation Manual and Toolkit <sup>20</sup> .	3. ESMS assessment report	3. 120 days after the date of implementation of the ESMS
1.2	Environmental, Social and Occupational Health and Safety Policy	1. Preparing an E&S and OHS policy (“Integral Policy”).	1. Copy of the Integral Policy	1. 90 days after signing the loan agreement
		2. Adopting the Integral Policy.	2. Evidence of its adoption	2. In each E&S compliance report
		3. Defining the procedure to communicate the policy organization wide.	3. Procedure to communicate the Integral Policy	3. 90 days after signing the loan agreement
		4. Creating a mechanism to measure and communicate continuous improvements in the implementation of the integral ESHS policy.	4. Mechanism to measure and communicate continuous improvements in the implementation of the integral ESHS policy	4. 90 days after signing the loan agreement
1.3	Identification of Risk and Impacts	1. Developing a Corporate Preconstruction or Works Adjustment Procedure to update the E&S risk profile before the execution of the works.	1. Copy of the Corporate Preconstruction or	1. 120 days after signing the loan agreement

<sup>20</sup> Environmental and Social Management System, Implementation Manual - General; IFC; version 2.1; November 2015. Environmental and Social Management System Toolkit - General; IFC; version 1.2; November 2015.

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			Works Adjustment Procedure	
		2. Implementing the Corporate Preconstruction or Works Adjustment Procedure	2. Evidence of the implementation of the procedure	2. In each E&S compliance report
		3. Requiring that the Project Manager, Resident Engineer and Contractor generate a social report identifying: (i) the social organizations and institutions within the social and economic area of influence of the Project; (ii) the risks inherent to the role of each organization and institution; and (iii) the related risks and mitigation actions.	3. Social report	3. 15 days prior to the beginning of the works
		4. Requiring that the Project Manager, Resident Engineer and Contractor prepare a “social traffic-light system” that updates the social risk levels of the works, thus identifying the existence of any significant risk events or particular crisis.	4. Weekly traffic-light system report during the Project’s construction phase	4. In each E&S compliance report
1.4	Organizational capacity	1. Defining the E&S Organizational Capacity and Competency policy or policies.	1. Copy of the policy or policies.	1. Prior to the first disbursement
		2. Appointing a person responsible for E&S matters, in addition to defining the functions, responsibilities, and powers for the implementation of the ESMS and guaranteeing adequate human and financial resources as part of the ESMS.	2. Copy of the contract or of the administrative procedure that appoints the person.	2. Prior to the first disbursement
		3. Preparing an introductory training program for all personnel in charge of the management of each existing or future facility.	3. Copy of the training program.	3. 120 days after signing the loan agreement
		4. Conducting a refresher training program for all personnel in charge of the management of each existing or future facility.	4. Evidence of the implementation of the refresher training program	4. At least once a year after the introductory training program

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1.5	Emergency Preparedness and Response	1. Preparing an Emergency Response Plan (ERP) for each hospital or facility, including the following aspects: (i) specific Emergency Response Procedures due to natural hazards (earthquakes, hurricanes, tropical storms, floods, subsidence, etc.), human conflicts (vandalic acts, demonstrations or civil unrest), and technological hazards (fires, explosions, fuel leaks, hazardous material leaks, and workers and suppliers accidents; (ii) trained emergency response teams; (iii) emergency contacts and communication systems/protocols; (iv) procedures for the interaction with local and regional emergency and health authorities; (v) permanent emergency equipment and facilities; (vi) evacuation routes and meeting points; (vii) training exercises, and drills and simulations including other stakeholders; (viii) an annual training program; (ix) a root cause analysis procedure for any major accident or fatality; and (x) a description of the corrective actions required to minimize the risk of new occurrences.	1. Copy of the Emergency Response Plan for each hospital or facility.	1. 180 days after signing the loan agreement
1.6	Crisis Management	1. Developing a specific Crisis Management Policy that sets forth governance standards to ensure an adequate organizational response to events that threaten or affect Project assets.	1. Specific Crisis Management Policy	1. 120 days after signing the Loan Agreement
1.7	Monitoring and evaluation indicators	1. Preparing a compliance matrix with a list of permits, licenses and certifications required to operate each Hospital or Project site, including: (i) key performance indicators (KPI) to measure the effectiveness of management and control measures; (ii) record of compliance with local contractual and legal obligations; (iii) the competent authority in charge of granting authorizations or issuing permits; (iv) the date of issuance or effectiveness of each permit or authorization ;	1. Compliance matrix	1. 120 days after signing the loan agreement

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		(v) the person within the company in charge of monitoring or ensuring each permit is complied with; and (vi) future compliance and communication procedures.		
		2. Adopting the compliance matrix.	2. Evidence of the matrix implementation	2. In each E&S compliance report
1.8	Project Compliance with Applicable Standards	1. Through an internal audit or external independent E&S expert (external audit), drafting an annual consolidated report on the status of compliance with all the E&S and OHS policies and measures applicable to the Project, including the progress of the ESMS actions against the KPIs established, as well as the status of compliance with IDB Invest's Environmental and Social Sustainability Policy.	1. Periodic environmental and social compliance report	1. Annually over the life of the loan
1.9	Stakeholder engagement	1. Developing a Stakeholder Management Plan that includes: (i) updated identification of all stakeholders, including local authorities and surrounding communities and neighbors); (ii) differentiated measures to enable the effective engagement of disadvantaged or vulnerable groups; (iii) a mechanism to ensure that community representatives may express their opinions on the Project; (iv) details on how information will be disclosed to stakeholders; (v) details on the stakeholder engagement process in these communities and how they can access the grievance mechanism; (vi) regular reporting procedure on the Company's E&S performance to stakeholders and the public at large; and (vii) mechanisms to implement and disclose the updated procedure to all its staff as part of a training program.	1. Copy of the Stakeholder Management Plan	1. 60 days after signing the loan agreement
		2. Adopting the Stakeholder Management Plan	2. Evidence of Plan implementation	2. In each E&S compliance report

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		3. As part of the Stakeholder Management Plan, developing a Community Relations Procedure that sets out effective strategies for communicating and maintaining good relations with the population in the area of influence of the Project and with stakeholders, and that defines the protocols for the following activities: (i) interviews with authorities and stakeholder representatives; (ii) stakeholder briefings; and (iii) media and social networks management.	3. Copy of the Community Relations Procedure	3. 90 days after signing the loan agreement
		4. Adopting the community relations management procedure.	4. Evidence of the implementation of the procedure	4. In each E&S compliance report
		5. Appointing the work team in charge of the implementation of the Community Relations Management Procedure (e.g., the Social Management Manager and a team of social promoters).	5. Copy of the contracts of the people hired or of the administrative instruments that appoint the team	5. 90 days after signing the loan agreement
1.10	External Communication	1. Developing a Corporate Communication Policy, which shall ensure that all communication, whether directed to internal or external audiences, is delivered in a careful, responsible, and efficient manner.	1. Copy of the Global Corporate Communication Policy	1. 120 days after signing the Loan Agreement
1.11	External Grievance Mechanism	1. Updating the grievance procedure to include details of how all the grievances or claims were recorded, classified, processed, assessed, investigated, monitored and closed.	1. Copy of the updated Grievance Procedure	1. 120 days after signing the Loan Agreement
		2. Implementing the Grievance Procedure.	2. Evidence of the implementation of the Procedure	2. In each E&S compliance report

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<b>PS2: Labor and Working Conditions</b>				
2.1	Internal Grievance Mechanism	1. Updating the Grievance Procedure so that it may be culturally appropriate, easy to access at all times, and it provides access to other applicable legal and administrative resources.	1. Updated Grievance Procedure	1. 90 days after signing the loan agreement
		2. Adopting the updated Grievance Procedure.	2. Evidence of the implementation of the Procedure	2. In each E&S compliance report
<b>PS4: Community Health and Safety</b>				
4.1	Fire protection systems	1. For each Project Hospital, submit the certification issued by a professional acceptable to IDB Invest establishing that: (i) they were built in conformity with the approved L&FP design; (ii) all the L&FP devices were installed in conformity with the design; and (iii) all the L&FP devices were approved following international requirements.	1. Copy of the certification for new facilities beginning operations	1. 15 days prior to the start of operations or occupation of each facility
4.2	External Security Policy and Protocols	1. For the hospitals requiring physical security during construction, including in the contracts signed with security and surveillance company provisions allowing RIGA to: (i) conducting reasonable investigations to ensure that security personnel do not have a criminal record and have not been involved in cases of abuse; (ii) verifying details of necessary training on the use of force; (iii) verifying any restriction on firearm use; and (iv) identifying details of the environmental awareness training, including the subject of respect for human rights.	1. Contracts signed with security and surveillance companies	1. 60 days after signing the loan agreement
<b>PS8: Cultural Heritage</b>				
8.1	Cultural Heritage	1. Preparing a chance find procedure.	1. Copy of the chance find procedure	1. 90 days after signing the loan agreement or 15 days prior to the

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		2. Adopting the chance find procedure.	2. Evidence of its adoption	start of the construction of the new facilities 2. In each E&S compliance report