

ROYAL GOVERNMENT OF BHUTAN

Ministry of Agriculture and Livestock (MoAL)

Ministry of Energy and Natural Resources (MoENR)

Ministry of Health (MoH)

**Accelerate Bhutan's Job Transformation through Renewable
Natural Resource Value Chains**

Stakeholder Engagement Plan (SEP)

Mar 2025

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Abbreviations and Acronyms

BFDA	Bhutan Food and Drug Authority
CBO	Community Based Organization
CMA	Climate Smart Agriculture
CMS	Contractor Management System
DoA	Department of Agriculture
DoFPS	Department of Forestry and Park Services
DAMC	Department of Agricultural Marketing and Cooperatives
DoL	Department of Livestock
ES	Environment and Social
ESF	Environment and Social Framework
ESS	Environment and Social Standard
ESCP	Environment and Social Commitment Plan
ESMP	Environment and Social Management Plan
ESMF	Environment and Social Management Framework
FGD	Focus Group Discussion
FLW	Food Loss and Waste
GBV	Gender Based Violence
GRC	Grievance Redress Committee
GRM	Grievance Redress Management
IA	Implementing Agency
M&E	Monitoring and Evolution
MoF	Ministry of Finance
NGO	Non-Government Organization
O&M	Operation and Management
PDO	Project Development Objective
PG	Producers' Group
PIU	Project Implementation Unit
RGOB	Royal Government of Bhutan
SEP	Stakeholder Engagement Plan
SEA/SH	Sexual Exploitation and Abuse/Sexual Harassment
TA	Technical Assistance
VCD	Value Chain Development
SOP	Standard Operating Procedure
ToT	Training of Trainers

1. Introduction/Project Description

Bhutan, a small landlocked country in South Asia, has experienced robust economic growth and sustainable socio-economic development in the past decade. Leveraging its diverse agroecology and mountainous geography, the hydropower and primary sectors are pivotal to Bhutan's economy, contributing to GDP growth, employment, and domestic revenues. The Renewable Natural Resource (RNR) sector forms the bedrock of Bhutan's sustainable development strategy. The nation's commitment to environmental sustainability has led to nearly half of its territory being protected, over 70% of the land covered with forest, and maintaining a negative carbon footprint. However, the slow transformation of the domestic labor market, especially in creating gainful jobs, threatens Bhutan's sustainable development approach. Despite impressive economic growth and poverty reduction rates, economic diversification and structural transformation have been slow. Job opportunities are limited, especially for the educated and youth, leading to high unemployment rates and contributing to skilled worker emigration.¹

The RNR sector is the primary source of rural and female employment and is directly linked to urban businesses involved in service provision, processing, manufacturing, and the Hotel, Restaurant, and Catering (Horeca) sector. According to the Labour Force Survey Report of 2022, 58% of Bhutan's labor force is active in primary or value addition activities in the RNR sector. The RNR labor force is mostly located in rural areas (74%) and dominated by females (73%), who mainly contribute as family workers. While most jobs remain in rural primary production, one-third of the RNR labor force is engaged in manufacturing, retail, and services, mainly in urban areas. Improving RNR employment requires addressing the weak coordination and integration of different actors within existing value chains. Recent analysis and extensive stakeholder consultations reveal limited capacity and market linkages between agrifood and forestry value chain actors, from input supply to production, processing, distribution, and retail. By strengthening the capacities of emerging value chains to supply high-quality food and forest products, Bhutan can, in fact, cater to new niche market opportunities as they arise in the medium term and deepen current linkages.

Project Components

Component 1: Sustainable Production and Collection

This component aims to improve productivity and climate resilience among smallholder producers of dairy, potato, citrus, and Non-Timber Forest Products (NTFPs) by promoting Climate Smart Agriculture (CSA) technologies. It finances equipment, inputs, training, technical assistance, and supports the distribution of CSA technologies through a Cost Sharing Mechanism. Special emphasis is given to supporting women with labor-saving tools. Additionally, the component will pilot an e-voucher system for input subsidies to enhance efficiency and transparency. It also supports product standardization, such as milk grading and national standards for raw or pasteurized milk, and promotes sustainable harvesting of wild products like mushrooms and cordyceps. Activities include dairy breed improvement, better animal nutrition services, and installation of biogas digesters to reduce emissions and enhance productivity.

Component 2: Productive Partnerships (PP)

This component seeks to establish strong commercial linkages between small and medium-scale producers and buyers through support for post-harvest improvements and value addition. It consists of two subcomponents. Subcomponent 2.1 focuses on pre-investment activities like outreach, capacity assessments, and development of Business Plans (BPs) through an inclusive and competitive process. Subcomponent 2.2 supports the implementation of approved BPs by providing matching grants for investments in infrastructure, equipment, technical support, and agro-logistics. Emphasis is placed on

¹ World Bank (2024) Bhutan Country Economic Memorandum.

gender and youth inclusion, climate-smart practices, and food loss and waste (FLW) reduction. The Project Management Unit (PMU) monitors the implementation closely, and selected BPs require prior review and approval.

Component 3: Strengthening Institutional Capacity

This component, with a budget of US\$10.09 million, enhances the government's capacity to support sustainable agriculture and mobilize private investment. It operates through Institutional Strengthening Plans (ISPs). Subcomponent 3.1 improves policy and institutional capacity of the Ministry of Agriculture and Livestock (MoAL) and Ministry of Energy and Natural Resources (MoENR) to explore market opportunities and develop strategies aligned with national policies. Subcomponent 3.2 strengthens Bhutan's food safety and certification systems through investments in SPS and laboratory infrastructure. Subcomponent 3.3 boosts public and private service delivery, develops digital agriculture tools, supports the timber value chain, and improves advisory services.

Component 4: Project Management, Monitoring, Evaluation, and Learning

This component funds the management and oversight of the project, ensuring compliance with fiduciary, procurement, and Environmental and Social Framework (ESF) standards. It supports beneficiary selection, knowledge management, communication, and South-South learning. A dedicated M&E system and specialist will oversee data collection and impact evaluation through robust monitoring tools.

2. Objective/Description of SEP

The overall objective of this SEP is to define a program for stakeholder engagement, including public information disclosure and consultation, throughout the entire project cycle. The SEP outlines the ways in which the project team will communicate with stakeholders and includes a mechanism by which people can raise concerns, provide feedback, or make complaints about project and any activities related to the project. The involvement of the local population is essential to the success of the project in order to ensure smooth collaboration between project staff and local communities and to minimize and mitigate environmental and social risks related to the proposed project activities.

In essence the stakeholder engagement for this project gives attention to:

- General awareness raising and stakeholder engagement activities more specifically, involvement of all relevant stakeholders from the value chain, including the local population
- Culturally appropriate, and adapted awareness raising activities that are particularly important to properly sensitize the communities and ensure an adequate mechanism for grievance redressal under the project.
- Awareness raising and stakeholder engagement with disadvantaged or vulnerable individuals

Stakeholder engagement is key to communicating the disadvantaged and vulnerable groups, including Persons with Disabilities (PwDs) and creating accountability against discrimination and corruption.

2.1 Stakeholder identification and analysis

Project stakeholders are defined as individuals, groups or other entities who:

- (i) are impacted or likely to be impacted directly or indirectly, positively or adversely, by the Project (also known as 'affected parties'); and
- (ii) may have an interest in the Project ('interested parties'). They include individuals or groups whose interests may be affected by the Project and who have the potential to influence the Project outcomes in any way.

Cooperation and negotiation with the stakeholders throughout the Project development often also require the identification of persons within the groups who act as legitimate representatives of their respective stakeholder group, i.e. the individuals who have been entrusted by their fellow group members with advocating the groups' interests in the process of engagement with the Project. Community representatives may provide helpful insight into the local settings and act as main conduits for dissemination of the Project-related information and as a primary communication/liaison link between the Project and targeted communities and their established networks. Community representatives, cultural leaders and women leaders may also be helpful intermediaries for information dissemination in a culturally appropriate manner, building trust for government programs or efforts. Especially for Indigenous People, stakeholder engagement should be conducted in partnership with Indigenous Peoples' organizations and traditional authorities. Among other things, they can provide help in understanding the perceptions of Peoples, which will influence their opinions around the project interventions as a proposed solution.

Verification of stakeholder representatives (i.e. the process of confirming that they are legitimate and genuine advocates of the community they represent) remains an important task in establishing contact with the community stakeholders. Legitimacy of the community representatives can be verified by talking informally to a random sample of community members and heeding their views on who can be representing their interests in the most effective way.

2.2 Methodology

To meet best practice approaches, the project will apply the following principles for stakeholder engagement:

- **Openness and life-cycle approach:** Public consultations for the project(s) will be arranged during the whole life cycle, carried out in an open manner, free of external manipulation, interference, coercion, or intimidation.
- **Informed participation and feedback:** Information will be provided to and widely distributed among all stakeholders in an appropriate format; opportunities are provided for communicating stakeholder feedback, and for analyzing and addressing comments and concerns.
- **Inclusiveness and sensitivity:** Stakeholder identification is undertaken to support better communications and build effective relationships. The participation process for the projects is inclusive. All stakeholders at all times are encouraged to be involved in the consultation process. Equal access to information is provided to all stakeholders. Sensitivity to stakeholders' needs is the key principle underlying the selection of engagement methods. Special attention is given to vulnerable groups that may be at risk of being left out of project benefits, particularly women, the elderly, persons with disabilities, displaced persons, and migrant workers and communities, and the cultural sensitivities of diverse ethnic groups.
- **Flexibility:** If social distancing, cultural context (for example, particular gender dynamics), or governance factors (for example, high risk of retaliation) inhibits traditional forms of face-to-face engagement, the methodology should adapt to other forms of engagement, including various forms of internet- or phone-based communication.

For the purposes of effective and tailored engagement, stakeholders of the proposed project(s) can be divided into the following core categories:

- **Affected Parties** persons, groups and other entities within the Project Area of Influence (PAI) that are directly influenced (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.
- **Other Interested Parties** – 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 and/or who could affect the project and the process of its implementation in some way; and
- **Vulnerable Groups** – persons who may be disproportionately impacted or further disadvantaged by the project(s) as compared with any other groups due to their vulnerable status³, and that may require special engagement efforts to ensure their equal representation in the consultation and decision-making process associated with the project.

2.3 Affected parties

Affected Parties include local communities, particularly those who are direct beneficiaries of the project. Further, the following individuals and groups fall within this category:

- RNR Value chain and Supply chain relevant workers
- People producing agricultural and forestry products in small scale
- Women involved in the producing agricultural and forestry products
- Women headed and marginally living households
- Individual/Groups working with products standardization
- Different government officials in the associated ministries
- Women who are small and medium scale entrepreneur, particularly in agro-business
- Service providers and distributors of the agro-products and forestry products
- Hotels, Restaurants and local food vendors

2.4 Other interested parties

The projects' stakeholders also include parties other than the directly affected communities, including:

- Officials of Government agencies, directly and indirectly linked with project, either local or central
- Traditional media/mainstream media both local and international
- Participants/ influencers of social media
- Politicians including Local Government office bearers
- Other relevant national and international trade organizations
- Other national & International NGOs
- Businesses with international links
- The public at large
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- Businesses and service providers in trade, supply and food and timber processing sector
- Suppliers, contractors and contractors' workforce, etc.
- National and local media
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2.5 Disadvantaged / vulnerable individuals or groups

It is particularly important to understand whether project impacts may disproportionately fall on disadvantaged or vulnerable individuals or groups, who often do not have a voice to express their concerns or understand the impacts of a project and to ensure that awareness raising and stakeholder engagement with disadvantaged or vulnerable individuals or groups in particular, be adapted to take into account such groups or individuals particular sensitivities, concerns and cultural sensitivities and to ensure a full understanding of project activities and benefits. The vulnerability may stem from person's origin, gender, age, economic deficiency and financial insecurity, disadvantaged status in the community (e.g. minorities or fringe groups), dependence on other individuals or natural resources, etc. Engagement with the vulnerable groups and individuals often requires the application of specific measures and assistance aimed at the facilitation of their participation in the project-related decision making so that their awareness of and input to the overall process are commensurate to those of the other stakeholders.

Within the Project, the vulnerable or disadvantaged groups may include and are not limited to the following:

- People with disabilities
- Those living in remote or inaccessible areas
- Female-headed households
- People living in poverty
- People living in close quarters (hostels and prison population)
- People with minimal institutional education
- Ethnic/religious minorities
- Drug addicts
- Disaster affected populations

Vulnerable groups within the communities affected by the project will be further confirmed and consulted through dedicated means, as appropriate. Description of the methods of engagement that will be undertaken by the project is provided in the following sections. For any program, the SEP includes targeted, culturally appropriate and meaningful consultations for disadvantaged and vulnerable groups before any program begin.

3 Vulnerable statuses may stem from an individual's or group's race, national, ethnic or social origin, color, gender, language, religion, political or other opinion, property, age, culture, literacy, sickness, physical or mental disability, poverty or economic disadvantage, and dependence on unique natural resources

3. Stakeholder Engagement Program:

Below is the summary of stakeholder consultation conducted during the preparation for this project:

Table 1: Summary of stakeholder engagement done during project preparation

Serial	Time and Venue	Participants	Topics of Discussion and Issues Raised	Decision Taken/ Information Shared
1	13 Nov 2024 (6:00 – 7:00 PM)	EDMOs from 8 Dzongkhags, Offtg. EDMOs from 6 Dzongkhags and 3 from MIRD, DAMC	Collecting list of activities from the Dzongkhags for inclusion in the World Bank RNR Jobs Project	<p>The list of activities from the Dzongkhags, as shared during the meeting, were as follows:</p> <ol style="list-style-type: none"> 1) Establish and Promote community based Agro-Tourism (Chhukha, P/gatshel, Paro, Trashigang, S/jongkhar, Samtse & Thimphu) 2) Establish Aggregation Centres for Aggregator Networks (Chhukha & Samtse) 3) Establishment of Export Market Outlet (at Samtse International Gate) 4) Establishment of Incense Production Unit to benefit four highland Gewogs of Thimphu 5) Annual Farmer/Aggregator/Buyer Conference & B2B 6) Conduct product-specific annual festivals (Mushroom, Watermelon, Avocado etc.) 7) Establishment of High-end Integrated Market Outlet (at Tsheringma Drupchu, Trongsa) 8) Undertake high-definition photography and multi-media content of Agri-Food and Forestry Products for digital promotions (social media influencers, product flyers and brochures for marketing)

2	<p>22 October 2024 (9 AM to 1 PM)</p> <p>Multipurpose hall Phobjikha Pry School</p>	<p>Meeting with Dairy Farmers, Phobjokha, Wangdue District</p> <p>68 farmers of Khemdro Dairy Group (KDG) from villages, Khemdro, Tanchey, Lekchey, Nimphay, talum villages</p> <p>1 Milk processor (private entrepreneur in contract for 3 years) operating Milk Processing Unit (MPU) of Khemdro Dairy Group “Khemdro Kuenphen Omgj Dechen”</p> <p>1 Extension staff</p> <p>1 Tshogpa [member of Gewog (sub district) Development Committee] a representative of Gewog Administration</p>	<p>Project component such breeding of elite heifers, data recording, smart farming, clean milk production, product processing for Market (Gyalsung Academy Khotokha was discussed)</p> <p>ES risk and impact was discussed in details, further manure management, proper housing and stall feeding, reducing free range cattle management to reduce environmental impact was discussed</p> <p>The participants raised following questions:</p> <p>1. Can anyone be owning cows available is entitled for artificial insemination services with imported semen</p> <p>2. Milk processor raised issue that Clean milk production is a problem as farmers are not adopting clean milk production practices thereby effecting milk processing / product development</p> <p>-Farmers do not have proper housing for animals,</p> <p>-milk is transported in plastic Jerry can difficult to clean</p> <p>- Farmers not aware of hygienic milking</p> <p>3. Farmers raised question to provide good price for milk/liter as cows are procured at high cost</p>	<p>The following were the reply to the questions:</p> <p>1. Imported sexed semen will be made available only heifers and cows upto 2nd lactation for farmers owning jersey cross cattle (> 50% exotic inheritance) whereas conventional semen is provided to Jersey cross other than above whereas for upgradation of local cattle breed in country produced semen has to be used.</p> <p>2. For clean milk production farmers were advised to improved housing of cattle with proper concrete floor easy to clean. Standard housing design was shown and explained to farmers at the meeting as well as during house to house visit to select and identify good quality animals</p> <p>- stainless steel milk container and milking pail to be made available by processor (cost sharing)</p> <p>-Cow mat to be procured and used (cost sharing) to keep animal warm and avoid slipping</p> <p>3. Milk processor and Gewog Extension staff will facilitate and as milk quality improves and processor can earn more money from products price will be increased gradually and steadily</p> <p>4. Farmers were advised to grow maize, oats, turnips in sufficient quantity, sale away unproductive animal and rear manageable herd</p> <p>Have progressive thinking and adopt to changing needs of rearing less but productive animals and think of dairy farming as a business/ in business mode of earning profit</p> <p>5. Whoever are illiterate gewog extension staff and Community Artificial Insemination Technician (to be trained) will facilitate recording</p> <p>The following decisions were taken:</p>
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			<p>4. Winter fodder shortage to maintain production</p> <p>5. Some Farmers are illiterate, literate children not at home (far off school and in Job) and cannot record in the record book of selected animals</p>	<p>1. There will be a quarterly meeting on this project at convenient location and monthly meeting of dairy farmers group on milk collection and payment</p> <p>2.The GRM will be in place and addressed through regular meeting and consultation with Gewog Administration</p> <p>3. There will be scope of employment of more than five staff MPU under this (presently 4 people are employed)</p>
3	<p>27 Sept 2024 to 30 Sept 2024</p> <p>Face to face discussion during farm visit to Yodseltse & Ugyentse, Samtse</p>	<p>Meeting with Dairy Group Chairman and farmers along with farm visits at Yoedseltse and Uyentse Gewogs, Samtse district:</p> <ul style="list-style-type: none"> • 1 Milk processor • Staff of milk processing unit • Village Tshogpa • Extension staff 	<ul style="list-style-type: none"> • Unproductive animals that cannot be culled due to religious reasons • Infertility and mastitis problem in high yielding animals • Labour shortage with out-migration of youth, leaving only aged and sick parents in the villages • Adulteration of milk with water indicated by low fat and SNF in milk • Excess milk production during lush season and marketing issue • Lack of transport for timely delivery of semen and liquid nitrogen to field • Limitation in milk processing facilities • Limited space in MPU • Limited knowledge on diversified product processing • Limited knowledge of improved dairy farming, housing and feeding • Limited equipment for dairy processing 	<p>Breed improvement for higher productivity:</p> <ul style="list-style-type: none"> • Periodic screening and culling of unproductive animals • Improve awareness of farmers artificial insemination and support from gewog for fund • Policy support for a provision to allow hiring of day workers from across the border • Develop milk quality standards and Institute quality-based milk grading/pricing • Explore emerging market opportunities for dairy products: upcoming industrial estate, Gyalsung Academy and RBP training center • Dzongkhag and Gewog make provision for vehicle • Source fund to expand MPU as per required standards and equip with necessary processing equipment • upgrade capacity of technical staff to provide periodic training on improved dairy farming to extension agents and farmers and on product diversification • Source fund to provide basic milk processing equipment for product diversification • Make provision for exposure visits of lead farmers/Group office bearers and extension staff on dairy value chain management

			<p>such as chiller, stainless steel processing vat</p> <ul style="list-style-type: none"> Limited awareness on cooperative and groups operation and value chain management 	
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3.2 Summary of project stakeholder needs and methods, tools, and techniques for stakeholder engagement

Following are some considerations for selecting channels of communication, considering the project:

- Public meetings, workshops and community engagement.
- For smaller meetings, focus group discussion and KII could be considered.
- If consultation needs to be done in a difficult to reach area, diversify means of communication and using social media could be considered. Where possible and appropriate, create dedicated online platforms and chat groups appropriate for the purpose, based on the type and category of stakeholders.
- Employ traditional channels of communications (TV, newspaper, radio, dedicated phone-lines, and mail) when stakeholders do not have access to online channels or do not use them frequently. Traditional channels can also be highly effective in conveying relevant information to stakeholders and allow them to provide their feedback and suggestions.
- Where direct engagement with project affected people or beneficiaries is an absolute necessary, identify channels for direct communication with each affected household via a context specific combination of email messages, mail, online platforms, dedicated phone lines with knowledgeable operators.
- Each of the proposed channels of engagement should clearly specify how feedback and suggestions can be provided by stakeholders.
- Identify trusted local civil society, ethnic organizations, community organizations and similar actors who can act as intermediaries for information dissemination and stakeholder engagement; engage with them on an ongoing basis. The communication packages can take different forms for different mediums, such as basic timeline, visuals, charts and cartoons for newspapers, websites and social media; dialogue and skits in plain language for radio and television; and more detailed information for civil society and media. These should be available in different local languages. Information disseminated should also include where people can go to get more information, ask questions and provide feedback.

In line with the above precautionary approach, different engagement methods are proposed and cover different needs of the stakeholders as below:

- Structured Agenda;
- Focus Group Meetings/ Discussions;
- Community consultations;
- Formal meetings;
- One-on-one interviews;
- Site visit

3.3 Stakeholder engagement plan

The following strategy will be followed as part of the information disclosure:

Table 2: Strategy for Information disclosure

PROJECT STAGE	TARGET STAKEHOLDERS	LIST OF INFORMATION TO BE DISCLOSED	METHODS AND TIMING PROPOSED
Preparation	Government representatives	Project concept, E&S principles and obligations, Consultation process/SEP, ESIRT, ESCP, GRM procedure, project information	Electronic publications Information leaflets, posters and brochures
	Supply chain workers, People working on hospitality business, agro-business representatives, NGO; Academics	Project concept, E&S principles and obligations, Consultation process/SEP, GRM procedures	Information boards, project websites, project leaflets and brochures
	Affected people/communities Neighboring communities Vulnerable groups	Project concept, E&S procedures, Consultation process/SEP, Standardized health messages and information, SEP, GRM procedures,	Public notices, press releases in the local media and on the project website, information leaflets and brochures, Separate focus group meetings with vulnerable groups while making appropriate adjustments related to language and other cultural barriers Information disclosure and engagement with the vulnerable groups to be conducted in a culturally appropriate manner considering their special circumstances and potential for being excluded.
	Government representatives	Scope of project and activities, regular updates on project development, SEP and GRM procedures.	Project Update Reports, Emails, mainstream and social media platforms and print Electronic publications as well as dissemination of hard copies

Implementation	Other Interested parties	Scope of project and specific activities, regular updates on project development, SEP and GRM procedures.	Information boards, project websites, project leaflets Electronic publications and dissemination of hard Copies and through mainstream and social media platforms.
	Affected individuals and their families neighboring communities Vulnerable groups	Scope of project and specific activities, regular updates on project development, SEP and GRM procedures.	Public notices, press releases in the local media and on the project website, information leaflets and brochures at project related facilities and through relevant social media platforms

3.4 Stakeholder engagement plan

Following Table 3 summarizes the Stakeholder engagement method with distributed responsibilities:

Table 3: Stakeholders Engagement Plan

Project Stage	Topic Of Consultation / Message	Method Used	Target Stakeholders	Responsibilities
Preparation	<ul style="list-style-type: none"> • Need of the project • Planned activities • E&S principles, risk and impact, management • Grievance Redress mechanisms (GRM) • Health and safety impacts 	<ul style="list-style-type: none"> • Phone, email, letters • In person meetings • Project site visit and engaging with the direct beneficiaries of the project 	<ul style="list-style-type: none"> • Government officials from relevant agencies 	Environment and Social Safeguard Specialist PMU
	<ul style="list-style-type: none"> • Need of the project • Planned activities • E&S risk and impact, management • Grievance Redress mechanisms (GRM) 	<ul style="list-style-type: none"> • Outreach activities that are situation and target audience appropriate 	<ul style="list-style-type: none"> • Affected individuals and their families • Local communities • Vulnerable groups including IP 	Environment and Social Safeguard Specialist PMU

Implementation	<ul style="list-style-type: none"> • Project scope and ongoing activities • SEP • GRM • Health and safety • Environmental concerns 	<ul style="list-style-type: none"> • Training and workshops • Disclosure of information through Brochures, flyers, website, etc. • Information desks at municipalities offices and project facilities 	<ul style="list-style-type: none"> • Government officials from relevant agencies 	Environment and Social Safeguard Specialist PMU
	<ul style="list-style-type: none"> • Project scope and ongoing activities • SEP • GRM • Health and safety • Environmental concerns 	<ul style="list-style-type: none"> • Public meetings in affected municipalities/villages • Brochures, posters • Information desks in local government offices and project facilities. 	<ul style="list-style-type: none"> • Affected individuals and their families • Local communities • Vulnerable groups 	Environment and Social Safeguard Specialist PMU

3.5 Proposed strategy to incorporate the view of vulnerable groups

The project will carry out targeted stakeholder engagement with vulnerable groups to understand concerns/needs in terms of accessing information, available facilities and services and other challenges they face at home, at workplaces and in their communities. Special attention will be paid to engage with women as intermediaries.

Some of the strategies that will be adopted to effectively engage and communicate to vulnerable group will be:

- **Ensuring Participation of Women:** to ensure that community engagement teams are gender- balanced and promote women’s leadership within these; consider the literacy levels of women while developing communications materials, consider provisions for childcare, transport, and safety for any in-person community engagement activities, discuss measures to respond to GBV issues, about the available support systems & psychosocial services for survivors of SEA/SH.
- **People with disabilities:** provide information in accessible formats, like braille, large print; offer multiple forms of communication, such as text captioning or signed videos, text captioning for hearing impaired, online materials for people who use assistive technology.
- **Those with limited education:** use audio and visual communication techniques to engage, which would include use of graphics, photos, drawings, videos and storytelling techniques.
- **Daily wage earners, unemployed & homeless:** assess/understand their sources of information, use audio and visual communication techniques to engage as some may be illiterate, work with social service/protection agencies to better understand the issues of this category and better target the communications and interventions.
- **Other vulnerable groups, including those in remote and inaccessible areas:** assess/understand their sources of information, prepare public awareness and dissemination materials in relevant languages, tailor

messages to the cultural contexts and work with relevant institutions to engage this category of people and disseminate information.

The details of strategies that will be adopted to effectively engage and communicate to vulnerable group will be considered during project implementation. For information disclosure and engagement, culturally appropriate strategy will be undertaken into consideration their special circumstances and potential for being excluded. The details of strategies that will be adopted to effectively engage and communicate to vulnerable group are given in following table:

Table 4: Strategy to Engage with and Incorporate Views of the Vulnerable Groups

Vulnerable Groups and Individuals	Characteristics and Barriers to Participation	Preferred means of notification/ consultation and communication feedback	Additional Resources Required
People with Disability	<ul style="list-style-type: none"> ▪ Societal stigma against those disabled may severely discourage those with disabilities from participating the any consultation, engagement and broader project activities. ▪ Those with physical, speech, hearing and intellectual disabilities often remain in the fringes of commonly used means of communication, demonstrated through their limited knowledge. As such, more targeted sensitization and mobilization campaign would be required to access and incentivize their participation. ▪ Those with disabilities also experience higher need for assistance, and mental support. 	<ul style="list-style-type: none"> ▪ Listing out of eligible persons with disabilities ▪ Guided focus group discussions with potential eligible PWDs near their own locations for awareness raising, communication and consultation on project activities. ▪ Community mobilization, distribution of leaflets & brochure and social networks can play vital role in order to enable voluntary participation ▪ Access to psychosocial support and counseling on a case-by-case basis. ▪ Social media account for proposed program to allow individualized solicitation of information. 	<ul style="list-style-type: none"> ▪ Consultations with Partner Organizations to develop initial listing of potential PWD in their areas. ▪ Subsequent focus group discussions with PWDs. ▪ Provision of, participation grants, covering transportation, and basic sustenance for attendance in participation and access to transportation as needed. ▪ Psychosocial support offered by trained Case Management and Enterprise Development

	<ul style="list-style-type: none"> ▪ Failure to communicate where persons with disabilities in non-accessible locations may cause deterrence to their involvement. ▪ Challenges posed by their specific disability may force them to stay out of consultation process 		<p>Officers within Partner Organizations and additional arrangements to facilitate their participation</p> <ul style="list-style-type: none"> ▪ Preparation of information materials, including website and brochure for the project ▪ Promote informal networking systems among PWD and other relevant stakeholders ▪ Allowances for support organizations to reach the doors of PWD since their movement may be restricted
Women, Female-headed Household	<ul style="list-style-type: none"> ▪ Conservative gender norms and social stigma may prevent women to come out of their homes to participate in the consultation. ▪ Customs are also tied to limitations on women’s safety and mobility, which can be mitigated by through provision of transportation facilities for them to jointly travel together to access consultation. ▪ Lack of access to childcare facilities and inability to find suitable replacement during assigned consultation can dissuade participation. Likewise, those requiring to prepare meals and support through other forms of domestic labor directly contributing to household income may choose to not join. ▪ Taken further, attempting to reach them through heads of households, in the absence of successful social behavior change communication campaign, may not only exclude them, but also subject them to further domestic abuse. 	<ul style="list-style-type: none"> ▪ Female-led community mobilization, distribution of leaflets & brochure and social networks can play vital role to enable voluntary participation ▪ Soliciting of listing of female-headed households, families left behind, women from households hardest hit (or without dual incomes), and other vulnerable women with lack of access to information through consultation with community-based organizations, women support organizations and past beneficiaries in areas most affected by the pandemic. ▪ Focus group discussions with successful female persona, to bring women for sensitization and mobilization to project activities. ▪ Access to psychosocial support and counseling on a case-by-case basis. ▪ Provision of separate space for consultation, meal and transport facilities ▪ Timing of consultation suitable for women doing chores and performing caregiver roles 	<ul style="list-style-type: none"> ▪ Consultations with Partner Organizations to develop initial listing of potential eligible female beneficiaries. ▪ Additional consultations with successful female persona, politicians, traditional leaders and influential figures to encourage other women for consultation ▪ Provision of, participation grants, covering transportation, and basic sustenance for attendance in consultation and access to pooled transportation if possible. ▪ Psychosocial support offered by trained Case Management and Enterprise Development Officers within Partner

			<p>Organizations, females in this case to reflect their concerns more keenly</p> <ul style="list-style-type: none"> ▪ Preparation of information materials, including website and brochure for the project ▪ Promote informal networking systems among females and other relevant stakeholders
<p>People living in remote areas</p>	<ul style="list-style-type: none"> ▪ Their location might be a hindrance for reaching out and hence they may be left out completely from the consultation process. ▪ They also may be reluctant to engage with consultation due to obstacles faced by the remoteness of their location 	<ul style="list-style-type: none"> ▪ Listing of areas hard-to-access and engage NGOs, local community groups and local leaders for consultation ▪ Community mobilization, distribution of leaflets & brochure and social networks can play vital role in order to enable voluntary participation ▪ Use of local radio and TV channels to engage ▪ Provision of transportation cost and meal for the consultation period 	<ul style="list-style-type: none"> ▪ Engage NGOs and other partners to reach these inaccessible places for consultation. ▪ Community mobilization, distribution of leaflets & brochure and social networks can play vital role in order to enable voluntary participation <ul style="list-style-type: none"> ▪ Use of local radio and TV channels to engage ▪ Provide transportation cost and meal for the consultation period

<p>People living in poverty</p>	<ul style="list-style-type: none"> ▪ Their economic status itself pose an obstacle for selection for consultation and may be left out of the process. ▪ They may have immediate chores, money earning engagement deterring them to join due to lack of time. ▪ They may feel that their involvement would not make any difference 	<ul style="list-style-type: none"> ▪ Community mobilization, distribution of leaflets & brochure and social networks can play vital role in order to enable voluntary participation and registration of the people living in poverty ▪ Care must be taken for face-to-face engagement since they may lack online consultation access. ▪ Offer a physical space/ office location/ telephone number for complaint or information exchange ▪ Provision for meal and remuneration for consultation period 	<ul style="list-style-type: none"> ▪ Consultations with Partner Organizations to develop initial listing of people living in poverty ▪ Use of local leaders, NGOs and other support organization to provide information and encourage participation ▪ Use of local radio and TV channels to engage ▪ Provide transportation cost and meal for the consultation period
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4. Resources and Responsibilities for implementing stakeholder engagement activities

4.1 Resources

The MOF, as the Implementing Agency (IA) is in charge of stakeholder engagement activities through Project Implementation Unit (PIU). The contact point for the stakeholder engagement is the Project Director (PD). The Project has budgetary provisions for SEP implementation and the ES experts to be hired as a part of the PIU will monitor it. The budget for the SEP included in component 3 of the project.

4.2 Management functions and responsibilities

The implementing counterparts are responsible for carrying out stakeholder engagement activities, while working closely with other entities, such as local government units, media outlets, health workers, hospital administration etc. The stakeholder engagement activities will be documented through progress reports, to be shared with the World Bank.

4.3 Budget to Implement the SEP

The following table summarizes the SEP implementation Budget:

Table 5: Budget for implementing SEP

Budget Category	Quantity	Unit Costs	Times/Years	Total Cost USD	Remarks
1. Estimated staff salaries* and related expenses					
1a. ES Consultant	1	250	36 months	9000	USD
1b. Travel costs for staff	1	100	36 months	3600	
2. Events					
2a. Organization of focus groups				1000	Lump sum
3. Communication campaigns					
3a. Posters, flyers				1000	Lump sum
3b. Social media campaign				1000	Lump sum
4. Trainings					
4a. Training on social/environmental issues for PIU and contractor staff				2000	Lump sum
4b. Training on gender-based violence (GBV) for Project Management Unit (PMU) and contractor staff				2000	Lump sum
5. Beneficiary surveys					
5a. Mid-project perception survey	1	1500		1500	

5b. End-of-project perception survey	1	1500		1500	
6. Grievance Mechanism					
6a. Training of GM committees				2000	Lump sum
6b. Suggestion boxes in villages				1000	Lump sum
6c. GRM communication materials				1000	Lump sum
7. Other expenses					
7a. Miscellaneous				1000	Lump sum
TOTAL STAKEHOLDER ENGAGEMENT BUDGET:				27,600	

Note: *Salary costs can be indicative.

5. Grievance Mechanism

The main objective of a Grievance Mechanism (GM) is to assist to resolve complaints and grievances in a timely, effective and efficient manner that satisfies all parties involved. Specifically, it provides a transparent and credible process for fair, effective and lasting outcomes. It also builds trust and cooperation as an integral component of broader community consultation that facilitates corrective actions. Specifically, the GM:

- Provides affected people opportunities to make a complaint or resolving any dispute that may arise during the course of the implementation of projects;
- Ensures that appropriate and mutually acceptable redress actions are identified and implemented to the satisfaction of complainants.

5.1 Description of GM

The Project will use the national GRM system and will be handled at the Project level by Ministry of Agriculture and Livestock (MoAL), Ministry of Energy and Natural Resources (MoENR). The GRM includes the following steps:

Step 1: Submission of grievances: The submission of grievances to be available through multiple channel (email, letter, hotline, toll free number, MOF website. Anonymous grievance may also be submitted. The process will be shared via MOF website, social, print and electronic media.

Step 2: Recording of grievance and providing the initial response: All the grievances received will be logged, both electronically and on paper documents. Each record will be given a number which will be intimated to the one submitting the grievance. Within seven (7) days of the date a complaint is submitted, the responsible person will communicate with the complainant and provide information on the likely course of action and the anticipated timeframe for resolution of the complaint. If complaints are not resolved within 15 days, the responsible person will provide an update about the status of the complaint/question to the complainant and again provide an estimate of how long it will take to resolve the issue.

Step 3: Investigating/analysis of the grievance: This step involves gathering information about the grievance to determine the facts surrounding the issue and verifying the complaint's validity, and then developing a proposed resolution. Depending on the nature of the complaint, the process can include site visits, document reviews, a meeting with the complainant, and meetings with others (both those associated with the project and outside) who may have knowledge or can otherwise help resolve the issue. It is

expected that many or most grievances would be resolved at this stage. All activities taken during this and the other steps will be fully documented, and any resolution logged in the register.

Step 4: Complainant Response: This step involves informing those to submit complaints, feedback, and questions about how issues were resolved, or providing answers to questions. Whenever possible, complainants should be informed of the proposed resolution in person. If the complainant is not satisfied with the resolution, he or she will be informed of further options, which would include pursuing remedies through the World Bank, as described below. Data on grievances and/or original grievance logs will be made available to World Bank missions on request, and summaries of grievances and resolutions will be included in periodic reports to the World Bank.

Step 5: Grievance closure/ Appeal Process: If a person who submits a grievance is not satisfied with the resolution at the first or second tiers, he or she may request it be elevated to the next tier. If they are not satisfied with the ultimate resolution, they may pursue legal remedies in court or pursue other avenues. Throughout the entire process, PIU at the Project Level will maintain detailed record of all deliberations, investigations, findings, and actions, and will maintain a summary log that tracks the overall process.

The GM provides an appeal process if the complainant is not satisfied with the proposed resolution of the complaint. Once all possible means to resolve the complaint has been proposed and if the complainant is still not satisfied then they should be advised of their right to legal recourse.

It is important to have multiple and widely known ways to register grievances. Anonymous grievances can be raised and addressed. Several uptake channels under consideration by the project include:

- Toll-free telephone hotline / Short Message Service (SMS) line
- E-mail
- Letter to Grievance focal points at the project sites
- Complaint form to be lodged via any of the above channels
- Walk-ins may register a complaint on a grievance logbook at healthcare facility or suggestion box at clinic/hospitals

5.2 SEA/SH Sensitive GRM

The project will have other measures in place to handle sensitive and confidential complaints, including those related to Sexual Exploitation and Abuse/Harassment (SEA/SH) in line with the WB ESF Good Practice Note on SEA/SH. The GRM is equipped to handle cases of SEA/SH and will be modified as rapid guidance on how to respond to these cases will be developed and shared with operators. Any SEA/SH related complaints will be handled in a survivor-centric manner in line with the World Bank guidelines provided in the WB good practice note. SH/SEA-related complaints will be dealt with strict confidentiality, based on the wishes of the SEA/SH-survivor. Training on SEA/SH GRM will be imparted to grievance redress personnel.

5.3 Grievance Register or Uptake Channels

A complaint can be registered directly at GRC through telephone, email, letters and walk-in and registering in grievance books kept in the project facilities. The addresses will be established/updated/ setup and intimated to the stakeholders before project implementation. Once a complaint has been received, it should be recorded in the complaints logbook or grievance excel-sheet- grievance database.

The PMU, will put in place a Grievance Redress Mechanism for any kind of issues. These numbers will be publicly disclosed throughout the country in the broadcast and print media.

5.4 Grievance Redress Committee (GRC)

According to the GRM, a Grievance Redress Committee (GRC) is established at Project Level through PIU as under:

- Project Director – Convener
- Chief Implementation Officer- Secretary
- Social/ Environmental Specialist- Member
- Local Government Representative – Member
- External Monitor-Member

5.5 Recommended Grievance Redress Timeframe

The Table below presents the recommended time frames for addressing grievance or disputes:

Table 6: Proposed GRM Time Frame

Above table may be adapted as below:

Step	Process	Time frame
1	The Gewogs Receive and register grievance and acknowledgment of receipt (The project beneficiary register the grievance to respective project implementing partner (Dzongkhags/Gewogs) to relevant extension and field offices.	within 24 hours of receiving the grievance
2	The Dzongkhag/Gewogs extension and field offices Assess grievance	Within 24 hours of step 1
3	(The extension and field offices analyze and issues decision in writing in response to the grievance if resolved and if not submit to the PMU with their findings	Within 5 working Days of step 2
4	The Gewog Dispute Settlement Committee issues decision in writing Development of response (Once the grievances reach PMU, the PMU assess the grievance and issues decision in writing and if not submit further to the respective Ministry's further intervention)	within 10 working Days of step 3
5	Implementation of response if agreement is reached and appeals to Dzongkhag Dispute Settlement Committee, if decisions are not accepted. This process repeats similarly to line ministries/agencies, and then eventually to the Royal Court of Justice. In the RCJ setting also, Bhutan have Drungkhag/District Courts, then the High Court, and finally the Supreme Court. (The relevant Ministry reviews case	within 30 Days of step 4

	and if resolved issue decision in writing. If the complainant is not satisfied with any of those escalating decisions, he/she will be given the choice of appealing to the court and the grievance handling by project governance ends and thereon becomes the judicial proceedings.	
6	Close grievance	within 30 Days of step 5
7	Initiate grievance review process if no agreement is reached (covered in 5)	within 7 Days of the serial 6

6. Monitoring and Reporting

The SEP to be periodically revised and updated as necessary in the course of project implementation in order to ensure that the information presented herein is consistent and is the most recent, and that the identified methods of engagement remain appropriate and effective in relation to the project context and specific phases of the development. Any major changes to the project related activities and to its schedule will be duly reflected in the SEP. [Monthly] summaries and internal reports on public grievances, enquiries and related incidents, together with the status of implementation of associated corrective/preventative actions will be collated by responsible staff and referred to the senior management of the project. The [monthly] summaries will provide a mechanism for assessing both the number and the nature of complaints and requests for information, along with the Project's ability to address those in a timely and effective manner. Information on public engagement activities undertaken by the Project during the year may be conveyed to the stakeholders in two possible ways:

- Publication of a standalone annual report on project's interaction with the stakeholders.
- A number of Key Performance Indicators (KPIs) will also be monitored by the project on a regular basis, including the following parameters:
 - number of public hearings, consultation meetings and other public discussions/forums conducted within a reporting period (e.g. monthly, quarterly, or annually),
 - frequency of public engagement activities,
 - number of public grievances received within a reporting period (e.g. monthly, quarterly, or annually),
 - number of those resolved within the prescribed timeline.
 - number of press materials published/broadcasted in the local, regional, and national media

Annexures

Annex 1: Pictures from the Stakeholder Consultations

Picture 1: Meeting at Khotokha, Wangdue District



Picture 2: Meeting with Dairy Group Chairman and farmers along with farm visits at Yoedseltse and Uyentse Gewogs, Samtse district



Picture 3: Staff of milk processing Unit



Picture 4: At a Dairy farm



Annex 2: Sample Grievance Registration Form

Grievance Form: Accelerate Bhutan's Job Transformation through Renewable Natural Resource Value Chains (RNR Jobs) Project			
Grievance reference number (to be completed by Project):			
Contact details (Can be submitted anonymously)	Name (s):		
	Address:		
	Telephone:		
	Email:		
How would you prefer to be contacted (check one)	By mail/post: <input type="checkbox"/>	By phone: <input type="checkbox"/>	By email <input type="checkbox"/>
Preferred language	<input type="checkbox"/> Bangla	<input type="checkbox"/> English	
Provide details of your grievance. Please describe the problem, who it happened to, when and where it happened, how many times, etc. Describe in as much detail as possible.			
What is your suggested resolution for the grievance, if you have one? Is there anyone (any particular ministry) particular you would like to solve the problem?			
How have you submitted this form to the project?	Website <input type="checkbox"/>	Email <input type="checkbox"/>	By hand <input type="checkbox"/>
	In person <input type="checkbox"/>	By telephone <input type="checkbox"/>	Other (specify) <input type="checkbox"/>
Who filled out this form (If not the person named above)?	Name and contact details:		
Signature			
Name of IA's official assigned			
Resolved or referred to GRC1?	<input type="checkbox"/> Resolved	<input type="checkbox"/> Referred	If referred, date:
Resolved referred to GRC2?	<input type="checkbox"/> Resolved	<input type="checkbox"/> Referred	If referred, date:
Completion			
Final resolution (briefly describe)			
	Short description	Accepted? (Y/N)	Acknowledgement signature
1st proposed solution			
2nd proposed solution			
3rd proposed solution			

