The World Bank
Pakistan: Digital Economy Enhancement Project (P174402)

Concept Environmental and Social Review Summary

Concept Stage

(ESRS Concept Stage)

Date Prepared/Updated: 10/05/2020 | Report No: ESRSC01590

BASIC INFORMATION

A. Basic Project Data

Country	Region	Project ID	Parent Project ID (if any)
Pakistan	SOUTH ASIA	P174402	

Project Name	Pakistan: Digital Economy Enhancement Project		

Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Digital Development	Investment Project Financing	3/8/2021	7/29/2021

Borrower(s)	Implementing Agency(ies)		
Economic Affairs Division	Ministry of Information Technology and Telecommunication		

Proposed Development Objective
The PDO is to (a) strengthen digital connectivity as a key foundation for digital economy development; and (b) enhance the Government's capacity for digitally enabled public services delivery.

Financing (in USD Million)	Amount
Total Project Cost	**200.00**

B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?
No

C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]
The proposed Project, to be financed by an IDA Credit, will consist of Investment Project Financing (IPF) linked to defined outcomes (Performance-Based Conditions) in the areas described below. The Project will focus on critical digital infrastructure, platforms and supporting regulations for digital services at the Federal level. It has three components.

1.   Enhancing digital infrastructure and closing the digital divide (US$125 million)

This component will:

(a)   increase backbone network capacity and availability in second and third tier cities. This sub-component will address the existing gap in broadband development in Tier-2 and Tier-3 cities gap by supporting catalytic investments, in the form of Private-Public Partnerships (PPPs), in the deployment of fiber optic backbone infrastructure, to be supplied and managed by private operators. The Project will finance passive optical fiber networks that will connect selected localities. The Project will finance the Government's contribution of a percentage capital subsidy together with free rights of way (RoW) and other permits required.

(b)   Provide high-speed, high quality internet access for health and education facilities supporting pandemic response, business continuity, and sustainability of facility operations. This sub-component will support the provision of new or upgraded high-speed internet access for unserved/under-served district hospitals and secondary schools in selected Tier 1 cities where backbone network infrastructure is already available. The list of locations will be confirmed by the MoITT, in consultation with ministries of health, education and provincial governments. The proposed approach is Government pre-purchase of internet capacity (bandwidth) for selected facilities for a defined period, through a multi-year framework contract or contracts, to be bid competitively.

(c)   Legal and regulatory reforms to promote connectivity infrastructure and the long-term interests of users. This subcomponent will support technical assistance to MoITT focusing on strengthening the legal and regulatory enabling environment, particularly to lower barriers and costs involved in installing, maintaining and operating connectivity infrastructure.

2.   Improving Digital Governance and Service Delivery Capabilities (US$72 million)

This component will focus on enhancing the institutional, legal and regulatory framework and technical underpinnings for more widespread delivery or scale-up of Government digital services. Recognizing the challenges of transitioning to a platform-based digital government approach, a two-phased approach is proposed, through the following subcomponents:

(a)   Phase 1- strengthening institutional, legal regulatory foundations for secure digital government platforms and designing an appropriate "shared services" model. This subcomponent will enhance the capability of MoITT to support transactional digital government activities so that ministries/provinces can focus on their core service delivery businesses. It will support the development of a Cloud Computing policy, design of a Government shared services platform to be managed by MoITT, and the strengthening the legal and regulatory enabling environment for digital services and the digital economy consistent with global best practices.

(b)   Phase 2-Development of a Digital Government Platform based on a shared services approach. In the second phase, the Project will support MoITT in implementing the following core components of a Government Digital Platform, including a Government Cloud, Government Data Centre and business continuity/disaster recovery facility for backup, and a Federal Government Services Portal.

3.   Project Management (US$3 million)

This component will provide support to MoITT for Project administration including procurement, financial management, audit, monitoring and evaluation and communications/outreach.

D. Environmental and Social Overview

D.1. Detailed project location(s) and salient physical characteristics relevant to the E&S assessment [geographic, environmental, social]

The Project will be implemented in the Islamabad Capital Territory (ICT), provincial capitals and in selected second- and third tier cities where broadband infrastructure will be expanded. Focus on second and third tier cities is likely to improve students' access to online classes and also will enhance access of knowledge workers, SMEs, and start-ups creating new businesses and new jobs. At this stage it is not clear which second-tier and third tier cities would be selected and so this section would be further expanded during project preparation. While provincial capitals do not have any geologically sensitive hotspots, they have a significant number of historical and cultural heritage sites. Similarly, ICT territory includes Margalla Hills National Park which is a protected area allowing only restricted activities.

The Project forms part of the World Bank's consolidated assistance program to Pakistan in the wake of the COVID-19 pandemic. The ongoing COVID-19 pandemic has made it apparent that without access to reliable connectivity and devices, millions of Pakistanis are being further cut off from vital information on health and safety, online learning, the opportunity to participate in a new economy, and have their voices heard, thereby highlighting many medium-term challenges to digital transformation that need to be overcome.

Environmental and social impacts of the Project will be associated mostly with Component 1: Enhancing digital infrastructure and closing the digital divide which will finance laying of terrestrial optical cable and related small infrastructure in selected communities. The footprint of this activity is expected to be limited in time and scope, and occurring primarily on publicly-owned property using existing rights of way. This component will support the provision of new or upgraded high-speed internet access for unserved/under-served district hospitals and secondary schools in selected Tier 1 cities where backbone network infrastructure is already available. However, access to broadband services also embodies the risk of social exclusion caused by barriers such as affordability, exclusion of certain segments of the population, such as women and girls and lack of digital awareness. It is critical to note that in Pakistan women have significantly less access to internet usage, compared to men. This divide is even more pronounced in rural areas, where only 6% women have access to internet compared to 21% in urban (PDHS 2018). Pakistan also has the highest mobile ownership gender gap in the world. Education is a major enabler of digital empowerment among women. Women with higher education in Pakistan, have a significantly higher chance (53%) of accessing internet than those with primary education (6%). Additionally, women face fears of intimidation and harassment once online. 34% of women in Pakistan have reported having faced online harassment. Even though a helpline under National Response Centre for Cyber Crime exists, a vast majority of women (72%) have been reported to be unaware of any cyber harassment laws or initiatives in Pakistan (DRF, 2017). A project assessment will be undertaken (ESS1) to identify needs of girls' schools to be targeted for the project vis-à-vis digital skills and literacy and safety and security concerns of women and girls.

Some downstream environmental impacts such as reputational risks resulting from policy as well as formulation of standards as well as energy requirements of running a cloud can also be expected under Component 2: Improving Digital Governance and Service Delivery Capabilities, this component will focus on enhancing the institutional, legal and regulatory framework and technical underpinnings for more widespread delivery or scale-up of Government digital services. The Project will primarily support technical assistance and software/standards development. It will support the development of a Cloud Computing policy, and design of a Government share

D. 2. Borrower's Institutional Capacity

The lead implementing entity is expected to be the Ministry of Information Technology and Telecommunications (MoITT). The World Bank has recently launched an advisory engagement with MoITT through the provision of technical assistance on spectrum management and telecoms policy. The World Bank has also held initial consultations with the Government's Digital Pakistan team (in Office of the Prime Minister) on potential institutional support.

Given the cross-cutting nature of the proposed Project, extensive coordination with other ministries/agencies will be required, including but not limited to: the Office of the Prime Minister (Digital Pakistan), the inter-ministerial Digital Task Forces, the Pakistan Telecommunications Authority, the National IT Board and selected Provincial IT Boards where appropriate. Collaboration and coordination with the private sector is also anticipated, so a public-private Steering Committee may be convened to provide high level oversight.

MoITT has no previous experience with IDA-financed operations. It also does not have in-house environmental or social unit or staff, and does not have experience of obtaining national environmental clearances. Nor does the Ministry haves any experience of working with international financial institutions during the last three years that required implementation of safeguard policies. Complaints are usually dealt by the Administration Wings of the Ministry and its associated implementation agencies, on a case to case basis; committees are formed to address specific complaints/grievances, which present their findings to higher official(s). The Ministry does organize multi-stakeholder consultations, during preparation stages of different undertakings such as the recent drafting of the Data Protection Act and Digital Pakistan Policy. For major policy interventions a consultation plan with a timeline is prepared, and for routine inter-ministerial consultations, a period of 14 days is given to receive official reactions.

During preparation, the World Bank environmental and social specialists in liaison with the project Team Leads and the MoITT, will carry out due diligence prior to appraisal to establish E&S capacity gaps in light of the ESSs requirements. The Bank E&S Team will discuss the results of this due diligence with MoITT to determine team deployment and identify what additional resources, skill sets or capacities will need to be strengthened. These will be presented in the Appraisal ESRS. This capacity assessment will inform subsequent capacity building activities – such as training sessions on the ESF – for all relevant specialists to ensure implementation preparedness in all implementations agencies. For the reasons mentioned above it is expected that mainstreaming of E&S issues in the MoITT decision making process especially related to the project will require significant capacity building of the project's implementation unit staff. This will also include capacity assessment of the staff in the area of conducting meaningful stakeholder consultations, establishing responsive GRM systems and ensuring streamlined processes for land taking where required as per approved RPF.

II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

A. Environmental and Social Risk Classification (ESRC)   Moderate

Environmental Risk Rating   Moderate

The Environmental risk rating for the project is proposed to be Moderate as MoITT and its agencies have not worked with the Bank before and have little information and knowledge about ESF, while associated risks in terms of project related interventions are also limited to moderate risks associated with the construction phase. Given the cross-cutting nature of the project, there are concerns about effective coordination between the MoITT and other

government agencies, institutions, the task force and private sector which would make enforcement of environmental management and mitigation plans as well as occupational health and safety management plans challenging and difficult. During project preparation, capacity building measures for implementing agencies would be assessed and coordination measures will be put in place to manage these risks. Based upon the preliminary information available about the project, the environmental concerns during the construction phase are mostly going to be related to construction waste and dust generation from excavation for laying of cables as well as Occupational Health and Safety (OHS) issues related to building refurbishment and physical works such as laying of cables, etc. Environmental impacts during the operational and decommissioning phase are expected from e-waste from end of the useful life of equipment and potential fire hazards. Indirect health impacts resulting from extraction of materials from e-waste are also anticipated to be significant. The Islamabad Capital Territory includes a national park and provincial capitals are rich in cultural heritage's sites. However, the project activities are not expected to take place within the territory of the national park and any of the cultural heritage sites. While other environmental risks are assessed to be low, at this stage it is difficult to assess potential resulting positive and or negative impacts associated with the formulation of policies and standards under the project and how it will impact the project's risk classification, while no major changes are no envisioned.

Social Risk Rating   Moderate

The proposed social risk classification is Moderate. The Project will finance small scale civil works, mostly on publicly owned land, to provide Information and Communication Technology infrastructure which may result in temporary loss of livelihood of roadside vendors, and minor restrictions of access to public goods like sidewalks, etc. While some impacts on people and communities can occur, these are expected to be limited in scope and time, predictable, and possible to manage during the course of the project. Social impacts would mostly be positive and will benefit communities who have so far not benefited fully from affordable and reliable broadband coverage in their community. However, access to broadband services also embodies the risk of social exclusion caused by barriers such as affordability, lack of digital awareness, and inability to incentivize public or private sector to expand digital networks to under-served areas. Lack of focus on digital inclusion and demand side activities (e.g. digital skills, literacy, trainings on cyber harassment etc) for vulnerable groups such as women and girls may lead to maintaining the status quo regarding the existing gender digital divide in Pakistan. Also, the implementing entities have limited knowledge of World Bank environmental and social standards, and no prior track record of working with international finance institutions. This assessment may be revised in the appraisal stage ESRS once additional technical details regarding project-financed activities become known.

B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered

B.1. General Assessment

ESS1 Assessment and Management of Environmental and Social Risks and Impacts

Overview of the relevance of the Standard for the Project:

The Project will build the enabling environment to leverage digital technologies, accelerate economic recovery and enhance service delivery particularly to vulnerable groups. It will support the upgrade of fixed and mobile broadband connectivity in selected cites, to facilitate faster connection of critical facilities. The Project will also mobilize finance for development by closing gaps in infrastructure and overcoming barriers to investment, enabling existing and future private internet service providers to invest and expand their networks in previously under-served areas.

The main environmental and social risks of the project are related to Component 1 specifically with installation of broadband infrastructure, and construction/rehabilitation of data centers in public facilities. Other project activities will focus on conducting research, developing and implementing training/learning programs, and other capacity building activities which are not expected to trigger environmental or social risks. Under component 2, downstream impacts such as reputational risks of policy formulation and standards can't be ruled out at this stage. TORs for policy and standards formulation will embed E&S risk assessment, mitigation and best practices, where relevant.

Based upon preliminary information available about the project, the environmental concerns during the construction phase are mostly going to be related to construction waste and dust generation from excavation for laying of cables as well as OHS issues related to building refurbishment and physical works such as laying of cables, etc. Environmental impacts during the operational and decommissioning are going to be mostly related to e-waste from the end of the useful life of equipment and potential fire hazards. Indirect health impacts may result from extraction of materials from e-waste as well as from increased exposure to radio frequency radiation from use of electrical equipment. Islamabad Capital Territory includes a national park and provincial capitals are rich in cultural heritage sites. However, the project activities are not expected to take place within the territory of the national park and cultural heritage sites. Environmental impacts are further discussed under relevant ESSs.

The ESMF will explore measures for expanding benefits to vulnerable and excluded populations and mitigation measures to reduce potential social risks could include building linkages with programs on digital skills/literacy, community awareness on patriarchal norms etc. by partners. Vulnerable/potentially excluded groups may involve women, youth (specifically who are not in employment, education, or training), the elderly, persons with disabilities and their households or caregivers, owners of micro-and small enterprises in remote areas, residents of rural, remote, and mountainous areas, and internally displaced persons etc. Activities will be designed by engaging with citizens, to identify Project-relevant gaps, and will be monitored for outcomes to track effects of digital inclusion. Poor and rural communities are increasingly accessing the internet and using smartphones but are not being provided the skills to understand and participate in "life online". Women and girls especially are being increasingly excluded by the growing dangers of harassment, blackmail and other types of digital violence. Women are 38 per cent less likely than men to own a mobile phone and 49 per cent less likely to use mobile internet in Pakistan. Lack of family approval is a major obstacle for women to own mobile phones. 29 % women cited family disapproval as the main reason for not using mobile internet compared to only 2 % men (The Mobile Gender Gap Report 2020). Broader (digital) literacy is also limited, constraining demand. GBV risk tool will be applied during preparation, and mapping of GBV/SEA related service providers will be updated (if required) in the ESMP and shared with implementing agency during implementation.

Expanded connectivity may also lead to social unrest if not managed correctly. The COVID-19 pandemic has seen a proliferation of misinformation and false news; further deteriorating an already messy information ecosystem—in which social media manipulation can drive narratives and divide opinion. The Government has recently made attempts to control how citizens can use social media, by introducing the "Citizens Protection (Against Online Harm) Rules, 2020" obliging social media platforms to block or remove posts that are considered objectionable by the government. The government is also developing a "Personal Data Protection Act" which will provide citizens with some control over their personal data and seek to apply restrictions on "data controllers". These legal developments come on the heels of previous legislation, the Prevention of Electronic Crimes Act (2016), which outlines stringent punishments for online speech and defamation. However, these laws are poorly understood by citizens and often misinterpreted and misused.

Land acquisition, restrictions on land use and involuntary resettlement will be minimal under the project. All efforts will be made to install broadband infrastructure (terrestrial cable) on publicly-owned lands with minimum disruption

to existing activities. The establishment of data centers is likely to use existing public facilities to be rehabilitated for this purpose. Still, some land acquisition or temporary restrictions to land access may apply where there are no other feasible options but to use private lands. ESS5 will thus be considered relevant for the project and the task team will ensure that the implementing entities are aware of the requirements and have the capacity to screen for and manage ESS5-related impacts.

The Project will employ direct and contracted workers and will prepare labor management procedures (LMP) to ensure that their labor rights, health and safety are protected in accordance with national law and ESS2. The Project is not expected to cause significant (or any) labor influx or other risks to community health and safety. Nevertheless, Environmental and Social Management Plans (ESMPs) to be prepared for individual Project investments will incorporate all basic measures to ensure safe operation of civil works such as good waste management, traffic management, prevention and management of noise and pollution, etc. The project will also establish a grievance redress mechanism accessible by all project affected parties and interested citizens which will accept and address any project-related grievances.

The Borrower will prepare an Environmental and Social Management Framework (ESMF) and a Resettlement Policy Framework (RPF) prior to Appraisal. The ESMF will also cover aspects of labour and working condition in line with ESS2, pollution prevention and management as provided in ESS3, and Community Health and Safety as required under ESS 4. ESMF will also include mitigation measures for online cyber harassment and Gender-based violence (GBV), with over 2000 officially reported cases in 2019, a number of which led to well publicized instances of rioting, honor killing and violence. ESMF will provide guidance on procurement of energy efficient equipment as well as e-waste in line with international best practices and sound environmental management practices.

During project implementation, site specific ESIAs and ESMPs will be developed based on the screening guidance and risk level of each specific activity. Their status of implementation will be reviewed as part of project monitoring and evaluation. In addition, the task team will ensure that the Borrower is also familiar with the World Bank's safeguard incident reporting and management system.

To better understand potential downstream impacts of the development of policy and standards, Strategic Environment and Social Analysis (SESA) may be conducted and decision would be taken during project preparation.

Areas where "Use of Borrower Framework" is being considered:

The project will not rely on the Borrower's E&S Framework in the assessment, development and implementation of the Project. However, the project will comply with relevant national E&S legal and regulatory requirements

ESS10 Stakeholder Engagement and Information Disclosure

The Borrower will prepare a Stakeholder Engagement Plan (SEP) by Appraisal which will identify prospective project affected parties (PAPs) and other interested parties (OIPs), and will outline measures for engagement with stakeholders throughout the life of the project. Policy formulation would provide an excellent opportunity to promote broad stakeholder engagement and participation.

Stakeholder engagement will be an integral part of the preparation and overall project design process and will continue throughout preparation. The SEPwill be developed and implemented during project implementation by the Borrower in collaboration with the additional implementing partners. Stakeholders will be identified early on in the

engagement process. These will include the indigenous Kalash population for whom a culturally appropriate process will be required. The SEP will include differentiated measures to allow the effective participation of and communication with those identified as disadvantaged or vulnerable (with representative platforms of the elderly, persons with disabilities, female headed households, youth, children, ethnic and religious minorities, and others). The SEP will include representatives of organizations working on digital inclusion and demand side related issues to explore partnerships to address potential social risks. The Borrower will seek stakeholder feedback and opportunities for proposed future engagement, ensuring that all consultations are accessible, inclusive and through suitable channels in the local context.

The project will include appropriate institutional arrangements to carry out the stakeholder engagement process. Given the anticipated scale of the project activities, and despite the MoITT's experiences in carrying out stakeholder engagement, a specific liaison officer will need to be identified or recruited at the PIU to coordinate and implement the SEP. The project will also include a grievance redress mechanism (GRM) to handle complaints by project-affected people regarding adverse temporary or permanent project impacts. The GRM will be responsive to the risk of GBV, and the need to be accessible to a wide diversity of stakeholder groups. It will also serve as a platform for continuous feedback from project-affected communities, other interested stakeholders and implementing structures.

B.2. Specific Risks and Impacts

A brief description of the potential environmental and social risks and impacts relevant to the Project.

ESS2 Labor and Working Conditions

The project will involve direct and contracted workers . All labor will be locally hired, except for skilled workers who may not be found in the project locations. The project will adhere to Pakistan's Labor Laws and the Bank's standards concerning labor conditions and Occupational Health and Safety (OHS), including child labor. Requirements will be noted in a Labor Management Procedure (LMP) which will be developed for the Project and will apply to all implementing entities. The LMP will outline the potential number and categories of workers involved. The LMP will also include Grievance Redress Mechanism for direct and contracted workers. A Draft LMP will be prepared before Appraisal.

Pakistan has comprehensive labor laws covering the terms and conditions of employment, termination of contracts, working time and rest time (working hours, paid leave, maternity leave and maternity protection, other leave entitlements), prevent child and forced labor, minimum age and protection of young workers, equality, pay issues, workers' representation in the enterprise, trade union and employers' association regulation and other aspects. In addition, Pakistan has also ratified several ILO labor conventions. However, management of labor issues with regards to GBV/SEA, GRM and OHS will need to be improved along with enhancement of implementation and supervision capacity mainly through supervision consultants. This will be assessed in more detail during project preparation and incorporated in the Labor Management Procedure, and in consultant/contractor contracts.

To ensure the health and safety of workers during the construction and operational phases of the project, the Borrower will develop a Occupational Health and Safety Management Plan (OHSMP) as part of the ESMF, in line with World Bank Group Environment, Health and Safety (EHS) Guidelines (general guidelines and telecommunication

guidelines). The contractors will be required to prepare a job hazards analysis. The risks of exposure of workers to toxic emissions and hazardous chemicals when e-waste is poorly disposed such as incineration at low temperatures, use of acids for recovery of previous metals from circuit boards amongst others will be avoided and/or minimized through adopting best available technologies and best environmental practices in line with GIIP and EHSGs. A risk hazard analysis and an OSH plan, proportionate to the risks identified, will be developed and included in the ESIA/ESMP.

The ESMF will also provide guidance for management of all project associated labor under the context of the Covid-19 Pandemic. These measures will include norms on social distancing measures, sanitary facilities and screening associated to Covid-19 management as per the National Health Guidelines of the Gov of Pakistan and the WHO.

ESS3 Resource Efficiency and Pollution Prevention and Management

This standard is relevant. Safeguard instruments including screening, ESIA, etc will include an assessment of how resources will be managed efficiently to minimize waste generation and the potential adverse impacts on human health . IT equipment procured by the project will confirm with internationally recognized electronics and electrical standards so as to reduce radio frequency emissions and energy use. The project will work with the implementing agencies in trying to introduce buy-back arrangements with the suppliers of electrical and internet equipment at the end of its useful life.

The ESMF in turn will present risk management procedures to manage these issues using the mitigation hierarchy and to deal with any construction debris and hazardous or non-hazardous materials that may need to be disposed of. The Borrower will be instructed on the inclusion of adequate thermal insulation into the design for reconstruction of premises for the data centers as well as heating and illumination systems supportive of efficient use of energy. If reconstruction of premises for the data centers require full or partial demolition of any existing buildings, large volumes of demolition debris may be generated. While asbestos-containing hazardous waste can not be ruled out especially on old civil structures, the likelihood of asbestos waste generation isare low. If presence of asbestos containing waste is confirmed, the Borrower will be required to make appropriate formal arrangements for the disposal of waste prior to commencement of civil works. ESMF, to be prepared for the Project, will provide guidance on safe handling and disposal asbestos-containing construction waste and, as need may be, specific mitigation measures will be included in the site-specific ESMPs.

In addition, cable laying can also result in dust and air pollution from excavation activities. The ESMF will outline measures to ensure that any terrestrial cable-laying activities minimize pollution and are integrated with high standards of disaster resilience, including flooding and seismic activity, between landing sites and points of destination.

ESS4 Community Health and Safety

This standard is relevant though the Project does not anticipate significant, if any, impacts on the health and safety of communities. However, small or medium scale civil works may cause temporary disturbance to local communities, such as traffic disruption, waste, noise, dust, etc. These impacts will be mitigated via site-specific ESMPs to be

followed by civil contractors and monitored by the implementing agencies. It would be mandatory to cordon off sites and restrict public access to sites where optical cables would be laid underground as well as buildings/rooms which are going to be renovated. Potential risks also include fire hazards from faults in electrical equipment, lose cables and plugs, overloading and overheating of power sockets as well as from combustible materials. The design guidelines will ensure that adequate measures and infrastructure for fire safety will be inbuilt especially for building refurbishments and installation of electric equipment. Similarly, the project will support the preparation of an e-waste policy especially to regulate health impacts from the extraction of materials from e-waste looking at providing measures to mitigate associated indirect impacts .

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

This standard is relevant. The Project may finance some minor civil works which may result in potential temporary economic displacement along the routing of the terrestrial cables (e.g. roadside vendors). The project will seek to use only public land for cable-laying, although it is foreseeable this may require removal of minor encroachments. The establishment of data centers is likely to use existing facilities which will be rehabilitated for this purpose. Still, some land acquisition or restrictions may apply in the event that there no other feasible options but to use private lands.

Given that the specific sites for infrastructure interventions will not be known during project preparation, the borrower will prepare a Resettlement Policy Framework (RPF) prior to appraisal. The RPF will set out the procedures to be followed for the preparation of Resettlement Action Plans (RAPs) in accordance with the requirements of ESS5, when a subproject is expected to require land acquisition, restrictions of land use, or involuntary resettlement, as well as eligibility criteria for affected persons, procedures and standards for compensation, and arrangements for consultations, budget, monitoring including how the project-level GRM will address involuntary resettlement-related grievances.

The Project will allow voluntary use of private land under Component 1 provided that affected land-owners have the option to refuse, that they are direct beneficiaries of Project activities, and/or Project impacts are small scale and temporary. The RPF will outline the conditions under which voluntary use of private land may be allowed and provide a template for documenting voluntary land use agreements.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

This standard will not be relevant. Impacts on biodiversity and living natural resources are not expected, because civil works to be supported by the project will be undertaken in areas that are urbanized and anthropogenic alterations have been made to the natural environment, within the corridors of the existing developed areas. A vacant land plot may be allocated if the construction of a new premises for a data center is selected as a project intervention, however the location is likely to be within a urban or peri-urban zone and well accessible. Therefore, impacts on biodiversity and habitats would still not be expected. The project is also not expected to purchase natural resource commodities.

ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities

This standard is relevant as the Project will be implemented nationwide and the Kalash minority group may be Project beneficiaries. The Kalash residing in the Chitral District of Khyber-Pakhtunkhwa (KP) province are recognized as IPs. It is not expected that any of the proposed project activities will have either direct or indirect negative impacts on the Kalash. In fact, efforts will be made to inform Kalash-owned medium, small and micro enterprises (MSMEs) about project activities so they too can benefit from its components. The Project ESMF will assess the impacts on the Kalash and recommend mitigation measures, which may include preparation of instruments acceptable under ESS7 such as Indigenous Peoples Plans (IPPs) and/or relevant SOPs. All activities financed by the project in relation to the Kalash will respect the human rights, dignity, aspirations, identity, culture and livelihoods of the Kalash.

ESS8 Cultural Heritage

This standard is not relevant at this stage. While project sites have a number of historic and cultural sites it is unlikely that refurbishments and renovations and cable laying and associated expected works will be on heritage buildings or infrastructure located within cultural heritage sites. However, as a precautionary measure ESMF will include due diligence procedures in line with ESS8 to screen for risks and impacts on cultural heritage in its E&S Screening process and will apply the relevant requirements of ESS8 where subprojects are found to have significant risks and impacts on cultural heritage. Relevance of ESS8 will be further reviewed during subprojects preparation.

ESS9 Financial Intermediaries

The Project does not involve any activities with financial intermediaries hence ESS9 is not relevant.

C. Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways   No

OP 7.60 Projects in Disputed Areas   No

III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE

A. Is a common approach being considered?   No

Financing Partners

A Common Approach is not being considered as there are no additional financing partners.

B. Proposed Measures, Actions and Timing (Borrower's commitments)

Actions to be completed prior to Bank Board Approval:

Prior to Appraisal, the Borrower will prepare and disclose:
- Environmental and Social Management Framework

- Resettlement Policy Framework
- Stakeholder Engagement Plan
- Labor Management Procedure
- Environmental and Social Commitment Plan

Possible issues to be addressed in the Borrower Environmental and Social Commitment Plan (ESCP):

- Recruit and train qualified E&S specialists within the project implementing entities
- Prepare and disclose SESA, site-specific ESMPs and ESIA, RAPs and IPPs (if applicable); ensure that contractors prepare and adhere to Contractor's ESMPs and LMPs
- Implement ESMF, RPF, LMP, and SEP
- Establish Grievance Redress Mechanism for the Project.

C. Timing

Tentative target date for preparing the Appraisal Stage ESRS   08-Mar-2021

IV. CONTACT POINTS

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Borrower: Economic Affairs Division

Implementing Agency(ies)

Implementing Agency: Ministry of Information Technology and Telecommunication

V. FOR MORE INFORMATION CONTACT

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VI. APPROVAL

Task Team Leader(s):	Shan Rehman, Natasha Beschorner
Practice Manager (ENR/Social)	Robin Mearns Recommended on 18-Sep-2020 at 12:33:8 GMT-04:00
Safeguards Advisor ESSA	Agnes I. Kiss (SAESSA) Cleared on 05-Oct-2020 at 23:38:27 GMT-04:00