

The Democratic Socialist Republic of Sri Lanka

**SRI LANKA DIGITAL TRANSFORMATION PROJECT
(P508317)**

ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN (ESCP)

**Appraisal Draft
October 23rd, 2025**

1. The Democratic Socialist Republic of Sri Lanka (the Recipient) will implement the Sri Lanka Digital Transformation Project (the Project) through GovTech Sri Lanka (Private) Limited (hereinafter referred as GovTech), with the involvement of the Ministry of Digital Economy (MoDE) as set out in the Financing Agreement (the Agreement). The International Development Association (the Association) has agreed to provide financing for the Project, as set out in the Agreement.
2. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards (ESSs) and this Environmental and Social Commitment Plan (ESCP), in a manner acceptable to the Association. The ESCP is a part of the Agreement. Unless otherwise defined in this ESCP, capitalized terms used in this ESCP have the meanings ascribed to them in the Agreement.
3. Without limitation to the foregoing, this ESCP sets out material measures and actions that the Recipient shall carry out or cause to be carried out, including, as applicable, their respective timeframes; institutional, staffing, training, monitoring and reporting arrangements; and grievance management. The ESCP also sets out the environmental and social (E&S) documents that shall be prepared or updated, consulted, disclosed and implemented under the Project, consistent with the ESSs, in form and substance acceptable to the Association. Said E&S documents may be revised from time to time with prior written agreement by the Association. As provided for under the referred Agreement, the Recipient shall ensure that there are sufficient funds available to cover the costs of implementing the ESCP.
4. As agreed by the Association and the Recipient, this ESCP will be revised from time to time, if necessary, to reflect adaptive management of Project changes or unforeseen circumstances or in response to Project performance. In such circumstances, the Association and the Recipient agree to update the ESCP to reflect these changes through an exchange of letters signed between the Association and the Recipient's Representative specified in the Agreement or [name/position of designated official, e.g., minister, director] of GovTech Sri Lanka (Private) Ltd., Sri Lanka.
5. The subsection on "Indicators for Implementation Readiness" below identifies the actions and measures to be monitored to assess Project readiness to begin implementation in accordance with this ESCP. Nevertheless, all actions and measures in this ESCP shall be implemented as set out in the "Timeframe" column below irrespective of whether they are listed in the referred subsection.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
IMPLEMENTATION ARRANGEMENTS AND CAPACITY SUPPORT			
A	ORGANIZATIONAL STRUCTURE 1. Establish and maintain a Project Implementation Unit (PIU) that is tasked with Environment and Social (E&S) management with qualified staff and resources to support management of environmental, social, health and safety (EESHs) risks and impacts of the Project. 2. Enter into [cooperation] [collaboration] arrangements with [specify any entities or agencies with which the relevant project implementing entity needs to engage] to manage E&S risks and impacts of the Project.]	Establish PIU in accordance with the timing and staffing requirements set forth in the Financing Agreement, and assign responsibilities for E&S management to a suitable official within the PIU by the Effective Date of the Financing Agreement and retain these positions throughout Project implementation.	GovTech
B	CAPACITY BUILDING PLAN/MEASURES Prepare and implement the capacity building plan including training to be provided by the World Bank for relevant PIU and GovTech staff, on ESF requirements around stakeholders, communities, and Project workers, including E&S risk management, emergency preparedness and response. Training will include, but not be limited to: 1. Introduction to ESF requirements. 2. ESCP and Project Operations Manual (POM) E&S Procedures. 3. Labor Management measures consisting of Code of Conduct for project workers in relevant languages. 4. Stakeholder Engagement Requirements. 5. Grievance Redress Mechanism (GRM) for the project. 6. E-waste management guidelines. 7. Energy efficiency interventions during procurement and usage of IT equipment. 8. E&S impacts (tools and methods) associated with the project/sector. 9. Mitigation Hierarchy (prevention, minimization, mitigation, and compensation). 10. Occupational safety and health. 11. Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) awareness and SEA/SH sensitive Grievance Mechanism (GM). 12. Gender-Based Violence (GBV)/ SEA/SH prevention and response measures. 13. Inclusion and non-discrimination.	30 Days after Effective Date and throughout Project implementation.	GovTech, PIU

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MONITORING AND REPORTING			
C	REGULAR REPORTING Prepare and submit to the Association regular monitoring reports on the EESHS performance of the Project. The reports shall include, but are not limited to: 1. Status of preparation and implementation of E&S documents required under the ESCP. 2. Summary of stakeholder engagement activities. 3. Complaints submitted to the grievance mechanism(s), the grievance log, and progress made in resolving them. 4. Status of E-waste management and Energy efficient practices 5. E&S performance of contracted workers such as consultants and experts through bi-annual progress reports. 6. Number and status of resolution of incidents and accidents reported under action D below.	Submit bi-annual progress reports to the Association throughout Project implementation, throughout Project implementation, commencing after the Effective Date. Submit each report to the Association no later than 14 days after the end of each reporting period.	GovTech, PIU
D	INCIDENTS AND ACCIDENTS 1. Notify the Association of any incident or accident relating to the project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including those resulting in death or significant injury to workers or the public; acts of violence, discrimination or protest; unforeseen impacts to cultural heritage or biodiversity resources; pollution of the environment; dam failure; forced or child labor; displacement without due process (forced eviction); allegations of sexual exploitation or abuse (SEA), or sexual harassment (SH); or disease outbreaks. Provide available details of the incident or accident to the Association upon request. 2. Arrange for an appropriate review of the incident or accident to establish its immediate, underlying and root causes. Prepare, agree with the Association, and implement a Corrective Action Plan that sets out the measures and actions to be taken to address the incident or accident and prevent its recurrence.	Notify the Association no later than 48 hours after learning of the incident or accident. Provide available details upon request. Provide review report and Corrective Action Plan to the Association no later than 10 days following the submission of the initial notice, unless a different timeframe is agreed to in writing by the Association.	GovTech, PIU
ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			
1.1	ENVIRONMENTAL AND SOCIAL ASSESSMENTS AND/OR PLANS 1. Prepare, adopt and implement the E&S Procedures in the Project Operations Manual POM, which will detail the requirements for stakeholder engagement, grievance redress mechanisms (GRM), and	Prepare, consult upon, and adopt applicable E&S Procedures in POM by the project effectiveness	GovTech PIU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	labor management as per the commitments within the ESCP and consistent with the relevant ESSs. POM will be used to mitigate identified E&S risks, as applicable.		
1.2	MANAGEMENT OF CONTRACTORS Incorporate the relevant aspects of the ESCP, including, inter alia, the E&S procedures in the POM, Labor Management Procedures (with regard to National laws and regulations), and code of conduct, into the E&S specifications of the procurement documents and contracts with contractors and supervising firms for Component 1 activities. Thereafter ensure that the contractors and supervising firms comply and that they require their subcontractors to comply with the E&S specifications of their respective contracts. Provide copies of the relevant contracts with contractors/subcontractors and supervision firms to the Association.	As part of the preparation of procurement documents and respective contracts. Supervise contractors throughout Project implementation. Copies of relevant contracts provided to the Association upon request.	GovTech, PIU
1.3	TECHNICAL ASSISTANCE Carry out the consultancies, studies, capacity building, training, and any other technical assistance activities under the Project in accordance with terms of reference acceptable to the Association, that are consistent with the ESSs. Thereafter prepare and finalize the outputs of such activities in compliance with the terms of reference.	Throughout Project implementation.	GovTech PIU
ESS 2: LABOR AND WORKING CONDITIONS			
2.1	LABOR MANAGEMENT MEASURES Following labor regulations of the country, with the additional measures set forth below, consistent with ESS2: a) Provide workers with information and documentation that is clear and understandable regarding their terms and conditions of employment through written contracts setting out their rights, including, inter alia, rights related to hours of work, wages, overtime, compensation and benefits, as well as written notice of termination of employment, and details of severance payments, as applicable; b) Implement occupational health and safety (including personal protective equipment, and emergency preparedness and response for emergencies such as fire and natural disasters) measures, taking into account the General Environmental, Health and Safety Guidelines (EHSGs), and other relevant Good International Industry Practice (GIIP) and, as appropriate, the industry-specific EHSGs and other Good International Industry Practice (GIIP) Factories	Include in POM E&S Procedures and thereafter implement throughout Project implementation.	GovTech, PIU

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	Ordinance and the relevant regulations in Sri Lanka. c) Implement measures, as applicable, to, inter alia: (i) prevent the use of all forms of forced labor and child labor; (ii) enable workers to benefit from, inter alia, access to grievance and redress mechanisms without fear of retaliation; and effective freedom to form and join workers organizations or alternative mechanisms for expressing their concerns and protect their rights related to labor and working conditions; d) Ensure availability of proper working conditions, resting & dining places, water and sanitation facilities for project workers. e) Implement employee code of conduct / ethics, which shall include measures to prevent and respond to SEA and SH incidents. f) Incorporate the relevant requirements above in the ESHS specifications of the procurement documents and contracts with third parties that engage workers in the implementation of the Activities. g) For community workers, measures should be in place to ensure their health and safety, and rules to prohibit child labor and forced labor.		
2.2	OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT PLAN Develop and implement Occupational, Health and Safety (OHS) measures such as fire safety in contract documents, as in accordance with the POM E&S Procedures, consistent with ESS2 and national laws/requirements.	Included in POM E&S Procedures and thereafter implement throughout Project implementation	GovTech, PIU
2.3	GRIEVANCE MECHANISM FOR PROJECT WORKERS Establish and operate a grievance mechanism under E&S Procedures under POM, that is sensitive to addressing cases of SEA/SH, for Project workers, consistent with ESS2 and national laws/requirements.	Establish grievance mechanism prior to engaging Project workers (including PIU) and thereafter maintain and operate throughout Project implementation.	GovTech, PIU
ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT			
3.1	WASTE MANAGEMENT PLAN Prepare and implement waste management measures including E-Waste Management Plan for the Project as per the Central Environment Authority (CEA) regulations, to manage hazardous and non-hazardous wastes, consistent with ESS3 under the E&S Procedures in POM.	Included in POM E&S Procedures and thereafter implement throughout Project implementation.	GovTech, PIU

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3.2	RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT Incorporate energy efficiency and pollution prevention and management measures in POM to be prepared under action 1.1 above.	Included in POM E&S Procedures and thereafter implement throughout Project implementation.	GovTech, PIU
ESS 4: COMMUNITY HEALTH AND SAFETY			
Not relevant to the Project.			
ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT			
Not relevant to the Project.			
ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES			
Not relevant to the Project.			
ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES			
Not relevant to the Project.			
ESS 8: CULTURAL HERITAGE [The relevance of ESS8 is established during the ESA process. As with other ESSs, ESS8 may require the preparation of specific measures that may be set out in an E&S document (e.g., ESMP) already mentioned in the section under ESS1 above or as a stand-alone document or a separate measure or action.			
8.1	CULTURAL HERITAGE RISKS AND IMPACTS Not currently relevant. Government buildings where IT works may be conducted could be classified and protected as cultural heritage if older than 100 years, particularly under the country's Antiquities Ordinance. Such instances will be screened and assessed as per national regulations and E&S Procedures in the POM.	Included in POM E&S Procedures; and thereafter implemented throughout Project implementation.	GovTech, PIU
ESS 9: FINANCIAL INTERMEDIARIES			
Not relevant to the Project.			
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			
10.1	STAKEHOLDER ENGAGEMENT ACTIVITIES 1. Adopt and implement stakeholder engagement activities, as detailed in the E&S Procedures in the POM, consistent with ESS10 to provide stakeholders with timely, relevant, understandable, and accessible information, and to consult them in a culturally appropriate manner that is free of manipulation, interference, coercion, discrimination, and intimidation. To this end, the Project shall: a) Systematically identify stakeholders, assess their needs and interests, and build and maintain constructive relationships. This includes: (i) project-affected parties; (ii) other interested parties; and (iii) vulnerable and	Included in POM E&S Procedures and thereafter implemented throughout Project implementation.	GovTech, PIU

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	underserved groups such as women, youth, persons with disabilities, and communities with limited connectivity. b) Implement inclusive engagement measures (for example, structured consultations, participatory workshops, and focus groups), in order to ensure meaningful participation of relevant stakeholders throughout the project lifecycle (design, implementation, and monitoring), and to facilitate alignment with diverse local contexts and needs. Target outreach efforts to underserved groups. c) Prioritize inclusivity in the design and implementation of the digital platforms and services supported through the Project, for example, by ensuring local-language options and disability access, and by designing outreach initiatives for underserved groups). d) Design and implement targeted awareness and capacity-building activities for citizens, businesses, and government officials to enable their inclusive participation in the digital economy. e) Track and report on beneficiary feedback indicators measuring satisfaction, for example regarding access to public services online, or the quality of capacity building and outreach initiatives, and use findings for adaptive management. The above stakeholder engagement commitments will be incorporated into the E&S Procedures detailed in the POM, in lieu of a standalone Stakeholder Engagement Plan (SEP).		
10.2	PROJECT GRIEVANCE MECHANISM As per the stakeholder engagement commitments incorporated into the E&S Procedures detailed in the POM, establish, publicize, maintain, and operate a publicly accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all Project-affected parties, including vulnerable and disadvantaged groups. The grievance mechanism will be at no cost and without retribution, including concerns and grievances filed anonymously, in a manner consistent with ESS10. The grievance mechanism shall be equipped to receive, register, and facilitate the	Establish the grievance mechanism no later than 30 days after the Effective Date, and thereafter maintain and operate the mechanism throughout Project implementation.	GovTech, PIU

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	resolution of SEA/SH complaints, including through the referral of survivors to relevant gender-based violence service providers, all in a safe, confidential, and survivor-centered manner. Include awareness for trainers and trainees.		
INDICATORS FOR IMPLEMENTATION READINESS			
The following actions are indicators for implementation readiness: A. Assign responsibilities for E&S management to the official within the PIU by the Project Effective Date. 1.1. Prepare, consult upon, and include applicable E&S Procedures in POM, within 30 days of the Project Effective Date. 1.2 Identify or establish a GRM for Project workers and a Public Project GRM, which are sensitive to SEA/SH complaints, within 90 days of the Project Effective Date.			