Royal Government of Bhutan

Ministry of Infrastructure and Transport (MoIT) and GovTech Agency

STAKEHOLDER ENGAGEMENT PLAN (SEP)

Project Preparation Advance (PPA)

Draft

Bhutan: Accelerating Trade and Transport in Eastern South Asia (ACCESS) Project (P181278)

October 19, 2023

Background and Context

The Accelerating Trade and Transport in Eastern South Asia (ACCESS) Multi-Phase Programmatic Approach (MPA) consists of a series of linked transport and trade facilitation projects in eastern South Asia designed to increase the efficiency and resilience of trade and transport along selected regional corridors. The ACCESS Program was approved on June 28, 2022, with Phase 1 covering Bangladesh (\$753m) and Nepal (\$275m). ACCESS Phase 2 consists of a \$100m allocation for Bhutan.

The ACCESS program framework consists of 3 Components: (1) Digital Systems for Trade: provision of digital solutions and automation, designed to eliminate manual and paper-based processes, resulting in faster border crossing times; (2) Green and Resilient Infrastructure: enhancing regional corridors, infrastructure, and trade gateways; and (3) Institutional and Policy Strengthening for Transport and Trade: technical assistance and capacity building for trade and customs modernization. These components will be tailored according to the specific challenges identified in Bhutan related to regional transport and trade facilitation. The ACCESS framework also consists of a knowledge and convening platform to advance policy measures and address cross-border operational bottlenecks, as a complement to the lending portfolio.

The proposed project preparation advance (PPA) will be implemented by the Ministry of Infrastructure and Transport (MoIT) and GovTech Agency. The activities to be carried out under the PPA will consist of the preparation of Environmental and Social Management Framework, Resettlement Policy Framework, Labour Management Procedures, and Stakeholder Engagement Plan for the overall ACCESS and preparation of feasibility studies, tender design and bidding documents, and preparation of Environmental and Social Impact Assessments and Resettlement Action Plans for the following investments:

- Box cut Bypass Road
- Gelephu- Tareythang Road Link

Further, the following technical assistance will be provided under the PPA:

- Scoping Assessment and Preparation of Technical Functional Specifications and Procurement documents for National Single Window for Trade, Sub-systems, Digital Enablers and Digital Infrastructure
- Feasibility study for regional digital connectivity improvements
- Wildlife/Asian Elephant habitat study and management plan in the Gelephu area
- Skill Gap Analysis/ Capacity Needs Assessment of implementing agencies

Identification of Stakeholders

Affected Parties. Project affected parties are persons, groups, and other entities within the Project Area of Influence (PAI) that are directly affected (actually or potentially) by the project and/or have been identified as most susceptible to change associated with the project, and who need to be closely engaged in identifying impacts and their significance, as well as in decision-making on mitigation and management measures. For the proposed ACCESS, affected parties include:

- Landowners, tenants, and squatters who will be affected by land acquisition
- Construction workers
- Community members close to construction sites who could be affected by civil work (damage to property, noise, dust, traffic, access to properties/schools, etc.), increased road traffic and labor influx.
- Road users, including commuters, taxi/minibus drivers, and truck drivers
- Tourism sector, including tour operators and hotels/lodges

Other Interested Parties. Other interested parties are individuals/groups/entities that may not experience direct impacts from the Project but who consider or perceive their interests as being affected by the project Ministry of Finance, Royal Government of Bhutan

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and/or who could affect the project and the process of its implementation in some way. For the proposed ACCESS, other interested parties include:

- Village, Town and District Administrations
- NGOs/Civil Society Organizations
- Ministry of Finance
- Ministry of Infrastructure and Transport
- Ministry of Foreign Affairs and External Trade
- Ministry of Agriculture and Livestock
- GovTech Agency
- National Center for Hydrology and Met
- National Land Commission
- Department of Environment and Climate Change and Department of Forest and Park Services (Ministry of Energy and Natural Resources)

Disadvantaged/vulnerable individuals or groups are persons who may be disproportionately impacted or further disadvantaged by the project(s) compared with any other groups due to their vulnerable status⁻ and that may require special engagement efforts to ensure their equal representation in the consultation and decision-making process associated with the project. Within the Project, vulnerable or disadvantaged groups may include but are not limited to the following:

- Landless (tenants and squatters) who are affected by land acquisition
- Female-headed households
- Disabled
- Elderly
- Migrants

Stakeholder Engagement Plan

The scope of stakeholder engagement for the PPA is limited, therefore, the stakeholder engagement and information disclosure activities have been integrated into the Environmental and Social Commitment Plan (ESCP) for the PPA. These stakeholder engagement requirements for the PPA are captured in the table that follows.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBILE ENTITY
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			
10.1	Incorporate stakeholder engagement and information disclosure measures in the implementation of the Activities, in a manner consistent with ESS10. To this end, ensure that the following measures are implemented: a) Provide stakeholders with information about the environmental and social risks and impacts of the Activities in a timely, understandable, accessible and appropriate manner and format, including but not limited to any environmental and social instruments prepared as part of the Activities; b) Consult stakeholders in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation, including with regards to any environmental and social instruments prepared as part of the Activities. c) Document the stakeholder engagement activities, including: (i) stakeholder mapping; (ii) description of consultations and participation mechanisms utilized, and records of meetings held; (ii) feedback received and responses to said feedback; and (iv) measures to engage stakeholders who, because of their particular circumstances, may be disadvantaged or vulnerable.	Implement the stakeholder engagement activities throughout the implementation of the Activities	MoIT, GovTech
10.2	Receive and facilitate resolution of concerns and grievances in relation to the Activities, promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all parties affected by the Activities, at no cost and without retribution, including concerns and grievances filed anonymously, in a manner consistent with ESS10.	Throughout implementation of Activities.	MoIT, GovTech