Re: Request for Proposal
Environmental and Social Assessment

Dear Sir, Madam:

BANK requests a competitive proposal to perform an Environmental and Social Due-Diligence Assessment for an investment opportunity under consideration.

Enclosed are the relevant Terms of Reference, including the project description, objectives, tasks to be performed, reports required, tentative schedule, and requested information for your proposal.

After reviewing the enclosed material, please confirm via telephone or e-mail whether a proposal will be submitted. Proposals must be received by BANK no later than the date. Please provide proposals both electronically (via e-mail) and hard-copy (via mail or courier service).

All information presented herein should be considered and treated as confidential.

If there are any questions or if additional information is needed, please don't hesitate to contact XXX

Sincerely,

[…]

Signature
XXX

Enclosure

Terms of References for an Environmental and Social Assessment of a XXX Project

Date

1. Background

For an investment opportunity under consideration, BANK requires the services of an independent environmental and social consultant ("Consultant") to perform an Environmental and Social Due-Diligence Assessment of a XXX project described below ("Project"), carried out by XXX ("Client").

The following Terms of References are applicable to the execution of the requested services and need to be treated confidentially.

2. Description of the Project

The Project is ….

The following documentation can be made available to the Consultant: XXX

3. Objective

The requested services are to support BANK's investment decision and follow-up approach by independently assessing and verifying the project against the reference framework elaborated in paragraph 4, identifying compliance gaps, necessary mitigation and follow-up actions, and outlining a managing/monitoring regime.

This assessment must specifically address foreseeable risks and mitigation measures, and should give an overall opinion on the ability of the Project to meet the reference framework.

4. Reference Framework

The reference framework will be:

1. IFC Performance Standards (PS) 1 to 8;
2. The applicable IFC / World Bank Guidelines:
    a. The general EHS Guidelines,
    b. EHS Guidelines for XXX;
3. Applicable local, national and international environmental and social legislation;
4. ILO conventions covering Core Labour Standards and Basic Terms and Conditions of Employment.
5. XXX

5. Team

The assignment has to be carried out by a qualified independent local environmental expert with specific experiences in the sector of the Project and a qualified independent local social expert, with appropriate environmental and social auditing background and experience in the sector, region and reference framework.

6. Scope of Work and Tasks

The scope of work entails in principle the independent assessment of all environmental and social aspects of the Project and its associated facilities, within the framework stipulated in paragraph 4.

Specifically, this work will entail:

1. Assessing to what extent such aspects of the Project are in accordance with the framework stipulated in paragraph 4, and industry best practice;
2. Reviewing the management programs and systems, and of the follow-up and implementation to date, and judge it against the IFC Performance Standard 1;
3. Reviewing whether capacity and management structures to address environmental and social impacts are feasible and appropriate;
4. Reviewing the adequacy of proposed designs, measures and budgets;
5. Identifying gaps to compliance and recommending mitigation and follow-up actions (Environmental and Social Action Plan - ESAP) as necessary, and recommending implementation prioritization;
6. Recommending appropriate monitoring regimes and systems.
7. XXX

The assessment should comprise of the following three steps:

1. **Information Review**. This should include a review of the relevant environmental, social, and health and safety, project documents and information (i.e., Project environmental and social (impact) assessments, management structure, environmental licenses and associated applications, health and safety plan, contingency/emergency plan, concession and construction contracts, any other additional environmental, health and safety studies, etc.) and, subsequent to the site reconnaissance, review of any additional information obtained or collected. The information review will also include an in-depth review of news paper archives as well as a general Internet research with the aim to identify possible risks / opportunities. Expected number of man-days for this step: XXX

2. **Site Reconnaissance.** A site investigation will be performed consisting of visual observation of selected areas directly and indirectly affected by the Project, meetings with relevant individuals/entities associated with the Project and individuals and entities potentially adversely impacted by the Project, to discuss the environmental and social issues, and obtaining any additional information required. The draft ESAP shall be discussed with the Client. Expected number of man-days for this step: XXX

3. **Report Preparation.** The expert will prepare an Environmental and Social Due-Diligence Assessment Report. Please refer to paragraph 7 ‘Deliverables’ for details on the content and submission of this report. Expected number of man-days for this step: XXX

Necessary documents will be made available by BANK, respectively the Client. The logistics of the site visit will be facilitated by the Client.

7. Deliverables

The Consultant will provide a concise back-to-office Report in English, focusing on main preliminary observations and identified issues, shortly after conclusion of the site-visit. The consultant needs to be prepared to present this report in a phone conference to BANK and the Client.

Further, the Consultant will provide a comprehensive Environmental and Social Due-Diligence Assessment Report (ESDDA Report) in English, fully reflecting the scope of work, and in accordance with the outline in the Annex 1.

Further, the Consultant will present its findings, conclusions and recommendations in a comprehensive, stand-alone "Environmental and Social Review Summary" following the standard BANK format for this report (Annex 2).

8. Timeframe

BANK would like to receive quotes in one week after receiving the ToR.

The site visit is tentatively scheduled for *[date]*.

The (draft) report should be available on *[date]*.

9. Proposal

The proposal for the Environmental and Social Assessment should contain – but not necessarily be limited to - the sections listed below:

1. SCOPE OF WORK. The scope of work should include a description of the specific activities that will be performed in order to accomplish the required tasks identified in paragraph 6 'Scope of Work and Tasks'. This should include any proposed site visits/reconnaissance, documents to be reviewed, interviews, etc. If the Consultant feels that additional tasks or components within a required task are suggested or warranted, these should be stated and delineated as "Optional Tasks".

2. REPORT. This should include an outline of the proposed ESDDA report structure including a CAP template

3. PROJECT TEAM AND QUALIFICATIONS. This should include the name of the principal staff members and sub-contractors (if any). Qualifications of staff should include relevant technical capabilities, specific previous project experience similar to this Project, specific in-country or regional experience and knowledge, project experience with international Financing Institutions, specific language skills. CVs of project team members should be provided in the Annex.

4. SCHEDULE. A proposed schedule for performance of the due-diligence must be presented (refer to paragraph 8 for proposed timeframe). The schedule must indicate the proposed start and completion dates for each required scope of work task listed in paragraph 6 'Scope of Work and Tasks' and any important or specific project milestones (i.e., report submittal, etc.).

5. ESTIMATED COSTS. A total lump sum cost estimate (not to be exceeded), in US Dollars / EUR, must be provided for the required scope of work. A breakdown of the estimated costs by working step must also be presented (i.e., tabular format) and should include Direct Labor Costs (number of hours or days per staff and their associated unit costs) and Indirect Labor Costs (i.e., travel, per diems, communication, etc.) as well as applicable taxes (if any). Any assumptions related to the estimated costs must be clearly stated.

10. Your contact Persons at BANK

XXX
Contact

Annex 1: <u>Outline for the Environmental and Social Audit Report</u>

The environmental and social audit report typically includes the following items (not necessarily in the order shown):

- *Executive Summary*: A concise discussion of all environmental, social and occupational health and safety areas of concern, recommended mitigation measures and their priority, the cost of mitigation, and a schedule for compliance.
- *Facilities Description*: A concise description of the project facilities, including both past and current operations. The description should focus on aspects or components with potential environmental and occupational health and safety impacts.
- *Regulatory Setting:* Tabular summary of host country, local and any other applicable environmental and occupational health and safety laws, regulations, guidelines, and policies as they may directly pertain to the facilities.
- *Audit and Site Investigation Procedure:* Brief overview of the approach used to conduct the audit. A discussion of the records review, site reconnaissance, and interview activities; a description of the site sampling plan and chemical testing plan; a description of field investigations, environmental sampling and chemical analyses and methods.
- *Findings and Areas of Concern:* Detailed discussion of all environmental, social and occupational health and safety areas of concern and compliance gaps. Social in the context of the site operations means mainly working conditions (PS 2) and effects to the communities (PS 4). The areas of concern should be discussed in terms of both existing facilities and operations and contamination or damages due to past activities, including the affected media and its quality and recommendations for further investigation and remediation. Areas of concern should be prioritized into one of three categories: immediate action; mid-term action; and long-term action.
- *Corrective Action Plan, Costs and Schedule (CAP)*: For each area of concern and compliance gap, provide specifics on the appropriate corrective actions to mitigate and why they are necessary. Indicate priorities for mitigation and follow up actions. Provide estimates of the cost of implementing the corrective actions and a schedule for their implementation. Schedules should be recommended within the context of any planned capital expenditure for the facility. The CAP should be formatted as a table with columns for description of area of concern/compliance gap, reference to Reference Framework (see Paragraph 4), description of corrective action, priority, responsibility, suggested schedule, and cost estimates.
- *Annexes:* These should include references, copies of interview forms, any details regarding the audit protocol not already included, and data obtained during the audit but not included directly above.

Annex 2: BANK Environmental and Social Review Summary