

Bhutan Human Capital Recovery and Resilience Program
(P174399)
(Additional Financing & Second Additional Financing)

ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN
(ESCP)

Negotiated Version
February 10, 2025

ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The Kingdom of Bhutan (the “Recipient”) is implementing, and will implement, the Human Capital Recovery and Resilience Program (the “Operation”), with the involvement of the Ministry of Education and Skills Development (MoESD), Ministry of Industry, Commerce & Employment (MoICE) and Ministry of Health (MoH), as set out in the Original and Additional Financing Agreements (Agreements). The International Development Association (the “Association”) has agreed to provide the original financing (effective since March 2022), the first additional financing (AF) (effective since August 2023), and the second AF for the Operation, which includes the Project, as set out in the Agreements. This ESCP supersedes previous versions of the ESCP for the Project and shall apply both to the first AF and the second AF referred to above.
2. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards (ESS) and this Environmental and Social Commitment Plan (ESCP), in a manner acceptable to the Association. The ESCP is a part of the Agreements. Unless otherwise defined in this ESCP, capitalized terms used in this ESCP have the meanings ascribed to them in the Agreements.
3. Without limitation to the foregoing, this ESCP sets out material measures and actions that the Recipient shall carry out or cause to be carried out, including, as applicable, their respective timeframes; institutional, staffing, training, monitoring and reporting arrangements; and grievance management. The ESCP also sets out the environmental and social (E&S) documents that shall be prepared or updated, consulted, disclosed and implemented under the Project, consistent with the ESS, in form and substance acceptable to the Association. Said E&S documents may be revised from time to time with prior written agreement by the Association. As provided for under the Agreements, the Recipient shall ensure that there are sufficient funds available to cover the costs of implementing the ESCP.
4. As agreed by the Association and the Recipient, this ESCP will be revised from time to time, if necessary, to reflect adaptive management of Project changes or unforeseen circumstances or in response to Project performance. In such circumstances, the Association and the Recipient agree to update the ESCP to reflect these changes through an exchange of letters between the Association and the Recipient’s representative specified in the Agreements. The Recipient shall promptly disclose any updated ESCP.
5. The subsection on “Indicators for Implementation Readiness” below identifies the actions and measures to be monitored to assess Project readiness to begin implementation in accordance with this ESCP. Nevertheless, all actions and measures in this ESCP shall be implemented as set out in the “Timeframe” column below irrespective of whether they are listed in the referred subsection.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
SECTION 1: IMPLEMENTATION ARRANGEMENTS AND CAPACITY SUPPORT			
A	<p>ORGANIZATIONAL STRUCTURE</p> <p>Assignment of focal points to oversee and manage E&S, health and safety (ESHS) risks and impacts.</p>	Focal points to be maintained throughout implementation.	MoESD, MoICE, and MoH
B	<p>CAPACITY BUILDING PLAN/MEASURES</p> <p>Following types of training will be provided to the relevant target groups, such as Project staff, stakeholder community, workers, consultants:</p> <ol style="list-style-type: none"> 1. Introduction to Association's ESF 2. Stakeholder Engagement 3. Emergency procedure and response 4. Training on GBV/SEA/SH 	Training of staff to be conducted annually.	MoESD, MoICE, and MoH.
SECTION 2: MONITORING AND REPORTING			
C	<p>REGULAR REPORTING</p> <p>Prepare and submit to the Association regular reports on the ESHS performance of the Project. The reports shall include:</p> <ul style="list-style-type: none"> • Status of implementation of E&S measures required under the ESCP • Summary of stakeholder engagement activities carried out. • Complaints submitted to the grievance mechanism(s), the grievance log, and progress made in resolving them. • Number and status of resolution of incidents and accidents reported. 	Submit reports to the Association in accordance with monitoring, reporting and evaluation requirements specified in Schedule II to the Agreements.	MoESD, MoICE, and MoH.
D	<p>INCIDENTS AND ACCIDENTS</p> <p>Notify the Association of any incident or accident related to the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers including, inter alia, cases of sexual exploitation and abuse (SEA), sexual harassment (SH), and accidents that result in death, serious or multiple injuries. Provide sufficient details regarding the scope, severity, and possible causes of the incident or accident, indicating immediate measures taken or that are planned to be taken to address it, and any information provided by any contractor and/or supervising firm, as appropriate. Subsequently, as per the Association's request, prepare a report on the incident or accident and propose any measures to prevent its recurrence.</p>	Notify the Association no later than 48 hours after learning of the incident or accident. Provide available details upon request. Provide review report and Corrective Action Plan to the Association no later than 10 days following the submission of the initial notice, unless a different timeframe is agreed to in writing by the Association.	MoESD, MoICE, and MoH.
SECTION 3(a): ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			
1.1	ENVIRONMENTAL AND SOCIAL ASSESSMENTS, PLANS	Throughout implementation.	MoESD, MoICE, and MoH.

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	A screening of the activities under the Project has been carried out. Borrower's framework would be partially relied upon in case of issues related to ESS2 and ESS10. Implementing agencies will also follow the provisions of the ESCP.		
SECTION 3(b): ESS 2: LABOR AND WORKING CONDITIONS			
2.1	<p>LABOR MANAGEMENT PROCEDURES</p> <p>The Project will adopt procedure and processes to ensure labor related issues, including non-discrimination, OHS, equal opportunities, good working conditions, safety at workplace are taken care of.</p> <p>The Project will engage civil servants under the government employment rules and provisions of child labor, forced labor and Occupational Health and Safety would be applicable to them. There would be individual consultants for the Project. Contracted workers will also be working under the consulting firms. Implementing agencies would ensure that workers are engaged and dealt during implementation of Project activities in line with the Bhutan Labor Law. To this end, the following measures will be carried out:</p> <ul style="list-style-type: none"> a) Provide workers with information and documentation that is clear and understandable regarding their terms and conditions of employment through written contracts setting out their rights, including, inter alia, rights related to hours of work, wages, overtime, compensation and benefits, as well as written notice of termination of employment, and details of severance payments, as applicable b) Implement occupational health and safety measures, taking into account the General Environmental, Health and Safety Guidelines (EHSG), and other relevant Good International Industry Practice (GIIP) and, as appropriate, the industry specific EHSGs and other GIIP; c) Implement measures, as applicable, to, inter alia: (i) prevent the use of all forms of forced labor and child labor; (ii) enable workers to benefit from, inter alia, access to grievance and redress mechanisms without fear of retaliation; and effective freedom to form and join workers organizations or alternative mechanisms for expressing their concerns and protect their rights related to labor and working conditions; d) Implement a code of conduct for workers, which shall include measures to prevent and respond to SEA/SH cases; safeguard against workplace harassment, that promotes non-discrimination and equal opportunity for all. 	Adopt labor related measures before the assignment of workers and ensure continued usage thereafter.	MoESD, MoICE, and MoH.
2.2	<p>GRIEVANCE MECHANISM FOR Project WORKERS</p> <p>Follow the national GRS, in a manner consistent with ESS2 that includes:</p> <ul style="list-style-type: none"> a) A channel for workers to raise grievances without fear of retaliation b) A mechanism to uptake, solve, manage and implement redressal measure 	Implement before assignment of workers and ensure continuation thereafter.	MoESD, MoICE, and MoH.

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	A mechanism to disseminate information of the existence of such mechanism to all Project personnel.		
SECTION 3(c): ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT			
3.1	Not Relevant		
SECTION 3(d): ESS 4: COMMUNITY HEALTH AND SAFETY			
4.1	Not Relevant		
SECTION 3(e): ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT			
5.1	Not Relevant		
SECTION 3(f): ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES			
6.1	Not Relevant		
SECTION 3(g): ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES			
7.1	Not Relevant		
SECTION 3(h): ESS 8: CULTURAL HERITAGE			
8.1	Not Relevant		
SECTION 3(i): ESS 9: FINANCIAL INTERMEDIARIES			
9.1	Not Relevant		
SECTION 3(j): ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			
10.1	<p>STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION</p> <p>Stakeholder engagement will be done continuously throughout the project implementation including provision of providing stakeholders with timely relevant, understandable and accessible information, and consult with them in a culturally appropriate manner, which is free from manipulation, interference, coercion, discrimination and intimidation.</p> <p>Identification of stakeholders, including the affected and interested parties (government and NGO, think tanks, beneficiaries, academics), the vulnerable and the disadvantaged to be made at Project level to ensure inclusion and access to information and services.</p> <p>Continuously engage and consult with the stakeholder at appropriate time and place to provide Project related information including ES risks and impacts and seek their input and feedback in a culturally appropriate and safe manner without coercion, discrimination, intimidation or fear of retaliation.</p> <p>Design Project activities as per the stakeholder inputs and report back to them to complete the feedback loop in a culturally appropriate and timely manner.</p> <p>Remove obstacles to participation and ensure views of differently affected groups are captured. Ensure inclusion of the vulnerable and the disadvantaged in consultation and participation.</p>	Stakeholder consultation and engagement before beginning Project implementation and ensure continuation thereafter.	MoESD, MoICE, and MoH.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
10.2	<p>GRIEVANCE REDRESS MECHANISM (GRM)</p> <p>The established central grievance management system e-KaaSel will be used to receive grievances. Implementing agencies will receive grievances from these sources and facilitate resolution of concerns and grievances in relation to the Project, promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all Project-affected parties, at no cost and without retribution, including concerns and grievances filed anonymously, in a manner consistent with ESS10.). For SEA/SH related complaints, implementing agencies will adopt existing systems of the National Commission for Women and Children (NCWC), One Stop Crisis Center, Respect, Educate, Nurture and Empower Women (RENEW) initiative, and Royal Bhutan Police (RBP), in a safe, confidential and survivor-centric manner, respecting the desire and decision of the survivor.</p>	Adopt the GRM before beginning Project implementation and ensure continued usage thereafter.	MoESD, MoICE, and MoH.
SECTION 4: INDICATORS FOR IMPLEMENTATION READINESS			
<p>The following actions are indicators for implementation readiness:</p> <p>Section 1: A. Assignment of E&S focal point Section 3(j): 10.2. Adoption of existing GRM</p>			