

**Nepal**

**Ministry of Communications and  
Information Technology**

**Nepal Digital Transformation Project  
(P511767)**

**ENVIRONMENTAL AND SOCIAL  
COMMITMENT PLAN (ESCP)**

**Negotiated**  
**January 6, 2026**

## **ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN**

1. The Government of Nepal (the Recipient) will implement the Nepal Digital Transformation (the Project), with the involvement of the Ministry of Communications and Information Technology (MoCIT), Department of Information Technology (DoIT), National Cyber Security Centre (NCSC) and Department of National ID and Civil Registration (DONIDCR) under Ministry of Home Affairs(MoHA), as set out in the Financing Agreement (the Agreement). The International Development Association (Association) has agreed to provide financing for the Project, as set out in the Agreement.
2. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards (ESSs) and this Environmental and Social Commitment Plan (ESCP), in a manner acceptable to the Association. The ESCP is a part of the Agreement. Unless otherwise defined in this ESCP, capitalized terms used in this ESCP have the meanings ascribed to them in the Agreement.
3. Without limitation to the foregoing, this ESCP sets out material measures and actions that the Recipient shall carry out or cause to be carried out, including, as applicable, the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and grievance management. The ESCP also sets out the environmental and social (E&S) documents that shall be prepared or updated, consulted, disclosed, and implemented under the Project, consistent with the ESSs, and in form and substance acceptable to the Association. Said E&S documents may be revised from time to time with prior written agreement by the Association. As provided for under the referred Agreement, the Recipient shall ensure that there are sufficient funds available to cover the costs of implementing the ESCP.
4. As agreed by the Association and the Recipient, this ESCP shall be revised from time to time, if necessary, to reflect adaptive management of Project changes or unforeseen circumstances or in response to Project performance. In such circumstances, the Association and the Recipient, through MoCIT & MOHA, agree to update the ESCP to reflect these changes through an exchange of letters signed between the Association and the Recipient's Representative specified in the Agreement. The Recipient shall promptly disclose the updated ESCP.
5. The subsection on "Indicators for Implementation Readiness" below identifies the actions and measures to be monitored to assess Project readiness to begin implementation in accordance with this ESCP. Nevertheless, all actions and measures in this ESCP shall be implemented as set out in the "Timeframe" column below irrespective of whether they are listed in the referred subsection.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
IMPLEMENTATION ARRANGEMENTS AND CAPACITY SUPPORT			
A	<p><b>ORGANIZATIONAL STRUCTURE</b></p> <p>a. Establish and maintain a Project Management Unit (PMU) at MoCIT, with a designated Environment Specialist and Social Development Specialist, and with adequate resources to support management of environmental, social, health, and safety (ESHS) risks and impacts of the Project.</p> <p>b. Establish and maintain one Project Implementation Unit (PIU) at the DoIT, one PIU at the NCSC and one PIU at the DoNIDCR with environmental and social risk management focal persons, and with adequate resources to support management of ESHS risks and impacts of the Project.</p>	<p>a. <i>Establish a PMU and hire or appoint the Environmental Specialist and Social Development Specialist, no later than 60 days after the Effective Date, and thereafter maintain the PMU and these positions throughout Project implementation.</i></p> <p>b. <i>Establish the PIUs no later than 60 days after the Effective Date, and thereafter maintain the PIUs throughout Project implementation.</i></p>	PMU (MoCIT)  PMU (MoCIT)  PMU (MoCIT) in coordination with the relevant implementing agencies
B	<p><b>CAPACITY BUILDING PLAN/MEASURES</b></p> <p>All capacity building activities and training will be detailed in a Capacity Building and Training Plan in the Project Operations Manual (POM). MoCIT shall facilitate training, as per the E&amp;S requirements mentioned in the POM, to build the capacity of staff of the implementing agencies and contractors. The content of capacity building will include:</p> <ul style="list-style-type: none"> <li>• Environmental and Social Framework (ESF) training (on relevant E&amp;S Standards)</li> <li>• Stakeholder mapping and engagement</li> <li>• E-waste management</li> <li>• Grievance Redress Mechanism (GRM) and citizen engagement</li> <li>• Gender-based Violence (GBV) training (SEA/SH action plan)</li> <li>• Occupational health and Safety (OHS)</li> <li>• Labor Management Procedures (LMP)</li> </ul>	<i>Throughout Project implementation</i>	PMU (MoCIT), in coordination with the relevant implementing agencies
MONITORING AND REPORTING			
C	<p><b>REGULAR REPORTING</b></p> <p>Prepare and submit to the Association regular monitoring reports on the environmental, social, health and safety (ESHS) performance of the Project, including but not limited to the implementation of the ESCP. The report shall include:</p> <ul style="list-style-type: none"> <li>• Status of preparation and implementation of E&amp;S documents required under the ESCP;</li> </ul>	<i>Submit six-monthly reports to the Association as part of the overall Project reporting process, throughout Project implementation, commencing after the Effective Date. Submit each report to the Association no later than 21 days after the end of each reporting period.</i>	PMU (MoCIT)

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	<ul style="list-style-type: none"> <li>Summary of stakeholder engagement activities carried out as per the Stakeholder Engagement Plan;</li> <li>Complaints submitted to the grievance mechanism, the grievance log, and progress made in resolving them;</li> <li>E&amp;S performance of contractors and subcontractors as reported through monthly contractors' and supervision firms' reports; and</li> <li>Number and status of resolution of incidents and accidents reported under action E below.</li> </ul>		
D	<p><b>CONTRACTORS' MONTHLY REPORTS</b></p> <p>Require contractors and supervising firms to provide monthly monitoring reports on ESHS performance in accordance with the metrics specified in the respective bidding documents and contracts and submit such reports to the Association.</p>	<p><i>Submit the monthly reports to the Association as annexes to the reports to be submitted under action C above.</i></p>	PMU (MoCIT) and implementing agencies
E	<p><b>INCIDENTS AND ACCIDENTS</b></p> <p>Notify the Association of any incident or accident relating to the project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including those resulting in death or significant injury to workers or the public; acts of violence, discrimination or protest; pollution of the environment; dam failure; forced or child labor; displacement without due process (forced eviction); allegations of sexual exploitation or abuse (SEA), or sexual harassment (SH); or disease outbreaks. Provide available details of the incident or accident to the Association upon request.</p> <p>Arrange for an appropriate review of the incident or accident to establish its immediate, underlying, and root causes. Prepare, agree with the Association, and implement a Corrective Action Plan that sets out the measures and actions to be taken to address the incident or accident and prevent its recurrence.</p>	<p><i>Notify the Association no later than 48 hours after learning of the incident or accident. Provide available details upon request.</i></p> <p><i>Provide review report and Corrective Action Plan to the Association no later than 10 days following the submission of the initial notice, unless a different timeframe is agreed to in writing by the Association.</i></p>	PMU (MoCIT) and implementing agencies

**ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS**

1.1	<b>ENVIRONMENTAL AND SOCIAL ASSESSMENTS AND/OR PLANS</b>	<p>1. The POM will include an environmental and social screening template, an exclusion list, a generic ESMP for the Project covering a measure related to occupational health and safety and community health and safety, solid, e-waste and hazardous waste management, and a Sexual Exploitation and Abuse (SEA)/ Sexual Harassment (SH) Action Plan.</p> <p>2. Conduct environmental and social (E&amp;S) screening of each project activity and prepare, consult, adopt, and thereafter implement the activity-specific Environmental and Social Management Plans (ESMPs), consistent with the relevant ESSs, the Environmental, Health and Safety Guidelines (EHSGs), and other relevant Good International Industry Practice (GIIP), based on the generic ESMP set out in the POM. Any activities described in the exclusion list set out in the POM shall be ineligible to receive financing under the Project.</p>	<p><i>1. Prepare the generic ESMP as part of the POM prior to the Effective Date.</i></p> <p><i>2. Conduct the E&amp;S screening and adopt the activity-specific ESMPs before launching the bidding process for the respective subproject that requires the adoption of such ESMPs. Once adopted, implement the respective ESMP throughout activity implementation.</i></p>	PMU (MoCIT)	PIUs (DoIT; NCSC and DoNIDCR)
1.2	<b>MANAGEMENT OF CONTRACTORS</b>	<p>Incorporate the relevant aspects of the ESCP, including, inter alia, the ESMP, e-waste management plan, and code of conduct, into the ESHS specifications of the procurement documents and contracts with contractors and supervising firms. Thereafter, ensure that the contractors and supervising firms comply and cause subcontractors to comply with the ESHS specifications of their respective contracts. Provide copies of the relevant contracts with contractors/subcontractors and supervision firms to the Association.</p>	<p><i>As part of the preparation of procurement documents and respective contracts. Supervise contractors throughout Project implementation. Copies of relevant contracts provided to the Association upon request.</i></p>	PMU (MoCIT), in coordination with the implementing agencies	
1.3	<b>TECHNICAL ASSISTANCE</b>	<p>Ensure that the consultancies related to digital policy development and National ID expansion, and design and coordination of associated programs to increase access to and use of digital services are carried out in accordance with terms of reference acceptable to the Association, that are consistent with the ESSs. Thereafter, ensure that the outputs of such activities comply with the terms of reference.</p>	<p><i>Throughout Project implementation.</i></p>	PMU (MoCIT), in coordination with the implementing agencies	
1.4	<b>USE OF RECIPIENT'S ENVIRONMENTAL AND SOCIAL FRAMEWORK</b>	<p>Ensure that the E&amp;S risks and impacts of the Project are managed in accordance with this ESCP and the Recipient's E&amp;S Framework, which includes, inter alia, the country's relevant policy, legal and institutional framework, including its national, departmental, or local implementing institutions and applicable laws, regulations, procedures, and implementation capacity.</p> <p>In particular, the Project will use the Environment Protection Act, 2019 Environment Protection Rule 2020 the Solid Waste Management Act (2011) / Solid Waste Management Rule (2013) for adopting procedures of managing e-waste. The National Foundation for Development of Indigenous Nationalities (NFDIN) Act (2002)</p>	<p><i>Throughout the project implementation</i></p> <p><i>Notify the Association immediately upon becoming aware of any changes to the Recipient's E&amp;S Framework. Any subsequent actions requested by the Association shall be incorporated into an updated ESCP, as outlined in paragraph 4 of the introductory section of this ESCP.</i></p>	PMU (MOCIT) and implementing agencies	

	<p>will guide the planning and execution of measures to ensure the proportionate participation and benefit to the indigenous community by the Project.</p> <p>Promptly notify the Association of any changes to the Recipient's E&amp;S Framework that may materially adversely affect the Recipient's ability to manage the E&amp;S risks and impacts of the Project in line with the ESSs and the immediate measures taken or that are planned to be taken to address said changes and the ensuing potential risks and impacts of the Project. If, in the opinion of the Association, such changes adversely affect relevant ESHS risk management aspects of the Project, the Recipient shall agree to implement measures and actions to address them in a manner acceptable to the Association. The ESCP shall be updated to reflect such agreed actions.</p>		
<b>ESS 2: LABOR AND WORKING CONDITIONS</b>			
2.1	<p><b>LABOR MANAGEMENT PROCEDURES</b></p> <p>1. Prepare the procedures for labor management in activity-specific ESMPs including, <i>inter alia</i>, provisions on working conditions, management of workers relationships, occupational health and safety, code of conduct (including relating to SEA and SH), forced labor, child labor, grievance arrangements for Project workers, and applicable requirements for contractors, subcontractors, and supervising firms.</p> <p>2. Adopt and implement the procedures for labor management as part of the activity-specific ESMP, consistent with ESS2.</p>	<p><i>1. Prepare the procedures for labor management as part of the POM prior to the Effective Date.</i></p> <p><i>2. Same timeframe for the adoption and implementation of activity-specific ESMPs.</i></p>	PMU (MoCIT) and implementing agencies
2.2	<p><b>OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT PLAN</b></p> <p>1. Prepare the template of an OHS Management Measures/Plan as part of the POM under action 1.1 above.</p> <p>2. Require contractors and subcontractors to prepare and implement OHS Management Measures/Plan, including, <i>inter alia</i>, personal protective equipment, and emergency preparedness and response in accordance with the provisions mentioned E&amp;S section of the POM and ESMP of the respective subproject that informs the contractor's measures or plans.</p>	<p><i>1. Prepare the template OHS Management Measures/Plan as part of the POM prior to the Effective Date.</i></p> <p><i>2. Same timeframe for the adoption and implementation of the activity-specific ESMPs.</i></p>	PMU (MoCIT) and implementing agencies
2.3	<p><b>GRIEVANCE MECHANISM FOR PROJECT WORKERS</b></p> <p>Establish and operate a Project GRM accessible to all Project workers, as described in the procedures for labor management and consistent with ESS2. The Project GRM will include experts familiar with labor-related grievances and relevant policies. The GRM will be designed to uptake and address labor-related SEA/SH and provide for referral mechanisms.</p>	<p>Establish the Project GRM prior to engaging Project workers, but no later than 90 days after the Effective Date, and thereafter maintain and operate it throughout Project implementation.</p>	PMU (MoCIT) and implementing agencies

<b>ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</b>			
3.1	<b>WASTE MANAGEMENT PLAN</b> 1. Prepare the template of an e-Waste Management Plan (e-WMP) as part of the POM under action 1.1 above.  2. Adopt and implement the e-WMP as part of the activity-specific ESMP, to manage e-waste, hazardous and non-hazardous wastes, consistent with ESS3.	<i>1. Prepare the template e-WMP as part of the POM prior to the Effective Date.</i>  <i>2. Same timeframe for the adoption and implementation of the activity-specific ESMPs.</i>	PMU (MoCIT) and other implementing agencies
3.2	<b>RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</b> Incorporate resource efficiency and pollution prevention and management measures in the activity-specific ESMPs to be prepared under action 1.1 above.	<i>Same timeframe as for the adoption and implementation of the activity-specific ESMPs.</i>	PMU (MoCIT) and other implementing agencies
<b>ESS 4: COMMUNITY HEALTH AND SAFETY</b>			
4.1	<b>COMMUNITY HEALTH AND SAFETY</b> Adopt and implement measures and actions to assess and manage specific risks and impacts to community health and safety arising from Project activities and include mitigation measures in the activity-specific ESMPs in accordance with the procedures mentioned in POM described under action 1.1.	<i>Same timeframe as for the adoption and implementation of the activity-specific ESMPs.</i>	PMU (MoCIT) and other implementing agencies
4.2	<b>SEA AND SH RISKS</b> As part of the ESMP under action 1.1 above, prepare, adopt, and implement a SEA/SH Action Plan/measures to assess and manage the risks of SEA and SH.	<i>Same timeframe as for the adoption and implementation of the activity-specific ESMPs.</i>	PMU (MoCIT) and other implementing agencies
<b>ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES</b>			
7.1	<b>INDIGENOUS PEOPLES FRAMEWORK</b> As part of the ESMP under action 1.1 above and SEP under action 10.1, include guidelines, checklists and measures to include Indigenous Peoples in all consultations in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation. Prepare an Indigenous Peoples Planning Framework (IPPF) if specific impacts or risks are identified	<i>Prepare an Indigenous Peoples Planning Framework (IPPF) if specific impacts or risks are identified</i>	PMU (MoCIT) and other implementing agencies
<b>ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE</b>			
10.1	<b>STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION</b> Prepare and implement a Stakeholder Engagement Plan (SEP) for the Project, consistent with ESS10, which shall include measures to, <i>inter alia</i> , provide stakeholders with timely, relevant, understandable and accessible information, and consult with them in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation.	<i>Prepare and disclose the SEP before Project Appraisal and thereafter implement the SEP throughout Project implementation. Publish biannual stakeholder engagement summary reports</i>	PMU (MoCIT), in coordination with the other implementing agencies
10.2	<b>PROJECT GRIEVANCE MECHANISM</b> Establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances in relation to the Project, promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all Project-affected parties, at no cost and without retribution, including concerns and grievances filed anonymously, in a manner consistent with	<i>Establish a Project grievance mechanism no later than 90 days after the Effective Date, and thereafter maintain and operate the mechanism throughout Project implementation.</i>	PMU (MoCIT)

	<p>ESS10.</p> <p>The grievance mechanism shall be equipped to receive, register, and facilitate the resolution of SEA/SH complaints, including through the referral of survivors to relevant gender-based violence service providers, all in a safe, confidential, and survivor-centered manner.</p>		
<b>INDICATORS FOR IMPLEMENTATION READINESS:</b> The following actions are indicators for implementation readiness:			
1	Establishment of E&S risk management unit with recruitment and training of E&S specialist within PMU and Focal persons at each project implementing agencies	<i>No later than 60 days after the Effective Date</i>	PMU (MoCIT), in coordination with the other implementing agencies
2	Activity-specific ESMP and e-Waste Management Plan, where required, need to be prepared by the Recipient.	<i>Before launching the bidding process for the respective subproject that requires the adoption of such ESMP</i>	PMU (MoCIT), in coordination with the other implementing agencies