

**Earthquake Housing Reconstruction Project
(EHRP)**

VULNERABLE COMMUNITY DEVELOPMENT PLANNING FRAMEWORK (VCDF)

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ABBREVIATIONS AND ACRONYMS

DL-PIUs	District-Level Project Implementation Units
DRM	Disaster Risk Management
DDC-EECCS	District Development Committee-Energy, Environmental and Climate Change Section
DTCO	District Treasury Comptroller Office
DUDBC	Department of Urban Development and Building Construction
EIA	Environmental Impact Assessment
EMP	Environment Management Plan
EHDC	Earthquake Household Damages and Characteristics
ESIA	Environment and Social Impact Assessment
ESMF	Environmental and Social Management Framework
GoN	Government of Nepal
ESMP	Environmental and Social Management Plan
GRM	Grievance Redress Mechanisms
GRS	Grievance Redress Service
IA	Implementing Agency
IBRD	International Bank for Reconstruction and Development
ICB	International Competitive Bidding
IDA	International Development Association
IFR	Interim Financial Report
IPF	Indigenous People's Framework
ISP	Implementation Support Plan
M&E	Monitoring & Evaluation
MoFALD	Ministry of Federal Affairs and Local Development
MoI	Ministry of Industries
MoUD	Ministry of Urban Development
NCB	National Competitive Bidding
NGO	Non-Governmental Organization
NPC	National Planning Commission
OP	Operational Policy
PDNA	Post-Disaster Damage and Needs Assessment
PDO	Project Development Objective
PIU	Project Implementing Unit
PMU	Project Management Unit
POM	Project Operations Manual
PP	Procurement Plan
PRAMS	Procurement Risk Assessment System
QCBS	Quality and Cost Based Selection
RAP	Resettlement Action Plan
RPF	Resettlement Policy Framework
SAP	Safeguards Action Plan
SORT	Systematic Operational Risk-Rating Tool
ToR	Terms of Reference

1. INTRODUCTION AND OBJECTIVES

1. This document presents the Vulnerable Community Development Planning Framework (hereafter, VCDF) for the Earthquake Housing Reconstruction Project (EHRP). The objective of this VCDF is to serve as a practical tool that will help ensure that the project fully respects the dignity, human rights, economies and cultures of vulnerable groups, including the Indigenous Peoples. The VCDF details agreed principles, policies, guidelines and procedures to be integrated into project implementation and assists in the achievement of the compliance with applicable Nepali laws relating to indigenous peoples and other marginalized groups and regulations and relevant World Bank's safeguard policies and objectives relating to Indigenous Peoples.

2. The project will be implemented in three of the 14 severely earthquake affected districts. However, the specific sites and physical location of the households that will be supported for reconstruction are not known and as such, the details of activities and impacts are not known ex-ante. Thus, the VCDF entails a screening process to determine whether vulnerable groups are present in or have collective attachment to the project area; framework for consultation and participation where the project affects (both positively and negatively) vulnerable groups, including indigenous peoples; mechanism for managing impacts by developing appropriate mitigation/rehabilitation measures; and a framework for monitoring such measures during implementation. The VCDF also summarizes institutional arrangements for the implementation of mitigation measures, the monitoring arrangements, and capacity building needs.

2. DESCRIPTION OF THE PROJECT

2.1 Project Background

3. On April 25, 2015, a major earthquake of shallow depth measuring 7.6 on the Richter scale struck central Nepal causing widespread destruction. The earthquake and its sequence of aftershocks caused 8,700 deaths and some 25,000 injuries. More than 3,000 public buildings have also been destroyed or damaged, in addition to the loss of a rich set of historical monuments and cultural icons.

Given the level of shaking intensity and severe impact in remote districts, these numbers may be likely to rise in coming weeks. According to initial estimates, this earthquake has caused significant damage to public and private buildings and infrastructure, while also disrupting telecommunications and power infrastructure. The event also has triggered extensive landslides and avalanches causing further damage and disruption in essential services delivery.

4. The World Bank, United Nations Development Program (UNDP) and European Union (EU), upon receiving a request from the National Planning Commission (NPC), GoN, carried out a Post Disaster Needs Assessment (PDNA) to determine the impact of the earthquake event from May 15 to June 15, 2015. The PDNA fed into the government's FY16-17 fiscal budget and the donor conference.

5. 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). Based on the findings of the PDNA, the World Bank along with other development partners, agreed on providing assistance for disaster recovery and future risk reduction to Nepal.

2.2 Project Description

6. The main objective of the project is to restore affected houses with multi-hazard resistant core housing units in three (out of 14) severely affected districts and to enhance the government's ability to improve long-term disaster resilience. The Project's direct beneficiaries are expected to be approximately 83,000 households that will receive grants and technical support to rebuild their houses incorporating multi-hazard resistant features. The Project will also inform operational modalities for the development of the government's overall housing reconstruction program, which would benefit all eligible housing reconstruction beneficiaries estimated to be approximately 490,000 households in all the earthquake affected districts.

The Project comprises of 4 components briefly described below.

Component 1: Improved Housing Reconstruction- US\$185 million

7. The component will finance: (a) the provision of *housing grants* for construction of approximately 83,000 multi-hazard resilient core housing units. Eligibility will be determined by an assessment of recovery needs 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 and of completion of multi-hazard resilient core housing units; v) implementation of the environmental and social management framework including identified safeguard mitigation measures; vi) development of a grievance redress mechanism; and, vii) other enabling activities.

8. 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. The beneficiary households will be screened and identified through the Earthquake Household Damages and Characteristics (EHDC) Survey being administered in the 14 most affected districts, including the three project districts.

9. Individual Housing Reconstruction Grants will be disbursed in multiple tranches, subject to the satisfactory achievement of pre-identified milestones, verification of progress and compliance with multi-hazard resistant standards. The exact amount of the grant will be determined by the GoN and may be adjusted if needed during implementation. This would be stated in the Operations Manual. At the time of drafting of this VCDF, the expected grant amount is USD 2,000 per household.

10. The households receiving grants and technical support under this component will be geographically targeted to selected Village Development Committees (VDCs)/Municipalities with rural characteristics, in the affected districts. The VDCs/Municipalities would be selected based on the extent of damages in the village and readiness to implement the project. These criteria would be assessed through the Earthquake Household Damages and Characteristics (EHDC) Survey, which would: i) building on the data already collected by District Disaster Relief Committee (DDRC), ascertain the damage to the housing stock at the VDC/Municipality level against uniformly applied engineering criteria; ii) verify household eligibility through the EHDC Survey including willingness to adhere to project guidelines for resilient construction and timelines; and iii) collect information to open bank accounts for affected households (or other assistance transfer mechanism), which will be in the name of the beneficiary, to ensure timely and transparent fund transfers. Final certification of completion of multi-hazard resilient core housing will be carried out in accordance with the Operations Manual.

Component 2: Disaster Risk Management Systems - US\$10 million

11. The objective of this component is to support the GoN in putting in place systems to provide 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 3: Project Implementation Support - US\$5 million

12. This component will finance the establishment and operation of the Project Management Unit (PMU), the Project Implementing Units (PIUs), and the District-Level Project Implementation Units (DL-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.

13. 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 4: Contingency Emergency Response - *US\$0 million*

14. 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.

3. BASELINE OF PROJECT AREA AND RELATED SOCIAL ISSUES

15. Nepal is a country of significant diversity in many dimensions. The 2011 census of Nepal recorded the presence of 125 caste and ethnic groups, 123 languages spoken as mother tongue, and ten different types of religious groups. Of the total population, the indigenous people (known as Adivasi/Janajatis in Nepal) comprise approximately 30 percent. In general, these Adivasi/Janajatis are defined by the following key characteristics:

- Distinct collective identity;
- Own language, religion, traditions, and culture,
- Own traditional and relatively egalitarian social structure (as contrasted with the more rigid and hierarchical caste system),
- Traditional homeland and geographical area, and
- A written and/or oral history that traces their line of descent back to the occupants of territories before they were integrated into Nepalese society within the current frontiers.

16. Besides the Janajatis, another group that is considered marginalized for reasons of caste hierarchy is the Dalits (formerly known as the 'untouchables' who constitute approximately 15 percent of the population. These different groups are interspersed throughout the country, and there are very few areas where one group is in majority, and can be regarded as 'ethnic homelands.'

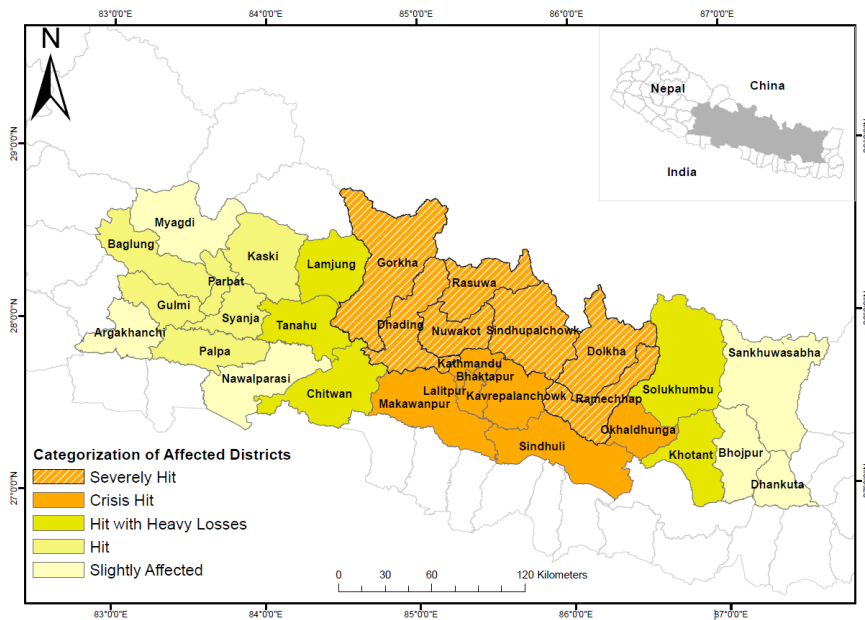
17. Everywhere in the country, indigenous groups, lower caste communities and women (especially female headed households) lag seriously behind in terms of incomes, assets and most human development indicators. Among the four major caste and ethnic clusters, the Brahmins/Chhetris (the privileged groups) rank at the top with HDI value of 0.538, followed by the Janajatis at 0.482,¹ the Dalits at 0.434 and the Muslims at 0.422. As a marker of deprivation, the latter two groups--the Muslims and the Dalits have HDI values 27 and 24 percent lower respectively than that of the Brahmins/Chhetris. Among all Janajatis and Dalits, those from the Hills are much better off with higher HDI scores than those from the Tarai. Further, as an indication of the intersection between poverty and caste/ethnicity, the 2014 *Human Development Report* has recorded that one in every four poor in Nepal is a Hill Janajati, and these figures are likely to be grimmer if the total Janajati population (both hill and Tarai) are taken into consideration.²

18. The project will be implemented in three of the 14 most severely affected districts of Dhading, Nuwakot, and Dolakha (See Figure 1 for categories of earthquake-affected districts).

¹ This figure excludes the Newars, who are categorized as Janajatis but are considered a much better off groups than the other Janajatis (and even some Brahmins and Chhetris).

²UNDP.*Nepal Human Development Report 2014*, Government of Nepal/UNDP, 2014.

Figure 1: Categories of Earthquake-Affected Districts



Source: PDNA 2015

19. Similar to the situation in the entire country, the social structure of the 3 project districts is also very complex. More specifically, in these 3 districts, indigenous people (known as adivasi/janajati in Nepal) constitute approximately 55.3 percent of the total population, of whom roughly 25 percent are from marginalized indigenous groups (See Table 1 for Categorization of Indigenous Peoples).³

Table 1: Categorization of Indigenous People Based on Development

Advanced Group	Newar, Thakali
Disadvantaged Group	Tangbe, TeengaunleThakali, BarahgaunleThakali, MarphaliThakali, Gurung, Magar, Rai, Limbu, Sherpa, Yakkha, Chhantyal, Jirel, Byansi, Yolmo
Marginalized Group	Sunuwar, Tharu, Tamang, Bhujel, Kumal, Rajbanshi, Ganggai, Dhimal, Bhote, Darai, Tajpuriya, Pahari, Topkegola, Dolpo, Mugal, Larke, Lohpa, Dura, Walung
Highly Marginalized Group	Majhi, Siyar, Lhomi (Shinsaba), Thundam, Dhanuk, Chepang, Santhal, Jhagad, Thami, Bote, Danuwar, Baramu
Endangered Group	Kusunda, Bankariya, Raute, Surel, Hayu, Raji, Kisan, Lepcha, Meche, Kuswadiya

Source: <http://www.nefin.org.np/list/Classification/5/0/6>

20. Likewise, there is also a significant presence of other marginalized groups including, Dalits (previously known as 'untouchables') that constitute 9.3% of the population and 49,000 female-headed households constituting 27.3% of all households. Notably, the figure for female-headed households is likely to increase due to households deaths of male members.

³ NEFIN's classification used to categorize the marginalized groups. See <http://www.nefin.org.np/list/Classification/5/0/6>

21. About two percent (1.94%; 513,321) of the total Nepali population reported to have some kind of disability.⁴ Within the 3 project districts, it can be deduced that 16,000 have physical disability, 8,450 of whom are women and girls. Although there is no data available, it can be assumed that this figure has increased due to injuries sustained in the earthquake. Table 2 shows some of the important social characteristics of these 14 districts, including impacts from the earthquake.

Table 2: Salient Socio-Economic Characteristics of the 14 Severely Affected Districts

	Total	Male	Female
Population	5,368,513	2,658,274	2,710,239
Household Head Below 30 years of Age (percentage)	19.2%	16.4%	27.1%
Household Head Above 60 years of Age (Percentage)	15.2%	15.0%	15.8%
Total Number of Households	1,237,343		
Average Household Size	4.34		
Female House Ownership (Percentage)	11%		
Female Headed Households (Percentage)	26%		
Percentage of VDCs with High Concentration of Disadvantaged Groups	40.5%		
Total Number of Deaths due to Earthquake	8,556 (total); 3,831 (male); 4,711 (female)		
Total Number of Injuries due to Earthquake	16,095		
Number of Private Houses Destroyed Due to Earthquake	458,272 (Fully Destroyed); 177,389 (Partially Destroyed)		
Number of Government Buildings Destroyed Due to Earthquake	481 (Fully Destroyed); 865 (Partially Destroyed)		

Source: National Population and Housing Census 2011; ddrportal, accessed 24 May 2015

22. 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. Further, 42% of Dalits live under the poverty line, 80% of which are Dalit women. 63.8% of Dalit families do not have food sufficiency and 70% of Dalits suffer from malnutrition. Additionally, they also face multiple forms of discrimination and exclusion, which has not only affected how they have experienced the disaster but also their ability to recover from the disaster.

23. The high rate of female-headed households in Nepal, as well as the three earthquake-affected project districts, is largely due to high migration rates among males of productive age. It is noted however that contrary to other countries, female-headed households are, on average, less poor than the male-headed households. Studies conducted in 2004 showed that only 24% of the female-headed population lived below the poverty line compared to 32% of male-headed households. Some have attributed this difference due to higher remittances flowing to female-headed households – approximately 65%, in contrast to only 24% flowing to male-headed households (CBS 2005).

24. Given the multi-ethnic, multi-lingual, multi-religious and multi-cultural nature of the social system in the earthquake affected districts (as well as the entire country), it is difficult to clearly separate the Indigenous Peoples (IPs) from other vulnerable groups. Further, as discussed above, the earthquake

⁴ Physical disability constitutes 36.3% of the population with disability followed by Blindness/Low Vision (18.5%), Deaf/Hard to hearing (15.4%), speech problem (11.5%), multiple disability (7.5), mental disability (6%); intellectual disability (2.9%) and deaf-blind (1.8%).

affected districts comprise a mixed type of community and there are no homogenous settlements especially for a particular group. The IPs and disadvantaged groups, though belonging to different ethnicity and/or social group, share commonalities in terms of their economic and livelihood activities. Further, gender, caste and ethnicity have been officially acknowledged as primary factors that determine a group's vulnerability and marginal status owing to: (i) limited access to livelihood, assets and services; (ii) low levels of social inclusion and empowerment; (iii) restricted legal inclusion and representation in decision-making positions; and (iv) economic marginalization.

25. While a common housing package that is developed under the project will be applicable to all the households affected by the earthquake, it is also the case that these groups are likely to have suffered greater losses from the earthquake because of their vulnerable status (e.g., greater damage of the houses for virtue of having been built on marginal lands) hence requiring additional support from the project. Therefore, the project will give extra consideration to AdivasiJanajati and other disadvantaged groups that will minimize the magnitude of impacts and provide benefits; and will ensure their participation in the project cycles. Thus, this Vulnerable Community Development Planning Framework (VCDF) has been designed to ensure that vulnerable groups, including Indigenous Peoples in the earthquake affected districts are regarded as special interest groups, and that impacts on their livelihoods are minimized and addressed in a sensitive manner.

4. POSSIBLE IMPACTS ON VULNERABLE GROUPS

26. The Disadvantaged Group Mapping data indicates 38% of the VDCs in all earthquake-affected districts have ‘high’ to ‘very high’ concentration of disadvantaged groups. While some of these ‘disadvantaged groups’ include indigenous peoples, as other groups such as Dalits, disabled, female-headed households, elderly and disabled, are considered equally vulnerable and disadvantaged. Based on the review of existing literature and findings of the post-disaster needs assessment (PDNA), the project points to a number of social risks and impacts (both positive and negative). These include:

4.1 Indigenous People

27. Indigenous Peoples (IPs), also known as Adivasi/Janajati in Nepal, account for about 55.3 percent of the total population in the three project districts. Therefore, any development interventions carried out in all or any of these districts 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 indigenous groups, 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. However, as marginalized and excluded communities, there are also risks of not being adequately consulted, risks of exclusion when housing assistance is being distributed, the assistance (e.g., housing designs) not being ‘culturally appropriate,’ and the likelihood of negative impacts on livelihoods, especially for the forest-dependent communities.

4.2 Dalits

28. The Disadvantaged Group Mapping data indicates 38% of the VDCs in all earthquake-affected districts have ‘high’ to ‘very high’ concentration of disadvantaged groups. While some of these ‘disadvantaged groups’ include indigenous peoples, as mentioned above, other groups such as Dalits, disabled, female-headed households are considered equally vulnerable and disadvantaged. In the context of Dalits, they constitute approximately 9.3 percent of the total population in the three project districts. The PDNA indicates that Dalits have been experiencing discrimination and exclusion in the rescue and relief efforts as these services have been made mostly to the district headquarters while Dalits live in settlements away from these areas. Their social status means that Dalits are some of the worse affected social groups, and risk being marginalized and excluded from project benefits.

4.3 Women

29. It is estimated that 27.3 percent of households (approximately, 49,000 households) are female-headed. However, it can be anticipated that this figure will increase due to households who have lost their husbands to the earthquake. Similarly, it is also likely that there will be an increase in single male households due to a higher earthquake fatalities rates among women. There is risk that depending on the eligibility criteria set for receiving housing grants (e.g., land requirements, bank accounts, etc), most women with no landownership or access to bank accounts, will not be able to receive benefits. The limited mobility of women because of patriarchal norms and their household responsibilities also means that they risk being excluded from consultations and hence unaware of the project benefits. The high rates of female headed households also require that the project provide them with more assistance in finding building materials, accessing masons, and information about multi-hazard designs. Findings from the PDNA also indicate high risk of sexual violence for women and girls, especially from female headed households has increased as they are now sleeping in highly unsecured shelters.

30.

4.4 People with Disabilities and Elderly

31. Disasters make the situation worse for people living with disabilities, with regard to access to essential services. Presence of debris as a result of the earthquake will create challenges for people with physical disability to move around, but also in accessing relief items. Furthermore, access to temporary shelters, toilets, etc could be a challenge which needs to be addressed in the design of community shelters. In the aftermath of a disaster, senior citizens face additional challenges in accessing livelihood opportunities. They also have restricted mobility in accessing post disaster recovery activities. Furthermore, the increased number of orphans will create a new burden for the surviving elderly guardians in providing care for their children. The pre-disaster situation indicates that only two of the most affected districts have rehabilitation facilities. The housing grants provided through the project will have positive impacts on these individuals. However, the nature of eligibility criteria set for the grants, measures taken for consultations, communications strategy, and additional support provided during construction, there is a risk that these groups will not be excluded from direct benefits.

5. POLICY FRAMEWORK SUPPORTING VULNERABLE GROUPS

32. Nepal does not have a standalone policy on Indigenous Peoples or vulnerable groups however, provisions for supporting these groups are included in various legal documents, including the interim constitution and several international commitments. The following is a summary of these main policy and constitutional provisions.

5.1 Constitution of Nepal, 2015

33. The Constitution of Nepal, 2015 commits the government for the protection and development of vulnerable communities. Article 42 on Right to Social Justice guarantees the rights of socially backward women, Dalits, indigenous peoples, Madhesi Tharu, minority groups, people with disability, Muslims, youths, peasants, labourers, oppressed classes, poor farmers and laborers to take part in the structures of the State on the basis of the principle of 'proportional inclusion'. According to Article 51 (j) (Policies of State), the State has compulsory obligation to pursue a policy of uplifting the economically and socially backward indigenous people, Madhesi, Dalits, marginalized communities, and workers and farmers living below the poverty line, by making a provision of reservation in education, health, housing, food sovereignty and employment, for a certain period of time.

5.2 Three Year Interim Plans and Approach Papers

34. In line with the constitutional provisions, the successive national periodic plans (the Three-year Interim Plans for 2007-2010 and 2011-2013) provided policies and programs for inclusive growth and upliftment of the vulnerable communities. The specific policies for inclusive development of the vulnerable communities adopted by the government are: (i) creating an environment for social inclusion; (ii) participation of disadvantaged groups in policy and decision making; (iii) developing special programs for disadvantaged groups; (iv) positive discrimination or reservation in education, employment, etc; (v) protection of their culture, language and knowledge; (vi) proportional representation in development; and (vi) making the country's entire economic framework socially inclusive.

5.3 Specialized Institutional Mechanisms

35. The Parliament passed a bill in 2002 for formation of National Foundation for the Development of Indigenous Nationalities, which came into existence in 2003. Similarly, in 2002 National Women Commission and National Dalit Commission were formed. These foundation and commissions are to work for protection and promotion of rights of the indigenous, marginalized, Dalit and women.

36. Beside the aforementioned provisions, the National Human Rights Action Plan 2005, Environmental Act 1997, and Forest Act 1993 have emphasized protection and promotion of vulnerable groups in general, indigenous peoples' knowledge, and cultural heritage in particular. Likewise, in 1999, the Local Self-Governance Act was amended to give more power to the local political bodies, including authority to promote, preserve, and protect the indigenous community's language, religion, culture, and their welfare.

37. In 2007, Nepal also signed the ILO Convention No.169 on Indigenous and Tribal Peoples enacted in 1989 and the United Nations Declaration on the Rights of Indigenous Peoples (2007). Both of these emphasizes consultation with indigenous peoples and involving them in decision making at all levels, their rights in the decisions over their development priorities as well as their rights to participate in the use, management and conservation of these resources, the need and requirements of free, prior and informed consent.

5.4 World Bank Policy: OP/BP 4.10 Indigenous Peoples

38. Field visits, initial discussions with experts of ethnic minorities in the region and desk review, have indicated that communities of Indigenous people are present in the project areas. The Indigenous Peoples policy (OP 4.10) is designed to ensure that the development process fully respects the dignity, human rights, economies and cultures of Indigenous Peoples. As such, the policy requires that the World Bank provides project financing only where free, prior and informed consultation results in broad community support to the project by the affected Indigenous Peoples. Such Bank-financed projects include measures to: (a) avoid potentially adverse effects on indigenous peoples' communities; (b) when avoidance is not feasible, minimize, mitigate or compensate for such effects; (c) indigenous peoples receive culturally compatible social and economic benefits.

6. APPROACHES TO ADDRESSING CONCERNS/ISSUES OF VULNERABLE GROUPS

39. Since the precise location where the NEHRP will be implemented is not yet known, it is difficult to ascertain precisely how many of the direct project beneficiaries are from indigenous groups. The desk review conducted during the preparation of this VCDF however does suggest that due to the social composition of the earthquake affected districts, by default, a significant majority of the project beneficiaries will be from the vulnerable groups, including the IPs. In this regard, the overall project design seeks to benefit the earthquake affected communities, a majority of whom are likely to be from the vulnerable communities.

40. To address any possible adverse impacts as well as maximize the project benefits to the vulnerable groups, two pronged approach will be undertaken: (i) Integrating the concept of 'Build Back Better' in the overall design and implementation of project to improve the overall social outcomes of the project; (ii) Developing area specific Vulnerable Community Development Plan(VCDP) at the VDC and settlement level to mitigate adverse impacts and enhance project benefits.

6.1 Integrating the concept of 'Build Back Better' to enhance overall social outcomes

41. The project seeks to minimize future vulnerability of households to seismic and other hazards and to promote resilience and sustainability by "building back better". As such, it will bring positive benefits to beneficiaries, including poor, women, indigenous peoples (IPs), Dalits, etc., in the form of housing grants support. However, given that the recovery needs of these groups are different and they risk being excluded, the following measures as detailed in the Operations Manual and other project documents, will be implemented to ensure that these groups are not excluded during the project implementation cycle and they are able to maximize benefits from the project:

Earthquake Household Damages and Characteristics (EHDC) Survey

- Collection of gender and caste/ethnicity disaggregated data that would be able to capture the social dimensions of the damages from the earthquake and also assist in the planned impact evaluation of the housing grants on the vulnerable groups;
- Roll-out plan for the survey that would help ensure that all the households (including those belonging to vulnerable groups) are included/surveyed.
- Training of enumerators on social issues, and socially-sensitive administering of survey.

Housing TA Package

- Social impact assessments and analytical works to understand/inform design and implementation of socially sensitive and inclusive earthquake recovery-related interventions (e.g., inclusive and gender-sensitive disaster mitigation planning, construction of gender-responsive housing structures, good practices on recovery from a gender and inclusion perspective);
- Social- and gender-sensitive development of design options for individual houses (e.g., well-ventilated kitchens, options for starting home-based enterprises, etc)
- Target vulnerable groups while providing trainings to construction workers, supervisors, social mobilizers;
- Develop training manuals that are gender-sensitive and support social resilience;
- Mainstream gender and the needs and concerns of vulnerable groups in the 'Project Guidelines for Resilient Reconstruction'

- Design of social, environmental and technical support mechanisms for beneficiary households that is also sensitive to the specific needs of vulnerable groups that would possibly require additional support.
- Develop strategy for enhancing financial inclusion of vulnerable communities. This could involve community mobilization, capacity development activities to improve financial literacy.

Implementation Plan

- Training and capacity building of community mobilizers so they are able to cater to the needs of the vulnerable communities;
- Targeting of vulnerable communities in the selection criteria and processes for beneficiaries receiving housing grants;
- Develop mechanisms for enhancing transparent decision-making during the selection of beneficiaries;
- Develop an effective communication strategy that would include specific measures for targeting vulnerable groups and informing them of the housing grants and other related project support;
- Utilization of social accountability tools during supervision and certification of compliance with multi-hazard resistant standards and completion of housing units
- A comprehensive and accessible grievance handling mechanism that is able to receive complaints from the time the list of households eligible for assistance has been identified.

6.2 Area-specific Vulnerable Community Development Planning Framework (VCDF)

42. In accordance with World Bank policy OP/BP 10.00, the Vulnerable Community Development Planning Framework (VCDF) will guide the planning, implementation and compliance of OP/BP 4.10 on Indigenous People during the implementation of the project in the earthquake affected districts. As the VDCs and households receiving the housing grants will be identified and proposed for financing during the project implementation period in a continuous manner, screening for potential social impacts will be conducted, and mitigation and management measures will be developed in line with this agreed VCDF in the following manner.

- Step 1: Identification of VDCs, settlements and households according to a set selection criteria;
- Step 2: Settlement-level screening for potential impacts on vulnerable groups and determination of safeguards documents required according to Nepali regulations and World Bank policies;
- Step 3: Development of settlement-level Vulnerable Community Development Plan (VCDP) that includes mitigation measures/good practices;
- Step 4: Review and clearance of settlement level VCDPs;
- Step 5: Consultation, Disclosure, and Awareness Raising and Dissemination;
- Step 6: Implementation and Monitoring of settlement level VCDPs

Each of these steps is outlined in greater detail below.

6.2.1 Step 1: Identification of VDCs, settlements and households

43. In accordance with the project framework as set out in the Operations Manual and the project's legal agreements, the VDCs, settlements and households to be supported under the project will be

identified using a set of standard eligibility criteria established after the EHDC survey has been completed and readiness to implement project, including environmental and social safeguard considerations, has been determined. During this step, the environmental and social specialists/consultants from the central PIU and PIUs at the district levels will participate in the identification and selection of the project site. During the identification period, they will evaluate and provide input, as appropriate, on ways to optimize the project benefits and reduce adverse impacts on vulnerable groups.

6.2.2 Step 2: Settlement-level screening for potential impacts on Vulnerable Communities

44. The DL-PIU, for the purpose of environmental and social screening and preparation of the VCDP, will define a settlement using combination of criteria including the following:

- (i) Administrative boundary, such as a ward, or a VDC
- (ii) Name of the village/place (such as Tol)/ community
- (iii) Natural or topographical boundary,
- (iv) Contiguity.

Thus, it may be possible that a ward or a VDC may be considered as a settlement, or there could be more than one settlement in a ward also. The GPS coordinates collected by the eligibility survey team during the EHDC survey would be used to define the boundaries for the settlement.

45. Once the settlements for reconstruction are identified, the DL-PIU through the social safeguard specialists, consultants or Partner Organizations/Support Organization, will screen each settlement to determine the presence as well as situation of vulnerable groups in the settlement. In the case of indigenous people, the screening will help determine if IPs are present in, or have collective attachment to the settlement and its surrounding areas. The screening exercise will also help determine the applicability of Nepali laws and regulations, World Bank safeguards policies and the corresponding safeguard instruments which need to be prepared and implemented.

46. The eligibility survey team will be provided with orientation training for the collection of initial social data/information to support the screening exercise (Annex 1). The DL-PIU screening team will use thus collected data/information as well as other sources of information to complete the screening exercise. Validation through site visit by DL-PIU may or may not be needed (the screening team will use its professional judgment to decide, on case by case basis, if field visit is necessary for the screening purpose).The screening checklist is provided in Annex1.

47. Specifically, the screening exercise will:

- Identify potential social, cultural and economic issues specific to the area (in and around the settlement);
- Describe the basic socio-economic characteristics of the population living in the settlement, including that of vulnerable groups;
- Determine whether there is an Indigenous People community that would be affected by during the implementation of the project;
- Map other ongoing or planned development initiatives, programs and interventions that could be used to support vulnerable groups in the project area; and

- Establish the need to carry out any further investigation/survey/ assessment for the preparation of VCDP.

48. Accordingly, the Screening Report will be prepared at VDC level containing settlement level information/data. If the screening results indicate that the presence of vulnerable groups is significant and the impacts (both positive and negative) are considerable, the central level PIU will undertake a social assessment to evaluate the project's potential positive and adverse effects on vulnerable groups, including the IPs.

6.2.3 Step 3: Development of settlement-level Vulnerable Community Development Plan

49. If the screening results indicate that the presence of vulnerable groups is significant, the impacts (both positive and negative) on vulnerable groups are considerable, and the IPs have collective attachment to the project area, the DL PIU will undertake a social assessment to evaluate the project's potential positive and adverse effects on vulnerable groups, including the IPs. The DL-PIU constituted team comprising of DL-PIU's social specialists, and supported, as needed, by consultants or social staff from Partner Organizations or Support Organization and/or social mobilizer in the mobile team, will carry out site visit to collect field data/information for the purpose of preparing a VCDP customized to the settlement. The VCDP will build on the findings from and guidance provided by the screening, assess potential impacts and recommend measures for avoidance, minimization and mitigation of adverse impacts (and enhancement of positive impacts) and identify/recommend issues that need monitoring.

50. The VCDP will be prepared in a flexible and pragmatic manner, and its level of detail will vary according to the findings from the screening and social assessment. However, the following are recommended elements that the VCDP should contain:

- Maps – showing settlement/housing patterns, land coverage, cropping patterns, etc;
- Description of social features (demographic characteristics; social, cultural, and political characteristics of the settlement, especially of vulnerable communities; land-ownership patterns, livelihood activities, and the natural resources on which they depend);
- Mapping of key project stakeholders and existing initiatives in the area supported by the government, donors and civil society groups that the project can leverage (e.g., vocational training, savings and credit groups, community forestry, biogas projects, etc) in order to enhance the livelihoods of the vulnerable groups;
- A summary of the institutional and policy framework relating to vulnerable groups, including IPs;
- Description of potential impacts. (i) Settlement level impacts, and (ii) house-level impacts
- A summary of results of the free, prior, and informed consultation with the vulnerable groups that was carried out during project preparation and that led to broad community support for the project.
- An action plan of measures to ensure that the vulnerable groups, including IPs receive social and economic benefits that are culturally appropriate, including, if necessary, measures to enhance the capacity of the project implementing agencies. Few recommended measures for the VCDP are presented in Table 3.

- Specific mitigation measures and good practices as well as opportunities for livelihood enhancement. The opportunities to link with other development projects (e.g., RWSSIP, PAF) will develop synergies and provide more comprehensive support to the earthquake-affected households.
- When potential adverse effects on Indigenous Peoples are identified, an appropriate action plan of measures to avoid, minimize, mitigate, or compensate for these adverse effects.
- The cost estimates and financing plan for the VCDP.
- Accessible procedures appropriate to the project to address grievances by the affected Indigenous Peoples' communities arising from project implementation.
- Mechanisms and benchmarks appropriate to the project for monitoring, evaluating, and reporting on the implementation of the VCDP. The monitoring and evaluation mechanisms should include arrangements for the free, prior, and informed consultation with the affected vulnerable groups.

Table 3: Recommended Measures for the VCDP

Groups	Proposed Measures for Support
Women	<ul style="list-style-type: none"> • Target female-headed households during the social mobilization process and provide them with additional technical assistance during the construction period (e.g., (masonry, porters, carpenters). • Targeted communication and awareness to women, especially since literacy rates are lower. This could include: organizing consultations during times when women are not busy with their household chores; holding consultations in areas accessible to women • Facilitate opening of bank accounts (this might even require relaxing some identification documents) • Support joint ownership, if not complete female ownership, of houses supported through housing grants.
Dalits	<ul style="list-style-type: none"> • Eligibility criteria for selection of households should include them • Ensure that they participate during consultation process • Targeted communication strategy, since low levels of literacy • Develop mechanisms at the community levels (e.g., voluntary land donation) so that they are not excluded from housing grants • Explore possibilities for legal agreements with landowners that also provide greater protections for the leasee with some statutory limitations on ownership claims • Support in opening bank accounts and explore provisions for low interest loans to assist them purchase land for a home in district centers. • Target them in trainings opportunities (construction workers, enumerators, supervisors, social mobilizers)
Indigenous Peoples	<ul style="list-style-type: none"> • Housing designs that are culturally sensitive and appropriate • Communication strategies should focus on using local languages • Household eligibility criteria should target them • Support in setting up bank accounts and access to low-interest loans • Training opportunities should target them
Elderly and People with Disabilities	<ul style="list-style-type: none"> • Hold consultations in easily accessible areas • Facilitate opening of bank accounts (this might even require relaxing some identification documents) • Provide them with additional technical assistance (masonry, porters, carpenters) when

Groups	Proposed Measures for Support
	building houses <ul style="list-style-type: none"> • Design houses that are sensitive to the needs of elderly and people with disabilities (e.g., avoiding raised platforms, etc.)

6.2.4 Step 4: Review and clearance of settlement level screening and VCDPs

51. DL-PIU will submit the Screening Report and the VCDP to DDC Energy, Environment and Climate Change Section DDC-EECCS and also make a briefing/presentation to the DDC-EECCS.⁵ The DDC will provide clearance to the Screening and VCDP. DDC-EECCS will act as secretariat of DDC. DDC, in the process of providing clearance, may, if necessary, verify the screening and VCDP reports through field visit.

52. DL-PIU will prepare a summary of each settlement/subproject screening and VCDP, and submit the summaries to central PIUs. Central PIUs will conduct a post review of the Screening Reports and VCDPs on a sample basis, and may validate, if necessary. The summaries of the Screening Reports and VCDPs will be shared with the World Bank. The World Bank will also conduct post review of the screening reports and VCDPs on a sample basis, and may also validate through site visit.

6.2.5 Step 5: Consultation, Communications and Awareness raising and Dissemination

53. Consultation with local people/other stakeholders, particularly the vulnerable groups will be carried out during various stages of project implementation as well as VCDP preparation. This includes consultations during selection of sites and identification of eligible households; housing designs and minimum standards; and for understanding any specific social-economic needs of the community. This process will also empower beneficiaries/local community to supervise the quality of construction by raising/ creating awareness on good construction techniques and practices.

54. During the preparation of the VCDP, the DL-PIU constituted team comprising of DL-PIU's social specialists, and supported, as needed, by consultants or social staff from Partner Organizations or Support Organization and/or social mobilizer in the mobile team, will ensure free, prior, and informed consultation, with the affected Indigenous Peoples' communities and other vulnerable groups on the potential adverse and positive benefits from the project.

55. To ensure free, prior and informed consultation during the preparation as well as implementation of the VCDP, the following methodology will be adopted:

- Provide the vulnerable groups with all relevant information about the project (including an assessment of potential adverse effects of the project on the vulnerable groups) in a culturally appropriate manner at each stage of project preparation and implementation.
- Inform the public, especially vulnerable groups and IPs about the VCDP requirements and the need for internalizing the social requirements in the design of the houses/project. This

⁵The DDC-ENRC consist of representation from Forest Office, Agricultural Office, Soil Conservation Office and DDC -Energy , Environment And Climate change Section (DDC-EECCS).

information will be disclosed at a public place accessible to affected groups and other stakeholders prior to consultation to establish the basis for meaningful consultation.

- Use consultation methods (e.g., using local indigenous languages, allowing time for consensus building, and selecting appropriate venues to facilitate the articulation by vulnerable groups, including IPs, of their views and preferences) appropriate to the social and cultural values of the affected Indigenous Peoples' communities and their local conditions and, in designing these methods, gives special attention to the concerns of Indigenous women, youth, and children and their access to development opportunities and benefits; and
- Determine potential impacts (e.g., analysis of the relative needs, vulnerability, and risks to the Indigenous Peoples, Dalits, women, elderly, disabled, as well as their lack of access to opportunities relative to other social groups in the communities and regions in which they live) through consultations.
- Document all such proceedings, decisions/community consents and resolutions through written and visual means.
- Disclose all relevant information. Information to be disclosed will include, at a minimum: project design, impacts (positive and negative), and proposed mitigation measures (as detailed in the VCDP).

56. Since information disclosure and public consultation are important and necessary during project preparation as well as implementation, meaningful consultation will be continuous during the entire project cycle. These will enable the project beneficiaries and other stakeholders to participate in and contribute to the planning and implementation, and thereby help minimize any adverse impacts and maximize project benefits. The level of public consultation and the scope of information dissemination will be commensurate with the significance of the social impacts.

57. Further, during implementation phases, the VCDP as well as other project-related information will be updated and continually made available to stakeholders, and the revised VCDP re-disclosed. Disclosure means could vary, but may include posters, booklets, newspapers, the internet, and community meetings.

58. On the basis of the social assessment and the free, prior, and informed consultation, the DPIU will ascertain whether the vulnerable groups, including Indigenous Peoples' communities, provide their broad support to the project, and present summary reports for each settlement. The central level PIU and the World Bank will review the process and the outcome of the consultation carried out to satisfy itself that the vulnerable groups, including Indigenous Peoples' communities have provided their broad support to the project. The Bank will pay particular attention to the social assessment and to the record and outcome of the free, prior, and informed consultation with the affected Indigenous Peoples' communities as a basis for ascertaining whether there is such support. If it is not possible to ascertain that such support exists, the processing of housing grants will not be proceeded further.

6.2.6 Step 6: Implementation and Monitoring of VCDPs

59. The VCDPs requires detailed supervision and monitoring. In order to carry out this, DL-PIU will have specific arrangements made at district level and local level. This includes appointment of a Social Specialist for the project period at the district level, social mobilizer and at clusters/with mobile team, and agreements with Partner Organizations(s) and specialists for preparation, implementation and monitoring

of safeguards management plans and compliance. The Social specialist(s) at the DL-PIU will periodically monitor the implementation of VCDPs at the settlement level and at house/shelter. The DL-PIU will prepare the monitoring report after each visit, submit this to DDC, and organize a briefing session with DDC. The DL-PIU, based on the overall progress and the monitoring of individual household and settlements, will prepare consolidated quarterly monitoring report, highlighting any major social issue and forward the report to the central PIUs, which will share these reports with the World Bank. The central PIU and/ or World Bank may visit selected subproject/settlements.

60. To monitor if the customizedVCDP for each settlement is being implemented at the household level, the field level mobile team which constitute of social mobilizer will be responsible for regular/day to day monitoring and support. The monitoring reports, prepared by the social mobilizer after each visit, will be forwarded to DL-PIU for review and comments. Accordingly, corrective measures/actions will be taken by each households or respective stakeholders. DL-PIU will develop a checklist for monitoring by the mobile teams, and mobile team will be trained to carry out the monitoring tasks.

7. CONSULTATIONS AND INFORMATION DISCLOSURE

61. During the preparation of VCDF, consultations were 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 both national and local levels about the project's environmental and social aspects. Local level consultations were organized in all the three project districts, namely, Dolakha, Dhading and Nuwakot. For meaningful consultations, the concerned groups were provided with the draft documents in a timely manner prior to consultation and in a form and language that is understandable and accessible to the groups to be consulted (See Annex 7 of the Environment and Social Management Framework (ESMF) for summary discussions of the consultations). The revised safeguards documents (ESMF, VCDF, RPF), taking into account feedback received during consultations, were (a) re-disclosed at the country level and at public places accessible to project-affected groups and local institutions; (b) officially submitted to the World Bank for clearance; and (c) submitted for disclosure on the public World Bank's Infoshop.

62. Information disclosure and public consultation are important and necessary during sub-project preparation and implementation as well. As such, during project implementation, meaningful consultation, including with vulnerable groups, will be continuous. These enable project affected people, vulnerable groups, and other stakeholders to participate in and contribute to the project planning and implementation, and thereby help minimize adverse impacts and maximize benefits.

63. Information to be disclosed will include, at a minimum: eligible beneficiaries and criteria for their eligibility; requirements for receiving grant payments (including E&S requirements); housing models and designs; information on the GRM; and other project information. Alongside, this VCDF, as well as the ESMF and RPF, will be disclosed at a public place accessible to affected groups and other stakeholders prior to consultation to establish the basis for meaningful consultation. Disclosure means could vary, but may include posters, booklets, newspapers, the internet, and community meetings. Potential disclosure place, for example includes: DDC office, District Office of Housing & Building, VDC, Municipality, local NGO, club, users groups, etc.

64. The task of rebuilding homes and communities after the disaster is challenging. A good communication strategy among the governments, agencies involved in reconstruction, and the affected population needs to be established to ensure that the project is implemented in sustainable manner. The aim of the communications initiative will be to empower the affected communities through participation and enhanced access to information on recovery and reconstruction. Information on government policies and activities, subsidies, entitlements, land status, and rehabilitation support needs to be made available to the beneficiaries using various tools. The communication and the information dissemination ability of the government is limited. The communication for this recovery project will be done through consultations, communications and information campaigns, public awareness programs, information dissemination through brochure, leaflets in local languages, FM radios, and mobilizing trained technicians/other personnel. The communication plan will be effectively implemented at the grassroots level through local NGOs partnering with local agencies/government.

65. These tools will support the beneficiaries in providing information about:

- (i) About the project, its objectives, methodology, environmental requirements, best practices and the opportunities available the local communities to participate and plan for enhancing the existing local environment etc.;

- (ii) Minimum standards requirements for the houses to be built and the environmental implications of making these standards mandatory. Providing information about the available approaches for obtaining support to meet the standards;
- (iii) Providing information to link beneficiaries with para-legal or legal opportunities/provisions for integrating environmental concession in the construction of houses; and
- (iv) Providing information to the community and stakeholders on the possibilities of enhancing the existing environmental resources/assets through mobilization of fund/support from the government and other agencies.

66. A Technical Assistance and Capacity Building program will be designed in the Component 2 of the project. This component will support the government in overall project management, reporting, monitoring and evaluation, training, compliance with the environmental and social framework including implementation of identified safeguard mitigation measures, development of a grievance redress mechanism, and other activities. The TA and capacity building will include training and awareness raising of the local technicians on environmental and social requirements, and good practices, health & safety, waste management and pollution control, etc.

8. GRIEVANCE REDRESS MECHANISM

8.1 Grievance Redress System for the Project

67. The Grievance Redress Mechanism for this VCDF will follow the same mechanism developed for the overall project. The mechanism would include (i) a recording and reporting system, including grievances filed both verbally and in writing, (ii) designated staff with responsibility at various levels of governments, and (iii) a specific protocol for handling grievances including the minimum time frame within which different types of grievances should be addressed.

68. The grievances can be filed either orally to the PO, DL-PIU or VDC staff; in written form; or telephone call to the DL-PIU or PSP. A toll-free number will be provided during communication outreach which will be answered by GRM operator at DL-PIU. Additionally, grievances can also be lodged through SMS. Specified format for filing grievances will be developed and used while recording grievances received through any of the aforementioned media. The technological support system to establish and manage the grievances through these media will be provided to the DL-PIU at program implementation.

69. The institutional setup of the project's GRM system will include: (i) VDC/Municipality Grievance Management Committee (VGMC/MGMC); (ii) DDC Grievance Management Sub-Committee (DGMSC); (iii) District Level Grievance Management Committee (DLGMC); (iv) PMU Grievance Monitoring & Recommendation Committee⁶ (PGMC); (v) Central Grievance Monitoring and Policy Reform and Recommendation Committee (CGMPRR) for the upward flow of grievances.

70. Following the principle of decentralized resolutions, the VDC office and the PO staff at the VDC level and the DL-PIU at the district level will provide technical and logistic support to manage the upward flow of grievances. The PO staff will be responsible for entering and uploading grievance forms into the MIS from the VDC (except in cases where the grievances are against the PO staff or when beneficiaries want to file their grievances anonymously). All reported grievances will be reviewed by the VDC secretary and/or assigned VDC staff, and categorized for local resolution or forwarding to the DL-PIU for district level resolution. The assigned staff at DL-PIU will be responsible for forwarding the grievances against responsible parties at the district level and also higher-level committee in cases of non-resolution (See Figure 2).

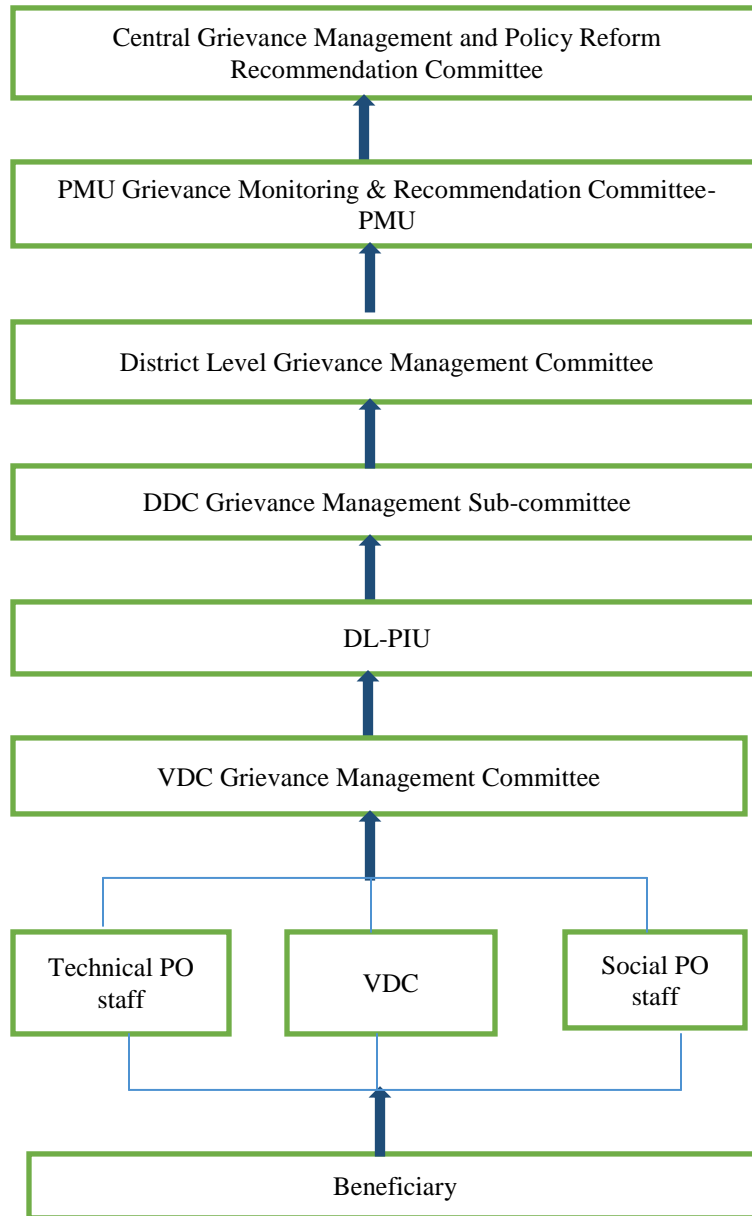
71. The DL-PIU will be responsible for communicating the resolutions/progress on the grievances reported to the grievance filers. The communication will be channeled through the VDC office and/or the partner organization staff. The VGMC may convene beneficiaries, including vulnerable groups, relevant stakeholders and other members of the community and CSOs in the area for a public hearing to discuss results of grievance resolutions and further recourse if the beneficiary is still unsatisfied. Beneficiaries may call the DL-PIU office to get information on decision/update on their grievances.

72. Designated staff at DL-PIU will be responsible for following up with the responsible party, entering progress on the grievance handling into MIS and communicating resolution/update to the beneficiary via the VDC and WCF network or through the PO in the district and VDC level. Monitoring team from the DL-PIU and/or DUDBC division offices will also make periodic visits to ensure the resolutions provided and actions recommended are implemented or followed by responsible party and

⁶ PGMC replaces the Departmental GMC as specified in the GRMP, 2072 document as the latter corresponds specifically to Department of Local Infrastructure Development and Agricultural Roads (DOLIDAR) under MOFALD. The structure and functions of the PGMC and the Central MOFALD level committee are subject to change after the proposed National Reconstruction Agency and corresponding Act come into effect.

also to ensure that participation in the grievance process has not resulted in negative consequences for the beneficiaries.

Figure 2: Upward Flow of Grievance



PO: Partner Organization

DL-PIU: District Level
Programme
Implementation Unit

8.2 World Bank Grievance Redress System

73. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit www.worldbank.org/grs. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org.

9. PROJECT IMPLEMENTATION ARRANGEMENTS

74. The Government of Nepal (GoN) has overall responsibility for implementing this multi-sectoral and multi-ministerial project, including its social and environmental management. A high level Steering Committee comprised of officials from MOF, NPC, and both implementing agencies, MOFALD and MOUD under the PMU would be used to guide project activities. Beneath the PMU, MOUD would be responsible for implementing component one, while MOFALD/DoLIDAR would be the primary implementing agency for component two comprising the provision of the grants. A Project Management Unit (PMU) will be located in each Ministry under the overall supervision of the NRAB/MOF/NPC and the interim oversight mechanism pending its formation.

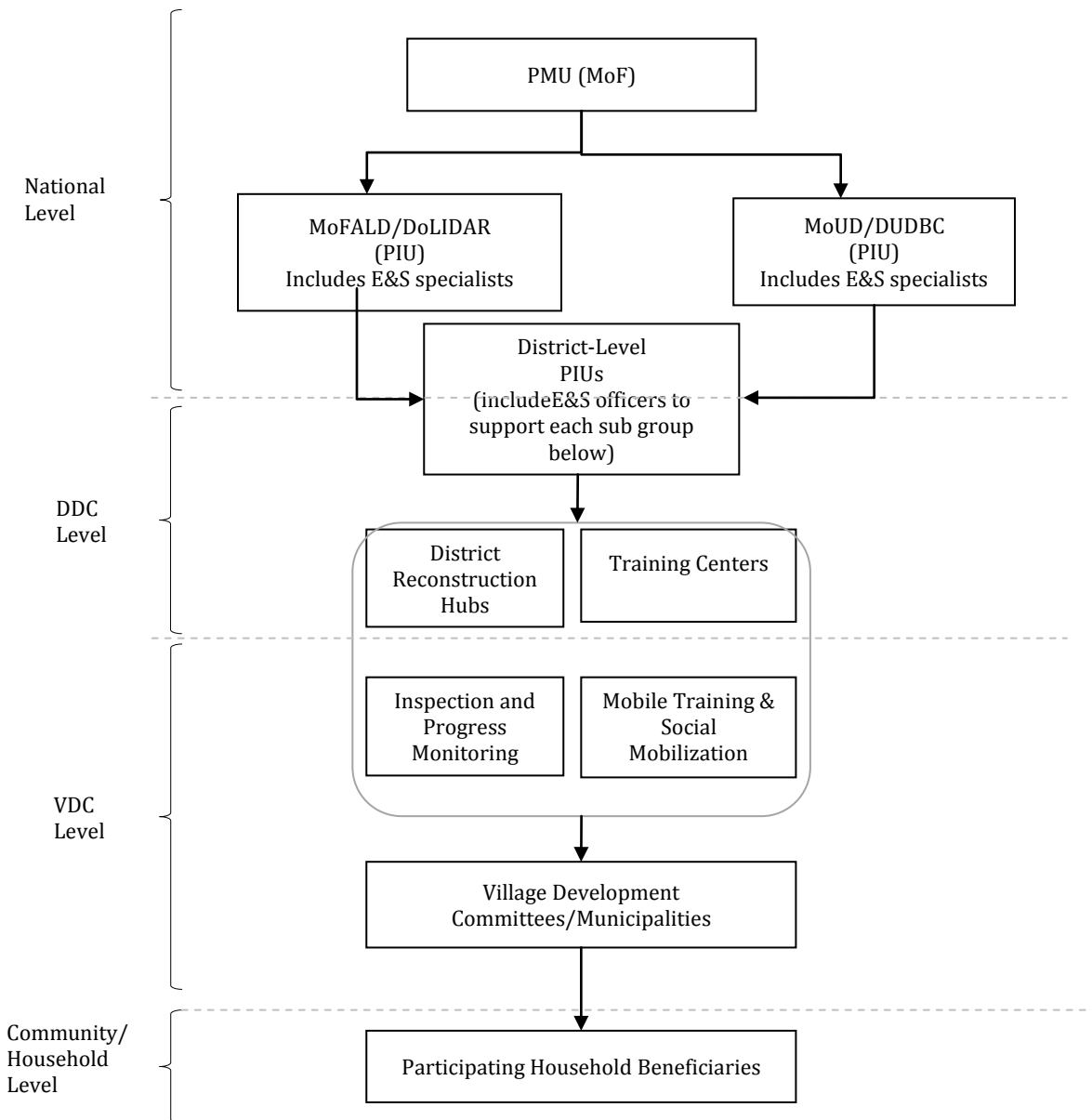
75. The PMUs would be overseen by a project director in one of the two implementing agencies, who would also sit on the steering committee, with project coordinators, who lead work in their respective ministries. Both the PIUs of the implementing ministries MOUD and MOFAL/DoLIDAR will also include Social specialists that will be responsible for ensuring compliance with social issues relating to the project. The Social Specialists at the PIU/PMU need to ensure that the required avoidance, minimization and mitigation measures are taken care of during site selection, project preparation and implementation/construction stages of the project. This will help facilitate project supervision and monitoring during the implementation stage as well.

76. Under the MoFALD PIU, one or more District-Level Project Implementation Units (DL-PIUs) will be established to provide close technical support and supervision to project activities. The DL-PIUs will manage the majority of district level oversight and coordination tasks, including those relating to vulnerable groups. There will be a Social Specialist at each of the DL-PIUs that will be responsible for screening, preparation, implementation and monitoring of the VCDPs prepared for each of the settlements. If required, the DL-PIUs might seek support from the POs and specialists.

77. At the local/community level, DL-PIU, VDCs/Municipalities, the beneficiary households themselves will be responsible for the implementation and compliance with the VCDF developed for the project. However, a mobile team consisting of technicians and social mobilizer will be available to support the beneficiaries with construction activities as well as for safeguard support and regular monitoring for safeguard compliance.

78. The overall project implementation arrangements, including arrangements for the implementation of this VCDF and other safeguards documents, are shown in Figure 3:

Figure 3: Project Implementation Arrangements



10. MONITORING

79. Monitoring of social activities (including environmental) will be carried out at three levels – at the household levels, at DL-PIU level and at Ministry -PIU level and also by third party. Safeguard monitoring will occur as a regular activity, and will include compliance monitoring, process reviews/audits, reporting of outputs, quarterly monitoring as well as third party monitoring. In addition, supervision/monitoring will entail routine quality certification at various stages of construction. The three stages monitoring plan have been discussed in detail below:

Monitoring at the Household level

80. During construction of individual houses, a mobile team comprising of technicians and social mobilizer will regularly supervise to ensure that the key social and environmental requirements are being considered during the construction. The same team mobilized for the awareness and information dissemination will do the monitoring at the household level. This mobile team will submit environmental and social report to the DL-PIU after each visit. Further, the independent technical party, before it certifies a payment tranche, will receive E & S compliance report from the mobile team that will include progress on the VCDF.

Monitoring by DL-PIU

81. The PIU at the District level will conduct periodic (monthly) monitoring of the VCDF implementation at the settlement level. The DL-PIU will prepare the monitoring report after each visit, submit this to DDC-ENRC, and organize a briefing session with DDC-ENRC. Initially each settlement will be monitored by the DL-PIU monthly. As implementation progresses, monitoring may be done through sampling, if visiting all settlements/subprojects is not practical. The DL-PIU will be responsible for preparing consolidated quarterly monitoring report, highlighting any major social issue and forward the report to the Central PIUs, which will share these reports with the PMU as well as with the World Bank. The central PIU and/ or World Bank may visit selected subprojects/ settlements.

Monitoring by Central- PIU

82. Monitoring for overall compliance with the provisions in the VCDF will be the responsibility of the PIU at the Ministry level. The central-PIUs will recruit social consultant, whose responsibility includes compliance monitoring. The central -PIU will also be responsible for overall oversight of social and environmental issues, providing guidance, developing policies (if necessary), coordinating with other programs/projects for synergy and good practices. The central PIU may visit selected samples of settlements as needed based on review of the consolidated quarterly reports submitted by DL-PIU and typically once in six-month.

Third party monitoring

83. The PMU will commission a third party project level monitoring. PMU will select a national agency to evaluate the level of compliance with the project's environment safeguard instruments independently. A comprehensive assessment report on social performance will be prepared by the third-party monitoring agency every six-month (half-yearly) for first two-years of implementation (or until project Mid-Term). Thereafter, third party monitoring may be done annually. The third-party monitoring reports will be shared with the World Bank.

11. CAPACITY BUILDING

84. Local capacity building will be critical to the implementation of the above safeguard-related activities. With the current institutional arrangements, local governments, particularly district governments, will need strong support in building up their capacity to fulfill their designated responsibilities. Capacity building will be required at different tiers of project implementation. The capacity building in environmental and social safeguards will contain four aspects.

85. First, the PIUs will determine the staffing needs/ expertise for each level and propose additional staff where required. Additional required support for PIU will be built through hiring of, specialized dedicated manpower and through need-based hiring of environmental and social specialists. At this stage, the minimum social and environmental staff/ expertise needs has been assessed as: (i) a senior Social Safeguard Specialist at central PIUs, (ii) a social safeguard specialist at district level PIU, and (iii) social mobilizer with mobile team. The support at PIU level will be required to internalize social issues in project planning and design in coordination with engineering design team, especially to address the potential impacts as well as to promote good practices. The hiring consultants will be one of the first and most pressing tasks as the terms of references (TOR) must be developed as per the requirements of the project considering the project, technical expertise required, scope of work and budget.

86. Second, the government, with support from the World Bank, will develop a set of planning and implementation tools and guidelines for training of the officials on environmental and social safeguard. These will be used for training and reference for technical staff during implementation.

87. Third, a project-wide training program will be developed and implemented for all environmental and social staff. This will be implemented on a priority basis. The objectives of the environmental and social trainings include providing basic knowledge and information on the key environmental and social issues associated with the proposed interventions to the key project personnel including the other PMU staff, PIUs, VDC and municipalities' staff and project beneficiaries. The sensitization and capacity building of aforementioned key players will be required for ensuring that environment and social dimensions are used/mainstreamed in overall implementation of the project.

88. Different level of assistance is required at different tiers. At the grassroots level the beneficiaries /communities will be trained to mobilize to set up support mechanisms to take care of the weak beneficiaries who lack capacities to undertake construction of houses without external help. Hence, the central PIU in consultation with district-PIU will prepare environmental and social training & awareness raising plan as part of annual work plan. These will, for example, include but not limited to orientations to: (i) the project staff (central and district) – central PIUs, PMU, District PIU; (ii) the technical/ working support team, (iii) Technical Assistance (TA)/ support agency, partner organization, (iv) District Coordination office/District Reconstruction Center, (v) Ilaka/ VDC Reconstruction Centre, (vi) mobile team, and (v) beneficiary.

12. BUDGET REQUIREMENTS FOR IMPLEMENTATION OF VCDF

89. Some of the costs like minimum standards associated with VCDF implementation will be a part of the overall project costs as well as costs for the implementation of the ESMF. The precise budget for VCDF implementation will have to be worked out in detail at a later stage and agreed with the PIU. Further, efforts will be made to merge/link the activities mentioned in the VCDF with other programs being implemented by government agencies, organizations, NGOs, INGOs and local communities for augmenting the existing resources. Refer to the Environment and Social Management Framework developed for the project for more details.

ANNEX 1: DRAFT SCREENING FORM FOR POTENTIAL ENVIRONMENTAL AND SOCIAL SAFEGUARDS ISSUES AT THE SETTLEMENT LEVEL AND TO DETERMINE APPLICABILITY OF RELEVANT NEPALI LAWS AND BANK POLICIES

The District Level- Project Implementation Unit (DL-PIU) will use this Form to screen each district participating in the project.

1.	Project Title	
2.	Project District	
3.	Name of the VDC	
4.	Name of the Settlement, Ward No.	
5.	Number of eligible households:	
6.	Altitude of the Settlement (in meters)	
6.	Nearest road head/highway/headquarter	
7.	Settlement ID/no	
8.	Proposed Date of Commencement of Work: _____	
	Number of houses damaged	
	Number of houses to be reconstructed	
	Quantity of debris generated (by type)	
	Quantity of reusable materials (by type)	
	Quantity of debris that needs to be disposed	
	Quantity of construction materials needed (Timber, sand, gravel, stone, etc)	
	Any hazardous materials mixed with debris (e.g. from damaged health-posts, medicines, from agro-vet shops/ service etc)	

SN	ISSUES	YES	NO	DO NOT KNOW/remarks
1	Is the proposed sub-project likely to have minimal or no adverse environmental impacts?			OP 4.01 Category C
2	Is the proposed subproject likely to have adverse environmental impacts that are site specific; few if any of them are irreversible, and mitigation measures are readily known or can be designed?			OP 4.01 Category B
3.	Is the proposed subproject likely to have adverse impacts on the health and quality of forests or rights and welfare of people and their level of dependence upon or interaction with forests? Is the proposed subproject likely to bring about changes in the management, protection or utilization of natural forests or plantations?			OP 4.36
4	Will the sub-project be supporting reconstruction, management, or preservation of physical cultural resources? Is the subproject located in, or in the vicinity of, cultural sites? Will the sub-project likely adversely impact physical cultural resources? ⁷			OP 4.11

⁷Examples of physical cultural resources are archaeological or historical sites, including historic urban areas, religious monuments, structures and/or cemeteries particularly sites recognized by the government.

5.	Will the sub-project involve significant conversion or degradation of critical or non-critical natural habitats? ⁸			OP 4.04
5	Does the sub-project involve involuntary land acquisition or prior acquisition of land or demolition of existing structures?			OP 4.12
6	Are there any ethnic minority communities present in the project area and are likely to be affected by the proposed sub-project?			OP 4.10
	Physical features			
1	Is the settlement/subproject located in an area susceptible to landslides, rock fall or erosion, flood prone areas and extreme climatic conditions, fogs, avalanche, snow-fall etc? (show in map)			
2	Is the settlement located close to groundwater sources, springs, surface water bodies, riverbank, and watercourses?			
3	How is the terrain? –flat, ridge, undulating, terraced, valley, tar etc.			
4	Any history of erosion, flashflood, landslides, earthquake in the area/ vicinity?			
5	Current land use practice (agriculture, grazing, barren, forest, shrubs-----)			
6	Is the subproject located on prime agricultural land?			
7	Does the sub project significant extraction, diversion or containment of surface or ground water for the local people or agriculture?			
8	Any existing/approved/ potential quarry sites (sand, aggregate, stone, slates, boulders) in the vicinity of the sub-project?			
9	Are these any potential sites/land for debris management/ solid waste management/ reclamation for future use?			
10	Are there any areas or features of high landscape or scenic value on or spots with unique feature in and around the location which could be affected by the project? (examples, viewing point/ ridge/ peak, water-fall, cave, cliff etc)			
11	Any risks (health and safety, location- cliff, ridge etc.) associated with the siting of the sub-project which needs to be taken care?			
	Biological features			
1	Any critical habitat or ecosystem of importance? Is the subproject located in or adjacent to an protected areas/ national forests, wilderness areas, wetlands (Ramsar), biodiversity, critical habitats?			
2	If the subproject is located near the forest, what is the category of the forest- national, community, leasehold, religious etc.?			
3	Any area/ spot in and around the subproject/ settlement that is known as/for wildlife/ bird habitat (examples – bear, longur monkey, red panda, deer, trees where vulture or bats nests, cliff where wild bee hives, etc)			
	Is the settlement/ subproject area a known wildlife movement/ migration route or bird migration route?			
	Is there any water body, river, wetland etc known as important habitat (or renowned) for fishes or aquatic life? Any Ramsar site in the vicinity of the settlement/ subproject?			
4	Would the sub-project potentially cause adverse impacts to habitats			

⁸ Critical natural habitats include those habitats that are legally protected, officially proposed for protection, identified by authoritative sources for their high conservation value, or recognized as protected by traditional local communities.

	(e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services?			
5	Does the Project involve changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods?			
6	Are there any areas/ spots used by the protected, important sensitive species of flora and fauna for breeding, nesting, foraging, resting and for migration?			
7	Would Project activities pose risks to endangered species or their habitat?			
8	Does the sub-project implementation leads to harvesting of natural forests, timber, plantation development, or deforestation?			
9	Any NTFP or medicinal plants in and around the sub-project?			
	Socio-economic and Cultural Features			
1	Is the subproject located in a densely populated area?			
2	How many people comprise a typical household?			
3	How many households are without any land/shelter, any squatters?			
4	Is the subproject located near to the sites of archaeological/historical or cultural importance?			
5	Presence of minority/vulnerable/indigenous population in the area?			
6	Is the sub-project located near cultural or religious place of importance including sacred hill/ peak, sacred cliff, cave and/ or sacred tree?			
7	What household and livelihood support activities typically take place within the affected community?			
8	What are the typical building practices of the affected people and what are the different materials have they used in the past?			
9	Will the project require displacement or relocation of persons in the affected area?			
10	Who are the vulnerable people in the population, also considering those affected by HIV/AIDS etc.?			
11	What is the current availability of water for drinking and personal hygiene,			
12	What is the current provision of social/infrastructure facilities (health posts, sub-health posts, schools, communications, road etc?)			
13	Are there any roads on around the location which cause congestion, environmental problems during project implementation?			
14	Are there any open space, industries, recreation areas which could be affected by the project?			
15	Are there any women headed HH (No. of HHs to be identified) in the settlement.			
16	Are there any conflicts about the use of local resources			
	What are the programs/ activities ongoing or planned in the settlement/ VDC or subproject area that may be coordinated, linked, and/or worked together for synergy and for 'building better'? Examples: Biogas, improved smokeless stoves, sanitation, micro-hydropower, catchment area/ soil erosion protection, community forest, buffer zone management, trail development, agriculture, composting, flood protection, river training, etc?)			Provide list as an annex.

	Identification of 'no go' or 'do not disturb' area/ spots/ features based on hazards potential, protected or protection worthy area, common resources, and cultural values.			Provide list, and sketch map.
	Customized minimum requirements for the subproject/ settlements			Recommend.
	Identify programs/ activities for coordination and linking for 'building better' and / or synergy.			Identify and list them.

Screening Conclusions.

- (i) Main environmental issues are:.....
- (ii) Permits/ clearance needed are:
- (iii) Main social issues are.
- (iv) land acquisition and involuntary resettlement (permanent or temporary) if any;
- (v) Further assessment/ investigation needed and next step.
 - a. Need for any special study:.....
 - b. preparation ESMP (main issue to be addressed by the ESMP):.....
 - c. need for IPDP/VCDP:.....
 - d. need for IEE or EIA:.....
 - e. Any other requirements/ need/ issue etc:

Screening Tool Completed and Reviewed by:

Signed by Environmental Specialist in the District Level -PIU:

Name: _____

Title and Date: _____

Signed by Social Specialist in District Level -PIU:

Name: _____

Title and Date: _____

Signed by Project Manager in District Level - PIU:

Name: _____

Title and Date: _____

Presentation/ Briefing to DDC – ENRC done on:

Advice, comments, and suggestions from the DDC-ENRC are:..... (Attach details/ minutes).

Screening cleared by DDC – ENRC on: (any condition and/ or suggestion made as part of clearance?).

One copy of this Form and accompanying documentation will be kept in the District Level-PIU, one copy will be sent to the DDC-ENRC, summary to central –PIU..