



Government of Nepal  
Ministry of Communication and Information Technology (MoCIT)

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# STAKEHOLDER ENGAGEMENT PLAN

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Digital Nepal Acceleration Project

APRIL  
2022

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## Executive Summary

### Background

The Government of Nepal (GoN) is implementing the Digital Nepal Acceleration (DNA) Project with support from the World Bank, to expand inclusive access to broadband connectivity, and to strengthen the digital enablers to improve the resilience of businesses, governments, and households with the national coverage. This Stakeholder Engagement Plan (SEP) provides a guideline to effectively engage with all stakeholders who have an interest in or may be affected by the project.

The project envisages ensuring digital inclusion to address the gaps and initiatives as identified by Digital Nepal Framework (DNF) 2019. The list of project development activities constitutes four components. Activities under component 1: Expanding broadband access will include promotion of rural broadband access and improving international connectivity by creating a virtual landing station and pre-purchase of high-capacity international bandwidth for the Government and priority users. The component 2: Expanding access to digital skills and jobs has focused on developing advanced digital skills and promotion of the digital industry through incubation and acceleration programs for digital startups and conducting feasibility studies to develop the planned Information Technology (IT) Park and a network of innovation and co-creation centers. The project will fiancé for enhancing digital public platforms and services delivery under component 3 where it will support to enhance of the digital trust ecosystem by developing digital signatures, the cyber security regulatory framework, establishment of a national cyber security center, strengthening the digital infrastructure for public service delivery including the establishment a climate-resilience of the government's data centers and support for implementing high-priority DNF initiatives. The project will also fiancé for technical support, fiduciary, environment & social (E&S) standards implementation, and monitoring & evaluation.

A Project Management Unit (PMU) will be established under the Ministry of Communication and Information Technology (MoCIT) and will be the lead agency responsible for operationalizing the project and for managing day-to-day operations. Project Implementation Teams (PITs) include the MoCIT itself, DoIT, NITC, and NTA. These PITs will be established with a minimal composition of human resources including one PIT Environmental and Social Specialist (PIT ESS) for undertaking relevant components. The PITs will be responsible for the implementation of the designated project activities as outlined in the Project Appraisal Document (PAD) and Project Operational Manual (POM) and performance monitoring and evaluation of the project activities. On top of the PMU and PITs, the project has constituted an Inter-sectoral Project Steering Committee (PSC) chaired by the secretary of MoCIT and will provide policy support and coordination among PMU, PITs, and other stakeholders.

This SEP has been developed following the World Bank (WB) Environment and Social Framework (ESF) which came into effect on October 1, 2018. This framework includes Stakeholder Engagement and Information Disclosure requirements as an integral part of the Environment and Social Standards (ESS) 10. The ESS 10 recognizes the importance of open and transparent engagement between the Borrower and project stakeholders as an essential element of good international practice.

The primary baseline information to prepare this SEP was collected through discussions with members of PMU, PITs, and other key and relevant stakeholders. Preliminary stakeholder consultations with other stakeholders were also conducted at the federal level. This SEP is a living document it will be revised to reflect changes and development during project implementation.

### Stakeholder Identification and Analysis

As per the WB ESF: ESS 10, stakeholders refer to project-affected parties and other interested parties. The stakeholders of a project vary depending on the details of the project. They may include local communities, national and local authorities, civil society, and community-based organizations. The key

stakeholders from both affected and interested parties may need to be identified, and be informed and consulted about the project will include individuals, institutions, interest groups, and local communities. For the preparation of the SEP, a preliminary stakeholder consultation was also carried out.

### **Proposed Strategy for Information Disclosure**

All relevant documents of the project, including the ESMF, SEP, and Environment Social Commitment Plan (ESCP), among others, will be disclosed and made accessible to all stakeholders. The information will be disclosed through all possible means, ranging from face-to-face and virtual consultations with the project stakeholders, distribution of hard copies, posters, leaflets, and brochures, MoCIT/NTA and project website and local media so that the documents are accessible to all project beneficiaries of the project, including those residing in the remote areas.

### **Organization Structure to Implement the SEP**

The Ministry of Communications and Information Technology (MoCIT) will oversee the implementation of the overall aspects of the project including the SEP. It is proposed that MoCIT will constitute a Project Steering Committee (PSC), chaired by the Secretary of MoCIT and with the participation of representatives of key agencies. The various activities of the project will be undertaken by PITs, which will include the MoCIT, DoIT, NITC, and, the NTA. A Project Management Unit (PMU) will be responsible for the operational and administrative activities to implement the Project. This PMU at the federal level will be responsible for effective implementation of the SEP as well as monitoring and reporting on project implementation and progress. It will report to the PSC and the PSC will provide strategic guidance on activities as needed to the PMU. In coordination with the PMU, the PITs will appoint a E&S risk management focal person and a social and environment risk management officer in each of the PITs to take the overall responsibility for effective implementation of the SEP, monitoring consultation activities, and reporting quarterly on the implementation of the SEP and other social management plans. The PIT ESS will report to the Environment and Social Specialists based at the PMU.

### **Grievance Mechanism**

The project will put in place a responsive and functioning Grievance Redressal Mechanism (GRM) to address the concerns and complaints of beneficiaries and project stakeholders by adopting an understandable and transparent process that is culturally appropriate and readily accessible to all the segments of affected communities. The project's GRM is at no cost to complainants and guarantees that there will be no retribution for people who lodge complaints about project activities. Furthermore, the grievance mechanism will not impede access to judicial and administrative remedies. The main purpose of this system is to ensure there is a robust and transparent process, consisting of a sequential process of resolution available to swiftly address the complaints. A subsequent level of resolution is triggered if the complainant remains unsatisfied with the resolution made by the lower level or if it remains unable to provide a resolution within a given time. The SEP proposes the three-tiered GM system which includes the Sub-Project Level Grievance Committee, followed by PIU Level Grievance Committee and PMU Level Grievance Committee.

### **Grievance for Gender-Based Violence (GBV)**

The GM put in place for the project will also be used for addressing GBV and SEA/SH-related issues and the PMU will oversee GBV related complaints. The project will place its uppermost priority on handling and managing the GBV related grievance by maintaining full confidentiality of the survivor. The PMU will put in place necessary mechanisms for confidential reporting with safe and ethical documentation of GBV issues at the center and project level. GBV referral pathway will be established and communicated to both PMU and the local level. Further, the GRM will also put in place a system to immediately notify both the PMU and the World Bank of any GBV complaints, with the consent of the survivor. As per the requirement of the World Bank, the PMU, in support of the World Bank, will prepare and implement the SEA/SH Action Plan before the implementation of the project.

**Monitoring and Reporting of GM**

The E&S risk management focal person of each of the PITs will prepare the Quarterly Reports on the Grievance Redress issues of the project and report to the PMU. The Grievance Committee may review the nature of grievances that have been represented and if grievances are repeated, it may recommend suitable changes in implementation procedures and forward these to the PMU for implementation.

**Monitoring, Evaluation, and Reporting**

Stakeholder engagement will be monitored as the project goes on and maintaining a database and activity file detailing all public consultation, disclosure information, and grievances collected throughout the project will be available for public review upon request. The Stakeholder Engagement Plan will be periodically revised and updated as necessary in the course of project implementations to ensure that the information presented here is consistent and is the most recent and that the identified methods of engagement remain appropriate and effective to the project context-specific phases of the development. During the engagement with stakeholders, the project team will assess meetings by asking questions to participants, depending on the stakeholder group, to ensure that messages are being conveyed clearly. The project team will conduct debriefing sessions with the engagement team while in the field. This will help to assess whether the required outcomes of the stakeholder engagement process are being achieved and provide the opportunity to amend the process where necessary. SEP monitoring, which will build on the overall project Monitoring and Evaluation (M&E) arrangement, will focus on the overall implementation quality of the stakeholder engagement. An independent M&E team may be deployed to assist with the overall monitoring of the SEP, particularly to assess the implementation of stakeholder engagement under each component. Stakeholder engagement will be periodically evaluated (during the project life cycle) by the PMU Social Specialist or by an independent evaluation organization. The following indicators will be used for evaluation. Reports will be prepared quarterly and submission will be in line with the project implementation report. PITs through their E&S risk management officer officer will provide the opportunity to report back to the communities.

## Abbreviations and Acronyms

|         |  |
|---------|--|
| BDS     | Blue Diamond Society                                   |
| CBO     | Community based organization                           |
| CDC     | Curriculum Development Center                          |
| CIAA    | Commission for the Investigation of Abuse of Authority |
| DCCs    | District Coordination Committees                       |
| DNA     | Digital Nepal Acceleration                             |
| DNF     | Digital Nepal Framework                                |
| DoI     | Department of Information Technology                   |
| DP      | Development Partner                                    |
| E&S     | Environment and Social                                 |
| EHRDC   | Education and Human Resource Development Center        |
| ESC     | Environment and Social Commitment Plan                 |
| ESF     | Environment and Social Framework                       |
| ESMF    | Environment Social Management Framework                |
| ESMP    | Environment Social Management Plan                     |
| ESS     | Environment and Social Standards                       |
| FECOFUN | Federation of Community Forest Users of Nepal          |
| FGDs    | Focus Group Discussions                                |
| FED     | Foreign Employment Department                          |
| FNCCI   | Federation of Nepalese Chambers of Commerce & Industry |
| GBV     | Gender-Based Violence                                  |
| GEA     | Government Enterprise Architecture                     |
| GRID    | Green, Resilient, and Inclusive Development            |
| GRM     | Grievance Redress Mechanism                            |
| ICT     | Information, Communication Technology                  |
| IRD     | Internal Revenue Department                            |
| ISPAN   | Internet Service Providers Association of Nepal        |
| IT      | Information Technology                                 |
| ITD     | Information Technology Department                      |
| MoALD   | Ministry of Agriculture and Livestock Development      |
| MoCIT   | Ministry of Communications and Information Technology  |
| MoEST   | Ministry of Education, Science, and Technology         |
| MoF     | Ministry of Finance                                    |
| MoFAGA  | Ministry of Federal Affairs and General Administration |
| MoHA    | Ministry of Home Affairs                               |
| MoLJPF  | Ministry of Law, Justice and Parliamentary Affairs     |
| MoUD    | Ministry of Urban Development                          |
| NFDN    | National Federation of the Disabled Nepal              |
| NFN     | Non-government Organization Federation of Nepal        |
| NGOs    | Non-government organizations                           |
| NITC    | National Information Technology Center                 |
| NRB     | Nepal Rastra Bank                                      |
| NT      | Nepal Telecom  |
| NTA     | Nepal Telecommunication Authority                      |
| OCR     | Office of Company Registra                             |
| OPCMC   | Office of the Prime Minister and Council of Ministers  |
| OCC     | Office of Certification Controller                     |
| PMU     | Project Management Team                                |
| PSC     | Project Steering Committee                             |

SEA/SH  
SEP  
UN  
WB

Sexual Exploitation and Abuse/Sexual Harassment  
Stakeholder Engagement Plan  
United Nations  
World Bank

## 1. Introduction and Project Overview

**Digital Nepal Acceleration (DNA) Project** aims to expand inclusive access to broadband connectivity and to improve the resilience of individuals, businesses, and government through strengthened digital foundations. As such, the DNA project centers on three components that seek to enhance digital infrastructure, build digital capabilities, and support digital transformation, including several high-priority activities following the Digital Nepal Framework (DNF) 2019. The Ministry of Communications and Information Technology (MoCIT) will oversee the implementation of the DNA project. It is proposed that MoCIT will constitute a Project Steering Committee (PSC), chaired by the Secretary of MoCIT and with the participation of representatives of key agencies. The various project activities will be implemented by the Project Implementation Team (PIT), which will involve MoCIT itself along with the Department of Information Technology (DoIT) and the National Information Technology Center (NITC), and the Nepal Telecommunication Authority (NTA). These activities will be undertaken as outlined in the Project Appraisal Document (PAD) and Project Operational Manual (POM) and performance monitoring and evaluation of the project activities. A Project Management Unit (PMU) hosted by MoCIT will be responsible for the operational and administrative activities to implement the Project.

### 1.1. Project Background

Nepal sees digital development as a driver of economic growth and inclusion. Yet, much remains to be done to boost digital inclusion, expand access to and use of digital services in the public and private sectors, and position Nepal to use digital technologies in its resilient recovery from the pandemic. Nepal's households and businesses have reasonable access to basic connectivity, estimates suggest that about 80 percent of Nepal's population uses the internet but the market penetration for fixed broadband in Nepal is relatively low due to limited infrastructure and the dominance of internet access via mobile.

Digital inclusion ensuring that all individuals and businesses have access to affordable, high-speed connectivity and secure digital services is held back by gaps in coverage and affordability of high-speed connectivity. Primarily, three gaps related to digital inclusion need attention. First, services are unaffordable for many since a large section of the population faces unaffordable broadband services due to high subscription and high device costs. Second, access to high-speed broadband connectivity is limited: about 20 percent of households, mostly in urban areas are connected to fixed broadband while only 26 percent of the population (equivalent) subscribes to 4G services (compared with 134 percent subscribing to basic mobile services). Thirdly, gender digital inclusion is uneven, for instance, according to an independent 2018 survey by LIRNEasia, less than half the age group 15 to 65 population of Nepal has internet awareness, with 50 percent of the male population and 40% of the female population being aware of the internet. In terms of internet usage, Nepal figures at 34 percent, with just 27 percent of women reporting usage compared to 41 percent of men.<sup>1</sup> In addition, service delivery to expand the use of digital public and private services—is hampered by gaps in the digital government infrastructure (e.g., limited data center capacity), poor coordination among public agencies and institutional capacity constraints, limited funding for digitization of public services, limited human resources to support digitization efforts in the public and private sectors, and missing foundational elements (e.g., a foundational ID, digital signatures).

Some efforts toward digitization have taken hold, but Nepal still lags in the adoption and use of digital services in business and government. For instance, digital transactions using mobile banking, internet banking, and digital wallets all increased during the COVID-19 pandemic, suggesting greater possibilities for digital transactions. Yet, the United Nations (UN) e-government development index ranks Nepal at 132 of 193 countries. However, Nepal's vision for digital development is outlined in the DNF, a comprehensive digital development strategy, adopted by the Government in 2019, and identified as a national game-

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<sup>1</sup> ICT access and use in Asia and the Global South, LIRNEasia, 2018

changing program. The Framework seeks to digitize 8 sectors (e.g., health, education, agriculture) through 80 initiatives. The planning commission has identified the DNF as a game-changer program, and the Government has sought the Bank's assistance in the implementation of this program. The private sector and civil society also note the need for inclusive digital development. There is interest from the private sector to play a more-strategic role, building on investments in telecoms connectivity, digital financial services, and e-commerce platforms. The 15th National Plan also includes a clear reference to Nepal's digital ambitions. The government of Nepal (GoN) recognizes that digital development plays an important enabling role to support the Green, Resilient, and Inclusive Development (GRID) Agenda.

Within this context, the DNA Project seeks to build upon Nepal's vision for digital outlined in the DNF and centers on three components, addressing the three key challenges to digital economy development identified above, while also supporting broader institutional capacity development. These three components will enhance digital infrastructure, build digital capabilities, and support digital transformation, including several high-priority activities from the DNF. Through these activities, the Project will focus on strengthening digital foundations while facilitating digitization across the economy as part of its effort to build back better from the COVID-19 pandemic and implement the GRID framework.

## 1.2. Project Coverage and Project Components

The DNA project coverage is nationwide in scope and includes four components. The three components of the DNA Project are as follows:

### **Component 1: Expanding access to broadband**

- Promote rural broadband access and use: Activities include (i) funding to share costs and de-risk private investments (awarded competitively) to expand climate-resilient high-speed broadband services to about 100 selected municipalities, including public institutions (e.g., health centers, schools); (ii) programs—designed with community input—will promote digital literacy and broadband adoption among specific user groups (e.g., girls and women,<sup>2</sup> students, persons with disabilities, low-income households, people from areas vulnerable to climate change, and small businesses).
- Improve international connectivity: Activities include the creation of a virtual landing station and pre-purchase of high-capacity international bandwidth for the Government and priority users (e.g., educational institutions).

### **Component 2: Expanding access to digital skills and jobs**

- Develop advanced digital skills: Supporting a program that is responsive to private sector demand for digitally skilled workers (in IT-related sectors and possibly across other sectors and occupations) and seeking to increase the employability of participants (with a focus on women, persons with disabilities, and people from rural areas, or areas vulnerable to climate change-related economic transitions).
- Promote the digital industry, through (i) support for incubation and acceleration programs for digital startups; and (ii) advisory support and feasibility studies to develop the planned Information Technology (IT) Park and a network of innovation and co-creation centers.

### **Component 3: Enhancing digital public platforms and services delivery**

- Enhance the digital trust ecosystem: Through the development of digital signatures, the cybersecurity regulatory framework and capacity within the Government, including the establishment of a national cybersecurity cell, enhancement of the personal data protection regulatory framework.

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<sup>2</sup> Activities could include programs to increase awareness about protecting children, girls, and women to protect them against cyber-bullying, online harassment, or similar risks, and to increase the responsiveness of public officials on these issues.

- Strengthen the digital infrastructure for public service delivery: By supporting policy development, standards, and infrastructure, including the enhancement of capacity and climate-resilience of the government’s data centers.
- Implement high-priority DNF initiatives: The Project will finance the design and implementation of at least ten initiatives (beyond those supported through the other Project activities) including through partnerships with the private sector and other stakeholders (e.g., development partners, civil society organizations).<sup>3</sup>

#### **Component 4: Project management and coordination**

- This will support Project management and coordination functions, including capacity building of staff of the implementing agencies. It will finance technical support, fiduciary, environment & social (E&S) standards implementation, and monitoring & evaluation. It includes incremental operating costs relevant to the Project.

### **1.3 Purpose of the SEP**

The stakeholder Engagement Plan (SEP) is developed following the World Bank (WB) Environment and Social Framework (ESF) which came into effect on October 1, 2018. This framework includes Stakeholder Engagement and Information Disclosure requirements as an integral part of the Environment and Social Standard (ESS) 10. The ESS 10 recognizes the importance of open and transparent engagement between the Borrower and project stakeholders as an essential element of good international practice.

Borrowers are required to develop a SEP proportionate to the nature and scale of the project and its potential risks and impacts. Stakeholders have to be identified and the SEP has to be disclosed for public review and comment as early as possible before the project is appraised by the World Bank. ESS10 also requires the development and implementation of a grievance redress mechanism that allows project-affected parties and others to raise concerns and provide feedback related to the environmental and social performance of the project and to have those concerns addressed in a timely manner.

The objective of the SEP is to effectively engage with all stakeholders who have an interest in or may be affected by the project. The involvement of the local population, as well as all other interested parties, is essential to the success of the project, to ensure smooth collaboration between project staff and local communities, minimize and mitigate environmental and social risks related to the project, as well as expand project benefits to all targeted beneficiaries including ones that may be traditionally vulnerable, disadvantaged, disproportionately affected or excluded from partaking in benefits from local development projects.

The purpose of the present SEP is to identify relevant stakeholders for the DNA project activities, propose methods of stakeholder engagement and describe the responsibilities in the implementation of stakeholder engagement activities. The intention of the SEP primarily focuses on the engagement of stakeholders in a timely manner during project preparation and implementation. Specifically, SEP serves the following purposes:

- I. stakeholder identification and analysis;
- II. planning engagement modalities and effective communication tools for consultations and disclosure;
- III. defining the role and responsibilities of different actors in implementing the SEP;
- IV. defining the Project’s Grievance Redress Mechanism (GRM);
- V. providing feedback to stakeholders;
- VI. monitoring and reporting on the SEP.

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<sup>3</sup> The Bank will also assist the MoCIT to update the DNF to reflect evolution of technology and national socio-economic development status through parallel advisory services.

## 2. National Legislations and WB ESS10

The following section aims to review existing policies and regulatory frameworks related to stakeholder engagement, including information disclosure and grievance management. The first part of the section focuses on the domestic legal and institutional framework, while the second part reviews the stakeholder engagement policy and practices of the World Bank.

### 2.1. National Legislation

#### **The Constitution of Nepal, 2015**

The Constitution of Nepal is quiet about stakeholder engagement in development projects. Article 27 of the Constitution guarantees that every citizen has the right to demand and receive information on any matter of their interest or of public interest either through the public information system adopted by all government agencies or by filing an appeal through the National Information Commission. However, the constitutional provision doesn't explicitly talk about the need to engage project-affected people and other stakeholders while developing infrastructure projects. Article 59 of the Constitution provides the concept of benefit sharing and equity participation of locals in the projects based on natural resources. The Constitution, though indirectly, has provided platforms for stakeholder consultations and engagement since both benefit sharing and equity participation require extensive participation of project-affected people and stakeholders.<sup>4</sup> As per the constitution, the Federation, State, and Local levels shall provide for the equitable distribution of benefits derived from the use of natural resources. The practice of benefit sharing, however, is well established only in the energy sector.

#### **National Environment Policy, 2019**

The government unveiled a new environmental policy that aims to ensure the rights of people to live in a clean and healthy environment by controlling, lessening, and preventing all types of environmental pollution and managing household and industrial wastes. The policy aims to promote the role of stakeholders in environmental management by ensuring their meaningful participation in the decision-making process. For this, the policy envisages strategies to inform and empower stakeholders for environment protection through capacity enhancement. In its intuitional framework, the policy has pledged to ensure the participation of concerned stakeholders in formulating, implementing, monitoring, and evaluating policies and laws related to the environment sector from the Federal, Provincial and Local Levels.

#### **Land Acquisition, Resettlement, and Rehabilitation policy, 2015**

This policy stresses meaningful consultations with the stakeholders. The policy envisages that the project proponent will undertake a social impact assessment in consultation with elected representatives of the local bodies, affected families, and other concerned agencies. The policy envisages meaningful discussions with the project-affected families and other stakeholders throughout the project's cycle, right from the preliminary stage of the project preparations to the stage of completion. However, this policy is not legally binding. As per the policy, the participants will be informed in advance about the discussion topic, date, time, and venue. The project proponent will have to maintain records of all the discussions and consultations along with the decisions made during consultations. The policy further says that the proposed mitigation measures and the provisions on compensation and other assistance outlined in the resettlement and rehabilitation (R&R) plan should be finalized after incorporating suggestions recorded at the stakeholder consultations and discussions with the project-affected families. In order to protect the interests of non-title holders, the policy also states that the project proponent to carry out meaningful

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<sup>4</sup> The concept of benefit sharing is sharing is well established in the energy sector in terms of distribution of equity share to affected locals and allocation of budget for Community Development Program. However, the concept is not well implemented in other sectors.

consultations with those who do not have a legal document to prove their ownership of the land in the current place they live.

### **Environment Protection Act, 2019**

Nepal unveiled its new Environmental Protection Act 2019 that says all project proposals will have to conduct environmental studies. As part of the efforts to promote stakeholder engagement and information disclosure about the project and its planned activities, the new act makes it mandatory to undertake prior-informed public hearings for all the environmental studies at the project site.

### **The Forest Act, 2019**

The Forest Act, 2019 stresses on need to protect and conserve forest resources with the participation of local stakeholders and forest users. The Act has emphasized the role of community forest in protecting and managing the national forest and has allowed the local level to have consultations with the local forest stakeholders and users to prepare a forest action plan that reflects the wishes of the forest users group.

### **Land Acquisition Act, 1977**

The Act is the main eminent domain law in Nepal and guides the legal process related to land acquisition and resettlement. The Act envisages no specific scope for stakeholder consultations but has made provisions to lodge grievances. Section 11 of the Act provides a window for those who have grievances on the procedures of land acquisition or oppose the proposed land acquisition by allowing them to appeal against the decision to the Ministry of Home Affairs through the District Administration Office. As part of information disclosure, the District Administration Office issues a public notice that, among others, contains the purpose of land acquisition, location of the land including plot number and name of landowners

## **2.2. World Bank Environmental and Social Framework**

The WB's ESF sets out the World Bank's commitment to sustainable development and mandatory requirement for the bank finance projects. Environmental and Social Standard (ESS) 10 on Stakeholder Engagement and Information Disclosure recognizes the importance of open and transparent engagement between the proponent and project stakeholders as an essential element of good international practices. Effective stakeholder engagement can improve the environmental and social sustainability of projects, enhance project acceptance, and make a significant contribution to successful project design and implementation. The main objectives of the ESS10 are:

- To establish a systematic approach to stakeholder engagements that will help Borrowers identify stakeholders, and build and maintain a constructive relationship with them, in particular project-affected parties.
- To assess the level of stakeholder interest and support for the project and to enable stakeholders' views to be taken into account in project design and environmental and social performance.
- To promote and provide means for effective and inclusive engagement with project-affected parties throughout the project life cycle on issues that could potentially affect them.
- To ensure that appropriate project information on environmental and social risks and impacts is disclosed to stakeholders in a timely, understandable, accessible, and appropriate manner and format.
- To provide project-affected parties with accessible and inclusive means to raise issues and grievances and allow Borrowers to respond to and manage such grievances.

## **3. Brief Summary of Preliminary Stakeholder Engagement Activities**

Preliminary stakeholder activities were carried out with key institutional and non-government stakeholders. These institutions included key personnel from different ministries and their departments. Likewise, stakeholder consultations were also carried out with non-government actors representing

various organizations, internet service providers, internet companies, banks, digital payment and online payment services and university representatives.

During these consultations, the DNA Project personnel disclosed the project information, its components along with ESMF. In addition, the stakeholder engagement activities were also aimed to ensure that the views, interests, and concerns of the program stakeholders were taken into account to assess the potential impacts of the program as well as in program decisions. These preliminary stakeholder consultations were carried out on April 5 and 6, 2022 at the federal level. Table 1 below summarizes prior stakeholder engagement activities.

**Table 1.1: Summary of Prior Stakeholder Engagement Activities**

| <b>Stakeholder</b>  | <b>Issues discussed</b>  | <b>Discussion Key points</b>   |
|---|--|--|
| Commission for the Investigation of Abuse of Authority (CIAA) | <ul style="list-style-type: none"> <li>• DNA project and its components</li> <li>• Implementing E&amp;S issues and ESMF</li> </ul> | <ul style="list-style-type: none"> <li>• The system in place in Nepal is dispersed and there is no legally binding policy for the operation of the system.</li> <li>• DNA project should focus on IT related policy reforms.</li> <li>•</li> </ul>   |
| Nepal Police (Cyber Bureau Unit)                              | <ul style="list-style-type: none"> <li>• DNA project and its components</li> <li>• Implementing E&amp;S issues and ESMF</li> </ul> | <ul style="list-style-type: none"> <li>• There is a need to ensure cyber security and this has to be ensured.</li> <li>• The Electronic Transactions Act, 2008 has not been able to incorporate new changes and challenges that have come about. This also should be a point to be pondered.</li> <li>• We also need to start thinking about the generation of e-waste and its proper disposal since they can have a big impact on environment and society itself.</li> </ul>  |
| Ministry of Agriculture and Livestock Development (MoALD)     | <ul style="list-style-type: none"> <li>• DNA project and its components</li> <li>• Implementing E&amp;S issues and ESMF</li> </ul> | <ul style="list-style-type: none"> <li>• DNA project should not only be about accelerating but should also focus on making the digital development in Nepal sustainable.</li> <li>• There is a need to reorient ourselves in terms of Research and Development (R&amp;D). This project needs to also focus on R&amp;D.</li> </ul>  |
| Inland Revenue Department (IRD)                               | <ul style="list-style-type: none"> <li>• DNA project and its components</li> <li>• Implementing E&amp;S issues and ESMF</li> </ul> | <ul style="list-style-type: none"> <li>• For the DNA project the hardware aspect like building infrastructure is not a difficult undertaking. But the soft part which entails capacity building is tricky. This is tricky in the sense that the DNA project sees to capacitate 1500 individuals with advanced skills. How will these 1500 individuals be selected and on what basis?</li> <li>• For this program especially, Component 2 to achieve its objective we need to collaborate with the Universities in terms of skill development and private startups needs to also be in focus.</li> <li>• Another challenge for the project is that there is a lot of issues that needs to be</li> </ul> |

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|   |  | <p>undertaken by various other ministries. There is a need for a robust mechanism to be built into this project in terms of inter-government coordination.</p> <ul style="list-style-type: none"> <li>• If there is any space for other initiatives to be incorporated into this project, then e-haat bazaar should be prioritized since this directly related to supply chain and its management.</li> </ul>  |
| Ministry of Federal Affairs and General Administration (MoFAGA) | <ul style="list-style-type: none"> <li>• DNA project and its components</li> <li>• Implementing E&amp;S issues and ESMF</li> </ul> | <ul style="list-style-type: none"> <li>• A number of softwares is being used by the local government. Our ministry is also using another software for our work. There is a need to standardize the use of softwares.</li> <li>• This project should also focus on local level government capacity building in terms of software application, its security audit and procurement.</li> <li>• When it comes to using software application</li> </ul>   |
| Office of Company Registrar (OCR)                               | <ul style="list-style-type: none"> <li>• DNA project and its components</li> <li>• Implementing E&amp;S issues and ESMF</li> </ul> | <ul style="list-style-type: none"> <li>• The project talks about capacity building but the government is in such a position that we do not have all the records of IT professionals working for the government. Will this capacity building program also focus on capacitating the government employees themselves?</li> </ul>   |
| Office of the Prime Minister and Council of Ministers (OPMCM)   | <ul style="list-style-type: none"> <li>• DNA project and its components</li> <li>• Implementing E&amp;S issues and ESMF</li> </ul> | <ul style="list-style-type: none"> <li>• The project needs to focus on employability by building skills so that the country can gain income from various IT companies that outsource work.</li> <li>• We are hearing deaths of our migrant workers in the destination countries. There are various reasons for this but one of the hurdles is language barriers in the destination countries. One of the initiatives that can be looked into is carrying out telemedicine services to these migrant populations.</li> <li>• Remote area connectivity is a major problem which was also laid bare by the Covid pandemic. Many school going children from remote areas did not have access to online education. So, hope this project will be able to work on this effectively.</li> </ul> |
| Ministry of Urban Development (MoUD)                            | <ul style="list-style-type: none"> <li>• DNA project and its components</li> <li>• Implementing E&amp;S issues and ESMF</li> </ul> | <ul style="list-style-type: none"> <li>• The challenge is to coordinate and integrate data sharing. Who will be responsible for this? I think the project also needs to focus on this issue.</li> <li>• Technical audit should also be a part of this project.</li> </ul>  |

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| Employees Provident Fund (EPF)                                 | <ul style="list-style-type: none"> <li>• DNA project and its components</li> <li>• Implementing E&amp;S issues and ESMF</li> </ul>            | <ul style="list-style-type: none"> <li>• The projet is missing the aspect of R&amp;D. We need to incorporate this aspect as well.</li> </ul>   |
| Ministry of Finance (MoF)                                      | <ul style="list-style-type: none"> <li>• DNA project and its components</li> <li>• Implementing E&amp;S issues and ESMF</li> <li>•</li> </ul> | <ul style="list-style-type: none"> <li>• There is a need for cost-benefit analysis of the project and hope this has been done for DNA project as well.</li> <li>• There should be one institution that takes the responsibility of managing data rather than having different institutions without a clear mandate.</li> </ul>   |
| Nepal Telecom (NT)   | <ul style="list-style-type: none"> <li>• DNA project and its components</li> <li>• Implementing E&amp;S issues and ESMF</li> </ul>            | <ul style="list-style-type: none"> <li>• In park and conservation areas, permission takes a long time for civil construction of any project. There has to be a way whereby permissions are granted promptly for carrying out project work in these areas.</li> <li>• We have a much more bigger problem of power shortages and expansion. Even if we build infrastructures, these cannot be used in full capacity. Has the project given attention to these matters?</li> </ul>  |
| Foreign Employment Department                                  | <ul style="list-style-type: none"> <li>• DNA project and its components</li> <li>• Implementing E&amp;S issues and ESMF</li> </ul>            | <ul style="list-style-type: none"> <li>• We must ensure that the illiterate end-users are able to benefit from this project. A service center should be established at all local levels.</li> <li>• Capable human resource is also a must in terms of running services smoothly. Has there been any thoughts on this?</li> </ul>   |
| Inernet Service Providers of Nepal (ISPAN)                     | <ul style="list-style-type: none"> <li>• DNA project and its components</li> <li>• Implementing E&amp;S issues and ESMF and SEP</li> </ul>    | <ul style="list-style-type: none"> <li>• Rural and Urban population cannot be charged differently as per the government policy. So, the project also needs to think as to how services can be subsidized for rural population. This subsidy can be thought up in terms of the packagae that is being provided to the rural population.</li> <li>• Nepal Telecom infrastructures should also be made accessible to ISPAN and the same should also be provided by the Nepal Electricity Authority (NEA) as well.</li> <li>• While providing capacity building trainings, they should also prioritize electrician, cable technician and other support staffs that are crucial for the IT business. The whole focus is on providing core IT skills only.</li> <li>• Trainings should also be provided to government officials so that they understand the importance of internet and what happens if internet services are disturbed.</li> </ul> |
| Federation of Nepalese Chambers of Commerce & Industry (FNCCI) | <ul style="list-style-type: none"> <li>• DNA project and its components</li> <li>• Implementing E&amp;S issues and ESMF and SEP</li> </ul>    | <ul style="list-style-type: none"> <li>• In all special economic zones (SEZ) 10 percent of the land should be allocated for IT companies. If such a provision is made</li> </ul>   |

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|  | <ul style="list-style-type: none"> <li>•</li> </ul>   | <p>then IT companies can have their own small IT Parks.</p> <ul style="list-style-type: none"> <li>• Human resource has to be developed, trained if the initiatives outlined in the project are to be achieved. The initiatives shown cross cuts different sectors so there is a need to have trained manpower.</li> </ul>   |
| Information Technology (IT) Companies                  | <ul style="list-style-type: none"> <li>• DNA project and its components</li> <li>• Implementing E&amp;S issues and ESMF and SEP</li> <li>•</li> </ul> | <ul style="list-style-type: none"> <li>• There is a lot of technological advances occurring in this field. So, the timeline has to be revisited in terms of reaching the goal of Digital Framework Nepal. The timeline is too long.</li> <li>• There is an important need for having a database of all IT professionals. As a service provider we cannot find trained manpower easily.</li> <li>• DoIT should take the lead in bringing trainers from abroad so as to capacitate our IT companies. The IT companies are also willing to pay if such trainings are provided.</li> <li>• VoLTE (Voice over LTE) is a useful technology and we should also endorse the use of this technology widely.</li> <li>• It is high time we also give due attention to bringing in Foreign Direct Investment (FDI) to promote IT businesses.</li> </ul> |
| Federation of community Forestry Users Nepal (FECOFUN) | <ul style="list-style-type: none"> <li>• DNA project and its components</li> <li>• Implementing E&amp;S issues and ESMF and SEP</li> </ul>            | <ul style="list-style-type: none"> <li>• Infrastructures are also built in community forest areas. If any infrastructures are to be built in forest areas the community should be prior informed about the project activities and the scope of work being carried out in the community forest.</li> </ul>  |
| Blue Diamond Society (BDO)                             | <ul style="list-style-type: none"> <li>• DNA project and its components</li> <li>• Implementing E&amp;S issues and ESMF and SEP</li> </ul>            | <ul style="list-style-type: none"> <li>• The project has prioritized certain groups of people to be provided with preference. We hope that the minority group also includes sexual minorities as well.</li> </ul>  |
| National Federation of the Disabled Nepal (NFDN)       | <ul style="list-style-type: none"> <li>• DNA project and its components</li> <li>• Implementing E&amp;S issues and ESMF and SEP</li> </ul>            | <ul style="list-style-type: none"> <li>• All forms of disabled person needs to be consulted. For instance, how will the blind access digital signatures?</li> <li>• The project needs to think as to how the disabled can benefit from the project.</li> </ul>   |
| Banks and Digital Payment and Online Payment Services  | <ul style="list-style-type: none"> <li>• DNA project and its components</li> <li>• Implementing E&amp;S issues and ESMF and SEP</li> </ul>            | <ul style="list-style-type: none"> <li>• Banking sectors and online payment services are facing problem of digital identity. In institutions like banks, digital payment services, Nepal Telecom we need to fill know your customer (KYC) forms. Can we not have a mechanism where by KYC data can be shared or a way to validate KYC among different institutions.</li> <li>• As banks it has been made mandatory to provide banking services to all the local levels. In many local levels there is a lack</li> </ul>  |

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|   |  | <p>of infrastructure and even if it is there the services are not stable. So, if the nation can invest in infrastructure then it would be easy for financial institutins to provide quality services. If this is not possible in all local levels then the government can subsidize internet services and power for the financial institutions. The issue of connectivity is crucial to serve people from remote areas when they come to the financial institutions.</p> <ul style="list-style-type: none"> <li>• We do not have a model to integrate data from all government insitutions. We need to have a platform whereby we can validate data from one source.</li> </ul> |
| Non-government Organizatoin Federation of Nepal (NFN) | <ul style="list-style-type: none"> <li>• DNA project and its components</li> <li>• Implementing E&amp;S issues and ESMF and SEP</li> </ul> | <ul style="list-style-type: none"> <li>• Trainings are also to be provided but in order that the people know about this trainings we need to ensure that information dissemination is carried out to the lowest level.</li> </ul>   |
| University  | <ul style="list-style-type: none"> <li>• DNA project and its components</li> <li>• Implementing E&amp;S issues and ESMF and SEP</li> </ul> | <ul style="list-style-type: none"> <li>• In terms of capacity development we also need to give thoughts on institutional development.</li> <li>• It would be a good start to capacitate institutions like the local level governmnets. Even if there are 753 local level governments we can pilot a certain numbers and then move forward.</li> </ul>   |

### 3.1. Stakeholder Identification and Analysis

As per the WB ESF: ESS 10, stakeholders refer to project-affected parties and other interested parties:

- Project-affected parties: those who are or are likely to be affected directly or indirectly, positively or adversely by the project, and
- Other interested parties: those who may have an interest in the project and who could, for example:
  - Influence the opinions of affected parties either positively or negatively, or
  - Affect the implementation process or the sustainability of the project’s outcomes

The following sub-sections describe these stakeholders for the DNA project

### 3.2. Project-affected Parties

They include individuals, groups, and entities within the project’s Area of Influence that may be directly or indirectly, positively or adversely impacted by the project activities and/or have been identified as most susceptible to the change associated with the project, and who need to be closely engaged in identifying impacts, as well as in decision-making on mitigation and management measures. They include:

- Landowners or land users along the right of way (ROW) whose properties or incomes may be impacted due to trenching activities for laying down optical cables.
- Residents and community members may be inconvenienced by construction works (e.g., by noise, dust, vibration, accidental damages) while carrying out trenching works and constructing data centers.
- Communities that may be affected due to soil removal and vegetation clearance for the construction of the new data center, and the deployment of fiber optic cables

- Persons or households who may temporarily lose access to land and/or will be restricted from accessing natural resources because of the project, e.g., farmers, landowners, squatters, forest user groups, while carrying out trenching works for laying down optic cables
- Temporary restriction of access to land/property and livelihood impacts during construction of new data center and laying of fiber optic cables depending on the length and location of the cables (e.g. roadside vendors)
- Institutions targeted by the capacity building activities such as Universities, TVETs, Colleges, Hospitals, Health centers, ICT Park,
- Internet service providers and other telecommunication whose terms of service, customer base may be affected by the changing market conditions
- Service users including students, academia, health service users, businesses, private and public institutions, and the general public
- Social exclusion of women, the population living in rural and small-town areas, persons with disabilities, IPs, and other members of vulnerable groups will be reached through the expansion of infrastructure and services
- Communities including women, persons with disabilities, people from rural areas, or areas vulnerable to climate-change-related economic transitions will be positively impacted by Component 2.
- Persons (including women, persons with disabilities, people from rural areas, or areas vulnerable to climate-change-related economic transitions) that will be positively impacted as a result of aiding support to incubation and acceleration programs for digital startups.
- NGOs /CBOs and media working in the area of environmental and social issues

### 3.3. Interested Parties

The interested parties in this project, other than those directly affected, include:

- Government officials, regulatory, and permit awarding agencies at the federal, provincial, and local levels, including environmental, technical, and labor authorities.
- Government officials at district level offices of key ministries, including Divisional Forest Offices, Irrigation Offices, Road Offices, Survey Office, Land Revenue Offices, and Electricity Authority
- Individuals, businesses, and institutions in the settlements are connected
- All users of broadband services in rural areas, on account of improvements in affordability and reliability of broadband services
- Private parties that seek to employ digitally skilled workers and other employable participants in other sectors
- Digital industries that seek support for incubation and acceleration programs for digital startups
- Municipalities and Rural Municipalities and their officials
- Public and private service providers (of education, health, financial services)
- Non-elected officials with wide recognition within the community, such as headteachers of local schools, community leaders, or leaders of local cooperatives
- Leaders of informal or traditional community institutions such as women groups, Dalit groups, mother groups, etc.
- NGOs and CBOs at national, provincial, and local levels on the welfare and rights of indigenous people and vulnerable groups such as Dalits and other minorities, gender/GBV issues, etc.
- Business owners, traders, suppliers of goods and services for the construction and operation of the project
- Residents and communities within the project area that can benefit from increased opportunities, employment, and training opportunities stemming from the project; and,
- Media including district and local press clubs.

**Table 1.2: Other interested parties and their interest in the project**

| Interested parties   | Interest in the project  |
|--|--|
| <b>International Level</b>   |  |
| NGOs working on IPs and Human rights, Gender Activists   | <ul style="list-style-type: none"> <li>• Understanding the range of impacts of the project activities and effectiveness and implementation of the prescribed mitigation measures along with the opportunities associated with the project(s).</li> </ul>   |
| Private Corporations   | <ul style="list-style-type: none"> <li>• Explore business opportunities</li> </ul>   |
| Development partners and Agencies (DPs)  | <ul style="list-style-type: none"> <li>• Explore opportunities for scaling the project investments, e.g., ADB, USAID, JICA,</li> <li>• Due diligence and compliance with environmental and social impacts</li> </ul>   |
| <b>Federal Level</b>   |  |
| Ministry of Finance,<br>National Planning Commission,  | <ul style="list-style-type: none"> <li>• Ensuring that project funds will be used for project purposes.</li> <li>• Implement digital signatures</li> <li>• Ensuring that project investments align with national and local level development priorities.</li> </ul>  |
| Ministry of Law Justice and Parliamentary Affairs,<br>Ministry of Home Affairs<br>Ministry of Urban Development<br>Department of Information and Broadcasting,<br>Ministry of Federal Affairs and General Administration   | <ul style="list-style-type: none"> <li>• Establish internet service as a basic/essential service</li> <li>• Reviewing existing policy, legal and institutional arrangements.</li> <li>• Development of the cybersecurity regulatory framework and capacity within the GoN</li> <li>• Expanding broad-band network and high-speed internet</li> <li>• Creating optical fiber network</li> <li>• Improve availability and management of radio frequency and spectrum distribution</li> </ul> |
| Ministry of Education, Science and Technology,<br>Curriculum Development Center (CDC),<br>Education and Human Resource Development Center (EHRDC)<br>Network/Internet service and telecommunication providers<br>Concerned Municipalities and Rural Municipalities | <ul style="list-style-type: none"> <li>• To expand the use of communication technology in education</li> </ul>   |
| Information Technology Department,<br>National Information Technology Center,<br>Office of Certification Controller,<br>Provincial Government and Local levels,<br>Nepal Rastra Bank,  | <ul style="list-style-type: none"> <li>• Implement the government enterprise architecture (GEA)</li> <li>• Aid in implementing digital signatures</li> </ul>   |

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| Ministry of Forests and Environment  | <ul style="list-style-type: none"> <li>• Clearance is required if the optical fiber is laid from the forest area</li> </ul>  |
| National NGOs with focus on Environment and Social (E&S) and Gender issues, IPs and Dalits rights issues | <ul style="list-style-type: none"> <li>• Represents the interests of different interested parties and vulnerable groups</li> </ul>   |
| Workers' organizations   | <ul style="list-style-type: none"> <li>• Interest in potential E&amp;S risks as well as community health and safety, including occupational health and safety of the project workers</li> </ul>                    |
| Contractors, subcontractors, and service providers   | <ul style="list-style-type: none"> <li>• Procurement and contracting opportunities associated with the project</li> <li>• Operators, labor supply contractors, etc.</li> </ul>                                     |
| Media  | <ul style="list-style-type: none"> <li>• To provide information and news about the project to their listeners,</li> <li>• Accountability for project/public funds</li> <li>• Represents public interest</li> </ul> |
| <b>Provincial and Local Levels</b>   |  |
| Provincial Social Development Ministry   | <ul style="list-style-type: none"> <li>• Social impacts (positive and negative) of the project activities and contribution to the social development of the project</li> </ul>                                     |
| Provincial Ministry of Industry, Tourism, Forest and Environment, and District Forest Office             | <ul style="list-style-type: none"> <li>• Possible impact on the forest, tree clearance, and management of compensatory tree plantation</li> </ul>  |
| Political leaders (i.e., Chief Ministers, Political Party Heads, Mayors)                                 | <ul style="list-style-type: none"> <li>• Taking credit for the project in their province and local levels</li> </ul>   |
| Provincial Ministry of Physical Infrastructure Development   | <ul style="list-style-type: none"> <li>• Provide access to land for any small infrastructures related to the project</li> </ul>  |
| District Coordination Committees   | <ul style="list-style-type: none"> <li>• Coordinate with provincial governments and concerned municipalities</li> </ul>  |
| Small businesses   | <ul style="list-style-type: none"> <li>• Tap into programs centered on creating a supportive ecosystem for digital businesses through incubation and acceleration programs for digital startups.</li> </ul>        |
| Schools  | <ul style="list-style-type: none"> <li>• Participate in various training programs</li> </ul>   |
| Chambers of commerce and business Associations   | <ul style="list-style-type: none"> <li>• Business opportunities unveiled by the project activities</li> </ul>  |
| Provincial and local level NGOs/CBOs, Right Groups, Activists,   | <ul style="list-style-type: none"> <li>• Represents the interests of different interested parties and vulnerable groups</li> </ul>   |
| Mass Media (FM/community radios, newspapers, TV channels)  | <ul style="list-style-type: none"> <li>• To provide information and news about the project to their listeners,</li> <li>• Accountability for project/public funds</li> </ul>                                       |

### 3.4. Disadvantaged/Vulnerable Individuals and Groups

The project recognizes that it is important to understand whether project impacts may disproportionately fall on disadvantaged or vulnerable individuals or groups that are often unable to express their concerns

or may not even understand the impacts of a project. The vulnerability may stem from an individual's gender, race, age, health condition, ethnicity or caste, income levels, and other elements of marginalization. The stakeholder engagement activities in this project will consider these elements of vulnerability and adapt information disclosure and consultation strategies to the concerns and cultural sensitivities of disadvantaged and vulnerable groups to ensure a full understanding of project activities and benefits. The project will also take special measures to ensure that disadvantaged and vulnerable groups have the opportunity to participate in accessing project benefits, provide feedback, and submit grievances. These groups may include and are not limited to the following:

- Indigenous population
- Communities residing in remote and mountainous areas
- Dalits
- People with disabilities
- Elderly population
- Women headed households
- Minority groups

Communities living in remote areas and mountainous regions tend to have fewer opportunities for education especially for girls while low literacy levels and cultural and linguistic factors may limit access to information. Their limited mobility may also hamper these communities to get access to project opportunities like training. Likewise, rural residents including indigenous populations and Dalits living away from cities have low access to information. Dalits due to social and cultural barriers may not find those project activities aimed at communities easy to access. Lack of adequate infrastructure and communication renders access to information on project services to rural residents difficult. Affordability of digital devices and service fees may act as barriers to accessing project benefits, especially for low-income households. Women especially in rural areas have a low level of education and digital literacy. Their mobility will also be restricted due to cultural and social barriers. Thus, women are less likely to be aware of ICT services and their use of basic digital devices such as mobile phones is lower. Persons with disabilities have physical or visual limitations to travel long distances or access certain spaces. Likewise, consultations with the IPs will be carried out through a culturally sensitive way and will ensure measures that will include targeted interventions to IP groups to ensure meaningful consultation, identification of needs with regards to accessing and using upgraded IT services. As the SEP is a living document, vulnerable groups within the community affected by the project will be further confirmed, included, and consulted with, as appropriate. Where the SEP is used to address IPs, it will be prepared in a manner consistent with ESS7 to enable targeted meaningful consultation, culturally appropriate engagement processes; providing sufficient time for IPs decision-making processes; and allowing their effective participation in the design of project activities or mitigation measures. Against these, the project will:

- give priority to vulnerable family members to provide skills development training and on successful completion, if available would provide jobs on a priority basis,
- create and ensure jobs wherever available for women-headed households as well as low-income families and persons with disabilities.
- ensure active participation of all stakeholders including vulnerable and disadvantaged groups in project-related decision-making consultation meetings.

**Table 1.3: Analysis of issues related to Vulnerable/Disadvantaged groups**

| Vulnerable/disadvantaged groups and individuals   | Key Characteristics/needs   | Preferred means of Consultation/Information disclosure   | Additional resources required  |
|---|---|--|--|
| <ul style="list-style-type: none"> <li>● Communities residing in remote areas</li> <li>● People with disabilities</li> <li>● Women headed households</li> <li>● Dalits</li> <li>● Elderly population</li> <li>● IPs</li> <li>● Minority groups</li> </ul> | <ul style="list-style-type: none"> <li>● Limited mobility and accessibility</li> <li>● Limited time</li> <li>● Cultural and traditional barriers</li> <li>● Low-awareness level</li> <li>● Poor communication network</li> <li>● Visual impairment</li> </ul> | <ul style="list-style-type: none"> <li>● Community-level meetings at places accessible to all</li> <li>● More information dissemination through the local radio, group discussions, pictorial posters, local language skits, and discussions.</li> <li>● Focus group meeting, use of gender champions</li> </ul> | <ul style="list-style-type: none"> <li>● Provision of supporting the IPs, Dalits, and other vulnerable groups to attain stakeholder consultations and information disclosure activities.</li> <li>● Provision of information on noticeboards, community centers</li> <li>● The information was translated into indigenous languages, sign language/braille</li> <li>● Engagement of local NGOs and CBOs who work with vulnerable people at the community level to help disseminate information and organize consultations</li> <li>● More information dissemination through local radio, pictorial posters, local language skits, and discussions. Community-level engagement/consultations</li> </ul> |

### 3.5. Principles of Meaningful Consultation

To meet the overall objectives of the SEP, the MoCIT and other concerned agencies, organizations, departments tasked with project implementation will ensure the following principles to ensure meaningful engagement with stakeholders:

- **Openness and life-cycle approach:** Activities related to stakeholder engagement, public consultations, and disclosure of project-related information will be conducted throughout the project lifecycle transparently, free of external manipulation, interference, coercion, or intimidation
- **Informed participation and feedback:** Information will be provided to and widely disseminated among all stakeholders through appropriate means and format to ensure maximum assessment of the stakeholders to the project-related information. Opportunities will be provided to stakeholders for their feedback and comments on information related to the project, and appropriate mechanisms will be put in place to address appropriate comments and concerns
- **Inclusiveness and sensitivity:** Stakeholder identification is undertaken to support better communications and build effective relationships. The project will ensure that the participation process would be inclusive, and all the stakeholders are encouraged to be involved in the consultation process. Equal access to information is provided to all stakeholders. Special attention is given to indigenous people, vulnerable groups especially children/students of both gender, women, Dalits, and the elderly, and to the cultural sensitivities of diverse ethnic and caste groups. Table 1.4 presents an outline of key stakeholder engagement activities to be implemented throughout the project life: preparation to implementation and closure.

**Table 1.4: Stakeholder Engagement Plan**

| Topic of consultation/message  | Target Stakeholders   | Method(s) of Engagement   | Frequency/time frame               | Responsibilities                          |
|--|---|---|------------------------------------|---|
| <b>Project Phase: Planning and preparation</b>   |   |   |                                    |   |
| <p><b>At the Federal Level</b></p> <ul style="list-style-type: none"> <li>● Objectives and the planned activities of the project</li> <li>● E&amp;S principles policies and scopes</li> <li>● Environment Social Management Framework (ESMF) and potential E&amp;S risk and impacts</li> <li>● updated ESMF or E&amp;S screening reports</li> <li>● Stakeholder consultations and information disclosure</li> <li>● Grievance mechanisms (GM)</li> <li>● Citizen Engagement (CE) Activities</li> <li>● GBV and Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) risks and impacts, including the SEA/SH Action Plan</li> </ul> | <ul style="list-style-type: none"> <li>● Federal government line agencies/officials</li> <li>● Provincial government line agencies/officials</li> <li>● Rural Municipalities and concerned officials</li> <li>● Network/Internet service providers and telecom operators (Or organizations if they have any)</li> <li>● Media</li> </ul>                            | <ul style="list-style-type: none"> <li>● Phone, call centers, email, official letters</li> <li>● Orientation/Training workshops</li> <li>● Virtual meetings (One-on-one/Group discussions)</li> <li>● Other outreach activities (All face-to-face meetings and small gatherings will be conducted by adopting COVID-19 related protocols)</li> </ul>  | Throughout the project preparation | MoCIT/Project Management Team (PMU)       |
| <p><b>At the provincial and local levels</b></p> <ul style="list-style-type: none"> <li>● Objectives and the planned activities of the project</li> <li>● E&amp;S principles policies and scopes</li> <li>● Engagement and consultation program with project stakeholders</li> <li>● ESMF and potential E&amp;S risks and impacts and E&amp;S screening reports</li> <li>● Information about the mitigation measures and implementation modality,</li> <li>● Stakeholder consultations and information</li> </ul>  | <ul style="list-style-type: none"> <li>● Affected individuals (project beneficiaries)</li> <li>● District Coordination Committees (DCCs)</li> <li>● Local communities</li> <li>● Vulnerable groups including women's groups and Dalits</li> <li>● Indigenous peoples</li> <li>● Local NGOs</li> <li>● Local press and media</li> <li>● Community leaders</li> </ul> | <ul style="list-style-type: none"> <li>● Group meeting</li> <li>● Periodic stakeholder engagement activities</li> <li>● Periodic-project-related information disclosure</li> <li>● meetings with local municipalities</li> <li>● FGDs with stakeholders</li> <li>● Targeted outreach activities and FGDs with women, IP organizations, and other vulnerable groups, such as Dalits</li> <li>● Community radio, social media, and local media (All face-to-face meetings will be conducted in a small group by adopting COVID-19 related protocols)</li> </ul> |                                    | PMU/PIU at the provincial and local level |

|  |   |  |                                       |   |
|--|---|--|---------------------------------------|---|
| <p>disclosure</p> <ul style="list-style-type: none"> <li>• Establishment and functioning procedures of GM</li> <li>• Citizen Engagement Activities</li> <li>• GBV and SEA/SH risks and impact, including the SEA/SH Action Plan and management procedures</li> <li>• All activities to ensure access of all the beneficiaries, including the IPs and vulnerable groups</li> </ul>  |   |  |                                       |   |
| <b>Project Phase: Implementation</b>   |   |  |                                       |   |
| <ul style="list-style-type: none"> <li>• Project scope and ongoing activities, and project status</li> <li>• Revision/updates of ESMF and other E&amp;S instruments</li> <li>• Implementation of mitigation measures</li> <li>• SEP related activities</li> <li>• Functioning of the GM</li> <li>• Periodic stakeholder consultations</li> <li>• Project-related information disclosure</li> <li>• Other potential E&amp;S concerns</li> </ul>                                       | <ul style="list-style-type: none"> <li>• Federal government line agencies/officials</li> <li>• Provincial government line agencies/officials</li> <li>• Municipalities and Rural Municipalities and concerned officials</li> <li>• Network/Internet service providers and telecom operators (Or organizations if they have any)</li> <li>• Media</li> </ul> | <ul style="list-style-type: none"> <li>• Phone, call centers, email, letters</li> <li>• Face-to-face/virtual meetings with federal, provincial, and local agencies and officials</li> <li>• Orientation Program/ Training/workshop</li> <li>• Regular information updates on the MoCIT/NTA/project websites</li> </ul>   | Throughout the project implementation | PMU at the federal level                |
| <ul style="list-style-type: none"> <li>• Project scope and ongoing activities,</li> <li>• Status of ESMF and related instruments</li> <li>• Progress in the implementation of mitigation measures</li> <li>• Updated SEP and related activities</li> <li>• GRM implementation</li> <li>• Implementation of SEA/SH Action Plan</li> <li>• Periodic stakeholder consultations</li> <li>• Project-related information disclosure</li> <li>• Other potential E&amp;S concerns</li> </ul> | <ul style="list-style-type: none"> <li>• Affected individuals (project beneficiaries)</li> <li>• Local communities</li> <li>• Vulnerable groups</li> <li>• Indigenous peoples</li> <li>• Local NGOs</li> <li>• Local community leaders</li> <li>• Local press and media</li> </ul>  | <ul style="list-style-type: none"> <li>• Periodic consultation with project stakeholders</li> <li>• Information disclosure through mass meetings, brochures, flyers, project website, and local media, among other</li> <li>• Accessible and functioning GRM</li> <li>• Periodic small groups meetings with vulnerable and IP groups</li> <li>• Application of audio/visual communication techniques, and other accessible formats to engage with vulnerable groups, including people with disabilities (All face-to-face meetings will be conducted in a small group by adopting COVID-19 related protocols)</li> </ul> | Throughout the project implementation | PMU at the provincial and local levels. |

|   |   |   |   |  |
|---|---|---|---|--|
| <ul style="list-style-type: none"> <li>Understanding the perception of beneficiaries about the activities and services extended under the project (As part of the citizen engagement activities)</li> </ul> | <ul style="list-style-type: none"> <li>All targeted beneficiaries of subprojects</li> </ul> | <ul style="list-style-type: none"> <li>Beneficiary Satisfaction Survey</li> </ul> | To be decided with MoCIT officials responsible for project implementation |  |
|---|---|---|---|--|

### 3.6. Proposed Strategy for Information Disclosure

All relevant documents of the project, including the ESMF, SEP, and Environment Social Commitment Plan (ESCP), among others, will be disclosed and made accessible to all stakeholders. The information will be disclosed through all possible means, ranging from face-to-face and virtual consultations with the project stakeholders, distribution of hard copies, posters, leaflets, and brochures, MoCIT/NTA and project website and local media so that the documents are accessible to all project beneficiaries of the project, including those in residing in the remote areas.

Table 1.5: Proposed Strategy for Information Disclosure

| Target stakeholders   | List of information to be disclosed   | Methods and timing proposed activities   |
|---|---|--|
| <b>Project preparation phase</b>  |   |  |
| <ul style="list-style-type: none"> <li>Government officials (Federal, provincial, District Coordination Committees (DCCs), and other district-level government agencies, municipalities, and rural municipalities, including ward offices)</li> </ul> | <ul style="list-style-type: none"> <li>Project concept and planned activities</li> <li>Environmental and Social Commitment Plan (ESCP)</li> <li>The ESMF and the SEP</li> <li>GRM process</li> <li>SEA/SH management procedures</li> <li>Revised and updated project information</li> </ul> | <ul style="list-style-type: none"> <li>Group consultation</li> <li>Training, seminar, and workshop</li> <li>Electronic publications</li> <li>Information leaflets and brochures</li> <li>Meetings with provincial authorities</li> <li>MoCIT/NTA website</li> </ul> <p><i>(All face-to-face meetings will be conducted by adopting COVID-19 related protocols)</i></p> |

|   |   |   |
|---|---|---|
| <ul style="list-style-type: none"> <li>• Local NGOs and CBOs</li> <li>• Community leaders</li> <li>• National &amp; Local Media</li> <li>• Network/Internet service and telecom providers</li> <li>• Local NGOs and CBOs</li> </ul> | <ul style="list-style-type: none"> <li>• Project concept and planned activities</li> <li>• E&amp;S management plans (i.e., highlights of ESMF, SEP, etc.)</li> <li>• GRM procedure,</li> <li>• SEA/SH management procedures, and</li> <li>• Revised project information.</li> </ul> | <ul style="list-style-type: none"> <li>• Face-to-face or virtual meetings, webinars</li> <li>• Telephone calls, emails, and SMS</li> <li>• Seminar and workshops</li> <li>• Information boards, leaflets, and brochures</li> <li>• Regularly updated project information on the MoCIT/NTA project website</li> <li>• Distribute information leaflets and brochures to the public</li> <li>• Air project information/ messages through community radio in Nepali and other local languages</li> <li>• Periodic small group meetings with vulnerable and IP groups</li> <li>• Regular contacts with the representatives of IP and vulnerable groups through phone calls, emails, text messages</li> </ul> <p><i>(All face-to-face meetings will be conducted in a small group by adopting COVID-19 related protocols)</i></p> |
| <b>Project Implementation Phase</b>   |   |   |
| <p>Government representatives (Federal, provincial, District Coordination Committees (DCCs), and other district-level government agencies, municipalities, and rural municipalities, including ward offices)</p>                    | <ul style="list-style-type: none"> <li>• Scope of project and status of planned and ongoing activities</li> <li>Regular updates on project status including the implementation of ESMF, SEP, and GRM</li> </ul>   | <ul style="list-style-type: none"> <li>• Sharing project updates and reports through emails and meetings</li> <li>• Electronic publications as well as dissemination of hard copies</li> <li>• Virtual consultations with provincial authorities</li> <li>Virtual/face-to-face consultations with local municipalities and ward offices</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Local NGOs and CBOs</li> <li>National &amp; Local Media</li> </ul>   | <ul style="list-style-type: none"> <li>• Scope of project and related activities</li> <li>• Periodic updates on project status, including the implementation of ESMF, SEP and mitigation measures</li> <li>• GRM procedures</li> </ul>  | <ul style="list-style-type: none"> <li>• Information boards,</li> <li>• Project websites</li> <li>• Project leaflets and brochures</li> <li>• Periodic face-to-face/virtual meetings with project stakeholders</li> <li>• Distribution of electronic publications, and</li> <li>• Dissemination of hard copies (Information will be provided in Nepali and local languages if</li> </ul>  |

|   |   |  |
|---|---|--|
|   |   | required)  |
| <ul style="list-style-type: none"> <li>• Individuals and communities with a focus on vulnerable groups, including poor and ethnic minorities, IPs, women<br/>Local NGOs and CBOs</li> </ul> | <ul style="list-style-type: none"> <li>• Scope of project and related activities</li> <li>• Periodic updates on project status, including the implementation of ESMF, SEP and mitigation measures<br/>GRM procedures</li> </ul> | <ul style="list-style-type: none"> <li>• Public notices</li> <li>• Press releases in the local media and on the project website</li> <li>• Information leaflets and brochures messages through community radios</li> <li>• Exchange of information through messages, use of audio- visual materials</li> <li>• Periodic small group meetings with vulnerable and IP groups by adopting COVID protocols</li> <li>• Regular contacts through phone calls,</li> <li>• Information sharing from local level offices</li> </ul> <p><i>(Information will be provided in Nepali as well as local languages as needed)</i></p> |

### 3.7 Reporting and Feedback

The project recognizes that enabling stakeholders to understand whether the feedback they provided during consultations has been received and considered during project design and implementation are important factors to build trust with the community. Reporting back to stakeholders helps demonstrate that the project seriously takes suggestions, comments, and complaints raised by the local community and if/how these have been incorporated and addressed into the project. Understanding stakeholder concerns and addressing these early in the project design and before implementation can help to avoid any project issues during implementation and can help to secure consensus for the project from key stakeholders. The project will adopt the following mechanisms to manage stakeholder feedback and comments, and to report back to the stakeholders:

- The project will ensure that feedback and comments received through comments boxes, project email, and dedicated telephone numbers are acknowledged by registering them in a logbook and will be addressed in an appropriate and timely manner.
- A periodic review of the implementation of the SEP will continue to incorporate new issues that have come to light, and concerns and queries raised by the stakeholders during the project implementation. It will also provide information on how the feedback has been considered and addressed by the project.

## 4. Implementation Arrangements

This section provides information on the implementation arrangements on how the SEP will be effectively implemented by the project.

### 4.1. Organizational Structure to Implement SEP

**Federal Level:** The Ministry of Communications and Information Technology (MoCIT) will oversee the implementation of the overall aspects of the project including the SEP. It is proposed that MoCIT will constitute a Project Steering Committee (PSC), chaired by the Secretary of MoCIT and with the participation of representatives of key agencies. The various activities of the project will be undertaken by PIT, which will include the MoCIT, DoIT, NITC, and, the NTA. A Project Management Unit (PMU) will be responsible for the operational and administrative activities to implement the Project. This PMU at the federal level will be responsible for the effective implementation of the SEP. The PMU will also be responsible for the implementation of fiduciary and environment & social framework requirements as well as monitoring and reporting on project implementation and progress. It will report to the PSC and the PSC will provide strategic guidance on activities as needed to the PMU. The PITs will appoint a PIT ESS in each of the PITs to take the overall responsibility for effective implementation of the SEP, monitoring consultation activities, and reporting quarterly on the implementation of the SEP and other social management plans. The PIT ESS will report to the Environment Specialist and Social Development Specialist based at the PMU.

### 4.2. Roles and responsibilities of units/agencies and individuals

The roles and responsibilities of key agencies/units envisaged for the implementation and operation of the project (especially as they related to stakeholder consultation and engagement) are as in the table below.

**Table 1.6: Roles and Responsibility of Related Units/Agencies**

| Key units/agencies                | Roles and responsibilities  |
|-----------------------------------|---|
| Project Steering Committee (PSC)  | <ul style="list-style-type: none"> <li>● PSC will oversee the implementation of the overall aspects of the project including the SEP</li> <li>● Ensuring collaboration and coordination between the three tiers of government and other key stakeholders.</li> </ul>  |
| Project Management Team (PMU)     | <ul style="list-style-type: none"> <li>● Planning, budgeting, and ensuring the implementation of the SEP throughout the project lifecycle. <ul style="list-style-type: none"> <li>○ <i>Coordinate and monitor SEP activities with provincial and local levels</i></li> <li>○ <i>Collating SEP-related activities along with their performances and outcomes.</i></li> <li>○ <i>Undertaking periodic monitoring of SEP, and preparation and dissemination of quarterly SEP implementation reports.</i></li> </ul> </li> <li>● Ensuring necessary financial and human resources for effective implementation of the SEP and other E&amp;S management plans.</li> <li>● Ensuring the project activities as per the various guidelines and directives issued by the government and other related organizations, including Covid 19 management protocols.</li> <li>● Ensuring effective management and reporting of project-related complaints and grievances as per the project GRM.</li> </ul> |
| Project Implementing Teams (PITs) | <ul style="list-style-type: none"> <li>● Implementation of the SEP throughout the project lifecycle. <ul style="list-style-type: none"> <li>○ <i>Implement SEP activities at provincial and local levels</i></li> </ul> </li> <li>● Provide necessary financial and human resources for effective implementation of the SEP and other E&amp;S management plans.</li> <li>● Implement the project activities as per the various guidelines and directives issued by the government and other related organizations, including Covid 19 management protocols.</li> </ul>  |

|  |   |
|--|---|
|  | <ul style="list-style-type: none"> <li>• Implement effective management and reporting of project-related complaints and grievances as per the project GRM.</li> </ul>   |
| Local Community/Project Affected and beneficiaries | <ul style="list-style-type: none"> <li>• Participate in consultations and information disclosure programs</li> <li>• Provide feedback on project-related documents disclosed for public scrutiny</li> <li>• Use GM to report any grievances and complaints</li> </ul> |

**Table 1.7: Roles and Responsibilities of Individual/Expert**

| <b>Key staff/expert</b>  | <b>Responsibilities</b>  |
|--|--|
| Project manager (PMU)  | <ul style="list-style-type: none"> <li>• Responsible for monitoring and supervising the overall implementation of the SEP, including managing financial resources and supporting logistics, and preparing and disseminating quarterly SEP implementation reports.</li> </ul>   |
| Environment Specialist and Social Development Specialist (PMU)                   | <ul style="list-style-type: none"> <li>• Responsible for the overall implementation of the SEP, including periodic consultations, information disclosure, and effective functioning of the GRM.</li> <li>• Mobilize Environment and Social risk management focal person based at the PITs for the effective implementation of the SEP</li> <li>• Coordinate the SEP activities among the three levels of government</li> <li>• Updating the SEP to accommodate any changes and take corrective actions immediately as and when required.</li> <li>• Collating quarterly and half-yearly SEP implementation reports and submitting the half-yearly report to the World Bank office through the PMU</li> </ul> |
| E&S risk management focal person and one E&S risk management officer at the PITs | <ul style="list-style-type: none"> <li>• Ensure implementation of the ESMF and SEP at the sub project level project activity</li> <li>• Organize periodic consultations with the project stakeholders including strategic engagement with the women, IP, Dalit, and other vulnerable groups</li> <li>• Ensure regular dissemination of project-related information at the local level</li> <li>• Ensure smooth functioning of the GM system</li> <li>• Support the PMU in reporting and implementing the SEP</li> <li>• Coordination for implementation and monitoring of ESMF and SEP</li> <li>• Organize capacity building and training for the sub project level staff</li> </ul>                         |

### 4.3. Estimated Budget

A tentative budget for implementing activities related to the Stakeholder Engagement Plan (SEP) over five years that covers the planning and preparation, and project implementation phases is provided in the table given below. The PMU will review this plan every six months to determine if any changes to stakeholder classification or engagement are required. If required, the plan will be updated, and the budget items and budget will also be revised accordingly.

**Table 1.8: Estimated Budget for Implementation of SEP**

| <b>Item</b>   | <b>Quantity</b> | <b>Unit Cost (US\$)</b> | <b>Months</b> | <b>Total Cost (US\$)</b> | <b>Remarks</b>  |
|---|-----------------|-------------------------|---------------|--------------------------|---|
| Periodic stakeholder consultations  | 25              | 500                     | -             | 12,500                   | On average once a quarter for 5 years   |
| Travel expense  | 60              | 2000                    |               | 1,20,000                 | On average once a month for 5 years   |
| Logistic expense  | -               | -                       | -             | 10,000                   | Lump-sum (around 2,000 US\$ per year for five years)  |
| Stakeholder Engagement Management System (Operations, collecting and processing grievances, and maintaining database) | -               | -                       | -             | 20,000                   | The PMU and PITs will be responsible for this task.<br>Lump-sum (around 4,000 US\$ per year for five years)         |
| Project website (Development and operations)  | -               | -                       | -             | 5,000                    | Lump-sum (around 2,000 US\$ per year for five years)  |
| Monitoring and Evaluation, including half-yearly SEP implementation report  | 10              | 2,000                   |               | 20,000                   | Twice yearly for five years   |
| Two beneficiary satisfaction surveys  | 2               | 16000                   |               |                          | The first one to be conducted after two years of implementation and a second one in the last year of implementation |
| <b>Total</b>  |                 |                         |               | <b>1,87,000</b>          |   |

## 5. Grievance Mechanism (GM)

The project will put in place a responsive and functioning Grievance Mechanism (GM) to address the concerns and complaints of beneficiaries and project stakeholders by adopting an understandable and transparent process that is culturally appropriate and readily accessible to all the segments of affected communities. The project's GM is at no cost to complainants and guarantees that there will be no retribution for people who lodge complaints on project activities. Furthermore, the grievance mechanism will not impede access to judicial and administrative remedies.

### 5.1 Objectives of the GM

The objectives of the GM are:

- Provide affected people with avenues for lodging complaints or resolving any dispute that may arise during the project lifecycle.
- Ensure that appropriate and mutually acceptable redress actions are identified and implemented to the satisfaction of complainants.
- Avoid the need to resort to judicial proceedings as far as possible.
- In the case of indigenous people and vulnerable people, adopt culturally appropriate and accessible means by which they can lodge complaints about redress through their customary dispute settlement mechanisms.

### 5.2. Grievance Implementation Procedure

The project will develop a written grievance procedure/manual in consultation with project impacted parties and stakeholders. It will incorporate the following steps.

- Means and ways to inform and educate stakeholders about GM procedures
- Receive, register, and acknowledge the grievance.
- Review and investigate the grievance
- Develop resolution or escalate the grievance
- Report back on the grievance, and
- Implement, monitor, and evaluate the functioning of the GM.

### 5.3. Grievance Mechanism (GM) System

The main purpose of this system is to ensure there is a robust and transparent process, consisting of a sequential process of resolution available to swiftly address the complaints. A subsequent level of resolution is triggered if the complainant remains unsatisfied with the resolution made by the lower level or if it remains unable to provide a resolution within a given time. The SEP proposes the following GM systems.

**Subproject Level Grievance Committee (SLGC):** The first level and most accessible and immediate venue for the fastest resolution of grievances will be the site official. If any complaints arise, the project representative/official, the construction contractors, and) with the assistance of municipalities/rural municipalities representatives will immediately resolve the complaint on-site. Any person with a grievance related to the project works can contact the project representative responsible for grievance handling or the respective ward office. The project representative will document the complaint and immediately address and resolve the issue at the field level with the construction contractor, representatives of the respective municipalities/rural municipalities, and the affected persons within 7 days of receipt of a complaint/grievances. If a grievance has also been filed at the ward office, then the project representative will also have to record that complaint. The project representative will fully document the following information: (i) name of the person, (ii) date of complaint received, (iii) nature of the complaint, (iv) location of the complaint, and (v) how the complaint was resolved. If the complaint remains unresolved at the field level, the project representative will forward the complaint to the respective PITs.

**PIT Level Grievance Committee:** If the grievance remained unresolved or if the person filing the grievance is not satisfied, the person filing the grievance will be notified by the project representative at the sub-project level that the grievance will be forwarded to the PIT. PIT with the support of the project representative at the sub-project level, E&S risk management focal person and the E&S risk management officer will try to resolve the grievances through continuous interactions with the affected persons within 15 days of complaints forwarded by the project representative at the sub-project level. While trying to resolve the grievance the committee can also consult with the respective ward representatives of the municipality and the rural municipality.

**PMU level Grievance Committee:** If the complainant cannot be resolved at the PIU level grievance committee or the complainants are not satisfied with the resolution, the grievance will be forwarded to this level. This level will be headed by the chief of the PMU and it will function in close coordination with the grievance unit established at MoCIT. The project chief of the PIT, unit head and members of the E&S risk management Unit of the PMU, focal person of the GM unit of the ministry, and representatives of construction contractor will be the members of the committee. In addition to the complainant, the committee can invite or consult with the concerned representatives of the Municipality, District Coordination Committee, and District Administration Office. This level will also try to resolve the grievances within 15 days of receiving the complaints from the PIU Level.

## 5.4 Key steps and procedures of the GM System

### Step 1: Receive, register, and acknowledge the grievance

The project will ensure the availability of a variety of methods for stakeholders to lodge grievances.

Affected people and other stakeholders can lodge a grievance at Level 1 through:

- Submit complaint forms in written or record the complaint (See Annex 1) The project representative at the local level will assist in filling out the complaint form for complainants who are unable to read or write and/or are unfamiliar with the grievance process. In such a case, the designated project representative will formally register the grievance by filling out the complaint form made available for the project
- Through emails and phone numbers PITs E&S risk management focal persons

Upon receipt of complaints, the person assigned for the task will provide a unique grievance number to each grievance for easy tracking. The staff will then acknowledge the receipt of the complaint within 5 working days through a phone call, text message, or a meeting with the complainant. The acknowledgment will include the grievance registration number so the complainant can use this as a reference to track the status of the complaint either by visiting or calling the assigned staff. If the grievance is not well understood or if additional information is required, the assigned staff will contact the complainant during this step for further clarification.

### Step 2: Review and investigate the grievance

The grievance is screened, and the significance of the grievance will be assessed within 15 days of receipt. If the grievance is admissible and related to the project or triggered by the project activities, the Level 1 GRM committee will start processing the complaint. If not related to the project or not triggered by the project, the grievance will be rejected, and reasons will be properly communicated to the complainant about the decision along with an explanation.

### Step 3: Develop resolution and respond to the complainant

Upon investigation, the committee will propose a resolution as soon as possible, and in consultation with the complainant and others concerned, not later than 15 days after screening and assessing the grievance at Level 1. The resolution is communicated to the complainant through the proper channel. The Level 1

GRM committee will ask the complainant for a written acceptance of the resolution if he/she is satisfied with the resolution. In that case, the agreed set of actions will be implemented and once the set of actions is completed, the grievance will be formally closed by using a Grievance Closure Form provided in Annex 3.

#### Step 4: Scale up the grievance if the complainant remains dissatisfied

If the complainant rejects the proposed resolution or the Level-1 GM system fails to provide a resolution within the stipulated time, the Level-1 GM system will refer the case to the grievance to the Level-2 GRM system led by the Chief of the PMU. The three-member Level 2 GRM committee, which also includes the Social Development Specialist at the PMU will facilitate to reach an agreeable resolution and the committee will produce a resolution within 20 working days. If the resolution is accepted by the complainant, it will be implemented, and the grievance will be closed once the implementation is completed.

#### Step 5: Recourse to legal and other formal recourse

If the complainant rejects the proposed resolution, the complainant is free to utilize legal and other formal mechanisms in place at the local or national level.

### 5.5. Grievances for Sexual Exploitation, Abuse/Sexual Harassment

The GM put in place for the project will also be used for addressing GBV and SEA/SH-related issues and the PMU will oversee GBV related complaints. The project will place its uppermost priority on handling and managing the GBV related grievance by maintaining full confidentiality of the survivor. The PMU will put in place necessary mechanisms for confidential reporting with safe and ethical documentation of GBV issues at the center and project level. GBV referral pathway will be established and communicated to both PMU and the local level. Further, the GM will also put in place a system to immediately notify both the PMU and the World Bank of any GBV complaints, with the consent of the survivor. As per the requirement of the World Bank, the PMU, in support of the World Bank, will prepare and implement the SEA/SH Action Plan before the implementation of the project.

### 5.6. Building Grievance Mechanism Awareness

The PMU Social Specialists will initially brief all staff of the project office, the Project Steering Committee (PSC), consultants, and contractors on the Grievance Mechanism and GBV complaints mechanism of the Project and explain to them the procedures and formats to be used including the reporting procedures. The PIU E&S risk management focal person along with the E&S officer will brief all project stakeholders on the Grievance Mechanism of the Project and explain the procedures and formats to be used including the reporting procedures. Awareness campaigns will be conducted targeting project stakeholders to inform them of the availability of the mechanism; various mediums will be used. The GM will also be published on the website of the implementing agencies on their project website. A project site board will be erected on the sites of sub-projects indicating the existence of the mechanism and a phone number, email, and address for further information.

## 6. Monitoring, Evaluation, and Reporting

### 6.1. Monitoring

Stakeholder engagement will be monitored as the project goes on and maintaining a database and activity file detailing all public consultation, disclosure information, and grievances collected throughout the project will be available for public review upon request. The Stakeholder Engagement Plan will be periodically revised and updated as necessary in the course of project implementations in order to ensure that the information presented herein is consistent and is the most recent and that the identified methods of engagement remain appropriate and effective concerning the project context and specific phases of the development. Any major changes to the project-related activities and their schedule will be duly reflected in the SEP. Monthly summaries and internal reports on public grievances, inquiries, and related incidents, together with the status of implementation of associated corrective/preventative actions will be collated by responsible staff. The monthly summaries will provide a mechanism for assessing both the number and the nature of complaints and requests for information, along with the Project's ability to address those in a timely and effective manner. Information on public engagement activities undertaken by the Project during the year may be conveyed to the stakeholders in two possible ways:

#### **I. Review of Engagement Activities in the Field:**

During the engagement with stakeholders, the project team will assess meetings by asking questions to participants, depending on the stakeholder group, to ensure that messages are being conveyed clearly. Conduct debriefing sessions with the engagement team while in the field. This will help to assess whether the required outcomes of the stakeholder engagement process are being achieved and provide the opportunity to amend the process where necessary.

#### **II. The use of engagement tools**

- b) Issues and Response table
- c) Meeting records of all consultations held.

Moreover, the tool can be used to manage ongoing issues, and for stakeholder identification and analysis processes. Monthly, Mid-year, and annual progress reports on SEP implementation will be availed to the PMU and shared with the Bank. These will be collated by the sub-projects team members and their adequacy and compliance to the SEP will be assessed by the PITs based Environment & Social Risk Management officer . SEP monitoring, which will build on the overall project Monitoring and Evaluation (M&E) arrangement, will focus on the overall implementation quality of the stakeholder engagement. An independent M&E team may be deployed to assist with the overall monitoring of the SEP, particularly to assess the implementation of stakeholder engagement under each component.

### 6.2. Evaluation

Stakeholder engagement will be periodically evaluated (during the project life cycle) by the PMU Social Specialist or by an independent evaluation organization. The following indicators will be used for evaluation:

- i. Level of understanding of the project stakeholders;
- ii. Annual grievances received and how they have been addressed; and
- iii. Level of involvement of affected people in committees and joint activities and in the project itself.

To measure these indicators, the following data will be used:

- i. Issues and management responses linked to minutes of meetings;
- ii. Monthly reports;
- iii. Feedback from primary stakeholder groups (through interviews with a sample of affected people)
- v. Grievance register
- vi. Reporting

### 6.3. Reporting

Reports will be prepared quarterly and on a half-yearly basis and submission will be in line with the project implementation report.

#### 1. Monthly Reports

The PIT's Environment and Social risk management officer will prepare brief monthly reports on stakeholder engagement

activities for the Operations which include:

- i. Activities conducted during each month;
- ii. Public outreach activities (meetings with stakeholders and newsletters);
- iii. Entries to the grievance register - received, closed and open grievances;
- v. Number of visitations to the project offices requesting information;
- vii. New stakeholder groups (where relevant); and
- viii. Stakeholder engagement plans for the next month and longer-term plans.

Monthly reports will be used to develop annual reports which will be reviewed by PMU.

#### 2. Quarterly and Half-Yearly Reports

PMU through the Environment and Social risk management focal person of the PITs will compile a report summarizing SEP results quarterly to be sent to the PMU. While the half-yearly reports will be prepared and sent to PMU, which will then send to the World Bank. This report will provide a summary of all public consultation issues, grievances, and resolutions. The report will provide a summary of relevant public consultation findings from formal and informal meetings held at the community level. An evaluation will be conducted by an independent consultant using a beneficiary satisfaction survey.

There will be a submission of a GRM Report on a semi-annual basis to the World Bank. This will include:

- i. Status of GRM formation (procedures, staffing, awareness-raising, etc.);
- ii. Information on the number of complaints received, the relevant number, and the number completed, types of complaints, answers, and unresolved problems
- iv. The time needed to resolve complaints;
- v. Number of complaints resolved at the lowest level, rising to a higher level;
- vi. Any special problems solved by procedures/staffing;
- vii. Factors that can influence the use of the GRM / beneficiary feedback system

### 6.3. Reporting Back to the Communities

PITs through their Environment and Social risk management officer will provide the opportunity to report back to the communities.

- i. Main findings from the consultations conducted at the sub-project level
- ii. Progress on implementation of the ESMP if any
- iii. Progress on the SEP implementation and grievance management
- iv. Project implementation process
- v. Sharing of reports through the respective ward offices



**Annex-2: Sample Grievance Closure Form**

| <b>Grievance Closure Form</b>  |  |
|--|--|
| Grievance Number   |  |
| Grievance registered date  |  |
| Describe the steps taken to resolve the grievance  |  |
| Describe the resolution  |  |
| Department:<br>Mode of communication for reply (meeting/ written/ verbal/ display): Date closed: |  |
| <b>Signatures</b>  |  |
| Complainant:<br><br>Project Representative:<br><br>Date:   |  |