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Government of Nepal
Ministry of Agriculture and Livestock Development



Food and Nutrition Security Enhancement Project II

**ENVIRONMENTAL AND SOCIAL
MANAGEMENT FRAMEWORK
(ESMF)**

November 2023

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Abbreviations and Acronyms

BCC	Behavior Change Communication
BES	Brief Environmental Study
E&S	Environmental and Social
EIA	Environmental Impact Assessment
ESCOPs	Environmental and Social Code of Practices
ESCP	Environmental and Social Commitment Plan
ESF	Environmental and Social Framework
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
ESS	Environmental and Social Standard
FBS	Farm Business School
FFS	Farmer Field School
FPIC	Free, Prior, and Informed Consent
GM	Grievance Management
GRID	Green, Resilient, and Inclusive Development
HDI	Human Development Indices
HNG	Home Nutrition Gardens
IEE	Initial Environmental Examination
IPPF	Indigenous Peoples Planning Framework
IPs	Indigenous People
LMP	Labor Management Procedures
MoALD	Ministry of Agriculture and Livestock Development
MoFE	Ministry of Forest and Environment
MPI	Multidimensional Poverty Index
NFS	Nutrition Field School
PCU	Project Cluster Unit
PDO	Project Development Objective
PG	Producers' Group
PMP	Pest Management Plan
PMU	Project Management Unit
PP	Productive Partnerships
RF	Resettlement Framework
RM	Rural Municipality
SEA/SH	Sexual Exploitation and Sexual Harassment
SEP	Stakeholder Engagement Plan

Executive summary

The World Bank will support the Ministry of Agriculture and Livestock Development (MoALD) in implementing the Food and Nutrition Security Enhancement Project II. The Project aims to enhance climate resilience and improve agricultural productivity and nutrition practices of targeted smallholder farming communities in selected areas of Nepal. The Project will support the following four components: The first component aims to support the implementation of 25 improved climate-smart and-nutrition-sensitive technologies and associated practices and prioritize the technologies that enhance climate-resilient production systems and livelihoods in all 16 Rural Municipalities (RMs). Similarly, the second component aims to improve income generation and diversification by intervening in critical business skills, productive assets and value-added activities, and market linkages. This component will include extensive handholding support through farm business school (FBS), matching grant support, and understanding market functioning through demand and supply. The third component aims to enhance the nutrition security in all the 16 RMs through sustainable entrenchment and advocacy for improved nutrition and climate resilience outcomes among the major stakeholders, including political leadership and agro-related technical bureaucrats at the municipalities. Similarly, the subcomponent will support the 650 nutrition groups of the 16 RMs, focusing on the participation of women of reproductive age, pregnant and nursing women, and children below 2 years of age.

The project activities will take place in sixteen new Rural municipalities (RMs)s namely Melung, Baiteshwor, Sunkoshi, Tirpurasundari, Aarughat, Sahid Lakhan, Siddhalek, Galchi, Chhinamasta, Mahadeva, Nawarajpur, Laxmipur Patari, Janak Nandini, Bateshwor, Samsi, Sonama RMs of erstwhile districts Dolakha, Sindhupalchok, Gorkha, and Dhading in the hills and Saptari, Siraha, Dhanusha, and Mahottari in the Southern plains.

This Environmental and Social Management Framework (ESMF) has been prepared to identify the potential environmental and social risks and impacts of proposed Project activities and propose suitable mitigation measures to manage these risks and impacts. It maps out Nepali laws and regulations and the World Bank policies applicable to the Project and describes the principles, approaches, implementation arrangements, E&S mitigation measures to be followed.

The potential associated environmental and social risks/impacts from project activities are identified as are envisaged to be from solid waste, wastewater/effluents, air, soil hazard/degradation, increased use of pesticides /insecticides, overgrazing, water, noise, dust, and health and safety hazards, possibility of exclusion of poor, disadvantaged, and vulnerable households from project opportunities particularly among the poorly educated women populations residing in remote locations with binding geographical constraints as most of the project areas are in remote locations with limited access to reliable communication and road connectivity, risks of the elite capture while implementing matching and small

grant schemes, land take issues or restriction in accessing common property constructing infrastructures. These impacts/risks are expected to be site-specific and reversible.:

- Management of solid waste from packaging materials and from other small construction activities.
- Possible risks of accidents during use of equipment to potential beneficiaries, mainly pregnant and nursing women, and children below 2 years of age,
- Exclusion of poor, disadvantaged, and vulnerable households from project opportunities.
- Difficulty in apprehending the dissemination materials due to language issues or literacy.
- Difficulty accessing skill development opportunities due to remoteness.
- Land acquisition or obtaining land use right or restriction in accessing common property while establishing 32 critical infrastructures.
- Poor working conditions for labors, community, and occupational health and safety
- Risks of the elite capture while implementing matching grant schemes
- Poor/inadequate consideration of E&S issues due to the weak institutional capacity

The Project has prepared a negative list of activities for screening out high-risk interventions and has prepared Environmental and Social Management Framework (ESMF), which provide guidance to avoid and minimize the potential risks and impacts from early stage of project planning and design. The Project will ensure that solid wastes produced during the installation and operation of various equipment are disposed of at designated places identified and approved by the local authority and completely bar open burning or burial of solid waste and dispose of solid wastes in environmentally and culturally sensitive areas. The E&S focal person at the cluster level will be provided orientation in managing social wastes, and stringent provisions for periodic monitoring will be put in place to ensure appropriate management of solid wastes in all subprojects. The Project will ensure that all necessary precautionary safety measures are adopted for the technicians and others involved while testing new machines. To mitigate the risks of the potential beneficiaries being uninformed of the project activities, the Project will organize periodic consultations with the project stakeholders/beneficiaries to provide information about project activities and opportunities by using available means of communication at the local levels. The place and time for periodic consultations will be chosen considering the cultural appropriateness of the local setup, and information about the place and time will be disseminated at least one week prior to the scheduled date.

Similarly, to ensure that poor, vulnerable groups and indigenous people (IPs) are well-communicated about project opportunities, the Project will adopt the principle of a differentiated approach and will identify the specific pocket areas where the disadvantaged and vulnerable households reside and establish a functional communication channel with such households to inform them about project activities and opportunities. The Project and subproject will also organize targeted consultations with the vulnerable communities, in required, to apprise them about project opportunities.

In this process, the Project will use local media, such as community radio and social media, as well as locally established institutional platforms, such as mother's groups and farmer's cooperatives, to disseminate project-related information. The Project will also make sure that the local language, other than the official Nepali language, will be used to disseminate such information if required.

In addition, the skill development materials will be prepared in plain and simple Nepali or the local language, and the training activities will be conducted in the local language if required. The Project will consider the remoteness and potential difficulties in accessing the training venue while identifying venues for skill development activities, and no training programs will be organized during monsoon when movements and road transportation will become challenging. Though nominal, there are also risks of economic displacement if private land is acquired for project activities. Though their numbers will be small, the management workers are also a risk in terms of the occupational health and safety of the direct and contracted workers.

ESMF that will guide the overall management of risks and impacts of the project activities by implementing a range of mitigation measures as prescribed in the ESMP, the Project has prepared a Resettlement Framework (RF) and a Labor Management Procedures (LMP), and both the instruments have been embedded into the ESMF. Moreover, the ESMF has also included an Indigenous Peoples Planning Framework (IPPF) to address the key risks and concerns of the IPs and ensure their participation in project preparation and execution.

On the implementation arrangement of the project activities, a Project Management Unit (PMU) led by a Project Director, who will be a senior government bureaucrat, will be established at the MoALD. The PMU will have an E&S specialist assigned to ensure the effective implementation of the ESMF and other related E&S instruments prepared for the Project. The PMU will have four cluster offices, and each cluster office unit will be responsible for two project districts and associated rural municipalities selected for project implementation. Each cluster will assign a focal officer for E&S safeguard to carry out all the activities specified in the ESMF and other E&S instruments in the two districts within each cluster. A budget of US\$ 339,461 has been proposed for the implementation of the ESMF.

After the effectiveness of the Project, the Bank aims to provide an orientation to all the PMU staff on the overall approach of the ESF and its requirements and the prescribed E&S instruments, key feature of the Project ESMF, potential E&S risks and impacts along with the set mitigation measures. The PMU will organize training programs at all four Cluster offices. The training programs will focus on ESMF and its approach with an emphasis on identifying and assessing E&S risks.

The FANSEP PMU will be responsible for monitoring the implementation of the ESMF and other related E&S instruments. It will conduct monitoring visits to the subprojects at least once a year and prepare field visit reports to be shared with the Bank. Each cluster will be responsible for preparing a monthly report highlighting the implementation of the ESMF and E&S instruments and will forward it to the PMU, which will prepare a consolidated report and submit it to the World Bank on a biannual basis. A separate Stakeholder Engagement Plan (SEP) has been prepared for the Project, based on the World Bank's Environmental and Social Standard 10 on Stakeholder Engagement. The SEP can be found here: <https://fansep.moald.gov.np/noticedetail/59/2023/39993667>

1. Introduction

This Environmental and Social Management Framework (ESMF) is prepared to support the environmental and social due diligence provisions for activities financed by the World Bank in the Food and Nutrition Security Enhancement Project II. The project will support to enhance climate resilience, improve agricultural productivity and nutrition practices of targeted smallholder farming communities in selected municipalities of Bagmati Province, Gandaki Province, and Madhesh Provinces of Nepal. The Ministry of Agriculture and Livestock Development will be implementing the Project activities.

This ESMF follows the World Bank Environmental and Social Framework (ESF) and the national and provincial laws if applicable and regulations of Nepal. The objective of the ESMF is to assess and mitigate potential negative environmental and social risks and impacts of the Project consistent with the Environmental and Social Standards (ESSs) of the World Bank ESF and national requirements. More specifically, the ESMF aims to

- (a) assess the potential environmental and social risks and impacts of the proposed Project and propose mitigation measures.
- (b) establish procedures for the environmental and social screening, review, approval, and implementation of activities.
- (c) specify appropriate roles and responsibilities, and outline the necessary reporting procedures, for managing and monitoring environmental and social issues related to the activities.
- (d) identify the staffing requirements, as well as the training and capacity building needed to successfully implement the provisions of the ESMF.
- (e) address mechanisms for public consultation and disclosure of project documents as well as redress of possible grievances, and
- (f) establish the budget requirements for implementation of the ESMF.

This ESMF should be read together with other plans prepared for the project, including the Stakeholder Engagement Plan (SEP), the Labor Management Procedures (LMP), and the Environmental and Social Commitment Plan (ESCP).

2. Project Description

The Project to be financed with the Global Agriculture Food Security Program (GAFSP) Trust Fund grant of USD 20 million will provide additional financing to the Food and Nutrition Security Enhancement Project (FANSEP) closing in June 2024. Thus, the PDO, which is to enhance climate resilience and improve agricultural productivity and nutrition practices of targeted smallholder farming communities in selected areas of Nepal, project design, project components, and implementation arrangements of the Project will remain unchanged. This project covers three provinces among which except for the Bagmati Province, both Gandaki and Madhesh provinces are underdeveloped in terms of socio-economic parameters and access to communication and transportation. This Project, which will adopt the Environment and Social Framework (ESF), will scale up best practices under the on-going project to 16 new municipalities, and consolidate gains made under the on-going project in the districts of Dolakha, Sindhupalchok, Gorkha and Dhading in the hills, and Saptari, Siraha, Dhanusha and Mahottari in the plains. The project activities will take place in sixteen new Rural municipalities (RMs) namely Melung, Baiteshwor, Sunkoshi, Tirpurasundari, Aarughat, Sahid Lakhan, Siddhalek, Galchi, Chhinamasta, Mahadeva, Nawarajpur, Laxmipur Patari, Janak Nandini, Bateshwor, Samsi, Sonama RMs of erstwhile districts. The Project will build the capacity of local municipalities by expanding their role in planning, implementing, and monitoring the FFSs, FBSs, NFSs, and mother/nutrition group activities. Activities such as irrigation, breed improvement, improved feed management through on-farm cultivation of fodder and agroforestry systems, animal health improvement through vaccination, shed improvement, manure management for soil fertility improvement, use of alternate wetting and drying (AWD), and strategic rice intensification system are already well aligned with the green, resilient, and inclusive development (GRID) agenda. Under the proposed Project activities, the following are the project components.

Component A: Climate and Nutrition Smart Agricultural Technology Adaptation and Dissemination

Under this component, the Project will support the implementation of 25 improved climate- and nutrition-sensitive technologies and associated practices, and the Project will prioritize the technologies that enhance climate-resilient production systems and livelihoods. Similarly, this component will also support farmers in mastering management skills around the improved agriculture practices and will be implemented throughout the project area, covering all 16 rural municipalities (RMs). Under this component, the Project will also support 400 small-scale irrigation schemes covering 1,200 ha, including the conservation of water intake sites, control of soil erosion, and provide mechanization support to producer groups with prioritized access for women producers.

Component B: Income Generation and Diversification

The component aims to support selected Producers' Group (PGs) diversify their income-generation capacity by intervening in critical business skills, productive assets and value-added activities, and market linkages. As in the case of the parent project, the FANSEP II will continue to support productive partnerships (PPs) alliances for market-based agricultural enterprises. The PPs will involve intensive handholding support through building business numeracy through farm business school (FBS), matching grant support, and understanding how the market functions demand and supply.

Component C: Improving Nutrition Security The component will support the 16 RMs to enhance their capacity to entrench, sustain, and advocate for improved nutrition and climate resilience outcomes among the major stakeholders, including political leadership and agro-related technical bureaucrats at the municipalities. Similarly, the component will support the 650 nutrition groups from sixteen new RMs, focusing on the participation of women of reproductive age, pregnant and nursing women, and children below 2 years of age and beneficiaries from schools to (a) participate in at least 128 NFSs, (b) establish 650 HNGs, and (c) access 400 small grants. The Project plans to complement all the planned activities with a strong social and behavior change communication (BCC) package to improve the production and consumption of nutritious and diverse foods at the household level.

Component D: Project Management, communication, and M&E

The Project will continue to capture the parent project's PDO indicators performance and other project progress through periodic surveys and a robust project management information system that provides regular information and data on project progress status against results indicators, outputs, outcomes, and initial impacts. The Project will build the required capacity to facilitate designing and/or upgrading and implementing knowledge generation, information management, and reporting systems. In addition, this component will support compliance with the World Bank's fiduciary and safeguard requirements, interagency coordination, experience sharing among beneficiary groups, grievance management, knowledge management and learning among project stakeholders, and day-to-day operations of the Project Management Unit (PMU) and PCUs.

The Ministry of Agriculture, and Livestock Development (MoALD), will coordinate project activities. FANSEP Project Management Unit (PMU) at the center level will take care of day-to-day Project administration and management and provide oversight to cluster offices. Activity implementation will be carried out by the four Project Cluster Units. Each cluster unit will look after two Project Districts and rural municipalities selected for Project implementation. Technical assistance (TA) will be provided by the Food and Agriculture Organization (FAO) for the quality delivery of planned activities under each component.

3. Environmental and Social Policies, Regulations, and Laws

3.1 Nepal Legal Framework

The following table provided a list of relevant laws along with the short description for each law in terms of applicability to manage potential E&S risks and impacts to be triggered by the project activities.

Table 1. Nepal Relevant Legal Framework

Law	Description and Relevance to Project Activities
Environment Protection Act (EPA), 2019 and Environment Protection Rule (EPR), 2020	The laws are the major legislation that guides the management of environmental and social (ES&) risks of the projects during their preparation and implementation. The EPA demands environmental assessment and its approval for all types of developmental activities and prescribes a Brief Environmental Study (BES), Initial Environmental Examination (IEE), and Environmental Impact Assessment (EIA) depending on the scale, nature, and level of the project impacts. The laws ask to prepare an EMP before implementing a proposal and clearly list out mitigation measures that would be implemented during the construction and operation phases of the project. The laws regulate the import and use of hazardous substances that may cause serious adverse impacts on human health & the environment. It has provisions for information disclosure in terms of public hearings, grievance redressal mechanisms, and involvement of communities in implementing mitigation measures.
Forest Act 2019 and Rule 2022	The laws regulate the use of forest land for the construction and operation of development projects and say that permission to use forest land will be granted if there are no other alternatives and it does not adversely impact the environment. It has a clear provision for compensating the forest land acquired by the project along with the trees cleared for such a project. Provisions relating to conservation areas and their management, payment for ecosystem service, and establishment of a Forest Development Fund are some highlights of the laws.
Solid Waste Management Act, 2011 and Rule, 2012	The laws make the local level responsible for the management of solid waste, including collection of waste, processing, and final disposal, and for managing the solid waste in a way that minimizes adverse effects on the environment. The laws allow the import of chemical poison only if they meet prescribed standard and asks the concerned body or person to destroy the poison after the expiry of usable date is expired.
Labor Act 2017 and Rule 2018	The laws bar the use of forced labor and discriminate on the ground of religion, color, sex, and caste, among others, and employ a child of 14 years old or below. It also asks for a written employment contract between the employers and employees. The laws set the working hours for 8 hours a day and 48 hours a week with a 30-minute rest after five hours of continuous work and ask the employers to ensure a safe working environment, including ensuring all measures to protect labor and mitigate possible impacts from hazardous materials, and provide necessary training to labor on handling and managing hazardous materials. The Ministry of Labor, Employment and Social Security on the recommendation of the Minimum Remuneration Fixation Committee, will fix the minimum remuneration for workers every two years, the laws say.
Good Governance (Management)	The laws say that the government can consult with stakeholders before the implementation of any matter of public concern, including the impact of a project, and ask the government to pay due attention to the suggestion received from the stakeholders. It says that all government

Law	Description and Relevance to Project Activities
and Operation) Act, 2008	agencies are required to maintain a complaint box to collect grievances relating to the quality, and effectiveness of the work carried out by such agencies. The responsible officer of the concerned government agency will open a complaint box in the presence of other officials every three days and take necessary steps for proper management of the grievances and suggestions that are found to be reasonable, the laws say
Land Acquisition Act, 1977	The law is the main legal framework for the government to acquire private land for public purposes and says that the government will have to pay compensation in cash for any acquisition of private land. It also allows the land loser to file a grievance if the person losing the land is not satisfied with the land acquisition procedures or with the compensation amount.

3.2 National Environmental and Social Assessment and Permitting

Ministry of Forest and Environment (MoFE) is the main government agency responsible for the management of E&S risks and impacts triggered by project activities as well as monitoring and evaluating the implementation and outcomes of the mitigation measures as prescribed by the ESMF of the approved environmental assessments. The environmental regulatory framework of the country adopts the threshold-based approach while defining the level and depth of assessment for a proposed project. As per the overarching Environment Protection Act, 2019, depending on the scale, nature, capacity, land requirement, and size of the investment, the proposed project is divided into three risk categories. Accordingly, the low-risk project is required to undertake Brief Environmental Study (BES) while a moderate-risk project requires an Initial Environmental Examination (IEE). The high-risk project needed to undertake an Environmental Impact Assessment (EIA). The assessment report is prepared in a prescribed format as given by the law and will have to be approved by an agency as prescribed in the law. Generally, BES is submitted and approved by the concerned local government whereas the IEE is submitted to the concerned local government and will be forwarded with a set of recommendations, if any, to the provincial Environment Ministry for final approval. Similarly, the assessment report of the project requiring the EIA, which is the most comprehensive environmental study and required for high and substantial risks projects, is submitted to the concerned department of the federal agency and after screening and making requirement adjustments will be forwarded to the MoFE for final approval.

The proponent of the project is required to prepare the scope of work and terms of reference for EIA and get them approved by the MoFE submitted through the sectoral department before preparing the Environmental Assessment Report. For the projects that require either BES or IEE, the proponent will prepare only the terms of reference, and get it approved by the sectoral department.

Table 2: The Threshold-based E&S assessment requirement in Nepal

Type of activities	Brief Environment Study (BES)	Initial Environment Assessment (IEE)	Environment Impact Assessment (EIA)
• Construction activities relate to agriculture	NA	<ul style="list-style-type: none"> • Construction activities to keep more than 30,000 bird species. • Construction activities to keep more than 1,000 large animals, such as cows. • Construction activities to keep more than 5,000 small animals, such as sheep and goats 	NA
• Milk products and processing	NA	<ul style="list-style-type: none"> • Establishing an industry to process more than 10,000 liters of milk/day 	NA
• Construction of new irrigation system	NA	<ul style="list-style-type: none"> • Project that irrigates 200 – 2,000 hectares of land in Terai or Inner Terai 	<ul style="list-style-type: none"> • The project that irrigates more than 2,000 ha. of land in Terai or Inner Terai
	NA	<ul style="list-style-type: none"> • The project that irrigates 25 – 500 hectares of land in the valley or plane land in the hills 	<ul style="list-style-type: none"> • The project that irrigates more than 500 ha. of land in the valley or plane land in the hills
	NA	<ul style="list-style-type: none"> • Project that irrigates 25 – 200 hectares of land in the sloppy hills or mountainous area 	<ul style="list-style-type: none"> • The project that irrigates 25 – 200 ha. of land in the sloppy hills or mountainous area
• Rehabilitation of the irrigation system	NA	<ul style="list-style-type: none"> • Rehabilitation activities including construction of headworks or changes of main channels 	NA

3.3 World Bank Standards and Key Gaps with the National Framework

The project will follow the World Bank Environmental and Social Standards (ESSs), as well as the World Bank Group Environmental, Health, and Safety Guidelines. Based on these policies, the environmental and social risk of the project is categorized as Moderate. State the environmental risk category and summarize the key reasons for the categorization. State the social risk category and summarize the key reasons for the categorization. The World Bank's environmental and social standards applicable to project activities are summarized below.

Table 3: Relevant World Bank ESS and Key Gaps with the National Framework

E&S Standard	Relevance
1. Assessment and Management of Environmental and Social Risks and Impacts	<p>Relevance: The ESS1 is relevant for the project because project activities are expected to pose moderate environmental risks such as solid waste, wastewater/effluents, air, soil hazard/degradation, increased use of pesticides /insecticides, overgrazing, water, noise, dust, and health and safety hazards. Similarly, on the social front, potential exclusion of the most vulnerable and marginalized households, particularly among the poorly educated women, inadequate flow of information about project opportunities.</p> <p>Gaps vis-à-vis WB ESS: No provisions for mitigation hierarchy, adaptive management, common approach, differentiated approach, and the principle of proportionality. The provisions for mitigating occupational health and safety risks, identifying stakeholders, and engaging them for consultations, and grievance redressal mechanisms are weak.</p>
2. Labor and Working conditions	<p>Relevance: The ESS2 is relevant for the project because there are certain labor risks for project workers. The risks include occupational health and safety risks, child and forced labor, inadequate terms and conditions of employment, and lack of provision to manage labor grievances.</p> <p>Gaps vis-à-vis WB ESS: The Labor Act, 2017 is focused on industrial workers, thus lacks industry-specific standards such as for construction workers where the practice of providing appointment letters is rare; weak OHS provisions in the labor laws; and no provisions for the readdressing worker's grievance, and weak.</p>
3. Resource Efficiency and Pollution Prevention and Management	<p>Relevance: The ESS3 is relevant given the pollution from wastewater/effluent discharged from cattle farming, dairy processing facilities, and solid waste including biomedical waste generated from some project activities, and goat multiplier herds for genetic improvement and implementation.</p> <p>Gaps vis-à-vis WB ESS: Lack of legislation on resource use efficiency in projects; weak regulatory framework and monitoring for the use and management of pesticides and hazardous waste; and weak enforcement of EHS guidelines in the project activities.</p>
4. Community Health and Safety	<p>Relevance: The ESS4 is relevant despite the migrant labor-induced risks to the community being low in the project. But there are risks to people and communities due to the inappropriate use of pesticides and other chemicals during project implementation.</p> <p>Gaps vis-à-vis WB ESS: Limited coverage of community health and safety issues in the legislation, and the enforcement and monitoring of the limited provisions are also weak, and public health legislation does not contain specific requirements for development projects</p>
5. Land Acquisition, Restrictions on Land Use, and Involuntary Resettlement	<p>Relevance: The ESS5 is relevant though the Project does not envisage civil construction, triggering the land-based impact of major civil works. Given that the exact project intervention is yet to be finalized, some activities may lead to some adverse impacts including loss of land or structures, and temporary loss of access to resources for livelihoods.</p>

E&S Standard	Relevance
	<p>Gaps vis-à-vis WB ESS: No need to prepare RAP to acquire land; limited space for consultation on the compensation options, only allows cash compensation; no provision for providing compensation at replacement cost; and weak provisions for livelihood restoration for the impact people.</p>
<p>6. Biodiversity Conservation and Sustainable Management of Living Natural Resources</p>	<p>Relevance: The ESS5 is relevant considering that the sites and species for fodder plantation are not yet identified and envisaging the ecological risks of fertilizer and pesticide use on biodiversity.</p> <p>Gaps vis-à-vis WB ESS: No need to access the natural habitats; no provisions for preparing a Biodiversity Management Plan and conducting a Biodiversity Impact Assessment for the impacts on natural habitats and biodiversity hot spots; and inadequate assessment of potential risks and measures to control alien invasive species.</p>
<p>7. ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities</p>	<p>Relevance: This ESS7 is relevant. Given Nepal is a multiethnic country with 60 officially recognized ethnic groups that represent around 36% of the total population, there is a risk of the IP people being excluded or uninformed about the project due to their economic as well as social conditions.</p> <p>Gaps vis-à-vis WB ESS: No provision for conducting a social assessment on the IP population and assessing potential project impacts on the IP communities; no need to prepare an IP Plan and undertake the Free and Prior Informed Consent” for projects in IP.</p>
<p>8. 10. Stakeholder Engagement and Information Disclosure</p>	<p>Relevance: ESS10 is relevant to ensure a consistent, comprehensive, coordinated, and culturally appropriate approach to engage stakeholders through periodic consultations, and information disclosure. It will also ensure a functioning Grievance Redressal Mechanism (GRM) to raise concerns and complaints on project activities. It will also embed SEA/SH response mechanism.</p> <p>Gaps vis-à-vis WB ESS: No provision to conduct a stakeholder analysis, continuous, stakeholder engagement/consultations during construction and operation phases; prepare a stakeholder engagement plan; and constitute a grievance redressal mechanism and ensure its functioning throughout the project lifecycle.</p>

4. Potential Environmental and Social Risk Impacts and Standard Mitigation Measures

The following section describes component and sub-component wise potential E&S risks and impacts and the prescribed mitigation measures.

Table 4: Environmental and Social Risks and Mitigation Measures

Component Activity	Risks and Impacts	Mitigation Measures
Component A: Climate and Nutrition Smart Agricultural Technology Adaptation and Dissemination		
Subcomponent A1: Technology Adaptation and Testing	<ul style="list-style-type: none"> • Management of solid waste from minor construction works installation/packaging of machines and others. • Possibility of other minor impacts like soil erosion, water, noise, and dust pollution during minor construction and land tillage • Possible risks of occupational, health and safety related issues during construction, testing and use of farm machineries/equipment • Potential beneficiaries being uninformed. • Exclusion of disadvantaged and vulnerable households 	<ul style="list-style-type: none"> • Dispose of waste at designated places identified and approved by the local authority. Open burning of solid waste will be discouraged. The measures for management and disposal of solid waste will have to be identified and included in ESMPs. • In addition to providing orientation to the concerned subproject E&S focal person in managing social wastes, provisions for periodic monitoring will be put in place to ensure appropriate management of solid wastes in all subprojects. • Precautionary safety measures will be adopted for the technicians and others involved in testing and operation of new machines. • Periodic consultations with the project stakeholders/beneficiaries to provide information about project activities and opportunities by using available means of communication at the local levels. The place and time for periodic consultations will be chosen considering the cultural appropriateness of the local setup and information about the place and time will be at least one week prior to the scheduled date. • As per the principle of differentiated approach, the project will identify the specific areas where the disadvantaged and vulnerable households reside to establish a functional communication channel with such households to inform them about project activities and opportunities. where required, local media such as community radio, and social media as well as locally established institutional platforms such as mother's groups and project rural municipality, farmer's cooperatives will also be used to disseminate project-related information. Local language, other than the official Nepali language, will be used to disseminate such information.

Component Activity	Risks and Impacts	Mitigation Measures
Subcomponent A2: Technology Dissemination and Farmer Skill Development	<ul style="list-style-type: none"> • Risks of vulnerable households being excluded. • Risk of Potential beneficiaries being not informed. • Difficulty in apprehending the dissemination materials. • Difficulty accessing skill development opportunities due to remoteness 	<ul style="list-style-type: none"> • As per the principle of differentiated approach, the project will identify the specific areas where the disadvantaged and vulnerable households reside and establish a functional communication channel with such households to inform them about project activities and opportunities, Where required, local media such as community radio, and social media as well as locally established institutional platforms such as producer and mother's groups and farmers' cooperatives will also be used to disseminate project-related information. Local language, other than the official Nepali language, will be used to disseminate such information. • Periodic consultations with the project stakeholders/beneficiaries to provide information about project activities and opportunities by using available means of communication at the local levels. • Culturally appropriate venue and timing for such community consultations will be chosen and information about such consultations will be disseminated through all available channels at least a week before the program date. • Conducting skill development activities in the local language, if required, and preparing the skill development materials in plain and simple Nepali or the local language. • Remoteness and access to transportation will be considered while identifying venues for skill development activities.
Component B: Income Generation and Diversification		
Subcomponent B1: Strengthening Producer Groups	<ul style="list-style-type: none"> • Exclusion of vulnerable communities • Major Producers Group being uninformed about the activities. • Difficulty in apprehending the training materials. • Difficulty accessing the opportunities due to remoteness 	<ul style="list-style-type: none"> • All the potential beneficiaries, including the vulnerable groups, will be communicated about the proposed training through periodic stakeholder consultations and other available means of communication. Targeted consultations will be organized with the vulnerable communities, in required, the apprise them about project opportunities. • Training materials will be developed in a plain and simple Nepali language. The training materials will also be developed in the local language, other than the Nepali language if required. • Remoteness and difficulty in accessing transportation

Component Activity	Risks and Impacts	Mitigation Measures
		will be considered while identifying venues for skill development training and maximum efforts will be put not to organize training programs during monsoon when road transportation will become difficult.
Subcomponent B2: Market Linkages through Productive Alliances	<ul style="list-style-type: none"> Land acquisition or restriction in accessing common property while establishing 32 critical infrastructures. Possibility of construction related impacts like soil erosion, water, noise, and dust pollution Labor and working conditions, community and occupational health and safety issues. Risks of the elite capture while implementing matching grant schemes Exclusion of poor and vulnerable groups from participating in the dialogue platforms 	<ul style="list-style-type: none"> Though the project does not envisage major civil construction that needs land acquisition, a RPF, as per the guidance of ESS5, has been embedded into the ESMF in case the requirement for land acquisition arises. The RPF has assured full compensation at replacement costs plus skill training and other opportunities to restore livelihood impacted by land acquisition and an alternative arrangement for those to be impacted by the restriction in accessing the common property. In addition, ESMP to include provisions to avoid or minimize the possible restrictions to the common property during the construction of critical infrastructure. Special attention will be taken to participate poor and vulnerable group in matching grants and in dialogue platforms. An abridged LMP has been embedded into the ESMF with adequate provision to identify and mitigate potential risks and impacts related to the labor and working condition along with the responsible agencies to implement the provisions made on the LMP.
Component C: Improving Nutrition Security		
Subcomponent C1: Institutional Capacity Strengthening	<ul style="list-style-type: none"> Inadequate implementation capacity due mainly to the lack of trained human resources and weak or absence of institutional structure in the 16 project rural municipalities may result in poor outcomes or sustainability of the limited outcomes made in the improved nutrition and climate resilience in their communities. Inadequate knowledge about environmental and social 	<ul style="list-style-type: none"> The project will pay due attention to building the capacity of the E&S personnel not only in the PCUs, PMU but also at the project municipalities of the subprojects. The project will provide E&S-focused capacity-building training and orientations that will help the E&S focal person to comprehend the essence of the EMSF and other E&S instruments, including the ESMP, and support in implementing the mitigation measures outlined in the ESMP. The project will provide E&S focused capacity building training and orientation to the project facilitator to comprehend the essence of the EMSF. The capacity-building activities will also focus on those

Component Activity	Risks and Impacts	Mitigation Measures
	safeguard measures among the project facilitators who support the beneficiaries to implement nutrition programs in the field.	who will support in managing the Ward-and Municipal - level Nutrition and Food Security Steering Committees.
Subcomponent C2: Nutrition Field School (NFS) and Home Nutrition Gardens (HNGs)	<ul style="list-style-type: none"> • Risks of vulnerable households being excluded while constituting and operationalizing the NFS, HNGs and Small Grant. • Potential beneficiaries, particularly women of reproductive age, pregnant and nursing women with children below 2 years of age being uninformed about such initiatives. • Poor consideration of E&S issues due to the weak institutional capacity of members of the nutrition groups who involved in NFS and HNGs 	<ul style="list-style-type: none"> • The projects will identify the specific areas where the disadvantaged and vulnerable households reside and establish a functional communication channel with such households to inform them about project activities and opportunities. If required, local media such as community radio, and social media as well as locally established institutional platforms such as mothers' groups and farmers' cooperatives will also be used to disseminate project-related information. Local language, other than the official Nepali language, will be used to disseminate such information. • Periodic consultations with the project stakeholders/beneficiaries, as identified by the SEP such as women of reproductive age, will be organized to provide information about project activities and opportunities by using available means of communication at the local levels. • Additional E&S capacity-building activities will be designed and conducted in nutrition groups to cater to the special E&S needs of the NFS and HNGs.

4.1 Risks and Mitigation Measures Specific to Disadvantaged and Vulnerable Groups

The disadvantaged and vulnerable groups, for this project, refer to persons who may be disproportionately impacted or further disadvantaged by the project compared with other groups due to their various socio-economy vulnerabilities such as poverty, illiteracy, age, gender identity, sexual orientation, ethnicity, disability, among others. Given their unique circumstances, the groups often are unable to express their interests or oppositions due to various economic as well as social constraints, thus they may require special engagement efforts to ensure their equal representation in the consultation and decision-making process associated with the project.

Table 5: Mitigation Measures for the Vulnerable Groups

Disadvantaged and Vulnerable Groups	Tailored mitigation measures
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Disadvantaged and Vulnerable Groups	Tailored mitigation measures
<ul style="list-style-type: none"> • Poor and small landholding farmers • Farmers from the marginalized and indigenous communities • Illiterate farmers from Dalits & religious minorities • Women-headed households and women farmers • Farmers residing in remote pockets of the project areas. 	<ul style="list-style-type: none"> • Identify the poor and small landholding farmers through gender and vulnerability assessment during beneficiary selection survey. • Establish and maintain a tailored communication channel with the groups, including the poor and small landholding farmers to inform them about the project activities, including the various opportunities that the project will unveil. • Put additional efforts to bring farmers from disadvantaged and vulnerable groups to periodic stakeholder consultations. Specific stakeholder consultations to cater to the need of such groups, including pregnant and nursing women and farmers with disabilities and chronic diseases will also be organized if required. • Women headed households and women farmers will be included as project has provision of 65% beneficiaries from women. • Special attention to be paid to providing a secure and culturally appropriate environment for young, pregnant, and nursing women during orientation/training sessions. • Make sure that the consultations with the communities are conducted in the simplest possible Nepali language. • Use of local languages as and when required, to ensure that the participants fully comprehend the project activities, potential risks, and opportunities during stakeholder consultations and information disclosure. • Use of visuals and graphics in dissemination materials to apprise about project information in culturally appropriate manners. • Provision of using community radio and disseminating information through noticeboards for those residing in remote areas • Avoid organizing stakeholder consultations during the peak farming seasons and working time when farmers will be busy in the field. • Avoid organizing stakeholder consultations during monsoon, where the access to the training/orientation venues will be difficult due to bad road conditions. • Pay due attention while fixing the venues for organizing training/orientation so that the poorly educated women populations residing in remote locations with binding geographical constraints can get timely information about such activities and participate.

4.2 Planning and Design Considerations for Avoidance of Environmental and Social Risks and Impacts

The project has been designed to support several dimensions related to agriculture and rural institutions and services to enhance crop and livestock productivity, food security, and nutrition outcomes of the targeted households, keeping farmers' groups in the center of the project and paving the way for building climate resilience and safeguarding the livelihoods of the beneficiaries. Given the nature of the subproject locations that are mostly inhabited by poor, illiterate, and marginalized farmers, the project put additional efforts to identify and engage potential stakeholders right from the initial design of the

project. As a part of earlier stakeholder engagement activities, two joint teams comprising the implementing agency and the Bank conducted four stakeholder consultation programs at Dhanusa and Dolakha districts from 9 - 11 March 2023. Altogether 282 local people (Male:169 and Female: 113) participated in the consultation programs, which were aimed at briefing the locals about the proposed project activities along with potential E&S risks and impacts, appropriate mitigation measures and tools, and project opportunities. It was also aimed at understanding major E&S concerns, suggestions, and expectations from the locals during the designing phase so that the final design of the project can address appropriate and possible concerns and suggestions. For example, one of the concerns was related to the possible exclusion of poor, small landholders, vulnerable, and marginalized groups, mainly the Dalits from project opportunities, lack of soil testing services at the local level, management of plastic waste and safe use of pesticides, floods in the local rivers, support to local mother groups, and clear procedures on how the farmer groups are formed and members selected. In response to the concerns, the project has prepared a standalone SEP in the early stages of project to identify the potential stakeholders of the project, categorize them based on their interests and influence, and design engagement strategies for different stakeholders, including the disadvantaged and marginalized communities. The SEP, which is applicable throughout the project lifecycle, also unveils a grievance mechanism to address the complaints of affected communities during the preparation and implementation of the project.

5. Procedures and Implementation Arrangements

5.1 Environmental and Social Risk Management Procedures

The environmental and social risk management procedures (ESMPs) will be implemented through the Project's subproject selection process as outlined in ESMF. In summary, the procedures aim to do the following:

Table 6: Project Cycle and E&S Management Procedures

Project Stage	E&S Stage	E&S Management Procedures
a. Assessment and Analysis: Subproject identification	Screening	<ul style="list-style-type: none"> • During the subproject identification process, the project will ensure subproject eligibility by referring to the <i>Exclusion List in Box 1</i> below as per the ESMF. • For all activities, the project will use the <i>Screening Form in Annex 1</i> to identify and assess potential E&S risks and impacts and identify the appropriate mitigation measures for the subproject. • Identify the required documentation, permits, and clearances required under the government's Environmental Regulation.
b. Formulation and Planning: Planning for subproject activities, including human and budgetary resources	Planning	<ul style="list-style-type: none"> • Based on the Screening Form, the project will prepare relevant environmental and social plans and instruments and get them endorsed as required and disclosed • For activities requiring Environmental and Social Management Plans (ESMPs), the project will submit the first 3 ESMPs for prior review

and monitoring measures		<p>and no objection by the World Bank prior to launching activities.</p> <ul style="list-style-type: none"> • The project to ensure that the contents of the ESMPs are shared with relevant stakeholders in an accessible manner and consultations are held with the affected communities in accordance with the SEP. • The project to make sure that all documentation, permits, and clearances as required under the Nepal government's Environmental Regulations are completed. • The project to train staff responsible for the implementation and monitoring of plans, particularly the ESMPs and the SEP, and earmark necessary budgetary resources. • The project to make sure that design documents of activities incorporate relevant environmental and social measures and plan with provisions to train/orient beneficiaries on relevant procedures and plans.
<p>c. Implementation and Monitoring: Implementation support and continuous monitoring of projects</p>	Implementation	<ul style="list-style-type: none"> • The project will ensure effective implementation of the plans through site visits, regular reporting from the field, and other planned monitoring. • The project will also make sure the grievance mechanisms remain functional and grievances are recorded, tracked, and documented regularly, and the surveys to assess beneficiary feedback are conducted as agreed in the ESMP. • The project will undertake awareness-raising and/or training on issues related to the project for relevant staff, volunteers, contractors, and communities. • Depending on the outcome of the monitoring reports, the project may design and implement corrective measures to ensure that the core objectives of the project are achieved, and such corrective measures will be incorporated into the concerned plans/ instruments.
<p>d. Review and Evaluation: Qualitative, quantitative, and/or participatory data collection on a sample basis]</p>	Completion	<ul style="list-style-type: none"> • Through effective and periodic review and evaluation, the project will assess whether plans have been effectively implemented and at the end, it will also ensure that physical sites are properly restored.

More detail for each stage is provided below.

a. Subproject Assessment and Analysis – E&S Screening

As a first step, all proposed activities should be screened to ensure that they are within the boundaries of the Project's eligible activities and that they are not considered activities listed on the E&S exclusion list.

Box 1: Exclusion List

- Any construction in the protected areas or priority areas for biodiversity conservation, as per the law
- Activities that have the potential to cause any significant loss or degradation of critical natural habitats, whether directly or indirectly, or which would lead to adverse impacts on natural habitats.
- Activities that involve extensive harvest and sale/trade of forest resources (post, timber, bamboo, charcoal, wildlife, etc.) for large-scale commercial purposes
- Activities involving changing forestland into agricultural land or logging activities in primary forest.
- Purchase or use of banned/restricted pesticides, insecticides, herbicides, and other dangerous chemicals.
- Banned under national law and World Health Organization (WHO) category 1A and 1B pesticides)
- Construction of irrigation or water supply subprojects that will depend on the storage and operation of an existing dam or a dam under construction for the supply of water.
- Any activity affecting physical cultural heritage such as graves, temples, monasteries, churches, historical relics, archeological sites, or other cultural structures.
- Activities that may cause or lead to forced labor, or child abuse, and child labor and violates existing laws of the country.
- Any activity on land that has disputed ownership or tenure rights.
- Any activity that will cause physical relocation of households or will require the use of eminent domain.
- Any activity with significant E&S risks and impacts that require an Environmental and Social Impact Assessment (ESIA)
- Any activity that will require Free, Prior, and Informed Consent (FPIC) as defined in ESS7.

As a second step, the PCUs will use the *E&S Screening Form in Annex 1* to identify and assess relevant E&S risks specific to the activities and identify the appropriate mitigation measures. The Screening Form lists the various mitigation measures and plans that may be relevant for the specific activities such as the ESMP, RPF and LMP, etc.

The PMU/MoALD will also identify the documentation, permits, and clearances required under the government's Environmental Regulation.

b. Subproject Formulation and Planning – E&S Planning

Based on the process above and the Screening Form, the PCUs/PMU/MoALD will develop relevant site-specific environmental and social management plans (ESMPs) as required.

The Project Cluster Units/ Project Management Unit (PMU) under the MoALD will prepare the ESMPs and other applicable documents as needed. The MOALD will provide approval and compile ESMPs and other applicable forms. The contents of the ESMPs will be shared with relevant stakeholders in an accessible manner, and consultations will be held with the affected communities on the E&S risks and mitigation measures. If certain subprojects or contracts are being initiated at the same time or within a

certain location, an overall ESMP covering multiple subprojects or contracts can be prepared. Some moderate-risk subprojects may also benefit from the preparation of a site-specific environmental and social assessment prior to the preparation of an ESMP.

The first three ESMPs will also be submitted to the World Bank for prior review and no objection. After the first three, the World Bank and the FANSEP PMU under the MoALD will reassess whether a prior review is needed for further ESMPs or a certain category of ESMPs.

The FANSEP PMU under the MoALD will also complete the documentation, permits, and clearances required under the Nepal government's Environmental Regulation before any project activities begin.

The staff, who will be working on the various subproject activities, should be trained in the environmental and social management plans relevant to the activities they work on. The FANSEP PMU under the MoALD should provide such training to field staff.

The FANSEP PCUs/PMU under the MoALD should also ensure that all selected groups/contractors, subcontractors, and vendors understand and incorporate environmental and social mitigation measures relevant to them as standard operating procedures for civil works. The FANSEP PCUs/PMU under the MoALD should provide training to selected contractor's/producer groups to ensure that they understand and incorporate environmental and social mitigation measures; and plan for cascading training to be delivered by groups/contractors to subcontractors and vendors. The FANSEP PMU under the MoALD should further ensure that the entities or communities responsible for ongoing operation and maintenance of the investment have received training on operations stage environmental and social management measures as applicable.

c. Implementation and Monitoring – E&S Implementation

During implementation, the FANSEP PMU under the MoALD will conduct regular monitoring visits to the subprojects at least once a year. In addition, day to day activity monitoring will be carried out by the four Cluster Units. The cluster unit will have dedicated focal E&S staff for managing/monitoring E&S risks. Each cluster unit will look after two Project Districts and rural municipalities selected for Project implementation. The E&S team of the World Bank Nepal Office can also be invited to join such monitoring visits. At the end of each visit, the FANSEP PMU will be responsible to prepare a field visit note which should describe major field level activities, including the key messages of the discussions with the subproject officials, stakeholder and beneficiaries, and representatives of the local government, among others, overall implementation status of the subproject level ESMPs, key challenges and corrective actions, if required. The project will consider using the remote monitoring tools, including using mobile devices for monitoring of projects activities. The FANSEP PMU under the MoALD working to implement the project will ensure that monitoring practices include the environmental and social risks identified in the ESMF and will monitor the implementation of E&S risk management mitigation plans as part of regular project monitoring.

At a minimum, the reporting will include (i) the overall implementation of E&S risk management instruments and measures, (ii) any environmental or social issues arising as a result of project activities and how these issues will be remedied or mitigated, including timelines, (iii) Occupational Health and Safety performance (including incidents and accidents), (iv) community health and safety, (v) stakeholder engagement updates, in line with the SEP, (vi) public notification and communications, (vii) progress on the implementation and completion of project works, and (viii) summary of grievances/beneficiary feedback received, actions taken, and complaints closed out, in line with the SEP. Reports from the local levels (PCUs) will be submitted to the FANSEP PMU under the MoALD at the national level, where they will be aggregated and submitted to the World Bank on a biannual basis.

Throughout the Project implementation stage, the FANSEP PMU under the MoALD will continue to provide training and awareness raising to relevant stakeholders, such as staff, selected contractors, and communities, to support the implementation of the environmental and social risk management mitigation measures. An initial list of training needs is proposed below, in Section 5.4

The FANSEP PMU under the MoALD will also track grievances/beneficiary feedback in line with the SEP during project implementation to use as a monitoring tool for the implementation of project activities and environmental and social mitigation measures.

Last, if the PCUs becomes aware of a serious incident in connection with the project, which may have significant adverse effects on the environment, the affected communities, the public, or workers, it should notify the FANSEP PMU under the MoALD within 48 hours of becoming aware of such incident. Then, FANSEP PMU under the MoALD will notify the World Bank within the 48 hours of receiving of notice from the PCUs. A fatality is automatically classified as a serious incident, as are incidents of forced or child labor, abuses of community members by project workers, including gender-based violence incidents), violent community protests, or kidnappings.

d. Review and Evaluation – E&S Completion

Upon completion of Project activities, FANSEP PMU under the MoALD will review and evaluate the progress and completion of project activities and all required environmental and social mitigation measures. Especially for civil works, the FANSEP PMU, cluster offices under the MoALD will monitor activities regarding site restoration and landscaping in the affected areas to ensure that the activities are done to an appropriate and acceptable standard before closing the contracts, in accordance with measures identified in the ESMPs and other plans. The sites must be restored to at least the same condition and standard that existed prior to the commencement of works. Any pending issues must be resolved before a subproject is considered fully completed. The PCUs will prepare the completion report describing the final status of compliance with the E&S risk management measures and submit it to FANSEP PMU under the MoALD. The PMU will compile the report received from the PCUs and submit it to the World Bank.

5.2 Technical Assistance Activities

The FAO will focus on four specific areas: (a) support for the further development of the extension services and dissemination of improved technology packages through the FFS; (b) development of market linkages for the targeted smallholder farmers; (c) support for the rollout of NFSs; and (d) quality assurance. The FAO will ensure that the consultancies, studies (including feasibility studies, if applicable), capacity building, training, and any other technical assistance activities under the Project are carried out in accordance with Terms of Reference acceptable to the Bank, that are consistent with the ESSs. They will also ensure that the outputs of such activities comply with the Terms of Reference.

5.3 Implementation Arrangements

At the center, the MoALD will remain the executing agency and the project will have a Project Steering Committee chaired by Secretary of the MoALD. The committee will provide strategic oversight guidance and resolve project-related issues and concerns. A Technical Coordination Committee, chaired by Joint Secretary Planning and Development Cooperation Coordination Division of MoALD, will continue to provide technical guidance and recommendations to the Project Steering Committee. A Project Management Unit (PMU), headed by Project Director (PD), will be maintained. An Environmental and Social (E&S) Safeguard Specialist will be hired to PMU to ensure an effective management of the E&S risks and impacts within the ESMF and other E&S instruments, including monitoring and reporting as prescribed. The cluster offices will be responsible for the implementation of project activities at the ground level in coordination and consultations with the partnering local governments. Each cluster unit will be responsible for two project districts and rural municipalities selected for project implementation and will have dedicated E&S Focal Officer for managing/monitoring E&S risks as specified in the ESMF.

Local contractors/beneficiaries will be required to comply with the Project's E&S risk management plans and procedures, including the ESMP, ESCOPs, LMP, and local legislation. This provision will be specified in the contractor's agreements. Contractors/groups will be expected to disseminate and create awareness within their workforce of environmental and social E&S risk management compliance for their effective implementation.

The table below summarizes the roles and responsibilities regarding the implementation arrangements for environmental and social management.

Table 7: Implementation Arrangements

Level/ Responsible Party	Roles and Responsibilities
FANSEP PMU at the MoALD/Environmental and Social Specialists	<ul style="list-style-type: none"> • Ensure effective implementation of this ESMF, including other E&S instruments and adequate human resources and capacity-building opportunities. • Ensure quality assurance and approval of Screening Forms and ESMPs as relevant. • Train central and field staff and contractors/beneficiary groups who will be responsible for implementing the ESMF. • Oversee overall implementation and monitoring of E&S mitigation and management activities, compile progress reports from local levels/subprojects, and report to the World

Level/ Responsible Party	Roles and Responsibilities
	Bank on a biannual basis. <ul style="list-style-type: none"> • Provide support, oversight, and quality control to field staff working on E&S risk management. • Hear and decide on grievances forwarded to the PMU from the subprojects
Cluster Units/dedicated focal E&S Officers and staffs	<ul style="list-style-type: none"> • Support farmers' groups while preparing the Environment and Social Safeguard related documents. • Fill out Screening Forms for relevant subproject activities and submit forms to the national level. • Make sure that the proposed project activities do not fall under the Negative List. • Complete site-specific ESMPs for subproject activities and submit forms to the PMU at the MoALD • Ensure that all the required permits and approvals are obtained before the commencement of the proposed activities. • Provide training to local contractors/groups and communities on relevant E&S mitigation measures, roles, and responsibilities. • Managing and ensuring the smooth functioning of the Level-1 GRM and organizing periodic stakeholder consultations • Closely coordinate with the host municipality in designing and implementing the proposed activities • Oversee implementation and monitoring of E&S mitigation measures daily, and report progress and performance to the PMU monthly.
Local contractors/ Beneficiary groups	<ul style="list-style-type: none"> • Comply with the Project's E&S mitigation and management measures as specified in ESMPs, LMP, contract documents, as well as national and local legislation. • Take all necessary measures to protect the health and safety of workers and community members, and avoid, minimize, or mitigate any environmental harm resulting from project activities.

5.4 Proposed Training and Capacity Building

Table 8: Proposed Training and Capacity Building Approach

Level	Responsible Party	Audience	Topics/Themes that May Be Covered
PMU at the MoALD	World Bank	All PMU staff for the overall implementation of ESMF, including the assigned E&S specialist	<ul style="list-style-type: none"> • ESMF and approach: <ul style="list-style-type: none"> ○ Screening process/filling checklist ○ Identification and assessment of E&S risks ○ Selection and application of relevant E&S risk ○ Preparation of ESCOPs, ESMPs and others • Management measures/instruments <ul style="list-style-type: none"> ○ Periodic E&S monitoring and reporting ○ Incident and accident reporting ○ Application of LMP, including Code of

Level	Responsible Party	Audience	Topics/Themes that May Be Covered
			Conduct, incident reporting, including the SEA/SH <ul style="list-style-type: none"> Application of SEP and the grievance/beneficiary feedback mechanism
Cluster Units	PMU at the MoALD	E&S focal person Local contractors/producer groups	<ul style="list-style-type: none"> Screening process/filling checklist Preparation of ESCoPs, ESMPs and others Application of SEP, including the grievance/beneficiary feedback mechanism, periodic stakeholder engagement activities and information disclosure. Application of LMP, including Code of Conduct, incident reporting, SEA/SH, COVID-19 mitigation Application of ESCoPs or ESMPs, incident reporting, including the SEA/SH Monitoring and compliance Periodic monitoring of ESMF and applicable E&S instruments and reporting to PMU
Community level	E&S focal person	Community members	<ul style="list-style-type: none"> Community health and safety issues Grievance mechanism and periodic stakeholder consultations SEA/SH issues, prevention, measures

5.6 Estimated Budget

The following table lists the estimated cost items for the implementation of the ESMF, which have been included in the overall project budget:

Table 9: ESMF Implementation Budget

1US \$= 130 NPR

S.N.	Activities	Year	Unit	Number	Unit cost	Total Cost (NRs.)	USD	USD M
1	Orientation on E&S risk management for FANSEP (Officer) 5 days	I	Event	1	700000	700000	5384.615	0.0054
2	E&S risk management training to the FLT of New RM (5 days) (Newly recruited) including Technicians of	I	Event	4	300000	1200000	9230.769	0.0092

S.N.	Activities	Year	Unit	Number	Unit cost	Total Cost (NRs.)	USD	USD M
	project RM							
3	E&S risk management training to the FLT of New RM-Refresher (2 days)	II	Event	4	250000	1000000	7692.308	0.0077
4	Occupational Health and Safety Training for FLTs (2 days)	I	Event	4	200000	800000	6153.846	0.0062
5	E&S risk compliance Monitoring and Reporting interaction with the FLT- one day	III	Event	4	150000	600000	4615.385	0.0046
6	E&S risk management training to the leader farmers of the grant recipient (RM Level) (One event/RM/Year for three year)	I, II, III	Event	48	150000	7200000	55384.62	0.0554
7	Publication of Safeguard Related Documents	I, II	Times	3	300000	900000	6923.077	0.0069
8	Interaction workshop on Environment and Social risk management and their compliance monitoring process with PCUs	II, III	Times	2	400000	800000	6153.846	0.0062
9	Compliance Monitoring and Reporting (each trimester for three years for PMU and four PCUs)	I, II	Event	60	20000	1200000	9230.769	0.0092
10	Training on Gender Mainstreaming for	I, II, III	Event	48	150000	7200000	55384.62	0.0554

S.N.	Activities	Year	Unit	Number	Unit cost	Total Cost (NRs.)	USD	USD M
	Beneficiaries (RM level) (2 days)							
11	Activities and Budget for SEP							
11.1	Compliance status survey	II	Times	1	1500000	1500000	11538.46	0.0115
11.2	Beneficiary satisfaction surveys	II	Times	1	1950000	1950000	15000	0.0150
11.3	Periodic stakeholder consultations	I, II, III	Times	6	65000	390000	3000	0.0030
11.4	Monitoring and Evaluation, including half-yearly SEP implementation report	I, II, III	Times	6	195000	1170000	9000	0.0090
11.5	GRM Committee Meeting	I, II, III	Times	90	20000	1800000	13846.15	0.0138
11.6	GRM training and community awareness activities	I, II, III	Times	9	100000	900000	6923.077	0.0069
12	Travel Expenses for compliance monitoring and reporting	I, II, III	Times	12	260000	3120000	24000	0.0240
13	Technical assistance from FAO for Environment Social Safeguard Measures	I, II, III	Lumpsum			11700000	90000	0.0900
	Total					44130000	339461.5	0.3395

6. Stakeholder Engagement, Disclosure, and Consultations

A separate Stakeholder Engagement Plan (SEP) has been prepared for the Project, based on the World Bank's Environmental and Social Standard 10 on Stakeholder Engagement. Based on the consultations done with the potential beneficiaries of the project, the SEP has identified project stakeholders, including the vulnerable and marginalized communities. The SEP has assessed potential risks and impacts related to the identified stakeholders in terms of their involvement and participation in designing and implementing project activities. It has also prescribed a set of mitigation measures to deal with potential risks and impacts, including a functioning grievance mechanism that is readily available for the project affected people. The SEP has designed periodic stakeholder consultations and effective means of disseminating project-related information. The SEP can be found here: <https://fansep.moald.gov.np/noticedetail/59/2023/39993667>

This ESMF, as well as the SEP and the Environmental and Social Commitment Plan (ESCP) that have been prepared for this project, have been disclosed in draft for stakeholder consultations on the following <https://fansep.moald.gov.np/noticedetail/60/2023/88298700>

on May 24, 2023. So far, the project has received no feedbacks on the disclosures.

Annex 1. Screening Form

The E&S Screening procedure comprises of two stages-process: (1) Initial screening by using the **Exclusion List** in Table 5 of the ESMF; and (2) Screening the proposed activities to identify the approach for E&S risk management. This Screening Form is the second stage of screening process and is to be used for all subproject activities. The completed forms will be signed and kept in the Project ESF file. The World Bank may review a sample of the forms during implementation support visits.

1. Subproject Information:

Subproject Title	
Subproject Location	
Regional Unit in Charge	
Estimated Cost	
Start/Completion Date	
Brief Description of Subproject	

2. Environmental and Social Screening Questionnaires

Questions	Answer		Next Steps
	Yes	No	
ESS1			
1. Is the subproject likely to have significant adverse environmental impacts that are sensitive and unprecedented that trigger the 'Ineligible Activities' or other exclusion criteria?			If "Yes": Exclude from project.
2. Does the subproject involve <u>new construction or significant expansion</u> of ponds, solid waste management systems, shelters, roads (including access roads), community centers, schools, bridges, and jetties?			If "Yes": 1. Prepare a site-specific E&S Assessment and/or ESMP for the proposed subproject, based on the template in Annex 3. 2. Include E&S risk management measures in bidding/proposal documents.
3. Does the subproject involve the <u>renovation or rehabilitation</u> of any small-scale infrastructure, such as groundwater wells, latrines, showers/washing facilities, or shelters?			If "Yes": 1. Apply relevant measures based on the ESCOPs in Annex 2 (unless one of the questions below raises specific environmental risks and requires a site-specific ESMP). 2. Include E&S risk management measures in bidding documents.
4. Will construction or renovation works require new borrow pits or quarries to be opened?			If "Yes": 1. Prepare a site-specific ESMP for the proposed subproject, based on the template in Annex 3. 2. Include E&S risk management measures in bidding documents.

Questions	Answer		Next Steps
	Yes	No	
5. Does the project lead to any risks and impacts on, individuals or groups who, because of their particular circumstances, may be disadvantaged or vulnerable. ¹			If "Yes": Apply relevant measures described in the ESMF and SEP.
ESS2			
6. Does the subproject involve uses of goods and equipment involving forced labor, child labor, or other harmful or exploitative forms of labor?			If "Yes": Exclude from project.
7. Does the subproject involve recruitment of workforce including direct, contracted, primary supply, and/or community workers?			If "Yes": Apply LMP in Annex 4.
8. Will the workers be exposed to workplace hazards that needs to be managed in accordance with local regulations and EHSGs? Do workers need PPE relative to the potential risks and hazards associated with their work?			If "Yes": Apply LMP in Annex 4.
9. Is there a risk that women may be underpaid when compared to men when working on the project construction?			If "Yes": Apply LMP in Annex 4.
ESS3			
10. Is the project likely to generate solid or liquid waste that could adversely impact soils, vegetation, rivers, streams or groundwater, or nearby communities?			If "Yes": 1. Prepare a site-specific ESMP for the proposed subproject, based on the template in Annex 3. 2. Include E&S risk management measures in bidding documents.
14. Is there any potential to have impact on soil or water bodies due to agro-chemicals (e.g., pesticides) used in farmlands due to the consequences of the subproject activities (e.g., development of irrigation system, agriculture related activities, seed and fertilizer assistance, procurement of pesticides)?			If "Yes": Apply Fertilizer and Pest Management Plan in Annex 7.
ESS4			
15. Is there a risk of increased community exposure to communicable disease (such as COVID-19, HIV/AIDS, Malaria), or increase in the risk of traffic related accidents?			If "Yes": Apply LMP in Annex 4 and relevant measures in SEP.

¹ "Disadvantaged or vulnerable" refers to those individuals or groups who, by virtue of, for example, their age, gender, ethnicity, religion, physical, mental or other disability, social, civic or health status, sexual orientation, gender identity, economic disadvantages or ethnic peoples status, and/or dependence on unique natural resources, may be more likely to be adversely affected by the project impacts and/or more limited than others in their ability to take advantage of a project's benefits.

Questions	Answer		Next Steps
	Yes	No	
16. Is an influx of workers, from outside the community, expected? Would workers be expected to use health services of the community? Would they create pressures on existing community services (water, electricity, health, recreation, others?)			If "Yes": Apply LMP in Annex 4.
17. Is there a risk that SEA/SH may increase as a result of project works?			If "Yes": Apply LMP in Annex 4.
18. Would any public facilities, such as schools, health clinic, church be negatively affected by construction?			If "Yes": Apply relevant measures based on the ESCOPs in Annex 2 (unless one of the other questions in the screening form raises specific environmental and social risks and requires a site-specific ESMP).
19. Will the subproject require the government to retain workers to provide security to safeguard the subproject?			If "Yes": Prepare a site-specific ESMP for the proposed subproject, including an assessment of potential risks and mitigation measures of using security personnel.
ESS5			
20. Will the subproject require the involuntary acquisition of new land (will the government use eminent domain powers to acquire the land)? ²			If "Yes": Refer to and apply the project Resettlement Framework (RF).
21. Will the subproject lead to temporary or permanent physical displacement (including people without legal claims to land)?			If "Yes": Refer to and apply the project RF.
22. Will the subproject lead to economic displacement (such as loss of assets or livelihoods, or access to resources due to land acquisition or access restrictions)?			If "Yes": Refer to and apply the project RF.
23. Has the site of the subproject been acquired through eminent domain in the past 5 years, in anticipation of the subproject?			If "Yes": Refer to and apply the project RF.
24. Is private land required for the subproject activity being voluntarily donated to the project? ³			If "Yes": Refer to and apply the project RF.

² Environmental and Social Standard 5, Footnote 10: "In some circumstances, it may be proposed that part or all of the land to be used by the project is donated on a voluntary basis without payment of full compensation. Subject to prior Bank approval, this may be acceptable providing the Borrower demonstrates that: (a) the potential donor or donors have been appropriately informed and consulted about the project and the choices available to them; (b) potential donors are aware that refusal is an option, and have confirmed in writing their willingness to proceed with the donation; (c) the amount of land being donated is minor and will not reduce the donor's remaining land area below that required to maintain the donor's livelihood at current levels; (d) no household relocation is involved; (e) the donor is expected to benefit directly from the project; and (f) for community or collective land, donation can only occur with the consent of individuals using or occupying the land. The Borrower will maintain a transparent record of all consultations and agreements reached."

³ Environmental and Social Standard 5, Footnote 10: "In some circumstances, it may be proposed that part or all of the land to be used by the project is donated on a voluntary basis without payment of full compensation. Subject to prior Bank approval, this may be acceptable providing

Questions	Answer		Next Steps
	Yes	No	
ESS6			
26. Does the subproject involve activities that have potential to cause any significant loss or degradation of critical habitats ⁴ whether directly or indirectly, or which would lead to adverse impacts on natural habitats ⁵ ?			If "Yes": Exclude from project.
27. Will the project involve the conversion or degradation of non-critical natural habitats?			If "Yes": 1. Prepare a site-specific ESMP for the proposed subproject, based on the template in Annex 3. 2. Include E&S risk management measures in bidding documents.
28. Will this activity require clearance of trees, including inland natural vegetation?			If "Yes": 1. Prepare a site-specific ESMP for the proposed subproject, based on the template in Annex 3. 2. Exclude from project if more than x hectares of tree and vegetation cutting is expected. 2. Include E&S risk management measures in bidding documents.
30. Will there be any significant impact on any ecosystems of importance (especially those supporting rare, threatened, or endangered species of flora and fauna)?			If "Yes": Exclude from project.
ESS7			
31. Are there any Indigenous Peoples in the subproject area and are likely to be affected by the proposed subproject			If "Yes": Prepare an Indigenous Peoples Plan OR Include the requirements of an

the Borrower demonstrates that: (a) the potential donor or donors have been appropriately informed and consulted about the project and the choices available to them; (b) potential donors are aware that refusal is an option, and have confirmed in writing their willingness to proceed with the donation; (c) the amount of land being donated is minor and will not reduce the donor's remaining land area below that required to maintain the donor's livelihood at current levels; (d) no household relocation is involved; (e) the donor is expected to benefit directly from the project; and (f) for community or collective land, donation can only occur with the consent of individuals using or occupying the land. The Borrower will maintain a transparent record of all consultations and agreements reached."

⁴ Environmental and Social Standard 6, paragraph 23: "Critical habitat is defined as areas with high biodiversity importance or value, including (a) Habitat of significant importance to Critically Endangered or Endangered species, as listed in the IUCN Red List of threatened species or equivalent national approaches; (b) Habitat of significant importance to endemic or restricted-range species; (c) Habitat supporting globally or nationally significant concentrations of migratory or congregatory species; (d) Highly threatened or unique ecosystems; and (e) Ecological functions or characteristics that are needed to maintain the viability of the biodiversity values described above in (a) to (d)."

⁵ Environmental and Social Standard 6, paragraph 21: "Natural habitats are areas composed of viable assemblages of plant and/or animal species of largely native origin, and/or where human activity has not essentially modified an area's primary ecological functions and species composition."

Questions	Answer		Next Steps
	Yes	No	
negatively?			Indigenous Peoples Plan in the SEP.

3. Conclusion

Based on the result from the screening above, please list the E&S risk management instruments to be prepared / adopt and implemented:

- a)
- b)

Name and title of person who conducted screening:

Date of screening:

Annex 2. Environmental and Social Management Plan (ESMP) Template

Environmental and social risks and impacts are strongly linked to subproject location and scope of activities. This ESMP should be customized for each specific subproject location and activities.

1. Subproject Information

Subproject Title:	
Estimated Cost:	
Start/Completion Date:	

2. Site/Location Description

This section concisely describes the proposed location and its geographic, ecological, social, and temporal context including any offsite investments that may be required (e.g., access roads, water supply, etc.). Please attach a map of the location to the ESMP.

3. Subproject Description and Activities

This section lists all the activities that will take place under the subproject, including any associated activities (such as building of access roads or transmission lines, or communication campaigns that accompany service provision).

4. ESMP Matrix: Risk and Impacts, Mitigation, Monitoring

This section should identify anticipated site-specific adverse environmental and social risks and impacts; describe mitigation measures to address these risks and impact; and list the monitoring measures necessary to ensure effective implementation of the mitigation measures. It may draw from the ESMF's pre-identification of potential risks/impacts and mitigation measures, as applicable, and drill down further to ensure relevance and comprehensiveness at the site-specific level. For subprojects involving construction, two sets of tables may be needed, for the construction phase and the operation phase.

Anticipated E&S Risks and Impacts	Risk Mitigation and Management Measures	Impact Mitigation		Impact/Mitigation Monitoring		
		Location/Timing/Frequency	Responsibility	Parameter to be monitored	Methodology, including Location and Frequency	Responsibility

5. Capacity Development & Training

Based on the implementation arrangements and responsible parties proposed above, this section outlines any capacity building, training or new staffing that may be necessary for effective implementation.

6. Implementation Schedule and Cost Estimates

This section states the implementation timeline for the mitigation measures and capacity development measures described above, as well as a cost estimate for the implementation. The cost estimate can focus on the line items that will be covered by the project implementing agency, with costs of mitigation measures to be implemented by the contractor left to the contractor to calculate.

7. Attachments

ESCOPs, site specific SEP etc.

IV. Review & Approval

<p>Prepared By:(Signature)</p> <p>Position: Date</p>	
<p>Reviewed By:(Signature)</p> <p>Position:Date</p>	<p>Approved By:(Signature)</p> <p>Position: Date</p>

Annex 3. Simplified Labor Management Procedures

In accordance with the requirements of World Bank's Environmental and Social Standard 2 (ESS2) on Labor and Working Conditions, a simplified LMP has been developed for the project. The LMP sets out the ways in which MoALD will manage all project workers in relation to the associated risks and impacts. The objectives of the LMP are to: Identify the different types of project workers that are likely to be involved in the project; identify, analyze, and evaluate the labor-related risks and impacts for project activities; provide procedures to meet the requirements of ESS 2 on Labor and Working Conditions, ESS 4 on Community Health and Safety, and applicable national legislation.

The Labor Management Procedures apply to all project workers, irrespective of contracts being full-time, part-time, temporary, or casual. The types of workers that will be included in the project are listed below:

- **Direct workers** – Office support staffs, technical experts.
- **Contracted workers** – Technical experts hired by the service providers.
- **Community workers** – Members of the Nutrition Field School (NFS) and Home Nutrition Gardens (HNGs), and crop and livestock farmers' groups.

Labor Risks

The following potential labor risks are identified under the project:

- Violation of worker's rights: Terms and conditions of employment of workers may not be consistent with national legislation or World Bank standards.
- Violation of worker's rights: Non-discrimination and equal opportunity of workers may not be consistent with national legislation or World Bank standards.
- Use of child labor or forced labor.
- Unsafe work environment and poor working conditions
- Workplace injuries and accidents, particularly when operating construction equipment, when working at height on building construction, and when handling heavy equipment and materials
- Risks from exposure to hazardous substances (dust, cement, chemicals used in construction etc.)
- Sexual exploitation and abuse/sexual harassment (SEA/SH) risks for workers
- SEA/SH risks for community members, from workers from outside the project areas
- Conflicts between workers and communities
- Transmission of COVID-19 among workers or nearby communities, especially if workers are not hired locally and arrive to civil works locations from elsewhere or if COVID-19 specific precautions are not in place at work sites and worker accommodation sites.

Relevant National Labor Legislation

Labor Act 2017 and Rule 2018: The laws bar the use of forced labor and discriminate on the ground of religion, color, sex, and caste, among others, and employ a child of 14 years old or below. It also asks for a written employment contract between the employers and employees. The laws say that no person is allowed to employ forced labor directly or indirectly. The laws set the working hours for 8 hours a day

and 48 hours a week with a 30-minute rest after five hours of continuous work and ask the employers to ensure a safe working environment, including ensuring all measures to protect labor and mitigate possible impacts from hazardous materials, and provide necessary training to labor on handling and managing hazardous materials. The law asks the employer to prepare and implement a policy on the health and safety of workers and other persons at the workplace and submit the policy to the concerned labor office and it to take required measures to avoid any possible adverse effect on the health and safety of any non-labor who visits or passes through the workplace.

Child Labor (Prohibition and Regulation) Act, 2000: It defines a child as minor who have not completed the age of sixteen years and any enterprise wishing to engage a child as a labor will have to obtain certificate of qualification from a labor office and provide detail information about the child along with a photograph to the labor office within 15 days of recruitment. The Act says a child can't be engaged in work for more than 30 hours in a week and more than 6 hours in one day. A child is entitled to one-day leave in a week and the Act prohibits discrimination on the grounds of sex, race, religion, caste, or tribe and ensures equal remuneration and benefits for the same works.

The Human Trafficking and Transportation Act, 2063: The Act defines sell or purchase a person for any purpose and use someone into prostitution, with or without any benefit as act of human trafficking and transportation. The Act declares Human Trafficking as a crime and says that no one shall commit or cause to commit human trafficking and transportation.

General Applicable Procedures

Ministry of Agriculture and Livestock (MoALD) and contractors/producer' groups will apply the following guidelines when dealing with workers:

- There will be no discrimination with respect to any aspects of the employment relationship, such as: Recruitment and hiring; compensation (including wages and benefits; working conditions and terms of employment; access to training; job assignment; promotion; termination of employment or retirement; or disciplinary practices.
- Harassment, intimidation and/or exploitation will be prevented or addressed appropriately.
- Special measures of protection and assistance to remedy discrimination or selection for a particular job will not be deemed as discrimination.
- Vulnerable project workers will be provided with special protection.
- PCUs/PMU/MoALD and producer groups/contractors will provide job/employment contracts with clear terms and conditions including rights related to hours of work, wages, overtime, compensation and benefits, annual holiday and sick leave, maternity leave, and family leave. Code of Conduct included in this LMP will be applicable for all project workers.
- PCUs/PMU/MoALD will ensure compliance with the Code of Conduct including providing briefings/awareness raising on the Code.
- PCU/PMU/MoALD and contractors will ensure compliance with occupational health and safety procedures and COVID-19 specific procedures (see below) including that the workers are properly trained in application of the standards that are relevant to the work.
- MoALD and retained producer group/contractor will ensure no person under the age of 18 shall be employed. Age verification of all workers will be conducted by the contractors.

- MoALD will recruit producer groups/contractors and labor locally to the extent that they are available.
- Workers shall be recruited voluntarily, and no worker is forced or coerced into work.
- MoALD will supervise and monitor to ensure compliance with the above requirements.
- All workers will be made aware of the Worker's Grievance Mechanism (see below) to raise work related grievances, including any sensitive and serious grievances on SEA/SH.

Occupational Health and Safety (OHS) Procedures

The objective of the procedure is to achieve and maintain a healthy and safe work environment for all project workers (contracted workers and community workers) and the host community.

- On procurement for contractor/producer groups, PCU will avail the ESMF to the aspiring contractor/producer groups so that contractors include the budgetary requirements for OHS measures in their respective bids.
- The contractor/producer groups will develop and maintain an OHS management system that is consistent with the scope of work, which must include measures and procedures to address all the following topics listed below and in accordance with local legislation and GIIP (as defined by World Bank Group EHSs). The management system must be consistent with the duration of contract and this LMP.
- Contractor/producer group provides preventive and protective measures, including modification, substitution, or elimination of hazardous conditions or substances informed by assessment and plan. Whenever PPEs are required for the work, it must be provided at no cost for the workers.
- Contractor/producer group should assess workers' exposure to hazardous agents (noise, vibration, heat, cold, vapors, chemicals, airborne contaminants etc.) and adopt adequate control measures in accordance with local regulations and WB EHSs.
- Contractor/producer group provides for appropriate training/induction of project workers and maintenance of training records on OHS subjects.
- Contractor/producer group documents and reports on occupational incidents, diseases, and incidents as per ESMF guidance.
- Contractor/producer group provides emergency prevention and preparedness and response arrangements to emergency situations including and not limited to workplace accidents, workplace illnesses, flooding, fire outbreak, disease outbreak, labor unrest and security.
- Contractor/producer group provides remedies for adverse impacts such as occupational injuries, deaths, disability, and disease in accordance with local regulatory requirements and Good International Industry Practices.
- Contractor/producer group shall maintain all such record for activities related to the safety health and environmental management for inspection by PMU at the MoALD or the World Bank.

COVID-19 Procedures

- Contractors/producer groups should ensure that workers are hired locally to the extent possible.
- Contractors/producer groups should provide training to all workers on signs and symptoms of COVID-19, how it is spread, how to protect themselves (including regular handwashing and social distancing) and what to do if they or other people have symptoms, as well as policies and procedures listed here. Training of workers should be conducted regularly, providing workers with a clear understanding of how they are expected to behave and carry out their work duties. Training should address issues of discrimination or prejudice if a worker becomes ill and provide

an understanding of the trajectory of the virus, where workers return to work following infection.

- A summary of basic guidelines and COVID-19 symptoms should be displayed at all civil works sites, with images and text in relevant ethnic languages.
- Workers who are sick or showing possible symptoms should not be allowed on work site, should be isolated and referred to local medical facilities immediately.
- Contractors/producer groups should review worker accommodation arrangements to see if they are adequate and designed to reduce contact with the community.
- Contractors/producer groups should review work arrangements, tasks, and hours to allow social distancing.
- Contractors/producer groups should provide workers with appropriate forms of personal protective equipment.
- Contractors/producer groups should ensure handwashing facilities supplied with soap, disposable paper towels and closed waste bins exist at key places at the work site.

Contractor Management Procedures

The objective of this procedure is to ensure that the MoALD has contractual power to administer oversight and action against contractors for non-compliance with the LMP.

- PCU/PMU MoALD will make available relevant documentation to inform the contractor about requirements for effective implementation of the LMP.
- PCU/PMU MoALD will include the provisions of the ESMF, LMP and other relevant documents into the specification section of the bidding documents. The contractor/producer groups will be required to comply with these specifications.
- Contractor/producer groups will raise worker awareness on the Code and Conduct.
- Contractor/producer groups will show evidence of OHS and Emergency Preparedness procedures.
- will monitor contract's/producer group's E&S performance during its regular site visits utilizing contractor reporting or external monitoring/supervision consultants where available. Where appropriate, PMU at the MoALD may withhold contractor's payment or apply other contractual remedies as appropriate until corrective action(s) is/are implemented on significant non-compliance with the LMP, such as failure to notify PMU at the MoALD of incidents and accidents.

Procedures for Primary Suppliers

The objective of the procedure is to ensure that labor-related risks, especially child and forced labor as well as serious safety issues to the project from primary supply workers are managed. PCU/PMU at the MoALD and all contractor/producer groups will undertake the following measures:

- Procure supplies from legally constituted suppliers.
- To the extent feasible, conduct due diligence to ensure that primary suppliers conduct age verifications, employ workers without any force or coercion, and maintain basic OHS systems.

Procedures for Community Workers

Community workers include local people to support project activities such as goat multiplier herds, community-level fodder resource centers, restoration of small irrigation schemes, capture and store

run-off water, and arrest soil erosion. The objective of this procedure is to ensure the community workers offer their labor voluntarily and that they agree to the terms and conditions of employment. PCU/PMU/MoALD and contractor/producer groups using community workers will apply the following guidelines when dealing with community workers:

- PCU/PMU/MoALD will develop standard working times, remuneration systems (depending on the type of work), methods of payment, timing of payment, and community worker Code of Conduct, which will apply to all project activities.
- PCU/PMU/MoALD and contractor/producer groups should consult communities and document their community meetings where members agree to conditions of community worker recruitment. The agreement should include details on nature of work, working times, age restrictions (18 and above), remuneration amount, method of payment, timing of payment, individual signatory, or representative signatory of meeting resolution.
- Contractors/producer groups will have the terms and conditions discussed, explained, negotiated, and documented through joint community meetings, with each community employee showing consent through signing the attendance register of the meeting which made the employment resolutions.
- PCU/PMU/MoALD and contractor/producer groups train community workers on key LMP issues, including SEA/SH, OHS, COVID-19, safe use of equipment and lifting techniques, and the relevant grievance mechanisms.

Institutional Arrangement for Implementation of the LMP

PCU/PMU/MoALD will carry the main responsibility for the implementation and monitoring of the LMP. The PCUs will identify subproject activities, prepare subproject designs and bidding documents, as well as procure contractors. The PCUs will be responsible for contractor and site supervision, technical quality assurance, certification, and payment of works. The PCUs will ensure that labor management procedures are integrated into the specification section of the bidding documents and the procurement contracts.

Grievance Mechanism

There will be a specific Workers Grievance Mechanism (Worker GM) for project workers as per the process outlined below. This considers culturally appropriate ways of handling the concerns of direct and contracted workers. Processes for documenting complaints and concerns have been specified, including time commitments to resolve issues. Workers will be informed about the relevant Worker GM upon their recruitment and their right to redress, confidentiality and protection against any reprisals from the employer will be stated in the contract.

Routine Grievances

The process for the Worker GM is as follows:

- Any worker may report their grievance in person, by phone, text message, mail, or email (including anonymously if required) to the farmer's group/contractor as the initial focal point for information and raising grievances. The farmers group will register their complaints to the PCUs. PCUs have to record and resolved the grievances as per the Grievances Management Guidelines-2076 (Prepared by FANSEP). The incident and resultant resolution logged in PCUs will be reported monthly to PMU at the MoALD.
- If the grievance is not resolved within 15 days, the contractor/producer group (or the complainant directly) will refer the issue to the PMU/MoALD. The PMU/MoALD and the project clusters will work to address and resolve the complaint and inform the worker as promptly as possible, in particular if the complaint is related to something urgent that may cause harm or exposure to the person, such as lack of PPE needed to prevent COVID-19 transmission. For complaints that were satisfactorily resolved by the project clusters, the incident and resultant resolution will be logged by cluster offices and reported monthly to PMU at the MoALD as part of regular reporting. Where the complaint has not been resolved, the cluster offices will refer to PMU at the MoALD for further action or resolution.

The workers will preserve all rights to refer matters to relevant judicial proceedings as provided under national labor law.

At PCUs and PMU at the MoALD level, each grievance record should be allocated a unique number reflecting year, sequence, and township of received complaint. Complaint records (letter, email, record of conversation) should be stored together, electronically or in hard copy. The PCUs and PMU at the MoALD will appoint a Nodal Officer as a GM Focal Person, who will be responsible for undertaking a monthly review of all grievances to analyze and respond to any common issues arising. The Focal Person will also be responsible for oversight, monitoring and reporting on the Worker GM.

Serious Grievances

In case a worker experiences serious mistreatment such as harassment, intimidation, abuse, violence, discrimination or injustice at the workplace, the worker may raise the case, verbally or in writing directly to the contractor or cluster offices. The PCUs will immediately investigate the case and also report the case to PMU at the MoALD. The PMU at the MoALD will immediately investigate the case respecting confidentiality and anonymity of the worker.

Upon project effectiveness, the PCUs/PMU at the MoALD will designate a Focal Person for all Grievances. These Focal Persons will receive training in investigating serious grievances, relevant laws and regulations, and World Bank standards including the rights of people who file a grievance. PMU at the MoALD and the World Bank will jointly develop culturally sensitive and locally appropriate roles and responsibilities, and procedures.

In case a direct worker or civil servant has a serious grievance, the staff may directly contact verbally or in writing the Focal Person Grievances in PCUs.

All complaints received will be filed and kept confidential. For statistical purposes, cases will be anonymized and bundled to avoid identification of persons involved.

Code of Conduct

- Treat women, children (persons under the age of 18), and men with respect regardless of ethnicity, language, religion, political or other opinion, national, social origin, citizenship status, property, disability, birth, or other status.
- Do not use language or behavior towards women, children or men that is inappropriate, harassing, abusive, sexually provocative, demeaning or culturally inappropriate.
- Do not participate in sexual activity with community members.
- Do not engage in sexual favors or other forms of humiliating, degrading or exploitative behavior.
- Do not engage in any activity that will constitute payment for sex with members of the communities surrounding the workplace.
- Report through the Worker GM suspected or actual gender-based violence against a person of any gender by a fellow worker or any breaches of this Code of Conduct.
- Use any computers, mobile phones, or video and digital cameras appropriately, and never to exploit or harass women, children, or a vulnerable person through these mediums.
- Comply with all relevant local legislation.
- Engaging in any of the prohibited activities above can be cause for termination of employment, criminal liability, and/or other sanctions.

Annex 4. Fertilizer and Pest Management Plan

PMU at the MoALD will follow the guidelines in this Annex as applicable and provide training to farmers for proper use of fertilizers, pest, and disease management in line with this Annex. The PMU at the MoALD will encourage the use of bio-pesticides and aim to minimize the use of chemical pesticides when possible.

The plan comprises the following three aspects: (i) application of government regulations on pesticide control, (ii) key impacts of pesticides and mitigation measures, and (iii) training on safe use of chemicals.

Government Regulations related to Pesticides. Pesticides Management Act, 2019 says that any pesticide and its active element has to be licensed at Plant Quarantine and Pesticides Management Center before making its production, synthesis, export, import, commercial use storage, sale, distribution, transportation, packaging or re-packaging. It bars to use any pesticide haphazardly and produce, sell, and distribute the pesticide beyond the permissible level and encourages the production and use of vegetation based and organic pesticides. It further says that the disposal of pesticides will have to be undertaken in such a shall that it does not cause adverse effect on the human or animal health, including livestock, aquatics, plants and on the environment.

Key Impacts of Pesticides and Mitigation Measures. Pesticides benefit the farmers for the crop production, nevertheless, they also impose a series of negative impacts on the environment. Pesticides may easily contaminate the air, ground water, surface water, and soil when they run off from fields, escape storage tanks, and not discarded properly.

Moreover, pesticides are hazardous to both pests and humans and they become toxic to humans and non-target animal species if suitable precautions are not undertaken during transport, storage, handling and disposal. Most pesticides will cause adverse effects if they are in contact with the skin for a long time or if intentionally or accidentally ingested. Pesticides may be inhaled with the air while they are being sprayed. An additional risk is the contamination of drinking-water, food, or soil.

The following mitigation measures are recommended from different aspects at every stage in order to avoid the adverse impacts on both human and the environment due to pesticides.

Stage	Mitigation Measures ⁶
Before using pesticides	1. Minimize the need for pesticides by practicing integrated management by control strategies such as cultural control, mechanical control, physical control, biological control, and chemical control. 2. Receive recommendations from relevant national agencies for proper management method for specific crop.
General precautions	1. Only choose the pesticides labelled in the national language and do not use the pesticides without

⁶ Instructions from Safe Use of Pesticides by WHO.

Stage	Mitigation Measures ⁶
	<p>any label or with foreign language labels.</p> <ol style="list-style-type: none"> 2. Select the pesticide which is suitable for specific pests and target plants as described on the label. 3. Do not mix any two or more pesticides at the same time. 4. Follow the instructions for use and the pre-harvest interval (PHI) as prescribed on the label. 5. Use appropriate and correct application techniques to ensure safety for the health of humans, animals, and the environment.
Label Reading	<ol style="list-style-type: none"> 1. Check the pesticide registration number on your product. 2. Review the date of manufacture and date of expiry. 3. Read the active ingredient and pesticide group on your product. 4. Read the target pests, dosage of product. 5. Read the pre-harvest interval (PHI). 6. Read the storage and disposal procedure for the product. 7. Read the first aid procedure. 8. Follow the instructions and safety precautions precisely written on the label.
Storage and Transport	<ol style="list-style-type: none"> 1. Store pesticides in a certain place that can be locked and not accessible to unauthorized people or children. 2. Never be kept in a place where they might be mistaken for food or drink. 3. Keep them dry but away from fires and out of direct sunlight. 4. Store away from water sources. 5. Should be transported in well-sealed and labelled containers. 6. Do not carry them in a vehicle that is also used to transport food.
Handling / Application	<p>From Environmental Safety Aspect –</p> <ol style="list-style-type: none"> 1. Application rates must not exceed the manufacturer's recommendations. 2. Avoid application of pesticides in wet and windy conditions. 3. Pesticides must not be directly applied to streams, ponds, lakes, or other surface bodies. 4. Maintain a buffer zone (area where pesticides will not be applied) around water bodies, residential areas, livestock housing areas and food storage areas. <p>From Health and Safety of User Aspect –</p> <ol style="list-style-type: none"> 1. Use suitable equipment for measuring out, mixing, and transferring pesticides. 2. Do not stir liquids or scoop pesticides with bare hands. 3. Do not spray pesticides at the down-stream direction and during the strong wind. 4. Do not spray pesticides at the high temperature of the day (noon). 5. Do not suck or blow the blocked nozzle. 6. Do not assign pregnant women, lactating mother, and children under eighteen for handling and use of pesticides. 7. Protective gloves, shoes, long-sleeved shirt, and full trousers shall always be worn when mixing or applying pesticides. 8. Respiratory devices (nose mask) shall be used to avoid accidental inhaling. 9. In case if any exposure/body contact with the pesticide, wash-off and seek medical aid.
Disposal	<p>From Environmental Safety Aspect –</p> <ol style="list-style-type: none"> 1. Dispose any left-over pesticide by pouring it into a pit latrine. 2. It should not be disposed of where it may enter water used for drinking or washing, fishponds, creeks, or rivers.

Stage	Mitigation Measures ⁶
	<p>3. Do not dispose any empty containers into river, creek, fishponds, and water way.</p> <p>4. Do not burn any empty containers.</p> <p>5. Decontaminate the pesticide containers by triple rinsing and use for next application. i.e., part-filling the empty container with water three times and emptying into a bucket or sprayer for next application.</p> <p>6. All empty package and containers should be returned to the designated organization / individual for safe disposal.</p> <p>7. If safe disposal is not available, bury the empty package and containers at least 50cm (20 inches) from ground level as much as possible.</p> <p>8. The hole / disposal site must be at least 100 meters (~300 ft) away from the streams, wells, and houses.</p> <p>9. Do not reuse empty pesticide containers for any purposes.</p>
Personal Hygiene	<p>1. Never eat, drink, or smoke while handling pesticides.</p> <p>2. Change clothes immediately after spraying pesticides.</p> <p>3. Wash hands, face, body, and clothes with plenty of water using soap after pesticides handling.</p>
Emergency Measures	<p>Indications of Pesticide Poisoning</p> <p>General: extreme weakness and fatigue.</p> <p>Skin: irritation, burning sensation, excessive sweating, staining.</p> <p>Eyes: itching, burning sensation, watering, difficult or blurred vision, narrowed or widened pupils.</p> <p>Digestive system: burning sensation in mouth and throat, excessive salivation, nausea, vomiting, abdominal pain, diarrhoea.</p> <p>Nervous system: headaches, dizziness, confusion, restlessness, muscle twitching, staggering gait, slurred speech, fits, unconsciousness.</p> <p>Respiratory system: cough, chest pain and tightness, difficulty with breathing, wheezing.</p> <p>Responsiveness</p> <p>General:</p> <p>If pesticide poisoning is suspected, first aid must be given immediately, and medical advice and help must be sought at the earliest opportunity. If possible, the patient should be taken to the nearest medical facility.</p> <p>First Aid Treatment</p> <p>If breathing has stopped: Give artificial respiration (i.e., mouth to mouth resuscitation if no pesticide has been swallowed.)</p> <p>If there is pesticide on the skin: Remove contaminated clothing from the patient and remove the patient from the contaminated area. Wash the body completely for at least 10 minutes, using soap if possible. If no water is available, wipe the skin gently with cloths or paper to soak up the pesticide. Avoid harsh rubbing or scrubbing.</p> <p>If there is pesticide in the eyes: Rinse the eyes with large quantities of clean water for at least five minutes.</p> <p>If there is ingestion: Rinse mouth, give water to drink. Never induce vomiting in unconscious or confused persons, seek medical advice immediately.</p>

Trainings. Trainings on pesticide management should be provided to the farmers under relevant component of the project. The following trainings on pesticide management are recommended to be provided:

- *Training on Policy, Laws and Regulations Regarding to Pesticides Use:* To provide basic knowledge about the national laws, rules, and regulations.
- *Trainings for Pest Management:* To provide trainings to clearly understand the technical aspect of pesticide and skill in using them such as what are the eligible and prohibited items of pesticide under national regulations, the level of negative impact of each eligible item, how to use them, how to protect and minimize the negative impact on the environment and human while using them, how to keep them before and after used etc.
- *Storage, handling, usage, and disposal of pesticide;* To provide trainings about the procedures of storage, handling, usage of pesticide and disposal of pesticides residues or empty containers without affecting the health and safety of user, nearby community, and the environment.

Annex 5. Resettlement Policy Framework

A. Introduction

1. This document constitutes a simplified template for a Resettlement Policy Framework (RPF) prepared for a Low or Moderate Risk project, consistent with requirements of the World Bank Environmental and Social Framework.ⁱ Its fundamental purpose is to establish terms of agreement between relevant authorities in the government of Nepal and the World Bank regarding principles and procedures to be used in subsequent preparation of a Resettlement Plan (RP) or Resettlement Plan (RPs).ⁱⁱ World Bank approval of an RP (or RPs) is required before project authorities invite bids for any contracts in which works are expected to involve physical or economic displacement as a result of land acquisition or restrictions on access or use of natural resources.
2. The RPF is intended to avoid or minimize any adverse impacts associated with physical or economic displacement, and to ensure arrangements are in place to mitigate any adverse impacts that may occur. The government of Nepal hereby agrees to apply the principles, procedures, and standards incorporated in ESS5 of the World Bank ESF if obtaining any sites for project use would cause economic displacementⁱⁱⁱ or physical displacement.^{iv}
3. This RPF is intended to utilize the existing legal and policy framework of Nepal, incorporating any supplementary measures necessary to achieve consistency with ESS5 principles and standards.^v

B. Project Objectives and Description

4. The objective of the Food and Nutrition Security Enhancement Project II (FANSEP II) is to enhance climate resilience and improve agricultural productivity and nutrition practices of targeted smallholder farming communities in selected areas of Nepal.
5. The Project is being financed by the Global Agriculture Food Security Program (GAFSP) Trust Fund grant of USD 20 million will provide additional financing to the Food and Nutrition Security Enhancement Project (FANSEP) closing in June 2024. This project covers three provinces: Bagmati, Gandaki, and Madhesh, will scale up best practices of FANSEP to 16 new municipalities of erstwhile districts Dolakha, Sindhupalchok, Gorkha and Dhading in the hills, and Saptari, Siraha, Dhanusha and Mahottari in the plains. Activities such as irrigation, breed improvement, improved feed management through on-farm cultivation of fodder and agroforestry systems, animal health improvement through vaccination, shed improvement, manure management for soil fertility improvement, use of alternate wetting and drying (AWD), and strategic rice intensification system are already well aligned with the green, resilient, and inclusive development (GRID) agenda.
6. Component A: Climate and Nutrition Smart Agricultural Technology Adaptation and Dissemination aims to support 400 small-scale irrigation schemes covering 1,200 ha, including the conservation of water intake sites, and control of soil erosion activities. Similarly, Component B: Income Generation and Diversification will support to establish collection centers, storage, markets, and processing and grading facilities. Though the Project does not involve major civil works that would require land acquisition and involuntary resettlement, resulting in the physical or economic

displacement of the households. However, some project activities as stated above could trigger some adverse impacts including loss of land or structures, temporary loss of access to resources for livelihoods.

C. Key Principles and Definitions

7. In World Bank-assisted projects, borrowers are expected to take all feasible measures to avoid or minimize adverse impacts from land acquisition and restrictions on land use associated with project development. The fundamental objective of ESS5 is to ensure that, if physical or economic displacement cannot be avoided, displaced persons (as defined below) are compensated at the replacement cost for land and other assets, and otherwise assisted as necessary to improve or at least restore their incomes and living standards.

8. Other ESS5 objectives include:

- a) To avoid forced eviction,
- b) To improve living conditions of poor or vulnerable persons who are physically displaced, through provision of adequate housing, access to services and facilities, and security of tenure^{vi}
- c) To conceive and execute resettlement activities as sustainable development programs, providing sufficient investment resources to enable displaced persons to benefit directly from the project, as the nature of the project warrants
- d) To ensure that resettlement activities are planned and implemented with appropriate disclosure of information, meaningful consultation, and the informed participation of those affected.

9. Displaced persons (ESS5, Para. 10) are defined as any persons subjected to project-related adverse impacts who (a) have formal legal rights to land or assets; (b) have a claim to land or assets that is recognized or recognizable under national law; or (c) who have no recognizable legal right or claim to the land or assets they occupy or use. The term incorporates all potential categories of persons affected by land acquisition and associated impacts; all of those adversely affected are considered “displaced” under this definition regardless of whether any relocation is necessary.

10. Replacement cost (ESS5, Para. 2, footnote 6) is defined as a method of valuation yielding compensation sufficient to replace assets, plus necessary transaction costs associated with asset replacement. Where functioning markets exist, replacement cost is the market value as established through independent and competent real estate valuation, plus transaction costs. Where functioning markets do not exist, replacement cost may be determined through alternative means, such as calculation of output value for land or productive assets, or the undepreciated value of replacement materials and labor for construction of structures or other fixed assets, plus all transaction costs associated with asset replacement. In all instances where physical displacement results in loss of substandard shelter, replacement cost must at least be sufficient to enable purchase or construction of housing that meets minimum community standards of quality and safety.

11. ESS5 also establishes key principles to be followed in resettlement planning and implementation. These include:

- a) All displaced persons are entitled to compensation for land and attached assets, or to alternative but equivalent forms of assistance in lieu of compensation; lack of legal rights to the assets lost will not bar displaced persons from entitlement to such compensation or alternative forms of assistance.
- b) Compensation rates refer to amounts to be paid in full to the eligible owner(s) or user(s) of the lost asset, without depreciation or deduction for fees, taxes, or any other purpose.
- c) Compensation for land, structures, unharvested crops, and all other fixed assets should be paid prior to the time of impact or dispossession.
- d) When cultivated land is to be taken for project purposes, the MoALD seeks to provide replacement land of equivalent productive value if that is the preference of the displaced persons.
- e) Community services and facilities will be repaired or restored if affected by the project.
- f) Displaced persons should be consulted during preparation of the RP, so that their preferences are solicited and considered.
- g) The RP (in draft and final versions) is publicly disclosed in a manner accessible to displaced persons.
- h) A grievance mechanism by which displaced persons can pursue grievances will be established and operated in a responsive manner.
- i) Negotiated settlement processes are acceptable as an alternative for legal expropriation if appropriately implemented and documented.^{vii}
- j) Land donation is acceptable only if conducted in a wholly voluntary manner and appropriately documented.^{viii}
- k) The MoALD bears official responsibility for meeting all costs associated with obtaining project sites, including compensation and other considerations due displaced persons. The RP includes an estimated budget for all costs, including contingencies for price inflation and unforeseen costs, as well as organizational arrangements for meeting financial contingencies.
- l) Monitoring arrangements will be specified in the RP, to assess the status and effectiveness of RP implementation.

D. Legal and Regulatory Framework

12. The constitution of Nepal guarantees right related to property and allows the acquisition of property of a person only for activities for public interests by paying compensation as per the prevailing laws. Land Acquisition Act, 1997, the primary law related to eminent domain, is the main legal framework for the government to acquire private land for public purposes and says that the government will have to pay compensation in cash for any acquisition of private land. It also allows the land loser to file a grievance if the person losing the land is unsatisfied with the land acquisition procedures or the compensation amount.

13. The government of Nepal agrees to take all actions necessary to ensure full and effective implementation of RPs prepared in accordance with the RPF, and to otherwise take actions necessary to achieve all relevant provisions of ESS5.

E. Preparing a Resettlement Plan

14. All projects causing physical or economic displacement through land acquisition or project-related restrictions on resource access or use are required to prepare a resettlement plan for World Bank approval. Responsibility for preparation and implementation of the RP (or RPs) rests with the PMU of MoALD. As necessary, PMU will exercise its authority to coordinate actions with any other involved

agencies, jurisdictions, or project contractors/producer groups to promote timely and effective planning and implementation.

15. RP preparation begins once the physical footprint of a proposed investment has been determined, establishing that a particular site (or sites) must be acquired for project use. The PMU of the MoALD initially screens proposed sites to identify current usage and tenurial arrangements and identifies the site (or sites) that will minimize physical and economic displacement. The PMU of the MoALD subsequently carries out, or causes to be carried out, a census survey to identify and enumerate all displaced persons on the selected site (or sites) and to inventory and value land and other assets that are to be acquired for project use.

16. Each RP is based on the principles, planning procedures, and implementation arrangements established in this RPF,^{ix} and normally includes the following contents:

- a) Description of the project (with appropriate maps and illustrations), including explanation for the necessity of acquiring particular sites for project use and efforts undertaken to avoid or minimize the amount of land acquisition or other potential impacts deemed necessary.
- b) Results of a census survey of displaced persons and inventory and valuation of affected land and assets
- c) Description of any project-related restrictions on resource use or access
- d) Description of tenure arrangements, including collective, communal, or customary use or ownership claims
- e) Review of relevant laws and regulations pertaining to acquisition, compensation, and other assistance to displaced persons, and identification of gap-filling measures needed to achieve ESS5 requirements.
- f) Description of land and asset valuation procedures and compensation standards for all categories of affected assets
- g) Eligibility criteria for compensation and all other forms of assistance, including a cutoff date for eligibility.
- h) Organizational arrangements and responsibilities for RP implementation
- i) Implementation timetable
- j) Estimated budget and financial contingency arrangements.
- k) Consultation and disclosure arrangements
- l) Description of grievance mechanism
- m) Arrangements for monitoring implementation progress.

The RP should be complemented by a separate set of individual compensation files for each displaced household or persons. These files are to be handled confidentially by the borrower to avoid any prejudice to displaced persons. In fragility, conflict, and violence (FCV) environments, RPs should also clarify procedures to be applied to ensure the security of displaced persons when they receive compensation payments.

Eligibility criteria for compensation and all other forms of assistance should be clearly summarized in a table that can be used for consultation with displaced persons (see example provided in Annex).

Additional planning measures must be incorporated into RPs for projects causing physical displacement, or significant economic displacement, as described below.

17. For projects causing physical displacement,^x the RP should include planning measures relating to the following, as relevant for project circumstances:

- a) Description of relocation arrangements, including options available to displaced persons, and including transitional support for moving or other expenses.
- b) Description of resettlement site selection, site preparation, and measures to mitigate any impacts on host communities or physical environment, including environmental protection and management.
- c) Measures to improve living standards and otherwise address particular needs of relocating poor or vulnerable households, including measures to ensure that replacement housing is at least consistent with minimum community standards and is provided with security of tenure.
- d) Description of project design measures to improve living standards, access to or functioning of community services or facilities, or for providing other project-related benefits.
- e) Any measures necessary to address impacts of resettlement on host communities.

18. For projects causing significant economic displacement,^{xi} the RP describes (as relevant):

- a) The scale and scope of likely livelihoods-related impacts, including agricultural production for consumption or market, all forms of commercial activity, and natural resource use for livelihoods purposes.
- b) Livelihoods assistance options (for example, employment, training, small business support, assistance in providing replacement land of equivalent productive value, other) available to persons losing agricultural land or access to resources.
- c) Assistance measures available to commercial enterprises (and workers) affected by loss of assets or business opportunities directly related to land acquisition or project construction.
- d) Project measures to promote improvement of productivity or incomes among displaced persons or communities.

F. Consultation and Disclosure Arrangements

19. The RP summarizes results of measures taken to consult with displaced persons regarding the project, its likely impacts, and proposed resettlement measures. It also summarizes the meetings held with displaced persons (dates, locations, number of participants), including comments, questions, and concerns expressed by displaced persons during these meetings as well as responses provided to them. The PMU of the MoALD discloses a draft RP to the displaced persons (and the public) after Bank review and solicits comments from displaced persons regarding the proposed plan. Disclosure of the final RP occurs following consideration of comments received and following Bank acceptance.

G. Monitoring and Evaluation

20. PMU of MoALD will make arrangements for monitoring implementation and will provide periodic monitoring reports to the Bank regarding the status of land acquisition and implementation of the RP. For projects with significant impacts, competent resettlement monitoring professionals will

monitor implementation progress and provide advice on any necessary corrective actions and will conduct an implementation review when all mitigation measures in the RP are substantially complete. The implementation review evaluates the effectiveness of mitigation measures in achieving RP and ESS5 objectives and recommends corrective measures to meet objectives not yet achieved.

H. Grievance Mechanism

21. To ensure that displaced persons can raise complaints regarding the land acquisition process, calculation or payment of compensation, provision of assistance, or other relevant matters, the RP provides for an accessible and responsive grievance mechanism. The RP describes submission procedures, organizational arrangements, and responsive performance standards for handling grievances, and measures to be taken to inform displaced persons or communities about grievance initiation and response standards. The grievance mechanism does not preclude displaced persons from pursuing other legal remedies available to them.

22. The PCUs keeps a record of all complaints referred to the grievance mechanism, including a description of issues raised and the status or outcome of the review process and will follow the grievance redressal processes as per the Grievances Management Guidelines -2020 prepared in FANSEP period.

Annex A - Suggested Outline for Preparation of RP Entitlements Matrix – Example Only, to be adapted for specific project.

IMPACT	AFFECTED PERSONS	ELIGIBILITY CRITERIA	ENTITLEMENT IN PRINCIPLE	MITIGATION STANDARDS/MEASURES
A. Loss of agricultural land - Irrigated land - Rainfed land - Pasture - Groves - Fishpond - Other	Owners	(TBD)	Compensation in kind or at replacement cost	(TBD; usually unit of currency per unit of land)
	Users with legalizable claims	(TBD)	Compensation in kind or at replacement cost	(TBD; usually unit of currency per unit of land)
	Renters/Lesseees	(TBD)	Prorated compensation for remainder of term; assistance in finding suitable alternative.	(TBD; usually unit of currency per unit of land)
	Other users (Squatters, encroachers)	(TBD)	Compensation for improvements; assistance in lieu of land compensation	(TBD)
B. Loss of residential land	Owners		Compensation in kind or at replacement cost	(TBD; usually unit of currency per unit of land)
	Users with legalizable claims	(TBD)	Compensation in kind or at replacement cost	(TBD; usually unit of currency per unit of land)
	Renters/Lesseees	(TBD)	Prorated compensation for remainder of term; assistance in finding suitable alternative.	(TBD; usually unit of currency per unit of land)
	Other users (squatters, encroachers)	(TBD)	Compensation for improvements; assistance in lieu of land compensation	(TBD)
C. Loss of commercial land	Owners	(TBD)	Compensation at replacement cost, commercial real estate value	(TBD; usually unit of currency per unit of land)
	Users with legalizable claims	(TBD)	Compensation at replacement cost, commercial real estate value	(TBD; usually unit of currency per unit of land)
	Renters/Lesseees	(TBD)	Prorated compensation for remainder of term;	(TBD; usually unit of currency per unit of land)

IMPACT	AFFECTED PERSONS	ELIGIBILITY CRITERIA	ENTITLEMENT IN PRINCIPLE	MITIGATION STANDARDS/MEASURES
	Other users (squatters, encroachers, illegal businesses)	(TBD)	assistance in finding suitable alternative. Compensation for improvements; assistance in lieu of land compensation	
D. Temporary loss of land	Owners, occupants, users	(TBD)	Compensation for duration of project use; restoration of land to prior condition	(TBD)
E. Loss of agricultural production - crops -fruit/nut trees -timber trees -aquaculture -forest produce -livestock forage -livestock	Producers	(TBD)	Opportunity to bring to market, or compensation at market value at maturity (or compensation at net present value for trees and livestock)	(TBD)
F. Loss of productive fixed assets -irrigation facilities -fencing -wells -troughs -sheds -barns -other	Asset owners/users	(TBD)	Compensation at replacement cost (non-depreciated value including labor and materials)	(TBD)
G. Loss of residential structures (Often categorized by major building material, fixed improvements, or other features)	Owners	(TBD)	Direct house replacement or compensation at replacement cost (non-depreciated value including labor and materials); transitional assistance.	(TBD, usually specified as unit of currency per square meter of structure)
	Occupants with legalizable claims	(TBD)	Direct house replacement or compensation at replacement cost (non-depreciated value including labor and materials); transitional assistance.	(TBD, usually specified as unit of currency per square meter of structure)
	Renters/Lesseees	(TBD)	Prorated compensation for remainder of term; assistance in finding suitable alternative;	(TBD)
	Illegal structures	(TBD)	transitional assistance. Direct house replacement	(TBD)

IMPACT	AFFECTED PERSONS	ELIGIBILITY CRITERIA	ENTITLEMENT IN PRINCIPLE	MITIGATION STANDARDS/MEASURES
			or compensation at replacement cost (non-depreciated value including labor and materials); transitional assistance	
H. Loss of commercial structures (Often categorized by major building material, function and capacity, fixed improvements, or other features)	Owners	(TBD)	Compensation at replacement cost for structures, fixed equipment, and other improvements; transitional assistance	(TBD)
	Occupants with legalizable claims	(TBD)	Compensation at replacement cost for structures, fixed equipment, and other improvements; transitional assistance	(TBD)
	Renters/Lesseees	(TBD)	Prorated compensation for remainder of term; compensation at replacement cost for fixed equipment and other improvements; transitional assistance	(TBD)
	Illegal structures	(TBD)	Compensation at replacement cost for structures, fixed equipment, and other improvements; transitional assistance	(TBD)
I. Loss of agricultural livelihood	Affected agricultural producer	TBD, requires definition of significant impact caused by severity of loss or imposed changes in livelihood methods	In addition to compensation for lost land and assets, persons whose livelihoods are significantly affected receive alternative employment, skills training, business development assistance, or other additional assistance linked to livelihoods restoration or improvement	(TBD)
J. Temporary loss of business income	Owner, enterprise	(TBD)	Payment of support for period of disruption	(TBD, based on prior reported profits or other forms of estimation)
K. Temporary loss of employment or wages	Employees	(TBD)	Payment of wages or unemployment support for period of disruption	(TBD, based on payment records or other forms of estimation)
L. Loss of public or community infrastructure, facilities, or services	Public or private owners	(TBD)	Compensation at replacement cost for damage or destruction of	(TBD)

IMPACT	AFFECTED PERSONS	ELIGIBILITY CRITERIA	ENTITLEMENT IN PRINCIPLE	MITIGATION STANDARDS/MEASURES
			infrastructure and facilities; assistance in restoring functionality and accessibility of services	
M. Material assistance to vulnerable or disadvantaged	Displaced illegal residents, users, or occupants, Blind or otherwise disabled. Occupants displaced from substandard housing.	(TBD) (TBD) (TBD)	In addition to applicable forms of compensation and assistance, provision of defined security of tenure Project design provides features relating to safety and accessibility. Arrangements for obtaining replacement housing meeting minimum legal or community standards	(TBD) (TBD) (TBD)]

Endnotes

ⁱ Specifically, Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement (ESS5), Annex 1B. The template is primarily intended for use in projects initially classified as Low or Moderate Risk. It may also be appropriate for use in projects with a Substantial Risk classification if risks identified as substantial do not relate directly to ESS5.

ⁱⁱ To ensure that the relevant authority is aware of its obligations, it is recommended that the RPF be accompanied by a provision of a transmittal letter, signed by the chief executive (or similar authority) of the implementing agency.

ⁱⁱⁱ As described in ESS5, Paras. 33–36.

^{iv} As described in ESS5, Paras. 26–32.

^v The RPF does not supersede provisions of ESS5 or the ESF, and the World Bank remains solely responsible for determining what is required to achieve consistency with those requirements throughout the course of project implementation.

^{vi} Security of tenure means that displaced persons are resettled to a site that they can legally occupy, where they are protected from the risk of eviction and where the tenure rights provided to them are at least as robust as those they had prior to displacement.

^{vii} Appropriate principles for negotiated settlement transactions include (a) intended project sites are screened to identify competing claims to ownership or use, or other encumbrances that would impede two-party negotiations; (b) if the site is collectively or communally owned or used, the negotiation process includes those individuals or households who directly occupy or use it; (c) prior to negotiations, owners or users are informed by project authorities of their intent to obtain relevant land (and other assets) for project use; (d) owners or users are informed of their rights and options to pursue legal remedies or other actions, and sign a declaration indicating willingness to negotiate; (e) at the onset of negotiations, project negotiators present the owner or user with a proposed package of compensation or other beneficial considerations, along with an explanation as to the basis of this initial offer; (f) owners or users are informed that they may make counterproposals as they may see fit; (g) negotiations are conducted without resort to coercion or intimidation in any form; (h) an agreement establishing payment amounts or other agreed considerations is written, signed, and recorded; (i) payment of compensation and provision of any other agreed considerations is completed prior to taking possession for project use; and (j) owners or users retain the right of access to the grievance mechanism if they have complaints regarding any aspect of the negotiated settlement process.

^{viii} Any land or asset donation for project use will be consistent with these principles: (a) the potential donor is informed that refusal is an option, and that right of refusal is specified in the donation document the donor will sign; (b) donation occurs without coercion, manipulation, or other pressure on the part of public or traditional authorities; (c) the donor may negotiate for some form of payment, partial use rights, or alternative benefits as a condition for donation; (d) donation of land is unacceptable unless provision is made to mitigate any significant impacts on incomes or living standards of those involved; (e) donation of land cannot occur if it were to necessitate any household relocation; (f) for community or collective land, donation can only occur with the consent of individuals directly using or occupying the land; (g) the land to be donated is free of encumbrances or encroachment by others who may be adversely affected; (h) any donated land that is not used for its agreed purpose by the project is returned to the donor in a timely manner; and (i) each instance of land donation is documented, including a statement identifying the land or assets donated and terms of donation, which is signed by each owner or user. Persons donating land or assets for project use may use the project grievance mechanism to raise complaints regarding any aspect of the donation process.

^{ix} Additional details regarding preparation of an RP are included in ESS5, Annex 1.

^x Additional details regarding planning measures for physical displacement are provided in ESS5, Annex 1, paras. 17–23.

^{xi} Consideration of scale of loss of productive assets as well as changes in institutional, technical, cultural, economic, and other factors may be important in determining the significance of economic displacement. In general practice, however, loss of 10 percent or more of productive land or assets from a household or enterprise often is considered significant. Additional details regarding planning measures for economic displacement are provided in ESS5, Annex 1, paras. 24–29.