

**COMBINED PROJECT INFORMATION DOCUMENTS / INTEGRATED
SAFEGUARDS DATA SHEET (PID/ISDS)**

Appraisal Stage

Report No.: 97507

Date Prepared/Updated: 16-Jun-2015

I. BASIC INFORMATION

A. Basic Project Data

Country:	Nepal	Project ID:	P155969
		Parent Project ID :	
Project Name:	Earthquake Housing Reconstruction Project (P155969)		
Region:	SOUTH ASIA		
Estimated Appraisal Date:	16-Jun-2015	Estimated Board Date:	29-Jun-2015
Practice Area (Lead):	Social, Urban, Rural and Resilience Global Practice	Lending Instrument:	Investment Project Financing
Sector(s):	Housing construction (90%), General public administration sector (10%)		
Theme(s):	Natural disaster management (50%), Rural services and infrastructure (20%), Other social protection and risk management (30%)		
Borrower(s)	Government of Nepal		
Implementing Agency			
Is this project processed under OP 10.0 (Paragraph 12), <i>Preparation of Investment Project Financing—Situations of Urgent Need of Assistance or Capacity Constraints?</i>			Yes
Financing (in USD Million)			
Financing Source			Amount
BORROWER/RECIPIENT			0.00
International Development Association (IDA) -- Crisis Response Window (CRW)			200.00
Total			200.00
Environmental Category	B-Partial Assessment		
Is this a Repeater project?	No		

B. Introduction and Context

Country Context

Nepal is highly vulnerable to a range of natural hazards, particularly earthquakes, flood, drought, and landslides. All of Nepal is exposed to significant earthquake hazard resulting from the convergence of the Indian tectonic plate with the Eurasian plate, which also drives the uplift of the Himalayan mountain range. In addition, much of the country is drought prone as well as susceptible to floods, and landslides. According to the Natural Disasters Hotspots Report, Nepal is ranked as the 11th most vulnerable country in the world to earthquakes and 30th to flood risks. Combining these hazards, and the high level of vulnerability to both, the country is ranked second in the world to mortality risk from two or more hazards. Approximately 80 percent of its geographic area is at risk from multiple natural hazards, with the vast majority of the population inhabiting these high-risk areas. The frequency and intensity of natural hazards coupled with an agriculture-dependent population with lack of adequate infrastructure such as roads, drinking water, irrigation etc., makes Nepal highly vulnerable to hazards.

Nepal is a landlocked country with diverse geographic and climatic features that expose it to a number of natural hazards. More than 6,000 rivers including the four major basins Kosi, Gandaki, Karnali and Mahakali drain into the Gangetic plains before feeding the southern lowland plains of the Terai. The hill region, known as Pahad, has high altitude variations, while the mountainous region, known as Parbat, is formed by the Himalayan Mountains. Given this geographic profile, the climate varies from subtropical in the lower areas to alpine in its higher elevations in a short span of 200-300km. Corresponding to this variation in geography and climate; Nepal is extremely vulnerable to water-related hazards. Nepal's annual rainfall is highly variable, with the monsoon bringing 80 percent of Nepal's rainfall in less than three months during the summer. Nepal's lowland Terai districts routinely suffer from devastating floods affecting large, poor populations.

This high exposure and high vulnerability to natural hazards makes the country susceptible to very high losses from disaster, both in terms of mortality as well as percent GDP loss. The cities along the foot hills are exposed to floods, landslides and earthquakes. As mentioned above, rapid and unplanned urbanization in the Kathmandu Valley has significantly increased its risk to earthquakes. The population of Kathmandu valley has increased dramatically, from 1.5 million in 2001 to 2.5 million in 2011 when the latest census was conducted. The necessary construction of housing and infrastructure to support this increased population has taken place without proper implementation of the 1994 building code and its seismic provisions. In fact the ubiquitous practice of incremental expansion of buildings over time is often the norm, a practice that significantly increases building vulnerability to earthquakes.

The Himalayan Mountains is an area of intense seismic activity that results from the tectonic collision of the Indian and Eurasian plates. During the 1934 M8.2 Nepal-Bihar earthquake, which had an epicenter 175 km from Kathmandu, almost all buildings collapsed in Kathmandu, Bhaktapur and Patan and casualties were estimated to be as high as 12,000. Other major earthquakes were recorded in 1897, 1905, 1934, and 1950. Seismic experts estimated in 2005 that at least four M8.6 events would need to occur in the Himalayas to release the tectonic strain accumulated by the plate collision over recent centuries. The earthquakes on April 25 and May 12, and accompanying aftershocks have therefore not released all of the accumulated energy in the plate boundary, and the region may therefore experience further large magnitude earthquakes in the coming years or decades.

Since 1970 and up until the April 25, 2015 earthquake, more than 8,000 deaths were recorded from natural hazards in Nepal, with nearly 10 million people cumulatively affected during that period. The most significant event during this period was the 1993 floods and landslides which killed over 1,300 people and caused economic losses of nearly US\$1 billion. Landslides, which impact seven times fewer people than floods, threaten a number of rural hill communities and regularly disrupt economic activities through the destruction or blockage of infrastructure. While the past 40 years have not seen many

earthquake events, the risk is very significant. The 1988 earthquake killed over 700 people. Droughts, storms, avalanches, and Glacial Lake Outburst Floods (GLOFs) are hazards also regularly threatening lives and livelihoods in Nepal.

Over the past decade, Nepal has been performing reasonably well on the economic front. Growth averaged 4.3 percent over 2005-14. Inflation remained in single digits for most of the decade, with the peg of the Nepalese rupee to the Indian rupee providing a stable nominal anchor. Fiscal balances remained sustainable owing to strong revenue growth and modest spending. Overall poverty incidence fell from over 50 percent in 2003/04 to less than 25 percent in 2010/11 (allowing Nepal to achieve MDG 1 ahead of time). Most multidimensional indicators of poverty also showed improvements across regions. These outcomes were principally driven by rises in farm incomes, remittance receipts and non-farm wage incomes, with the bulk of poverty reduction taking place in rural areas where four out of five Nepalese continue to live. Access to services increased significantly for most Nepalese, including women. As of the beginning of 2015, primary education was accessible to virtually all and immunization coverage against major preventable illnesses was close to 90 percent.

However, even before the April 25, 2015 earthquake struck, challenges to sustaining and amplifying these gains remained. Although the poverty headcount has fallen to 25 percent, households remain vulnerable to falling below the poverty line (defined as US\$ 1.25/day) during a shock, as over 70 percent of Nepalis live on less than US\$2.50 per day. Malnutrition also remains a serious problem, especially among children. According to USAID Feed the Future program, 29 percent of children under 5 are underweight, and 41 percent suffer from stunting. The Government of Nepal has numerous social programs through multiple ministries, to address these problems, although inadequate designs and/or insufficient scale limit their effectiveness. The Government of Nepal and the World Bank have been working together to support Nepal's social protection strengthening agenda through two recently closed projects and ongoing trust-funded technical assistance.

On April 25, 2015, a 7.8 magnitude earthquake struck central Nepal. That earthquake and its sequence of aftershocks caused 8,700 deaths and some 25,000 injuries. A Post-Disaster Needs Assessment (PDNA), completed on June 15, found that total damages and losses resulting from the earthquake sequence amounted to about \$7 billion, and reconstruction needs amounted to about \$6.7 billion. As the earthquake sequence destroyed 490,000 houses—mostly traditional mud-brick and mud-stone houses built and occupied by the rural poor—and rendered another 265,000 houses at least temporarily uninhabitable, the largest single need identified in the PDNA was housing and human settlements, accounting for \$3.27 billion of needs (or almost half of the total needs).

Sectoral and Institutional Context

In 2009 the GoN officially launched the National Risk Reduction Consortium (NRRC) to bring together international financial institutions such as the World Bank and the Asian Development Bank (ADB), development partners including the International Federation of the Red Cross (IFRC) and the World Health Organization (WHO), and various United Nations (UN) agencies such as the UN Development Programme (UNDP) and the UN Office for the Coordination of Humanitarian Affairs (UNOCHA) to coordinate and fund disaster risk reduction efforts. Other consortium members include the United Kingdom Department for International Development (DfID), the United States Agency for International Development (USAID), Australian Aid, the European Commission (EC), and the Japan International Cooperation Agency (JICA). The uptake of this initiative was slow prior to the April 25 earthquake, with only a limited amount of funds committed, despite a need for hundreds of millions of dollars in funding to reduce existing risk and to prevent the creation of new risks.

The Bank's own engagement on disaster risk management (DRM) has focused on increasing the

understanding of seismic risk among government officials, and effectively utilizing this information to improve resilience. An ongoing Global Facility for Disaster Risk Reduction and Recovery (GFDRR) financed initiative is supporting the government to undertake a detailed vulnerability assessment of public sector buildings, including schools, health centers, and public administration buildings. The South Asia Open Cities initiative is the platform for collecting the exposure and vulnerability data. This program utilizes low cost, open source tools such as GeoNode and OpenStreetMap to engage government officials and the local community in mapping the exposure of infrastructure and building assets across Kathmandu Valley.

The National Disaster Management Plan, developed in 1993 and endorsed by the Government in 1996, emphasizes the need to bring the natural resources management, climate change, and development together with disaster management. In this context, the Bank also has a US\$35 million PPCR funded Hydromet Modernization program under implementation with the GoN, focusing on improved management of climate variability and climate induced natural disasters.

C. Proposed Development Objective(s)

Development Objective(s) (From PAD)

The Project Development Objective (PDO) is to restore affected houses with multi-hazard resistant core housing units in targeted areas and to enhance the government's ability to improve long-term disaster resilience.

Key Results

The key indicators for tracking progress towards the PDO can be found below. Targets have been based on experience from other countries and will be monitored for their realism during implementation and suitably adjusted as needed.

- Households with resilient core housing reconstructed under the project.
- Citizens made aware of earthquake resilient reconstruction.
- Government officials trained on Disaster Risk Management.

D. Project Description

The project includes: (i) Housing Reconstruction; (ii) Disaster Risk Management Systems; (iii) Project Implementation Support; and (iv) Contingency Emergency Response.

Component Name:

Housing Reconstruction – US\$185 million

Comments (optional)

The component will finance: (a) the provision of housing grants for reconstruction of approximately 55,000 multi-hazard resilient core housing units. Eligibility will be determined by an assessment of recovery needs (the beneficiary households will be screened and identified through the Earthquake Household Damages and Characteristics (EHDC) Survey first taking place in the 14 most affected districts), and willingness to participate and adhere to project guidelines for resilient construction, quality standards and timelines; and (b) the establishment of a program of owner-driven housing reconstruction in targeted areas including: i) social, environmental, and technical support mechanisms for beneficiary households; ii) training of artisans and beneficiaries; iii) communication and outreach; iv) supervision and certification of compliance with multi-hazard resistant standards; v)

compliance with the environmental and social management framework including implementation of identified safeguard mitigation measures; vi) development of a grievance redress mechanism; and, vii) other enabling activities.

Activities under this component will inform operational modalities for the development of the Government's owner-driven housing reconstruction program and are guided by a set of principles including: i) promotion of multi hazard-resistant construction standards and design; ii) primarily in-situ reconstruction, except where relocation is necessary due to vulnerability of location; iii) owner-driven rebuilding with socio-technical assistance, training, and supervision; iv) utilization of easily accessible and local materials and familiar construction methods; and, v) provision of uniform assistance package as reconstruction assistance in tranches based on certification of stage and quality. In addition, the program design will strive to ensure coordination of multiple reconstruction initiatives and standards for equity; and attempt to link housing to livelihoods and infrastructure rehabilitation.

Component Name:

Disaster Risk Management Systems – US\$10 million

Comments (optional)

The objective of this component is to support the GoN in putting in place systems to ensure better disaster risk reduction, preparedness, and disaster response, in line with global best practices. The component will finance, as needed, support in the areas of (inter alia) disaster risk management, risk assessment and financing, structural engineering, remote sensing, GIS, land use and zoning, permitting and approval of site and building plans, professional accreditation, curriculum development, building code implementation and enforcement, studies on safety net practices in post-disaster situations, and inclusive and gendered practices in disaster mitigation planning.

Component Name:

Project Implementation Support – US\$5 million

Comments (optional)

This component will finance the establishment and operation of the Project Management Unit (PMU), the Project Implementing Units (PIUs), and the Subnational-Level Project Implementation Units (SnL-PIUs). This will cover support to strengthening capacity to effectively procure and manage delivery systems including damage assessment, beneficiary household identification, payment system, management information system (MIS), grievance redress, and communication/outreach. In addition, the component will also finance consultancies/service providers required for the preparation and supervision of specific activities, monitoring and evaluation.

There is an existing MIS within MOFALD, as well as a manual-based cash transfer system. Pilots on e-payments have been completed by the ministry as well. The implementation support provided through this project would build on these existing systems to improve financial inclusion, transparency and accountability. This would be done through the opening of bank accounts for payments of the reconstruction grants, expanding the MIS, and providing targeted technical assistance for the provision of communications and grievance redress mechanisms. The comprehensive dataset, which would be developed through this project would remain with MOFALD after the project, and assist in building an evidence base for pro-poor policy decisions for both disaster response and mitigation as well as social protection.

Component Name:

Contingency Emergency Response – US\$0 million

Comments (optional)

Following an adverse natural event that causes a major natural disaster, the respective governments may request the Bank to re-allocate project funds to support response and reconstruction. This component would draw resources from the unallocated expenditure category and/or allow the Government of Nepal to request the Bank to re-categorize and reallocate financing from other project components to partially cover emergency response and recovery costs. This component could also be used to channel additional funds should they become available as a result of an emergency

E. Project location and Salient physical characteristics relevant to the safeguard analysis (if known)

Project area lies in the middle hills and the mountains. The area also lie between the two active tectonic contact—main boundary thrust (MBT) and main central thrust (MCT) which are still active and landslides and soil are frequent along these faults. Furthermore, the increasing population and land use intensification have resulted in widespread conversion of primary forests, which has left the districts more fragile and vulnerable. Tropical, Sub-tropical and temperate type of forest exists in these districts which are mainly managed by community forest groups. There are five protected areas in the affected district; viz Manaslu Conservation Area, Langtang National Park, Shivpuri-Nagarjuna National Park, Gaurishankar Conservation Area and Mt Everest National Park (also and World Heritage). People live in the buffer zones of these protected areas. These areas popular trekking destinations. Besides the protected areas, there are number of community managed forests and government managed forests in the project areas. The community managed forests in the buffer zones and outside the zones are important in meeting the firewood, timber and fodder needs of the respective communities. Avalanche followed by the earthquakes killed many tourists and local people. Risk of Glacial Lake Outburst Flood (GLOF) has increased after the earthquake. Majors rivers like Bhotekoshi, Trishuli, Marsayndhi and Sunkoshi drains some of these districts.

In terms of social composition, in the 14 severely affected districts, indigenous people (known as adivasi janajati in Nepal) constitute approximately 40 percent of the total population, of whom 24.7% are from marginalized indigenous groups.¹ Likewise, there is also a significant presence of other marginalized groups including, Dalits (previously known as 'untouchables') that constitute 16.3% of the population and 326,943 female-headed households constituting 27% of all households in the 14 affected districts. The figure for female-headed households is likely to increase due to households deaths of male members.

Data from the Nepal Living Standards Survey 2010/11 and Agriculture Census 2011/12, indicates that in all of Nepal, 22.9% of households do not own any agricultural land; 10.4% do not live in their own house; and 3% do not have any land holding. It is likely that the data for the 14 severely affected districts would be comparable. Additionally, the Earthquake of April 25, 2015 and its aftershocks have formed cracks and scars in the watershed of the area which will be susceptible to landslides with the onset of the monsoon. An estimated 1,000 community settlements (18 villages -- four each in Gorkha and Sindhupalchok districts, three each in Dhading and Dolakha, two each in Rasuwa and Nuwakot) may need to be resettled. Most of these at –risk households are likely to be from vulnerable groups, including Dalits and indigenous people, because these communities (for historical or discriminatory reasons) generally occupy more marginal land that is more prone to natural disasters.

¹ NEFIN's classification used to categorize the marginalized groups. See <http://www.nefin.org.np/list/Classification/5/0/6>

F. Environmental and Social Safeguards Specialists on the Team

Chaohua Zhang(GSURR)

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II. IMPLEMENTATION

The Government of Nepal (GoN) has overall responsibility for implementing this multi-sectoral and multi-ministerial Project. At the highest level, a Project Management Unit (PMU) will be established within MOF to provide high level oversight and policy decisions on project activities. It is possible that a coordinating agency will be established to be responsible for the general oversight and overall supervision and coordination of the government's reconstruction and rehabilitation efforts, including housing reconstruction. If this does occur, upon its establishment, the Agency could take over the guidance and oversight role of the PMU. Component 1 will be implemented by a dedicated Project Implementing Unit (PIU) in each of the implementing line ministries, MOFALD and MOUD. The MOUD PIU will comprise technical professionals who will lead the technical components of implementation, including technical training, design standards, supply chain management, and others.

III. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	Project envisage small scale activities spread out in large geographical area (e.g. construction of residential houses). This could result in minor/medium impacts on the natural environment (air, water, and land) as well as on human health and safety. An Environmental and Social Management Framework (ESMF) will be developed to specify site screening criteria and subproject Environmental and Social Management Plan (ESMP) requirements to ensure that potential negative impacts are avoided, mitigated and managed, and that environmental enhancement opportunities are incorporated whenever possible.
Natural Habitats OP/BP 4.04	Yes	There are protected areas and their buffer zones in the affected areas. Communities are living in the buffer zones. Housing and other support to people in the buffer zone may lead to increased pressure on protected areas. Such risks will be screened for and addressed through subproject ESMPs, in accordance with criteria to be

		specified in the ESMF.
Forests OP/BP 4.36	Yes	Community forests are important source for timber, firewood and fodder for the communities in the earthquake affected districts. Housing and other support provided by the project may increase pressure on the forests. Such risks will be screened for and addressed through subproject ESMPs, in accordance with criteria to be specified in the ESMF.
Pest Management OP 4.09	No	Procurement or use of pesticide is not envisaged in any project activity, and increased use of pesticide is not expected.
Physical Cultural Resources OP/BP 4.11	Yes	Subproject location or activity may take place in close vicinity of physical cultural resources of local/ community. Also chance find of cultural artefact may not be ruled out. The ESMF will specify appropriate requirements for screening of subprojects and appropriate management measures in the case of any known cultural resources to be affected, as well as to ensure chance find procedures are included in subproject ESMPs.
Indigenous Peoples OP/BP 4.10	Yes	Indigenous Peoples (IPs), also known as Adivasi Janajati in Nepal, account for about 40 percent of the total population in the affected districts. Some of the IP households, beside Dalits, are considered among the poorest and most marginalized in Nepal. Therefore any development interventions carried out at a national scale are bound to affect indigenous communities, including this project. With the aim of restoring housing in targeted communities affected by the earthquake while increasing long-term resilience, the proposed project will benefit a large number of households from these communities, particularly those who lost their houses and assets and sources of livelihood as result of the earthquake. This is particularly so with indigenous communities, since the majority of the earthquake victims are reported to be from IP communities. The IPs alongside Dalits and female-headed households are among the targeted beneficiaries of the various activities under the proposed project. Since indigenous communities are present in the project area, the policy is triggered.

Involuntary Resettlement OP/BP 4.12	Yes	Land taking maybe needed due to limited relocation of settlements/households that are no longer habitable due to ground fissures and high risks of seismic and landslide hazards. Therefore the policy is triggered.
Safety of Dams OP/BP 4.37	No	Project does not support construction or maintenance of dam(s), and is not dependent on any existing dam.
Projects on International Waterways OP/BP 7.50	No	Project will not use or depend on, and will not affect quality of water from international river or water body.
Projects in Disputed Areas OP/BP 7.60	No	Project area is not disputed land.

IV. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:

Need for timber for construction of houses/shelters will put pressure on the forests, and protected areas buffer zones which lies in the vicinity of the affected districts. The communities, under the management plan approved by the District Forest Office, may access their respective community managed forests for timber, fodder and firewood needs. Impacts on these forests may be mitigated through strengthening the community forest management and promotion of good environmental practices in housing. The forest land cannot used for building residential house. The project area is fragile and susceptible to landslides and erosion.

Extraction of construction materials (timber, sand, gravel, aggregates, clay etc) will increase the vulnerability of landslides and soil erosion. Impact on environmental health and sanitation due to debris/demolition materials which will potentially lead to water/air pollution. Project may also contribute positively, by helping building better. Potential positive impacts can be anticipated through the promotion of environmental good practices (e.g. alternative energy, smokeless stove, solar power, rain-water harvesting, water recycling, re-use of salvaged timber/materials, sanitation etc) as part of design and construction of houses, on case-by-case basis where appropriate, and reducing the deterioration of the environment and increasing the resilience of eco-systems in an area, if relevant and necessary, through afforestation programs, slope stabilization through re-vegetation, and bio-engineering activities. There is a high potential for supporting the concept of ‘build back better’ and disaster risk reduction through the adoption of new and resilient engineering technologies for constructing rural homes.

From the social perspective, the project will bring positive benefits to beneficiaries, including poor, women, indigenous peoples (IPs), Dalits, etc., in the form of housing grants support; however, potential social risks and impacts may include 1) Resettlement impact due to limited relocation of settlements/households that are no longer habitable due to ground fissures and high risks of seismic and landslide hazards; 2) Inadequate consultations with vulnerable groups including IPs, Women, Dalits and other marginalized groups leading to their low participation in project activities; 3) Ineffective mechanisms for benefit targeting and information dissemination leading to exclusion of marginalized groups from project benefits.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:

None.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.

The current project approach seeks to minimize future vulnerability of households to seismic and other hazards and to promote resilience and sustainability by “building back better”. During implementation, various alternatives for each individual or block house/shelter related to siting (avoiding landslide prone areas, avoiding forests, etc), designs (to incorporate relevant environmental good practices such as earthquake resistance, improved smokeless stoves, rainwater harvesting, alternative energy, etc), and construction materials (to ensure environmentally appropriate sourcing of timber, sand, clay, concrete blocks etc) and construction management (such as to ensure safe disposal of unusable debris at site, avoid impacts to cultural property, minimize health and safety risks, etc) will be identified and considered through subproject planning and implementation.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

The project is prepared according to Paragraph 12 of the World Bank Operational Policy 10.0, Preparation of Investment Project Financing—Situations of Urgent Need of Assistance or Capacity Constraints. Under an emergency situation, in accordance with the policy, preparation of detailed safeguard instrument is deferred to the early stage of implementation, and a Safeguards Action Plan addressing the application of environmental and social policies has been prepared. The Safeguards Action Plan ensures a legally binding roadmap for safeguards compliance during project implementation and provides clear guidance to the Grantee on the types of actions and instruments required so as to facilitate speedy implementation of emergency services in a safeguard compliant manner. The Safeguard Action Plan is part of the PAD.

In accordance with the Safeguard Action Plan, the Government of Nepal is in the process of preparing an Environmental and Social Management Framework (ESMF) to guide the identification of possible social and environmental issues; develop mechanisms to comply with relevant GoN’s and World Bank’s policy requirements; lay out the approach and procedures relevant during subproject planning and implementation to mitigate the potential environmental and social impacts of the proposed investments and incorporate enhancement measures where relevant and feasible; and describe the institutional and implementation arrangements, the monitoring mechanisms, and the capacity building needs for effective implementation of the ESMF.

Implementation arrangements are still under discussion, but will be fully specified under the ESMF. Potential implementers are MoUD and MoFALD. Both agencies’ environmental and social management capacity in emergency operation, such as this, is limited. Hence, the ESMF will identify the capacity strengthening needs and approach.

Since the project triggers the Bank’s OP4.12 and OP4.10, a Resettlement Policy Framework (RPF) and an Indigenous People’s Planning Framework (IPPF) will be prepared by the

Government of Nepal. The Resettlement Policy Framework will clarify resettlement principles, organizational arrangements and design criteria to be applied to subprojects to be prepared during the project implementation. The Indigenous People's Planning Framework will outline procedures to ensure free, prior, and informed consultation with affected IP communities, as well as institutional arrangement, monitoring arrangement and disclosure arrangement. In addition, a Gender and Social Inclusion Plan will be developed as part of the ESMF to maximize project benefits to these aforementioned vulnerable groups.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

As spelled out in the Safeguard Action Plan, the client will finalize the ESMF, RPF and IPPF during early stage of implementation, and prior to initiating and civil works activities. During ESMF, RPF and IPPF preparation, consultations will be held with relevant departments and district-level offices of the government, project-affected groups, community based organizations, NGOs, women's groups, indigenous peoples' organizations, etc., at the national and local level about the project's environmental and social aspects. For meaningful consultations, the concerned groups will be provided with the draft ESMF in a timely manner prior to consultation and in a form and language that is understandable and accessible to the groups to be consulted. Following the consultations, the ESMF, RPF and IPPF will be revised and (a) officially submitted to the World Bank for clearance; (b) after clearance by the Bank, translated into local language and disclosed at the country level and at public places accessible to project-affected groups and local institutions; and (c) submitted for disclosure on the World Bank Infoshop.

B. Disclosure Requirements (N.B. The sections below appear only if corresponding safeguard policy is triggered) – Not applicable as preparation of safeguard instruments has been deferred to early stage of implementation.

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	Not applicable
Date of submission to InfoShop	Not applicable
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	Not applicable
"In country" Disclosure	
Resettlement Action Plan/Framework/Policy Process	
Date of receipt by the Bank	Not applicable
Date of submission to InfoShop	Not applicable
"In country" Disclosure	
Indigenous Peoples Development Plan/Framework	
Date of receipt by the Bank	Not applicable
Date of submission to InfoShop	Not applicable
"In country" Disclosure	
If the project triggers the Pest Management and/or Physical Cultural Resources policies, the	

respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or ESMP.

If in-country disclosure of any of the above documents is not expected, please explain why::

The project is prepared under World Bank Operational Policy 10.0 (Paragraph 12), *Preparation of Investment Project Financing—Situations of Urgent Need of Assistance or Capacity Constraints*. Preparation of safeguard instruments is deferred to early stage of implementation. Hence, disclosure of the safeguard document will take place after approval of the project.

C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting) (N.B. The sections below appear only if corresponding safeguard policy is triggered)

OP/BP/GP 4.01 - Environment Assessment						
Does the project require a stand-alone EA (including ESMP) report?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	NA	<input checked="" type="checkbox"/>
Are the cost and the accountabilities for the ESMP incorporated in the credit/loan?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
OP/BP 4.04 - Natural Habitats						
Would the project result in any significant conversion or degradation of critical natural habitats?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	NA	<input type="checkbox"/>
If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	NA	<input checked="" type="checkbox"/>
OP/BP 4.11 - Physical Cultural Resources						
Does the EA include adequate measures related to cultural property?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	NA	<input checked="" type="checkbox"/>
Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
OP/BP 4.10 - Indigenous Peoples						
Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	NA	<input checked="" type="checkbox"/>
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	NA	<input checked="" type="checkbox"/>
If the whole project is designed to benefit IP, has	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	NA	<input checked="" type="checkbox"/>

the design been reviewed and approved by the Regional Social Development Unit or Practice Manager?						
OP/BP 4.12 - Involuntary Resettlement						
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	NA	<input checked="" type="checkbox"/>
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	NA	<input checked="" type="checkbox"/>
OP/BP 4.36 - Forests						
Has the sector-wide analysis of policy and institutional issues and constraints been carried out?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	NA	<input checked="" type="checkbox"/>
Does the project design include satisfactory measures to overcome these constraints?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	NA	<input checked="" type="checkbox"/>
Does the project finance commercial harvesting, and if so, does it include provisions for certification system?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	NA	<input type="checkbox"/>
The World Bank Policy on Disclosure of Information						
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	NA	<input type="checkbox"/>
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	NA	<input type="checkbox"/>
All Safeguard Policies						
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	NA	<input checked="" type="checkbox"/>
Have costs related to safeguard policy measures been included in the project cost?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>

V. Contact point

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Borrower/Client/Recipient

Name: Ministry of Finance
Contact: Mr. Suman Prasad Sharma
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VI. For more information contact:

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VII. Approval

Task Team Leader(s):	Name: Marc S. Forni	
<i>Approved By:</i>		
Safeguards Advisor:	Name: Maged Mahmoud Hamed	Date: June 16, 2015
Practice Manager:	Name: Bernice K. Van Bronkhorst	Date: June 16, 2015
Country Director:	Name: Johannes Zutt	Date: June 17, 2015