



# **Kingdom of Bhutan**

**Department of Surface Transport (DoST)**

**Government Technology Agency (GovTech)**

**Department of Forests and Park Services (DoFPS)**

## **Accelerating Trade and Transport in Eastern South Asia (ACCESS) Project [P181278]**

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

**Appraisal**

**March 08, 2025**

## ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The Kingdom of Bhutan (the Recipient) will implement the Accelerating Trade and Transport in Eastern South Asia (ACCESS) Project (the Project), with the involvement of, Department of Surface Transport (DoST), Government Technology Agency (GovTech) and Department of Forests and Park Services (DoFPS), as set out in the Financing Agreement (the Agreement). The International Development Association (the Association), has agreed to provide financing for the Project, as set out in the Agreement.
2. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards (ESSs) and this Environmental and Social Commitment Plan (ESCP), in a manner acceptable to the Association. The ESCP is a part of the Agreement. Unless otherwise defined in this ESCP, capitalized terms used in this ESCP have the meanings ascribed to them in the Agreement.
3. Without limitation to the foregoing, this ESCP sets out material measures and actions that the Recipient shall carry out or cause to be carried out, including, as applicable, 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 ESSs, in form and substance acceptable to the Association. Said E&S documents may be revised from time to time with prior written agreement by the Association. As provided for under the referred Agreement, the Recipient shall ensure that there are sufficient funds available to cover the costs of implementing the ESCP.
4. As agreed by the Association and the Recipient, this ESCP 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 signed between the Association and the Recipient, through the designated authority of DoST, GovTech, and/or DoFPS. The Recipient, through DoST, GovTech, and/or DoFPS, shall promptly disclose the updated ESCP.
5. The subsection on “Indicators for Implementation Readiness” below identifies the actions and measures to be monitored to assess Project readiness to begin implementation in accordance with this ESCP. Nevertheless, all actions and measures in this ESCP shall be implemented as set out in the “Timeframe” column below irrespective of whether they are listed in the referred subsection.

| MATERIAL MEASURES AND ACTIONS                           |  | TIMEFRAME   | RESPONSIBLE ENTITY   |
|---|--|---|--|
| <b>IMPLEMENTATION ARRANGEMENTS AND CAPACITY SUPPORT</b> |  |   |  |
| A   | <p><b>ORGANIZATIONAL STRUCTURE</b></p> <p>a. Establish and maintain a PMU within DoST with qualified staff and resources to support the management of environmental, social, health and safety (E&amp;S) risks and impacts of the Project. Designate three in-house DOST staff members as the Environmental Officer, Occupational Health and Safety (OHS) Officer, a Social Officer and a Gender Officer in the PMU, and assign them dedicated responsibilities for E&amp;S risk management. Engage an Environmental consultant, a Social consultant, and a Gender/Gender-Based Violence (GBV) consultant, to support the PMU. Depute a Biodiversity Officer from DoFPS to the PMU of DoST to support Subcomponent 2.1 activities, including the implementation of the Biodiversity Management Plan.</p> <p>b. Establish and maintain an implementation team within DoFPS with qualified staff and resources to support the management of E&amp;S risks and impacts of biodiversity net gain measures under Subcomponent 2.1 of the Project, with a designated E&amp;S Officer.</p> <p>c. Establish and maintain a PMU within GovTech with qualified staff and resources to support management of E&amp;S risks and impacts of Component 1 of the Project, including an E&amp;S Officer and an E&amp;S Consultant.</p> | <p>a. E&amp;S Officers (environmental, OHS, social and biodiversity) and the Consultants (environmental, social, and Gende/GBV) are appointed not later than three (3) months after the Effective Date. The officers and consultants are maintained throughout Project implementation.</p> <p>b. E&amp;S Officer is appointed not later than three (3) months after the Effective Date. The officer is maintained throughout Project implementation</p> <p>c. The E&amp;S Officer is already appointed and E&amp;S Consultant is appointed not later than six (6) months after the Effective Date. The officer and consultant are maintained throughout the Project implementation.</p> | <p>a. DoST</p> <p>b. DoFPS</p> <p>c. GovTech</p>                       |
| B   | <p><b>CAPACITY BUILDING PLAN/MEASURES</b></p> <p>Prepare and implement the following capacity-building measures:</p> <ul style="list-style-type: none"> <li>training for PMU and implementation team and Project workers, including contracted workers and consultants, on E&amp;S risk management, biodiversity and critical habitat species management, occupational health and safety (OHS), construction monitoring and auditing, stakeholder engagement, prevention and response to SEA/SH, management of Grievance Mechanism, implementation of RAP and livelihood restoration activities, occupational and Community Health and Safety, incident reporting procedures, and emergency preparedness and response procedures.</li> </ul>   | <p>a. Initial Training by the E&amp;S Consultants not later than four (4) months after the Effective Date.</p> <p>b. Conduct initial comprehensive training sessions by the Design/Supervision Engineer prior to commencement of civil works, with follow-up training every 6 months as needed.</p>   | <p>PMU, DoST</p> <p>PMU, GovTech</p> <p>Implementation team, DoFPS</p> |

| MATERIAL MEASURES AND ACTIONS   |  | TIMEFRAME  | RESPONSIBLE ENTITY  |
|---------------------------------|--|--|---|
| <b>MONITORING AND REPORTING</b> |  |  |   |
| C                               | <p><b>REGULAR REPORTING</b></p> <p>Prepare and submit to the Association regular monitoring reports on the environmental, social, health and safety (E&amp;S) performance of the Project. The reports shall include:</p> <ul style="list-style-type: none"> <li>• Status of preparation and implementation of E&amp;S documents required under the ESCP.</li> <li>• Summary of stakeholder engagement activities carried out as per the Stakeholder Engagement Plan.</li> <li>• Complaints submitted to the grievance mechanism(s), the grievance log, and progress made in resolving them.</li> <li>• E&amp;S performance of contractors and subcontractors as reported through monthly contractors' and supervision firms' reports.</li> <li>• Status on implementation of biodiversity management plans.</li> <li>• Summary of capacity building activities conducted</li> <li>• Summary of Livelihood Restoration Plan under the RAP and related activities</li> <li>• Unforeseen E&amp;S events or incidents, in any, and applied adaptive management</li> <li>• Number and status of resolution of incidents and accidents reported under action E below.</li> </ul> | <p>Submit quarterly reports to the Association throughout Project implementation, commencing after the Effective Date. Submit each report to the Association no later than 30 days after the end of each reporting period.</p> | <p>PMU, DoST</p> <p>PMU, GovTech Implementation team, DoFPS</p>       |
| D                               | <p><b>CONTRACTORS' MONTHLY REPORTS</b></p> <p>Require contractors and supervising firms to provide monthly monitoring reports on E&amp;S performance in accordance with the metrics specified in the respective bidding documents and contracts and submit such reports to the Association.</p>  | <p>Submit the monthly reports to the Association as annexes to the reports to be submitted under action C above.</p>   | <p>PMU, DoST</p> <p>PMU, GovTech Implementation team, DoFPS</p>       |
| E                               | <p><b>INCIDENTS AND ACCIDENTS</b></p> <p>Notify the Association of any incident or accident relating to the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including those resulting in death or significant injury to workers or the public; acts of violence, discrimination or protest; unforeseen impacts to cultural heritage or biodiversity</p>   | <p>Notify the Association no later than 48 hours after learning of the incident or accident. Provide available details upon request.</p>   | <p>PMU, DoST</p> <p>Implementation team, DoFPS</p> <p>PMU GovTech</p> |

| MATERIAL MEASURES AND ACTIONS   |  | TIMEFRAME  | RESPONSIBLE ENTITY   |
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|   | <p>resources; pollution of the environment; forced or child labor; displacement without due process (forced eviction); allegations of sexual exploitation or abuse (SEA), or sexual harassment (SH); or disease outbreaks. Provide available details of the incident or accident to the Association upon request.</p> <p>Arrange for an appropriate review of the incident or accident to establish its immediate, underlying and root causes. Prepare, agree with the Association, and implement a Corrective Action Plan that sets out the measures and actions to be taken to address the incident or accident and prevent its recurrence.</p>  | <p>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.</p>  |  |
| <b>ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS</b> |  |  |  |
|   | <b>ENVIRONMENTAL AND SOCIAL ASSESSMENTS AND/OR PLANS</b>   |  |  |
| 1.1   | <p>1. Prepare and implement an Environmental and Social Impact Assessment (ESIA), and corresponding Environmental and Social Management Plan (ESMP) for Gelephu – Tareythang Road, consistent with the relevant ESSs. Recommendations of ESMP and BMP are incorporated into the Detailed Design and are included in the bidding documents.</p> <p>2. Prepare ESIA for the Tareythang-Panbang road link, and the corresponding ESMP and Resettlement Action Plan (RAP).</p> <p>3. Prepare and implement a full-scale Cumulative Impact Assessment (CIA) based on the Rapid Cumulative Impact Assessment as included in the ESIA for Gelephu – Tareythang Road, consistent with the approved Terms of Reference.</p> | <p>1. Prepare the ESIA and ESMP prior to the Appraisal, and thereafter implement the ESIA and ESMP throughout Project implementation.</p> <p>2. Prepare the ESIA not later than four (4) years after the Effective Date.</p> <p>3. Prepare the CIA not later than four (4) years after the Effective Date and implement the CIA recommendations before completion of the Project implementation.</p> | PMU, DoST  |
| 1.2   | <b>MANAGEMENT OF CONTRACTORS</b>   |  |  |
|   | <p>Incorporate the relevant aspects of the ESCP, including, inter alia, ESIA, ESMP, the Labor Management Procedures, and code of conduct, into the E&amp;S specifications of the procurement documents and contracts with contractors and supervising firms. Thereafter, ensure that the contractors and supervising firms comply and that they require their subcontractors to comply with the E&amp;S specifications of their respective contracts. Provide copies of the relevant contracts with contractors/subcontractors and supervision firms to the Association.</p>   | <p>As part of the preparation of procurement documents and respective contracts. Supervise contractors throughout Project implementation. Copies of relevant contracts provided to the Association upon request.</p>   | PMU, DoST<br>PMU, GovTech<br>Implementation team,<br>DoFPS |
| 1.3   | <b>TECHNICAL ASSISTANCE</b>  |  |  |
|   | <p>Carry out the consultancies, studies (including feasibility studies, if applicable), capacity building, training, and any other technical assistance activities under the Project in accordance with terms of reference acceptable to the Association that are consistent with the ESSs. Thereafter prepare and finalize the outputs of such activities in compliance with the terms of reference.</p>  | <p>Throughout Project implementation.</p>  | PMU, DoST<br>PMU, GovTech<br>Implementation teams          |

| MATERIAL MEASURES AND ACTIONS              |   | TIMEFRAME   | RESPONSIBLE ENTITY   |
|--|---|---|--|
| 1.4  | <p><b>USE OF RECIPIENT'S ENVIRONMENTAL AND SOCIAL FRAMEWORK FOR LOW AND MODERATE RISK ACTIVITIES</b></p> <p>Ensure that the E&amp;S risks and impacts of low and moderate risk activities of the Project (excluding the construction of Gelephu – Tareythang Road) are managed in accordance with this ESCP and Recipients E&amp;S Framework, which includes, inter alia, the country's relevant policy, legal and institutional framework and applicable laws, regulations, procedures, and implementation capacity.</p> <p>Screen all the Project activities to identify potential E&amp;S risks, then plan and implement measures to effectively manage these risks.</p> <p>Ensure that no person under the age of 18 is employed in all the Project activities. Ensure that labor used in all the Project activities adhere to worker's safety, fair wages, labor rights and grievance mechanism for workers.</p> <p>Incorporate resource-efficiency measures in the procurement of goods, including IT systems and equipment</p> | Throughout Project Implementation (excluding the Gelephu – Tareythang Road)   | PMU, DoST<br>PMU, GovTech<br>Implementation team,<br>DoFPS |
| <b>ESS 2: LABOR AND WORKING CONDITIONS</b> |   |   |  |
| 2.1  | <p><b>LABOR MANAGEMENT PROCEDURES</b></p> <p>Prepare and implement the Labor Management Procedures (LMP) for the Gelephu – Tareythang Road as part of the ESMP, including the Biodiversity Management Plan (BMP) and its Biodiversity Net Gain Strategy.</p>  | Prepare the LMP as a part of the ESMP (action 1.1.2), prior to the Appraisal, and thereafter implement the LMP throughout Project implementation. | PMU, DoST,<br>Implementation team,<br>DoFPS                |
| 2.2  | <p><b>OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT PLAN</b></p> <p>Require contractors and subcontractors to prepare and implement an OHS Management Plan in accordance with the ESMP for the Gelephu – Tareythang Road. Require the Supervision Engineer and the Contractors to have an OHS Specialist to implement the OHS Management Plan.</p>  | Prepare the OHS Management Plan prior to the start of the construction works and thereafter implement the plan throughout Project implementation. | PMU, DoST  |
| 2.3  | <p><b>GRIEVANCE MECHANISM FOR PROJECT WORKERS</b></p> <p>Establish and operate a grievance mechanism for Project workers for the Gelephu – Tareythang Road, as described in the LMP and consistent with ESS2. The grievance mechanism is to be sensitive to SEA/SH incidents.</p>   | Establish grievance mechanism prior engaging Project workers and thereafter maintain and operate it throughout Project implementation.            | PMU, DoST  |

| MATERIAL MEASURES AND ACTIONS   |  | TIMEFRAME   | RESPONSIBLE ENTITY   |
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| <b>ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</b> |  |   |  |
|   | <b>WASTE MANAGEMENT PLAN</b>   |   |  |
| 3.1   | Prepare and implement a Waste Management Plan (WMP), as part of the Contractor’s ESMP (C-ESMP) of Gelephu – Tareythang Road, to manage hazardous and non-hazardous wastes, consistent with ESS3.   | Prepare C-ESMP prior to the start of the construction activities, and thereafter implement the C-ESMP. throughout Project implementation  | PMU, DoST  |
|   | <b>QUARRY AND BORROW AREA MANAGEMENT</b>   |   |  |
| 3.2   | Use the existing and licensed quarry and borrow areas required for the construction of Gelephu – Tareythang Road and incorporate resource efficiency in the C-ESMP to be prepared under action 1.2 above.  | Same timeframe as for the preparation and implementation of the updated ESMP (action 1.1.2)   | PMU, DoST  |
|   | <b>POLLUTION PREVENTION AND MANAGEMENT</b>   |   |  |
| 3.3   | Require Contractors prepare and implement site-specific mitigation designs/measures to address noise and vibration, dust and air pollution, site drainage, sedimentation, wastewater and sewage from the construction sites, camps and yards as part of the Contractors ESMP (C-ESMP) of Gelephu – Tareythang Road.  | Same timeframe as for the preparation and implementation of the C-ESMP (action 3.1)   | PMU, DoST  |
| <b>ESS 4: COMMUNITY HEALTH AND SAFETY</b>                                 |  |   |  |
|   | <b>TRAFFIC AND ROAD SAFETY</b>   |   |  |
| 4.1   | Incorporate measures to manage traffic and road safety risks, both during and operational phases, as required in the ESMP of Gelephu – Tareythang Road to be prepared under action 1.1 above.  | Same timeframe as for the preparation and implementation of the ESMP (action 1.1.2)   | PMU, DoST  |
|   | <b>COMMUNITY HEALTH AND SAFETY</b>   |   |  |
| 4.2   | Assess and manage specific risks and impacts to the community arising from Gelephu-Tareythang Road activities, including access to their houses/farms, risks of labor influx and exposure to construction hazards, and include mitigation measures in the ESMPs.   | Same timeframe as for the preparation and implementation of the ESMP (action 1.1.2)   | PMU, DoST  |
|   | <b>SEA AND SH RISKS AND GAP</b>  |   |  |
| 4.3   | <ol style="list-style-type: none"> <li>1. Prepare and implement a SEA/SH Action Plan of the Project, to assess and manage the risks of SEA and SH.</li> <li>2. Prepare and implement a Gender Action Plan (GAP) to address challenges faced by women’s participation in trade and entrepreneurship, including limited skills, unsafe infrastructure, sexual harassment, safety concerns, restricted mobility, and lack of business networks</li> </ol> | 1 & 2. Prepare draft SEA/SH Action Plan and GAP before Appraisal. Finalize SEA/SH plan with inputs from contractors and civil society organizations prior to start of construction activities. Thereafter implement the Plan throughout Project implementation. | PMU, DoST<br>Implementation team,<br>DoFPS<br>PMU, GovTech |

| MATERIAL MEASURES AND ACTIONS   |  | TIMEFRAME  | RESPONSIBLE ENTITY                             |
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|   | 3. Hire a GBV service provider to support implementation of the SEA/SH Action Plan and provide survivor-centric incident response.   | 3. GBV service provider is recruited not later than three (3) months after the Effective Date.   |  |
| 4.4   | <p><b>COMMUNITY DEVELOPMENT PLAN</b></p> <p>Prepare and implement a Community Development Plan (CDP) to empower individuals, address social and environmental risks, secure benefits for marginalized people, and improve livelihoods through sustainable, inclusive, equitable, and active participation.</p> | Prepare draft CDP before Appraisal. Finalize the plan prior to start of construction activities. Thereafter implement the Plan throughout Project implementation.  | PMU, DoST<br>Implementation team,<br>DoFPS     |
| <b>ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT</b>                       |  |  |  |
| 5.1   | <p><b>RESETTLEMENT PLAN</b></p> <p>1. Prepare and implement a Resettlement Action Plan (RAP) for Gelephu – Tareythang Road consistent with ESS5.</p> <p>2. Appoint /Hire a RAP implementing agency to support the implementation of the RAP, including the livelihood restoration activities.</p>              | <p>1. Prepare draft RAP prior to the Appraisal. Finalize the draft RAP during the detailed design and prior to the start of the construction activities.</p> <p>2. Appoint/hire a RAP implementing agency before implementing the RAP. Ensure that, before commencing the construction works and taking possession of the land and related assets, full compensation has been provided, displaced people have been resettled and moving allowances have been provided.</p> | PMU, DoST                                      |
| <b>ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES</b>              |  |  |  |
| 6.1   | <p><b>BIODIVERSITY RISKS AND IMPACTS</b></p> <p>Conduct a critical habitat assessment of Gelephu – Tareythang Road, and based on this assessment, prepare and implement a Biodiversity Management Plan (BMP) including Biodiversity Net Gain Strategy consistent with ESS6.</p>                                | <p>1. Prepare the draft BMP prior to the Appraisal</p> <p>2. Finalize the BMP not later than two (2) months after the Effective Date, and thereafter implement the BMP throughout Project implementation.</p>  | PMU, DoST<br><br>Implementation team,<br>DoFPS |
| <b>ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES</b> |  |  |  |
| 7.1   | <b>Not found to be relevant based on an internal assessment carried out by the Bank</b>  |  |  |
| <b>ESS 8: CULTURAL HERITAGE</b>   |  |  |  |



| MATERIAL MEASURES AND ACTIONS   |   | TIMEFRAME   | RESPONSIBLE ENTITY   |
|---|---|---|--|
| 8.1   | <p><b>CULTURAL HERITAGE RISKS AND IMPACTS</b></p> <p>Prepare and implement a Cultural Heritage Management Plan for the Gelephu-Tareythang Road as part of the ESMP, in accordance with the guidelines of the ESIA prepared for the Project, and consistent with ESS8.</p>   | Prepare CHMP prior to the start of the construction activities, and thereafter implement the CHMP throughout Project implementation.                            | PMU, DoST  |
| 8.2   | <p><b>CHANCE FINDS</b></p> <p>Describe and implement the chance finds procedures, as part of the ESMP of the Gelephu-Tareythang Road.</p>   | Same timeframe as for the preparation and implementation of the ESMP (action 1.1.1)   | PMU, DoST  |
| <b>ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE</b>  |   |   |  |
| 10.1  | <p><b>STAKEHOLDER ENGAGEMENT PLAN</b></p> <p>Prepare and implement a Stakeholder Engagement Plan (SEP) for the Project, consistent with ESS10, which shall include measures to, inter alia, provide stakeholders with timely, relevant, understandable and accessible information, and consult with them in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation.</p>  | Prepare the SEP prior to the Appraisal, and thereafter implement the SEP throughout Project implementation.   | PMU, DoST<br>Implementation Team,<br>DoFPS<br>PMU, GovTech |
| 10.2  | <p>Establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances in relation to the Project, promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all Project-affected parties, at no cost and without retribution, including concerns and grievances filed anonymously, in a manner consistent with ESS10.</p> <p>The grievance mechanism shall be equipped to receive, register, and facilitate the resolution of SEA/SH complaints, including through the referral of survivors to relevant gender-based violence service providers, all in a safe, confidential, and survivor-centered manner.</p> | Establish the grievance mechanism no later than 30 days of Effective Date, and thereafter maintain and operate the mechanism throughout Project implementation. | PMU, DoST<br>Implementation Team,<br>DoFPS<br>PMU, GovTech |
| <b>INDICATORS FOR IMPLEMENTATION READINESS</b>  |   |   |  |
| <p>The following actions are indicators for implementation readiness:</p> <p>A. PMU and Implementation Teams are fully staffed with Environmental and Social Officers and Consultants</p> <p>1.1. ESMP and BMP are incorporated into the detailed design and included in the bidding documents</p> <p>A. GBV service provider is engaged</p> <p>5.1. RAP is updated as per the Detailed Engineering Design and ready for implementation</p> <p>5.1. RAP implementing agency hired/appointed</p> <p>6.1. BMP is finalized.</p> |   |   |  |