

# Gaining Public Acceptance

Dialogue on  
DAMS & DEVELOPMENT

# NEPAL

# Gaining Public Acceptance

Dialogue on  
**DAMS & DEVELOPMENT:**  
**NEPAL**



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#### **DISCLAIMER**

This Dams and Development Strategic Priorities Series summarizes the findings and serves as a platform for continuing the dialogue on the issues of water resources development and dams in Nepal. This report can assist in the evolution of the policy process, but it is not the policy document of any of the organizations involved in the specific priorities series consultative processes.



# Foreword

**I**t is five years since the first publishing of the report of the World Commission on Dams (WCD) on 2000.

Globally, reactions to the report ranged from strong support to serious concerns. Supporters pointed to the opportunities the WCD process provided for finding ways beyond the polarised debates of the past. Others perceived the guidelines as unrealistic, and impractical claiming that they could unnecessarily delay the implementation of projects. His Majesty's Government of Nepal (HMG/N) also expressed reservations about the WCD framework and had taken a critical view of its report. In order to move beyond the polarized debate, IUCN Nepal facilitated a consultative process on January 2003 where representatives of government, private hydropower developers, non-governmental research organisations, and people affected by dams participated in the process, which compared Nepal's legal provisions with WCD guidelines. The report of scoping study suggested that Nepal's legal provisions cover many recommendations made by the WCD. Furthermore, new policies on water and energy development and management have been introduced in a pluralised policy terrain.

The consultative process recommended that the dialogue be continued in a second phase focusing on the strategic priorities. Of the seven strategic priorities, four were prioritized for further

consultation and analysis. They were gaining public acceptance, comprehensive options assessment, recognising entitlements and sharing benefits, and ensuring compliance. The responsibility for dialogue and analysis were as follows: gaining public acceptance: IUCN Nepal and DBS Consultancy with the representation from the Department of Electricity Development (DoED), conducting a comprehensive options assessment, Winrock International with representation from Nepal Electricity Authority (NEA), entitlements and sharing benefits and ensuring compliance, Nepal Water Conservation Foundation (NWCF) and ensuring compliance, Water and Energy Users Federation (WAFED). IUCN Nepal facilitated the second phase consultative process.

This report analyzes the provisions related to public consultation during development of dam related projects. The study shows that Nepal's legal provisions protect the need and requirement of stakeholder consultation for sustainable project implementation, addressing WCD concerns of public consultation to gain their acceptance while implementing the project. It was encouraging to find that environmental assessment process rigorously involves public before projects are approved by the government, thereby evolving sense of ownership of projects being implemented.

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Sagendra Tiwari  
Acting Country Representative  
IUCN Nepal



# Acknowledgement

An in-depth analysis of public consultation process regarding the strategic priority of World Commission on Dams "Gaining Public Acceptance" was jointly carried out by IUCN-Nepal Country Office and DBS Consultancy in Nepal. The financial assistance of GTZ, Germany made the analysis possible which is highly appreciated and acknowledged.

Senior Divisional Engineer of DoED, Mr. Dilli Bahadur Singh, represented the government to analyze the public consultation process in the country. Mr. Singh's efforts materialized in building partnership between private and government sectors to jointly assess public consultation processes that were relevant to the Commission's strategic priority and Guidelines. IUCN-Nepal expresses its sincere gratitude for Mr. Singh's efforts.

Senior Sociologist Mrs. Anju Singh of DBS Consultancy deserves deep appreciation for formulating questionnaires, tabulating data and analysis, and interpreting them. During the course of reviewing various environmental assessment reports, it was rather difficult to acquire them. Nonetheless, Mr. Subarna Joshi of GEOCE Consultants (P.) Ltd. provided some relevant reports on our request. Mr. Joshi's assistance, in this regard, is duly acknowledged. Some reports were also obtained from

DoED, for which we would like to express our appreciation.

Altogether 103 individuals responded to the questionnaire. We would like to extend our special thanks to all the respondents who spared their valuable time for the study.

Several meetings were held as part of the Phase II Dams and Development National Dialogue. Issues related to public consultations were extensively discussed in the meetings. The participants came up with valuable insights, suggestions, and recommendations for the study. A workshop was also organized to discuss on the findings of the analysis and review. The valuable suggestions and recommendations of the participants of the workshop are highly appreciated and acknowledged.

Mr. Sameer Karki of IUCN Nepal worked as a coordinator and facilitated the dialogue and the study. Likewise, Programme Officer Mr. Sugam Shrestha reviewed various environmental assessment reports and the legal framework relevant to public consultation process while Administrative Assistant Mr. Rabindra Raj Joshi assisted in carrying out various activities during the course of the study. We would like to express our sincere appreciation for their valuable contribution.



# Summary

The dialogue on dams and development is being facilitated by IUCN Nepal from late 2002 and is participated in by government institutions, national and international non-governmental organizations, academicians, private companies, and activists. In 2003, Phase I Dialogue was co-funded by UNEP Dams and Development Project, while in November 2004, IUCN Nepal received financial support from GTZ to take forward the national dialogue, and conduct an in-depth analysis of some of the WCD strategic priorities in the Nepalese context. Continuing the efforts of 2003 and 2004, IUCN Nepal once again facilitated the multi-stakeholders' national dialogue on dams and development in Nepal. The Phase II dialogue along with stakeholder consultations undertook in-depth analysis of four WCD strategic priorities, namely, (i) Gaining Public Acceptance; (ii) Ensuring Compliance; (iii) Comprehensive Options Assessment; and (iv) Recognizing Entitlements and Sharing Benefits. IUCN Nepal and DBS Consultancy undertook in-depth analysis of Gaining Public Acceptance. Since the introduction of EPA 1997 and EPR 1997, environmental assessments of development projects essentially comprise wider public consultations including public hearings. With respect to these EIAs, it may be generally viewed that hydropower projects in Nepal have gained considerable acceptance from the public's perception. The goal of an in-depth analysis was to identify and analyze the public consultation process in Nepal and assess its relevancy to WCD Guidelines. The target groups of the analysis findings include government and private organizations, stakeholders, academia, developers/engineers/promoters involved in designing and implementing water resource projects and people affiliated with such projects. The analysis included reviews and assessment of public consultation processes during the EIAs of hydropower and irrigation projects, surveys carried out to understand such processes, and the review of legal framework that addresses public consultation processes.

The review of EIA reports reveals that legal provisions regarding environmental assessments are respected. The proponents maintained healthy relationships with local populace and also incorporated their views. However, there were instances when the promised mitigation measures were ignored due to poor monitoring of implemented projects. The lesson learnt from the review of legal

framework was that there were several laws and regulations that addressed public consultation processes. The Constitution of the Kingdom of Nepal, the laws and regulations pertaining to water resources and electricity sector, the Land Acquisition Act, and more importantly the EPA 1997 and EPR 1997 (with its first amendment in 1999) address the processes of public consultation, recognize the rights of individuals and their proper rehabilitation, which are also advocated by WCD strategic priority Guidelines. The manuals prepared by DoED for public involvement also attempts to address the issues related to the identification of relevant stakeholders and their participation in public involvement process.

The principle of WCD is that public acceptance should be achieved through agreements negotiated in an open and transparent process conducted in good faith with wider participation of concerned people. The EPR 1997 ensures the participation and representation of all stakeholders to this effect. Furthermore, there are provisions to inform the general public for their participation in wider meetings to discuss on the project. These binding facilities converge to wide consultations among the developers of the project, government authorities, local organizations and stakeholders, and make the negotiations beneficial to benefit local people. However, the public hearings also recognize the views of certain personalities, which are wrongly interpreted as the concerted views of the stakeholders. Such tendencies jeopardize the benefits that rightfully belong to the stakeholders. The VDCs also play an important role in accepting or rejecting the project. But it is also possible that VDC's role could be biased due to political or other reasons.

It is encouraging that the legislation pertaining to environmental assessment requires assessment reports to be made available for public scrutiny. Such practice opens avenues for independent investigation of issues relating to development for the benefit of all. It may also raise irrelevant issues as a result of personal vendetta. One of the principles of WCD also necessitates prior consent of indigenous people and tribal communities about development projects. Despite the existence of such principles, it is rather difficult to assess such provisions and seek consent from each and every individual.



# Acronyms

ADB	Asian Development Bank
DDC	District Development Committee
DDP	Dams and Development Project
DFO	District Forest Office
DoED	Department of Electricity Development
DoI	Department of Irrigation
EIA	Environmental Impact Assessment
EIAA	Environmental Impact Assessment Association
EPA	Environment Protection Act
EPR	Environment Protection Rules
GTZ	German Technical Cooperation
HMGN	His Majesty's Government of Nepal
IEE	Initial Environmental Examination
IUCN	The World Conservation Union
MoEST	Ministry of Environment, Science and Technology
MoFSC	Ministry of Forests and Soil Conservation
MoPE	Ministry of Population and Environment
MoWR	Ministry of Water Resources
NCS	National Conservation Strategy
NEA	Nepal Electricity Authority
NGO	Non Government Organization
PRA	Participatory Rural Appraisal
RRA	Rapid Rural Appraisal
ToR	Terms of Reference
TU	Tribhuvan University
UNEP	United Nations Environment Program
VDC	Village Development Committee
WB	World Bank
WCD	World Commission on Dams
WRS	Water Resource Strategy

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# Introduction

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## 1.1 Background on Phase I National Dialogue on Dams and Development in Nepal

The first meeting of Dams and Development National Dialogue was held towards the end of 2002. The meeting facilitated by the World Conservation Union IUCN-Nepal was participated in by the representatives of government institutions, national and international non-governmental organizations, private companies, academicians, and activists. Steering Committee and a Task Force was formed to take the dialogue forward. The steering committee had been formed to advise the Task Force to implement the agreed action points. The participating stakeholders defined the following as the overall mission of the national dialogue:

To carry out national consultations on dams and development to consider the relevance of the recommendations of the World Commission on Dams and other bodies in the Nepalese context with the ultimate aim of recommending the development and adoption of a national Guideline for improved decision making, planning and management of dams and alternatives for Nepal.

During the course of dialogue in 2003 and 2004, several meetings were held to discuss dams and development issues of the country. In November 2003, a national workshop was organized to discuss on the findings of the World Commission on Dams (WCD) and their relevance to Nepal. The Phase I dialogue published two reports on its works.

This national dialogue was the first-ever multi-stakeholder and sustained discussion on dams and development in Nepal and the first of its kind for water resources sector in the country. The purpose of the dialogue was to bring concerned stakeholders into one platform to discuss the issues surrounding dams and development in the country. The dialogue also intended to promote good dams and their alternatives in the country. In 2003, the Phase I Dialogue was co-funded by United Nations Environment Program (UNEP) Dams and Development Project (DDP).

## 1.2 The Phase II National Dialogue

In November 2004, IUCN Nepal received financial support from GTZ Germany to take forward the national dialogue and conduct in depth analysis of some of the WCD strategic priorities in the Nepalese context. Continuing the efforts of 2003 and 2004, IUCN Nepal Country Office once again facilitated a national dialogue of multi-stakeholders. The Phase II dialogue along with stakeholder consultations undertook in-depth analysis of four WCD strategic priorities. These priorities were:

- » Gaining Public Acceptance;
- » Ensuring Compliance;
- » Comprehensive Options Assessment; and
- » Recognizing Entitlements and Sharing Benefits.

With regard to strategic priority Gaining Public Acceptance, IUCN Nepal led the dialogue and its in-depth analysis. The Development Based Services and Consultancy (DBS

Consultancy) and a representative of the Department of Electricity Development (DoED), HMG/Nepal, worked along with IUCN Nepal for an in-depth analysis of the strategic priority in the context of Nepal.

## 1.3 Need for In-Depth Analysis of Public Consultation Process in Nepal

After the completion of its exercise the WCD came up with several strategic priorities and their various Guidelines. However, the governments do not consider these Guidelines as obligatory. In Nepal's case, it has been felt that the legislative frameworks, especially the Environment Protection Act 1997 (EPA 1997), Environment Protection Rules 1997 (with first amendment in 1999) (EPR 1997), and National EIA Guidelines 1993 sufficiently address the issues of public consultation and acceptance as spelled out by WCD.

Following the introduction of EPA 1997 and EPR 1997, the Ministry of Population and Environment (MoPE) has approved 16 Environmental Impact Assessment (EIA) reports relating to various hydropower projects and transmission line projects until the end of 2004. The environmental assessments of these projects essentially comprise wider public consultations including public hearings. With respect to these EIA reports, it may be generally viewed that the public accepted those hydropower projects.

However, it may also be implied that the public's inability to carefully assess the advantages and disadvantages of such projects in under-developed districts have played its role to view them as acceptable and advantageous. The other concern is that the concerned stakeholders were unable, or did not have access to relevant information to consider other alternatives. There are also instances when public dissatisfaction persisted as a result of neglected social and environmental impacts of the existing hydropower projects.

Therefore, an in depth analysis of WCD 'Gaining Public Acceptance' Guidelines was undertaken keeping in mind the above mentioned views, and to learn where Nepal stands in the process of public consultation to seek their acceptance about dam-related projects.

## 1.4 Objectives of the In-Depth Analysis

The objectives of an in-depth analysis of the issues of 'Gaining Public Acceptance' were to:

- » identify and analyze detailed procedures and state of stakeholders' involvement that would result in gaining public acceptance;
- » identify shortfalls; and
- » suggest the probable, corrective and enhancement measures of public involvement that would lead to gaining wider public acceptance

The findings of the analysis are aimed at benefitting

government and private organizations, stakeholders and the academia involved in the designing and implementation of water resource projects. The study may also be considered as a working document to strengthen existing policies and legislation in favor of an effective participation of stakeholders to gain public acceptance of water resource projects.

## 1.5 Methods Followed for In-Depth Analysis

To achieve the objectives, the following methods and approaches were adopted:

### Review of Existing Documents/Literature

Relevant EIA reports and literature were reviewed to assess the public acceptance of water resource projects in Nepal.

The literature reviewed during the exercise were:

- » Constitution of the Kingdom of Nepal, 1990;
- » Muluki Ain (National Code), 1963;
- » Electricity Act, 1992;
- » Electricity Regulation, 1993;
- » Water Resources Act, 1992;
- » Water Resources Regulation, 1993;
- » Land Acquisition Act, 1977;
- » Hydropower Development Policy, 2001;
- » Environment Protection Act, 1997;
- » Environment Protection Rules, 1997 (with first amendment in 1999);
- » National EIA Guidelines, 1993;
- » Manual for Public Involvement in EIA Process of Hydropower Projects;
- » Manual for Preparing Scoping Document for EIAs of Hydropower Projects;
- » Manual for Conducting Public Hearings in the EIA Process for Hydropower Projects;
- » World Bank Operating Guidelines; and
- » Asian Development Bank Guidelines

### Formulation of Questionnaire and Survey

Apart from reviewing relevant reports, a survey was conducted involving key individuals of government and private organizations, project developers/proponents, bankers/financiers/investors, project beneficiaries, consultants, regulators, project affected people, utility personnel, environmentalists, independent experts, and other relevant stakeholders to assess public consultation process.

### Analysis and Interpretation

The results generated from the review and survey was analyzed and interpreted keeping in view the strategic priority and its Guidelines. Priority was given to find out experience of public consultation process of EPA 1997 and EPR 1997 as these legislations have played significant role in involving the public during the development and implementation of projects.

### Workshop to Solicit Further Recommendations and Report Preparation

The findings of the team were presented in a national workshop. The comments and suggestions of the workshop participants were given due consideration to further improve the report.

## 1.6 Review Approach and Organization of Report

The in-depth analysis adopted the following approaches to review and organize the report:

### Review of Environmental Assessment Reports of Water Resource Projects

The review of EIA and IEE reports were done to assess the level of public consultations. The report on the review is given in Chapter 4, Section 4.2.

### Review of Legislative Framework relevant to 'Gaining Public Acceptance'

Relevant Acts, Rules, Guidelines, Manuals, and Nepal's policies that support public consultation process were reviewed. Their relevance to WCD Guidelines was also analyzed. The report on the review and analysis is given in Chapter 4, Section 4.3.

### Questionnaire Survey

A questionnaire was formulated and pre-tested. After some minor modifications the questionnaire survey was conducted. The survey result is given in Chapter 4, Section 4.4.

Apart from the review process, a background on Nepal's water resource development is given in Chapter 2. This Chapter also includes background information on public consultation processes in hydropower and irrigation projects of Nepal. The strategic priority of WCD and its Guidelines were also studied. Its overview is given in Chapter 3.

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<sup>1</sup> The MoPE has been dissolved. Its environmental management and conservation duties have been shifted to Ministry of Science and Technology, which has been renamed as the Ministry of Environment, Science and Technology (MoEST).

The background features a dark grey horizontal band across the middle. Above and below this band are several overlapping circles of varying sizes, each composed of small white dots. A large, light grey number '2' is positioned in the upper left quadrant, partially overlapping one of the dotted circles.

2

# Development of Dam Related Projects in Nepal

## 2.1 Hydropower Potential in Nepal

The water resources of Nepal has been assessed to bear a potential of 83,000 MW of hydropower, of which it is estimated that about 43,000 MW is economically feasible to be harnessed<sup>1</sup>. This enormous potentiality is considered as a major natural resource for the country's development. Because of such an enormous potential, numerous run-of-river and multi-purpose hydro schemes have been identified but they remain unexplored and undeveloped due to limited resources. Along with large, medium, and small hydropower projects, the potentiality of micro-hydropower in the rural areas of the country vastly remains unutilized.

Looking at Nepal's neighbours, India's energy deficit is expected to reach 20,000 MW by 2010 while China's deficit will reach 330,000 MW by 2015<sup>2</sup>. If the hydropower potential of Nepal is utilized, it could become one of the largest exporters of power to both its neighbors. Thus, for a developing country like Nepal, its immense water resources provide ample opportunity for economic and social prosperity. Nonetheless, Nepal's development strategies have always considered the utilization of water resources to fulfill its energy and irrigation needs - and electricity as an commodity to export.

## 2.2 Need of Hydropower Development

His Majesty's Government of Nepal (HMGN) has recognized, through its Water Resources Strategy 2002 (WRS 2002), the fact that every Nepalese citizen should have access to water sufficient to meet basic needs, and that every citizen should also benefit from Nepal's abundant water supply through the production of food and energy at reasonable cost<sup>3</sup>. The strategy also envisages, among others:

- » full scale environmental protection and management in priority watershed and aquatic ecosystems;
- » access of the mass to water supply and sanitation facilities;
- » 90% of all irrigable land are provided with year-round irrigation together with irrigation efficiency increased to 60% by 2027;
- » 820 MW of hydropower development by 2007;
- » private sector investment is substantially improved in this sector.

These activities and indicators imply that Nepal should develop water resource projects. The development of water resource projects will entail construction of some dams with possible inundation of land by reservoirs, reduced flow in the downstream areas, and other impacts on

surrounding areas through associated construction work, such as access road construction<sup>4</sup>.

Further, the February 2004 electricity load forecast, generation expansion, and capacity balance studies conducted by Nepal Electricity Authority (NEA) shows that a deficit of power is imminent in the year 2005/2006 and 2007/2008. In order to meet the projected capacity shortage in 2005/06, NEA has already initiated process of refurbishing and enhancing its hydropower capacities. The domestic electricity demand, currently at 515.24 MW, is expected to rise to 600 MW by 2006<sup>4</sup>. It is to be expected that NEA will come up with schemes to meeting the demand. On the other hand, Nepal's Hydropower Development Policy 2001 also supports private investments for the development of hydropower projects<sup>5</sup>. Such national level commitments are most likely going to open avenues for further development of hydropower projects in Nepal.

## 2.3 Public Consultation and Acceptance Status in Water Resource Projects

There are 35 development projects, coming from sectors such as, industry, irrigation, hydropower, road that have been approved in line with their environmental assessments since 1997 until the end of 2004. Most of the development project EIAs that have been approved fall under the hydropower sector, including transmission line projects, which comes to about 46%, which can also be attributed to vast water resource of the country<sup>6</sup>.

The involvement of public is a vital component while conducting EIA of hydropower projects in Nepal. National and local government agencies, private organizations, concerned individuals, relevant stakeholders and those who are likely to be affected by the projects are involved in the EIA process.

Stakeholders have the opportunity to express their views on issues related to the proposal during the consultations. The enactment of environmental assessment legislation has shown the following benefits of public consultations:

- » improved understanding of potential positive and negative impacts of proposed projects;
- » effective identification of alternative sites and designs of project components;
- » effective identification of mitigation measures;
- » establishment of transparent procedures for the implementation of proposed projects; and
- » accountability and a sense of local ownership in project implementation.

<sup>1</sup> Water Resources Strategy Nepal. 2002. Water and Energy Commission Secretariat, His Majesty's Government of Nepal.

<sup>2</sup> 2001. Third United Nations Conference on the Least Developed Countries, Brussels, 14-20 May, 2001.

<sup>3</sup> Shrestha, R. and Shrestha, S. 2005. Integration of Climate Change and Biodiversity Issues in Assessing Environmental Impacts of Hydro Resource Development in Nepal (unpublished).

<sup>4</sup> 2004. Nepal Electricity Authority Fiscal Year 2003/04 – A Year in Review.

<sup>5</sup> Hydropower Development Policy. 2001. Ministry of Water Resources, His Majesty's Government of Nepal.

<sup>6</sup> MoPE/IUCN Nepal. 2004. Strengthening EIA Implementation Capacity Partnership Project: Review of EIA Reports – Final Report (unpublished).

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# 3

World Commission on Dams  
and its **Strategic Priority**

**'Gaining Public Acceptance'**<sub>I</sub>

### 3.1 World Commission on Dams, and Dams and Development Report

The WCD was initiated in 1997 because there were rising voices from both quarters - dam developers and affected communities, and the opportunity for constructive dialogue never matured. The WCD played an important role to retain the issues of 'pro' and 'anti' dam development, which consequently led to the formation of an independent body of governments and organizations, including the United Nations. The WCD also decided that its credibility would be based on its work and output, which also led it to extensive research studies and fact finding exercises. Some 1,000 dams were studied in 79 countries during the Commission's period. A final report on 'Dams and Development: A New Framework for Decision-Making' was published after two years of the initiation of WCD.

The Commission realized that, among other things, the dams had effects that were not acceptable to the communities. It pointed out that feasibility studies were carried out at length but their recommendations were poorly implemented, and the issues of resettlement were not addressed properly. The report also found out that economic benefits of the dam were unclear while the impacts that were not identified during the design of the project came up during its operation phase. The WCD also grouped the understandings of issues under broader principles of equity, efficiency, participatory decision making, sustainability, and accountability.

The Commission also came up with seven strategic priorities and related policy principles as its recommendations. The Commission developed those priorities on the basis of the findings of its global review as its rationale and recommendations for future decision-making. Each of the seven priorities is supported by a set of policy principles, which have been translated into a set of corresponding criteria and Guidelines for key decision points in the planning and project cycles.

### 3.2 The Strategic Priority - Gaining Public Acceptance

The strategic priorities of WCD were the result of its global review of dams all over the world. The WCD knowledge, which resulted in its rationale and recommendations in the form of Strategic Priorities, was based on detailed case studies of 8 large dams, country reviews of India and China, a briefing paper for Russia and the Newly Independent States, a cross-check survey of 125 existing dams, 17 thematic review papers, as well as the results of public consultation and more than 900 submissions made available to the WCD.

A key message and a set of policy principles support each of the seven strategic priorities. These priorities also provide Guidelines for all affected parties on a new way forward –

one that is founded on achieving equitable and sustainable development through a process that successfully integrates social, economic, and environmental considerations into decision-making on large dams and their alternatives. The WCD also provides with operational approach for applying these priorities to the planning and project cycles.

Gaining Public Acceptance is one of the seven strategic priorities of WCD, which was recommended in its report along with six other priorities. They are:

- » Comprehensive Options Assessment;
- » Addressing Existing Dams;
- » Sustaining Rivers and Livelihoods;
- » Recognizing Entitlements and Sharing Benefits;
- » Ensuring Compliance; and
- » Sharing Rivers for Peace, Development, and Security.

#### 3.2.1 Principle of Gaining Public Acceptance

The strategic priority of WCD comes with a key message. With due respect to public consultation and public acceptance, the Commission gives the following message:

Public acceptance of key decisions is essential for equitable and sustainable water and energy resources development. Acceptance emerges from recognizing rights, addressing risks, and safeguarding the entitlements of all groups of affected people, particularly indigenous and tribal people, women and other vulnerable groups. Decision-making processes and mechanisms are used that enable informed participation by all groups of people, and result in the demonstrable acceptance of key decisions. Where projects affect indigenous and tribal people, such processes are guided by their free, prior and informed consent.

The strategic priority is being supported by a set of policy principles, which are expressed in the form of achieved outcomes. These policy principles have been defined in the context of their application for effective implementation of the strategic priority. These policy principles are:

- » Recognition of rights and assessment of risks are the basis for the identification and inclusion of stakeholders in the decision-making process on energy and water resources development;
- » Access to information, legal and other support is available to all stakeholders, particularly indigenous and tribal people, women and other vulnerable groups to enable their informed participation in decision-making processes;
- » Demonstrable public acceptance of all key decisions is achieved through agreements negotiated in an open and transparent process conducted in good faith and with the informed participation of all stakeholders;
- » Decisions on projects that affect indigenous and tribal people are guided by their free, prior, and informed consent obtained through formal and informal representative bodies.

### 3.2.2 Guidelines for Achieving Public Acceptance

The Dams and Development report has identified three Guidelines referred to as Guidelines for good practice to accomplish the strategic priority and its principles. The Guidelines are also elaborated in terms of operational mechanism for their effective application. The Guidelines for good practice, defined operational mechanism or issues are given below:

- » Stakeholder Analysis
  - > recognize existing rights and those who hold them;
  - > identify those at risk; and
  - > identify constraints to establish a level playing field for the involvement of stakeholders.
- » Negotiated Decision-making Process
  - > assurance of representation of stakeholders;
  - > guarantee of integrity of community processes;
  - > adequate time allowed for stakeholders to assess, consult, and participate;
  - > special provision for prior informed consent;
  - > addressing power imbalances in terms of financial resources to enable those stakeholders who are politically, technically, or financially weak;
  - > assurance of transparency; and
  - > negotiations assisted by a facilitator or mediator.
- » Free, Prior, and Informed Consent
  - > assurance of wider representation and participation of stakeholders; and
  - > independent dispute resolution mechanism to arrive at a mutually acceptable agreement

### 3.3 Stakeholder Analysis

As explained in the WCD Dams and Development report, the stakes of interested people vary according to their interests. Stakeholders also have unequal power that affects their ability to participate in and influence decisions. Therefore, a carefully planned stakeholder analysis is essential to recognize the existing rights of the affected people and identify those at risk as well as the constraints to establish a level playing field for the involvement of stakeholders.

The Guidelines of the strategic priority further describes that those groups whose livelihoods are affected by an intervention are major rights holders and thus core stakeholders in a stakeholder forum. While identifying those at risk, vulnerability or risk analysis have to be undertaken giving special attention to indigenous and tribal people, as well as women and other vulnerable groups as they may face greater risks from development interventions. In the case of a dam, the WCD views that the analysis should include those who live in upstream, downstream and in the proposed reservoir area. An important aspect is that it recommends the inclusion of relevant civil society groups or scientists in a stakeholder forum to ensure that environmental risks are adequately reflected. It is also essential that imbalance of influence are explored in such a way that all groups of people are represented in the forum.

### 3.4 Negotiated Decision-Making Process

The WCD implies that all the members of stakeholder forum should share a genuine desire to find an equitable solution and agree to be bound by the consensus reached. Such a state may be achieved through the representation of stakeholders in the forum, which is assured of free process of selection to ensure the effective and legitimate representation of all interests. The WCD also states that the integrity of community processes should be there when differences and internal conflicts arise. The process, should, however, be free from external manipulation. Another essential aspect is that adequate time is allowed for stakeholders to assess, consult, and participate.

The WCD Guidelines also states that authorities should make available adequate financial resources to enable stakeholder groups who are politically or financially weak, or who lack technical expertise or organized representation to participate effectively in the process. These resources may include financial support to representatives for logistics, income foregone, capacity building, and for requesting specific technical advice. Transparency is ensured by jointly defining criteria for public access to information, translation of key documents and by holding discussions in a language local people can understand. Negotiations are assisted by a facilitator or mediator if stakeholders make a request for it after reaching an agreement for that.

### 3.5 Free, Prior, and Informed Consent

The WCD public consultation process focuses on free, prior, and informed consent of indigenous and tribal people, which is conceived as more than a one-time contractual event involving a continuous, iterative process of communication and negotiation spanning over the entire planning and project cycles.

Moreover, the report also suggests that the consent should be broadly representative and inclusive of stakeholders involved. The Commission also emphasizes on the manner of expressing consent, which will be guided by customary laws and practices of the indigenous and tribal people and by national laws.

### 3.6 Nepal's Response to World Commission on Dams Report

Regarding the public acceptance issue, HMGN's comments on the WCD report submitted to the World Bank on 23<sup>rd</sup> January, 2001 reminds that most of the procedures put forward by WCD are already in place in the form of several acts and rules and that adopting a new set of Guidelines as mentioned in the WCD report with its contradictory statements and yet to be polished prescriptions, would create confusion and chaos<sup>2</sup>.

Likewise, the Scoping Exercise of the Constructive Dialogue on Dams and Development in Nepal identified

several legislative frameworks in Nepal that were relevant to the WCD SP. This exercise also produced conformities and issues to be addressed as per the standings of Nepal's policy and legal status related to public consultation<sup>3</sup>.

The NEA had showed its concern as well through its comments on the Scoping Study Report of

Constructive Dialogue on Dams and Development. The NEA commented that WCD Guidelines stating indigenous people have the right to decide whether to build the project or not prevents the development as water is a national resource for which a pre-condition of having consensus of all indigenous groups is not achievable<sup>4</sup>.

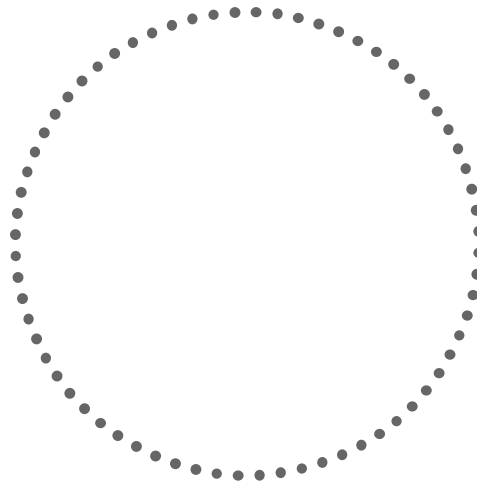
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<sup>1</sup> This Chapter is based on overview of: WCD. 2000. Dams and Development: A New Framework for Decision-Making, Earthscan Publications Limited.

<sup>2</sup> MoWR, HMG. Comments on the WCD Report Submitted to the World Bank on 23rd January 2001 in Dixit, A., Adhikari, P., Bisangke, S. (eds), Constructive Dialogue on Dams and Development in Nepal, published for National Steering Committee on Dams and Development by IUCN Nepal and NWCF, 2004.

<sup>3</sup> See for details: Dixit, A., Adhikari, P., Bisangke, S. (eds), Constructive Dialogue on Dams and Development in Nepal, published for National Steering Committee on Dams and Development by IUCN Nepal and NWCF, 2004.

<sup>4</sup> NEA Comments on Scoping Study Report in Dixit, A., Adhikari, P., Bisangke, S. (eds), Constructive Dialogue on Dams and Development in Nepal, published for National SC on Dams and Development by IUCN Nepal and NWCF, 2004.





# 4

Analysis of Strategic Priority

## 'Gaining Public Acceptance' in Nepalese Context

## 4.1 Context of Analysis of WCD Strategic Priority

The WCD report conveys that public acceptance of key decisions is essential for equitable and sustainable water and energy resources development. It also recognizes that the acceptance emerges from recognizing rights, addressing risks, and safeguarding the entitlements of all groups of affected people, particularly indigenous and tribal peoples, women and other vulnerable groups. The WCD report also keenly addresses the procedures to ensure that all the affected people and stakeholders are consulted and taken into confidence at all the stages of project formulation.

As discussed earlier, Nepal's water resource has an enormous potential for hydropower and irrigation. However, addressing the hydropower potential requires major project development involving thousands of people, their lands, and natural resources. In order to gain public acceptance of such projects, the legal instruments which ensures public interests have to be effectively utilized. In view of context of water resource project development and the subsequent public consultation and acceptance all over the world, the WCD has come up with seven strategic priorities and their Guidelines. An in-depth analysis of WCD strategic priority 'Gaining Public Acceptance' and its Guidelines was conducted to find out the level of public participation in Nepal, including the assessment of legal instruments to address it and obtain its acceptance, along with the perceptions of organizations and individuals.

## 4.2 Public Consultation and Acceptance during Environmental Assessment in Nepal's Hydropower and Irrigation Projects

In Nepal, the process of public consultation and their acceptance of hydropower projects take place during EIA or Initial Environmental Examination (IEE). In the process of an EIA or IEE, public consultation plays a vital role in identifying the project's impacts on people and the environment as well as the mitigation measures. In case of an EIA, a public hearing has also to be carried out.

The sections 4.2.1 and 4.2.2 reviews EIA and IEE reports to analyze how public consultations were carried out in different stages of processes of assessment. Such analysis has helped to find out the depth of public consultations in hydropower and irrigation projects in Nepal and also to assess how the public consultation process addresses the concerns of WCD.

### 4.2.1 Review of EIA Reports

The involvement of public is a vital component in EIA system. Ideally, national and local government agencies, private organizations, concerned individuals with the responsibilities of natural resources management and the welfare of people, and those who are likely to be affected by the project are involved in EIA process. There are opportunities for the stakeholders to express their views on issues related to the project during the consultations. The stakeholders are

consulted at least in five different occasions during EIA study'. The proponent and authorizing agency are also involved in the consultations; therefore, a two-way flow of information is achieved from such consultations. The assessment reports that were reviewed during environmental assessments of water resource projects to find out how public consultations took place are given in following sections. The lessons learnt are given in Section 4.2.3. The reviewed summary of environmental reports is given in Annex 1.

#### 4.2.1.1 Khudi Hydropower Project<sup>2</sup>

The Lamjung Electricity Development Company studied Khudi Hydropower Project (KHP) in 1999. The KHP was originally identified and studied by COWEL International Pvt. Ltd. for GTZ and NEA in 1993. The KHP has been registered as Khudi Hydropower Limited (KHL) to undertake all relevant tasks for the project. The KHP is located on the banks of Khudi river in Lamjung District of the Western Development Region. The project structures are located in Khudi, Simpani, and Ghanpokhara Village Development Committees (VDCs) of Lamjung District.

#### *Public Consultation during EIA*

A combination of structured and informal research techniques were used to gather baseline information on socio-economic and cultural parameters identified in KHP's preliminary Scoping exercise. Methods to collect primary data included field observation, village and household level survey questionnaires, interviews, and small group meetings with families using Participatory Rural Appraisal (PRA) technique. Some 48 households from 8 communities of the impact area were surveyed in order to establish the characteristics of affected groups. The interviews of key individuals of local authorities and non-governmental organizations were also conducted during the site survey. The collection of biological environment database included consultations with local people. The report, however, doesn't reveal public consultation regarding the documentation of physical environment.

As per the requirement of EIA legislation, and to allow local people to comment on the draft EIA report and evaluate local people's receptivity to the proposed mitigation measures, a public hearing was held in the impact area on 3<sup>rd</sup> February, 2001. A public notice to the same effect was published on 17<sup>th</sup> January, 2001 in a national newspaper inviting all the concerned to consult KHP EIA report summary. Some 150 copies of the summary were distributed within the impact area. On 29<sup>th</sup> January, 2001 a notice and a copy of KHP EIA draft report's summary were distributed to local governmental and Non Government Organizations (NGO), and to concerned people, such as, school teachers and local prominent individuals.

The public hearing was held at a school on Khudi bazaar. The hearing was attended by 95 people. The public hearing identified the following major points:

- » pending irrigation project versus KHP;
- » benefits to local VDCs and rural electrification of project area;

- » impact of increased population;
- » KHP and political affiliation;
- » downstream flow and impacts on fishermen and logged wood drifting activities;
- » compensation for rented lands; and
- » formation of project supervision committee consisting of local people and groups

The KHP EIA team clarified the points raised during the consultation. The EIA process had already addressed the points raised but due to poor documentation in the report summary, it appeared that those issues were not properly addressed. The points raised during the consultation made it clear that the local people were aware of development activities in their locality, and were quite concerned with the impacts on their livelihoods. The interest shown by the local people to be included in project supervision committee could be the result of proper information dissemination. All the concerned VDCs of project impact area supported the implementation of the project. The VDC offices issued recommendation letters stating their support for the implementation of the project.

#### *Processing of EIA Report*

The final report was sent to the Ministry of Water Resources (MoWR) incorporating the comments received from DoED. The MoWR sent the report to MoPE along with its comments. The Review Committee of MoPE then reviewed the report. In the mean time, the report was also made available to the public through a notice by the MoPE. After completing and compiling comments from all sectors the Review Committee requested the proponents revise it as per the aspirations of concerned proponents. The revised report was then approved by MoPE.

#### **4.2.1.2 Mewa Khola Small Hydropower Project<sup>3</sup>**

The Water Resources Consult Pvt. Ltd. carried out the feasibility study and environmental assessment of Mewa Khola Small Hydropower Project (MKSHP) under the authorization of the DoED. The DoED itself is the proponent of MKSHP. It is a run-off-river type hydropower project with the installed capacity of 10 MW. The MKSHP is located on Mewa khola, a tributary of Tamor River, in Taplejung District of the Eastern Development Region. The powerhouse site and the workers' camps are located in Lingtep and Thukima VDCs respectively. The project site is 850 km east of Kathmandu.

#### *Public Consultation during Scoping and Preparation of ToR*

The MKSHP Scoping exercise for EIA was conducted according to the requirements of EIA legislation. The Scoping exercise, which identified issues for analysis during an EIA, included inputs of the general public of the project area. A public notice was published in a daily newspaper requesting public concerns regarding the project on 2<sup>nd</sup> September, 2002. During the Scoping exercise, a number of project affected people and government officials were consulted. Those consulted were allowed to express their views and concerns regarding the project, and on that basis a

Scoping report was prepared on the basis of the findings. The Terms of Reference (ToR) was prepared as per the issues identified during Scoping.

#### *Processing of Scoping Report and ToR*

Both the Scoping and ToR reports were submitted to DoED. The DoED reviewed them and forwarded them to MoWR with its comments. After reviewing the reports, MoWR forwarded the reports to MoPE for approval. The review committee represented by MoWR, DoED, Tribhuvan University (TU), Ministry of Forests and Soil Conservation (MoFSC), EIA Association (EIAA), independent experts, and officials from MoPE asked the proponent to revise the reports that included the comments provided by DoED, MoWR, and MoPE. The Scoping report and ToR were approved after the submission of the revised reports.

#### *Public Consultation during EIA*

Three-weeks of household survey were conducted to collect baseline data during the EIA process. The database of physical components such as climate, water quality, and geology were collected through field investigations. However, the water rights and uses of river water in the upstream of intake, dewatered section, and powerhouse was investigated by interviewing local people residing in those areas. The biological components such as vegetation and habitat categorization were assessed by technical methods while ethnobotanical information was obtained by Rapid Rural Appraisal (RRA) method.

The socio-economic database was generated through extensive public consultation. The consultation methods included:

- » questionnaire survey; and
- » PRA (checklist, focus group discussion).

The questionnaires used were developed for various categories. They were:

- » household;
- » gender; and
- » local administration.

The EIA team surveyed high and moderate impact zones using structured questionnaire to obtain baseline information of the area. A total of 342 households were surveyed that were directly or indirectly affected. The survey also included key informant survey to collect information on socio-economic and cultural aspects of the project area. The public consultation process also included focused group discussions. These focused group discussions were held to address issues of women, children, and farmers. Some prominent individuals and groups such as occupational caste, ethnic minorities, and disadvantaged group also participated in the group discussions. The PRA was undertaken as part of the socio-economic survey in all five affected VDCs. The survey was mainly conducted to seek views of local people on current lifestyles, impact on local people and flora/fauna, issue of acquisition of land/

property, training/job opportunities, aspirations of project affected people, and socio-economic and cultural issues.

The public hearing of the project was conducted at the Headquarters of Taplejung District, Phungling bazaar. It was held on 31<sup>st</sup> March, 2004. The public hearing was attended by 52 people from the project area. The public hearing identified the following major concerns:

- » the mitigation measures are to be properly implemented so that the project area will not bear greater impacts than predicted;
- » proper land compensation has to be maintained as per the category of land;
- » representation of affected VDC people in the Compensation Fixation Committee;
- » need for the electrification in project affected villages/VDCs to be considered

The assessment team incorporated all the concerns raised and stated them in its assessment report. All the concerned VDC offices of project impact area supported implementation of the project. The VDC offices issued recommendation letters stating their support and willingness to agree to the implementation of the project.

#### *Processing of EIA Report*

The finalization of EIA report was done after incorporating concerns raised by the stakeholders. On receiving the final report by DoED, it was sent to MoWR with its comments. The Ministry then sent the report to MoPE along with its comments. The report was then reviewed by the Review Committee set up by the MoPE. In the mean time, the report was also made available for the public by issuing a notice by the MoPE. After competing and compiling comments from all sectors, the Review Committee made the proponents review it as per as the aspirations raised by the concerned proponents. The revised report was then approved by MoPE.

#### **4.2.1.3 Singati Khola Small Hydropower Project<sup>4</sup>**

The DoED has identified Singati Khola Small Hydropower Project (SKSHP). The Water Resources Consult conducted its feasibility study and EIA. The SKSHP is a 6.4 MW run-off-river hydropower project, which is being promoted as a promising small hydropower project. The SKSHP is located on the right bank of Singati Khola, about 37 km northeast of Charikot, the District Headquarters of Dolakha District in the Central Development Region of Nepal.

#### *Public Consultation during Scoping and Preparation of ToR*

The SKSHP EIA Scoping study included public consultations to identify major issues related to the project. The SKSHP EIA report mentions that a public notice about Scoping was published prior to the Scoping exercise. The Scoping exercise included group discussions among concerned local people and government officials. The stakeholders were allowed to put across their ideas to the EIA team.

#### *Processing of Scoping Report and ToR*

The DoED reviewed the Scoping report and ToR before forwarding it to MoWR with its comments. After reviewing the reports, MoWR forwarded it to MoPE for approval. The Review Committee, which was represented by MoWR, DoED, TU, MoFSC, EIAA, independent experts, and officials from MoPE, asked the proponent to revise the documents that incorporated all the comments and inputs. The revised reports were approved following their submission.

#### *Public Consultation during EIA*

The process of public involvement during the EIA of the project was also based on the suggestions and considerations expressed by the public during Scoping exercise. The collection of baseline data for physical environment involved verification and consultations with local people of the project area. Local people were interviewed to find out the right to water and uses of river water upstream of the intake, dewatered section, and the powerhouse. Most of the baseline information on biological environment was generated from secondary sources except for ethnobotanical information and some wildlife behavior patterns of the project area, which were generated through public consultations.

The information on the status of socio-economic and cultural conditions was drawn from extensive public consultations. The consultation involved three-week field surveys, which included processes such as:

- » questionnaire survey; and
- » PRA (focus group discussions)

The EIA team also developed different sets of questionnaires to collect primary information from the local populace. Sets of questionnaires were structured to draw information on the following:

- » household;
- » gender issues; and
- » local administration.

Altogether 405 households were surveyed, which were to be affected directly or indirectly. The questionnaires used for the survey covered public concerns such as demographic characteristics, gender issues, health condition, financial status, compensation, expectations from the project, and others. Key informant survey was also conducted

As per the requirement of EPR 1997, a public hearing was held on 11<sup>th</sup> March 2004 in the project area. The public hearing was aided by presentations dealing with details and the environmental assessment aspects of the project. The major concerns raised during the public hearing are summarized as below:

- » need to explore rural electrification potential;
- » employment opportunities to be provided to local people;
- » adequate and timely payment for the land/property acquired; and

- » representation of community members in the compensation committee.

#### *Processing of EIA Report*

The EIA report was finalized by considering the issues raised by stakeholders. After receiving the final report, DoED sent it to MoWR along with its comments. The Ministry forwarded the report to MoPE along with its comments. Then the report was reviewed by a Review Committee set up by MoPE. In the mean time, MoPE made the report available to the public through a notice. After completing and compiling the comments from all sectors the Review Committee urged the proponent to revise the report as per the aspirations raised by concerned proponents. The revised report was then approved by MoPE.

#### **4.2.1.4 Upper Modi 'A' Hydroelectric Project<sup>5</sup>**

The NEA conducted feasibility study of Upper Modi 'A' Hydroelectric Project (UMAHEP) in July, 2000, and carried out its preliminary environmental study in July 1999. The NEA Environment Division contracted GEOCE Consultants Private Limited to carry out EIA study of the project. The UMAHEP is a 42 MW peaking run-off-river hydropower project. The UMAHEP is located about 250 km west of Kathmandu in Ghandruk VDC of Kaski District of Gandaki Zone of the Western Development Region of Nepal. The project site falls within the Annapurna Conservation Area Project (ACAP).

#### *Public Consultation during Scoping and Preparation of ToR*

A public notice about the Scoping exercise was published on 24<sup>th</sup> April 2000. The public notice invited local people and concerned stakeholders to submit their concerns regarding the implementation of the project. The study team also encouraged relevant stakeholders to provide their views and suggestions during the reconnaissance visit. According to the Scoping report, public consultations were also held during the preliminary environmental study of the project, which was conducted by NEA. The stakeholders were aware of the project because of consultations held during the preliminary environmental study. The Scoping exercise found that the public had anticipation of minimum impacts of the project on environment. The people also felt that the project would assist in improving their social, economical, and cultural status. The stakeholders also requested for the extension of project access road up to Ghandruk village.

#### *Public Consultation during EIA*

Information regarding the physical aspects of project area was acquired through direct observation and verifications with the members of the general public. The information on biological diversity was, however, collected by holding consultations with the public, which generated valuable information regarding the use of major plants, mammals, birds, and the pattern of wildlife distribution. The biological database was based on discussions with local people regarding the likely impacts of project activities on

local biological diversity, and the possible as well as practical and locally suitable site-specific mitigation measures.

The database on socio-economic and cultural aspects was prepared through wide public participation. The property owners that came within the project components were identified and categorized as Project Affected Families (PAF). Household questionnaires were distributed to each of the PAFs. Focus group discussions were held, and local authorities were involved in the verification of the socio-economic database. During the course of the field study, the study team held discussions with, in particular, the chairmen of the Ghandruk VDC, Conservation Area Management Committee (CAMC), and the officials of King Mahendra Trust for Nature Conservation.

A public hearing was held on 7<sup>th</sup> July 2001 at Fumrekhu Baraha Primary School of Kliu of Ghandruk VDC. A total of 14 people participated in the hearing and the summary of the project written in Nepalese language was distributed to all the participants. On the whole, the public was enthusiastic about the plan to implement the project. Although the public expressed a few concerns, they had a positive view towards the project. The Ghandruk VDC provided its recommendation to go ahead with project. It also expressed the following concerns:

- » the construction of road that serves to link Ghandruk bazaar with the project access road might divert the tourists going to Annapurna and Machhapuchre Base Camps from the Ghandruk village;
- » compensation for those who would lose their properties should be made according to the market values;
- » employment opportunities should be provided to local people; and
- » need for rural electrification.

#### *Processing of EIA Report*

After receiving the final report of EIA, DoED sent it to MoWR with its comments. The Review Committee set up by MoPE examined the report. The report was also made available to the public. After reviewing and compiling comments from all sectors the Review Committee made the proponents revise it as per the concerns raised by the proponents. The revised report was then approved.

#### **4.2.1.5 Indrawati III Hydroelectric Project<sup>6</sup>**

The National Hydropower Company Limited, which is a consortium of NB Group of Nepal, Lyse Kraft Da and Energy Development Norway developed the Indrawati III Hydropower Project. The NHPC entrusted the School of Environmental Management and Sustainable Development (SchEMS) to conduct the EIA. The 7.5 MW capacity run-off-river project site lies within Jyamire, Lagarche, and Bhotenamlang VDCs in Sindhupalchowk District of the Central Development Region of Nepal. The project site is located about 75 km north-east of Kathmandu.

#### *Public Consultation during EIA*

Most of the database of the physical environment was generated from secondary sources. Some of the information was collected during field visits. The physical database did not include public inputs. The biological database was also generated from secondary sources except for the information on Non-timber Forest Products (NTFP) and aquatic life, which required interactions with local inhabitants to identify and verify their uses. The socio-economic aspects were identified through primary and secondary sources. PRA was used as a public consultation tool, which included focus group discussions and interviews with key informants.

The local people of the project area were quite positive about the implementation of the project. A total of 164 local people of the project area signed and submitted a note stating support for the implementation of the project along with mentioning the mitigation measures.

The public hearing of the project was conducted on 12<sup>th</sup> February 2002. The hearing notice was published in a National Daily on 23<sup>rd</sup> January, 2002. The hearing was attended by 58 people and the EIA team dealt with the concerns raised by the participants. During the hearing the concern was voiced that the local people could register their complaints with DoED if the project failed to implement the mitigation measures. The assessment team also studied the concerns of EIA Review Committee, which were later incorporated in the EIA report. The project impact VDCs recommended for the implementation of the project. The EIA was approved on 24<sup>th</sup> September 2002.

#### *Processing of EIA Report*

The final EIA report was submitted to DoED. The DoED sent it to MoWR along with its comments. The MoWR reviewed the report and forwarded it to MoPE with its comments. The Review Committee set up by MoPE examined the report. The report was also made available for the general public. After reviewing and compiling comments from all sectors the Review Committee urged the proponents to revise the report as per the concerns raised by the proponents. The revised report was then approved.

#### **4.2.1.6 Middle Marshyangdi Hydroelectric Project<sup>7</sup>**

The NEA identified Middle Marsyangdi Hydropower Project (MHPP) in 1970. Since then various studies were undertaken, which eventually led to the final design of a 70 MW run-off-river hydropower project. The EIA was entrusted to a joint venture of TAEC and NESS Consulting Firms. Kreditanstalt für Weideraufbau (KfW), an investor for the project, also required an EIA to address the major impacts of the project.

#### *Public Consultation during Scoping and Preparation of ToR*

The Scoping exercise included review of project related documents along with consultations with local people, and district and central level government officials. The Scoping phase also included a public hearing on 17<sup>th</sup> January 2000,

which was participated in by some 700 people. The concerns raised during the hearing may be categorized under compensation and rehabilitation, employment opportunities, and local infrastructure development and public services. The concerns shown during formal and informal public consultations were compiled to identify major environmental issues. The ToR for EIA was drawn on the basis of the Scoping document and by integrating public inputs to identify impacts. The Scoping and ToR was approved on 23<sup>rd</sup> November 2000.

#### *Processing of Scoping Report and ToR*

The DoED reviewed the Scoping report and ToR and forwarded them to MoWR with its comments. After reviewing the reports, MoWR forwarded the reports to MoPE for approval. The Review Committee comprising the representatives of MoWR, DoED, TU, MoFSC, EIAA, independent experts, and officials from MoPE asked the proponents to revise the documents that incorporated all the comments received. The revised reports were approved after they were submitted.

#### *Public Consultation during EIA*

During the EIA, the information on physical environment was obtained from secondary sources as well as field studies. The design consultant participated in the field study. Information from local inhabitants was also used to propose required actions for the protection of environmentally-sensitive areas. Extensive surveys were conducted regarding the information on biological diversity. The social aspects of the project impact area were examined through semi-structured questionnaires, field observations, literature review, and formal and informal discussions and deliberations. Consultations were held with key informants such as local elites, members of political parties, and the representatives of local bodies. Social behavior and practice of local communities were derived from questionnaire survey. An important segment of the public consultation was the socio-economic survey of households that were supposed to be directly affected by the project.

A public hearing on the completion of the draft EIA report was held on 10<sup>th</sup> February 2001. The hearing was announced in a public notice on 28<sup>th</sup> January, 2001. It was published in a National Daily. Invitations were also sent to district level offices, VDCs, and political dignitaries of the area. The major concerns raised during the hearing were:

- » local representation in Compensation Fixation Committee and land acquisition process;
- » women development programme;
- » agriculture extension program;
- » fish release and hatchery development;
- » transparency in project implementation and involvement of local communities;
- » electrocution effects close to powerhouse;
- » groundwater lowering effects caused by tunnel construction;
- » infrastructure and rural electrification; and
- » public services in the project area.

The concern about not including a market area within the directly affected areas was raised during the hearing. Due consideration was given to the concerns raised during the consultations and incorporated them for mitigation measures. It was also decided to arrange public consultations in coordination with the representatives of the directly affected VDC, supervising engineers, and construction contractors to keep the project activities transparent. The assessment report was approved on 28<sup>th</sup> September 2001.

#### *Processing of EIA Report*

After receiving the final EIA report, DoED sent it with its comments to MoWR. The MoWR reviewed the report and forwarded it to MoPE with its comments. The Review Committee set up by MoPE examined the report. The report was also made available to the public. After reviewing and compiling comments from all sectors the Review Committee urged the proponents to revise the report as per the concerns raised during the consultations. The revised report was then approved.

#### **4.2.1.7 Fattepur Irrigation Sub-Project<sup>8</sup>**

Fattepur Irrigation Sub-Project (FISP) was planned to provide irrigation facilities in 1,800 ha net command area. An IEE was conducted in 1999, which revealed the possibility of extending its facilities to 2,580 ha net command area. Since it exceeded the IEE threshold value of 2,000 ha, the FISP had to undergo EIA.

Apart from being a government initiative, the FISP is also a component of Irrigation Development Project of Mid-western Development Region of Nepal. The European Union financially supported the project. The proponent awarded Ace Consultants to carry out the EIA of the project. The project is located in Fattepur VDC - east of Nepalgunj, in Banke District of Mid-western Development Region. The project diverts the waters of the Rapti River through a side intake and uses a main canal and 7 branch canals to irrigate all the wards of the VDC.

#### *Public Consultation during Scoping and Preparation of ToR*

A public notice was published on 23<sup>rd</sup> September 1999 in a National Daily to inform the public about FISP and solicit their concerns. The project officials visited project site several times to let the local people know about the project. The project officials also interacted with local people informally. It was believed that the local people were aware of the approaches of project implementation and the likely impacts. The concerns of the local people were analyzed and incorporated in the final Scoping document. It is, however, not clear from the report what concerns were cited by the local populace during the Scoping exercise.

#### *Public Consultation during EIA*

The information on physical aspects as well as the secondary sources of information were obtained from the

local people. Local people were consulted to acquire information on the problems of siltation and slope failures. A study team undertook a survey along with project components. Local people were also consulted to find out the status of local physical conditions. They were also contacted to collect information on faunal and floral distribution in the area. More importantly, local people were consulted to assess the likely impacts of project implementation in the area. The District Forest Office (DFO) and local people were consulted to generate information on the status of forests and community forests of the area.

Most of the information on local socio-economic was drawn from the socio-economic baseline survey conducted prior to the EIA study. The baseline survey cross-checked the secondary information obtained from knowledgeable informants. The survey also held focus group discussions with different ethnic groups of the command area. Several meetings were held with local people during the course of EIA to collect detailed socio-economic profiles of the command area. The key informants also provided additional information which was not covered during the survey prior to the EIA. VDC and district level officials were also consulted during the assessment. The method of PRA was used for public consultation.

A public hearing was carried out on 29<sup>th</sup> April 2000 in the project area. The meeting was attended by 134 people. Following the deliberations on public hearing, the representatives of Fattepur VDC, a community forest group, two schools, a health post, community forest committee, and the flood affected community recommended the implementation of the project. Details of the public hearing were not given in the EIA report.

#### *Processing of EIA Report*

The final report of the EIA was submitted to the concerned Department which, in turn, sent the report to MoWR along with its comments. The MoWR reviewed the report and forwarded it to MoPE with its comments. The Review Committee set up by MoPE examined the report. The report was also made available to the public. After reviewing and compiling comments from all sectors the Review Committee urged the proponents to revise the report as per the concerns raised during the consultations. The revised report was then approved.

#### **4.2.2 Review of IEE Reports**

This study also included the review of IEE reports to examine the processes of public consultations. A Scoping exercise is not mandated while undertaking IEE. Therefore, the review of the report doesn't reveal the undertaking of public consultations, if any, while preparing ToR of the IEE study. However, the ToR has to be approved by the concerned Ministry. A public notice is required to inform the general public about the project and request them to submit their concerns. The undertaking of public hearings and other consultation process depends

upon the environmental examination team and project proponent. At the end, however, project area VDCs have to submit their views regarding the project.

#### 4.2.2.1 Daram Khola Hydropower Project<sup>9</sup>

The proposed Daram Khola Hydropower Project (DKHP), a run-off-river type project, with an installed capacity of 5 MW is located in Baglung District of Dhaulagiri Zone in Western Development Region. The proposed intake, canal, and powerhouse are proposed in Righa VDC of Baglung District. The Gurkha Hydropower Private Limited conducted a detailed study of DKHP, while Hydro Engineering and Development Company Private Limited provided technical assistance to the developer to undertake the IEE.

A public notice was published on 30<sup>th</sup> September 2000 in a national daily and a copy of the same was also made available to the offices of the affected VDC. During the environmental examination, two informal gatherings were organized in the project site - one at upstream and the other at downstream of intake site. The information on physical aspects of project was gathered through secondary sources and site investigation. The biological database involved public consultations such as group discussion and questionnaire survey. Some ethnobotanical information was obtained by conducting RRA.

The socio-economic information of project affected households was primarily generated through questionnaire survey, which was supplemented by secondary information. The VDCs that provided their recommendations were Righa VDC in Baglung District and Arlangkot VDC in Gulmi District. A secondary school and a Sub-Health Post in Arlangkot VDC also recommended for the implementation of the project. Apart from recommendations, the major concerns shown by the people were relating to proper compensation for land, minimum tree felling, re-vegetation around the project area, employment preference to local people, and electrification in the impact area and surrounding VDCs.

#### 4.2.2.2 Sunkoshi Small Hydropower Project<sup>10</sup>

The Sunkoshi Small Hydropower Project (SSHP) is a run-off-river scheme with an installed capacity of 2.6 MW. The project is located in Dhuskun VDC of Sindhupalchowk District of Central Development Region. The project is located at about 88 km northeast of Kathmandu. Sanima Hydropower Company Private Limited received the license to carry out feasibility study of the project, while ITECO Nepal Private Limited conducted feasibility study and IEE of the project.

A public notice was published in a National Daily on 7<sup>th</sup> and 8<sup>th</sup> January 2001. The notice was posted on the notice board of concerned VDC offices and places of public interest. Despite the notice, no feedback was received from public and private institutions of the project area. However, the impact VDCs provided the proponent with their

recommendations for the implementation of the project.

The project examination included collection of primary and secondary database for physical aspects. Information on biological database such as wildlife, aquatic animals, birds, various species of various were collected from the local people. Mass meetings were conducted at three places of the project area to collect socio-economic data.

### 4.3 Analysis of Legislative Framework in the Context of Public Consultations and Acceptance in Hydropower Projects

In view of WCD Guidelines for good practice and their defining principles, a number of Nepalese laws and policies were identified which are related and relevant to address the strategic priority of WCD. They are:

- » The Constitution of the Kingdom of Nepal, 1990;
- » Muluki Ain (National Code), 1963;
- » Electricity Act, 1992
- » Electricity Regulation, 1993;
- » Water Resources Act, 1992;
- » Water Resources Regulation, 1993;
- » Land Acquisition Act, 1977;
- » Hydropower Development Policy, 2001;
- » Environment Protection Act, 1997; and
- » Environment Protection Rules, 1997 (with first amendment in 1999).

In addition to the legislative frameworks there are also a number of Guidelines relating to public involvement while conducting environmental assessment of hydropower projects in Nepal. The identified ones are:

- » National EIA Guidelines, 1993;
- » Manual for Public Involvement in EIA Process of Hydropower Projects;
- » Manual for Preparing Scoping Document for EIAs of Hydropower Projects;
- » Manual for Conducting Public Hearings in the EIA Process for Hydropower Projects.

Likewise, the review also considered international Guidelines pertaining to public acceptance. The Guidelines reviewed were:

- » World Bank Operating Guidelines; and
- » Asian Development Bank Guidelines.

#### 4.3.1 Nepalese Legal System Supporting Public Participation, Consultation, and Acceptance

The WCD report recognizes that it is essential to achieve the outcomes of project development through negotiations among stakeholders who would be affected by such development. In this context, there are a number of legal systems in Nepal that address the rights of the people. It is inevitable that water resource development schemes intervene into people's rights and properties that support

their livelihoods. In case of such interventions, it is essential to bring those whose rights are jeopardized to the negotiating table and that rehabilitation is done in such a way that the project is implemented with their support.

In this regard, the Constitution of the Kingdom of Nepal, 1990, Part 3 guarantees the fundamental rights of all citizens of Nepal. It also guarantees the right to property as a fundamental right, which is given by Article 17. The same Article encompasses that the State shall not, except in the public interest, requisition, acquire or create any encumbrance on the property of any person<sup>11</sup>. Since that the Constitution upholds a person's right to own property, it is essential for water resources projects to recognize such rights while acquiring an individual's property and follows other compatible procedures to provide proper compensation. Furthermore, Article 16 of the Constitution guarantees the right to information, which relays that every citizen has the right to receive information on any matter of public importance. This provision essentially provides ways for disclosure of development project reports.

The Muluki Ain or the National Code of Nepal (1963), grants first right to appropriate water from common water sources to persons who have already constructed irrigation canals with their own money and effort. It prohibits the construction of new canals upstream from existing canals if water supply in the earlier canal is reduced. The National Code protects the right of downstream users.

The Electricity Act, 1992, permits the government to acquire an individual's land and house for the purpose of generation, transmission, or distribution of electricity after completing necessary inquiries. Such arrangement implies that the concerned stakeholders are recognized and that those stakeholders are consulted before such a decision is reached.

According to the Electricity Regulation, 1993, an application regarding the production and transmission of electricity should inform the owners whose house or land are to be acquisitioned or utilized. The regulation also requires the publication of a public notice stating necessary particulars for the information of general public. These rules imply that relevant stakeholders are identified and informed about the project during the application phase thereby pronouncing their right to information. The regulation also requires compensation for land owners when it is necessary to acquire their land as per the provision given in Section 33 of the Electricity Act, 1993.

The Water Resources Act, 1992, also respects land acquisition and compensation. The Act permits the government to acquire land and develop water resources for the purpose of larger public benefit. The Act also has provision of compensation for such acquisition by the government or those permitted to utilize water resource for development. Such requirements mandate the identification of stakeholders and that they are compensated after proper negotiations.

The Water Resources Regulations, 1993, Rule 19 requires that the public is essentially informed when a license for the utilization of water resource is sought. The rule also gives the right to a member of public to register concerns about the proposed water resource use scheme. The regulations address compensation issues in its Section 34. When the land or house is prohibited for use due to project structures, the aggrieved person should be paid compensation as per the recommendation of Compensation Fixation Committee. The committee is consisted of representatives of the government, project developer, experts, the owner of the property, representatives of local government, and others.

The Land Acquisition Act, 1977, provides right to the government to acquire any land at any place for any public purpose, which is subject to compensation. The government may also decide to have the land acquired for institution, in case any institution requests HMGN for the acquisition of any land, to construct residential quarters for the staff, to operate a project, or to construct a Godown for the storage of any commodity. According to the Act, the concerned public purposes the main functions to be undertaken in the interest of, or for the benefit, or use of the general public, or the functions to be undertaken by HMGN. The Act essentially requires a project affected individual to be recognized and conferred upon him/her the right to proper rehabilitation on consultation, negotiation and acceptance.

Hydropower Development Policy necessitates hydroelectric projects to be operated in such a way that the local people are directly benefited from the projects and that the construction or operation of hydroelectric project should be made in a way that it would have minimum adverse effect on the natural environment. The policy also outlines the need for appropriate resettlement of displaced families. These policy Guidelines effectively address the interests of local communities that are going to be affected by the project.

In Nepal, a major piece of legislation dealing with public involvement is the EPA 1997 and the EPR 1997. The obligations under EPA 1997 and EPR 1997 specifically require projects to undertake assessments, which essentially require to quantify the benefits and risks of project development, dissemination of project related information, process and procedures for public involvement in decision making as well as gaining public acceptance. The process of environmental assessment involves identification and involvement of relevant stakeholders while assessing the impacts of the project. The access to information on project is mandatory and the concerns of those stakeholders need to be considered and incorporated in the final design of the project. The provision of public hearing before concluding the EIA report further strengthens stakeholders' active and informed participation. However, certain limitations are also observed when stakeholders are unable to understand the overall implications of the project, which

may also influence local people's acceptance in favor of immediate benefits of the project. A more comprehensive discussion of EPA 1997 and EPR 1997 is given in Section 4.3.4 of this report.

### **4.3.2 Manual and Guidelines to Conduct Public Consultation**

The government endorsed the National EIA Guidelines in 1993. Although it doesn't have legal mandate to be followed, it has been widely adhered to while conducting environmental assessments. It is regarded as government policy Guidelines, which is followed while conducting EIAs under EPA 1997 and EPR 1997. The Guidelines suggest addressing issues of public concerns from early stages of assessment. The Section 14 of the Guidelines deals with methods of Scoping for environmental assessment. It also guides the involvement of the general public on several occasions. This section serves as a guide to make plan for public involvement, which essentially includes the proponent, concerned experts, local people affected by the project, and special interest groups. It also requires the project to obtain consent from concerned authorities and government agencies. Furthermore, the section entails to provide necessary notification and information to those people who are likely to be affected by the project, and identify major issues of public concern. The Guidelines under Section 27 submits to adopt compensatory measures for activities such as restoration of damaged natural resources, rehabilitation of displaced settlements, and compensation to affected persons. With due respect to informing the public, Section 28 requires the environmental assessment report to be released for public review and incorporate comments received thereafter. The Chapter 13 and its Sections 45 to 50 of the Guidelines further elaborate the issue of community participation. It defines community participation as one of the main foundation of planning and implementation of a project<sup>22</sup>. The chapter identifies the time for community participation, individuals, groups, and agencies to be involved, methods to involve the public, and take responsibility in involving the public. Specifically, the Guidelines address major public consultation and acceptance issues raised by the WCD strategic priority of gaining public goodwill to implement projects. The Guidelines necessitate stakeholder analysis from early stage during environmental assessment, give due respect to public views and concerns entailing negotiated and informed decision-making, and wider and transparent information dissemination.

Manual for Public Involvement in the EIA Process of Hydropower Projects, 2001 elaborately discusses and presents comprehensive public consultation procedures. The manual outlines various methods for public involvement and engaging stakeholders during environmental assessment process of hydropower projects. The manual has rightly defined public involvement as the

process of encouraging, enabling and engaging the general population, or members of a community as a whole, to express their interests, discuss concerns and solicit active support in planning, implementing, operating and maintaining a development project<sup>23</sup>. The manual when followed by project developers during their environmental assessment process essentially addresses concerns of public involvement as indicated by the WCD.

In addition to the public involvement manual, the DoED has published yet another manual entirely dedicated to conduct public hearings in EIA process of hydropower projects. The manual was the result of concerted efforts of the government and several private organizations involved in and promoting hydropower development in the country. The manual extensively describes practices for conducting public hearings. The manual also includes tips for identification of stakeholders and tips for information dissemination, all of which adequately address WCD concerns of stakeholder consultations.

### **4.3.3 International Guidelines and Policy Addressing Public Consultation and Acceptance**

The World Bank (WB) has its own environmental assessment Operational Policies (OP) and Bank Procedures for development projects, which addresses public consultation processes. In its OP 4.01, it is stated that the Bank requires environmental assessment of projects proposed for Bank financing to help ensure that they are environmentally sound and sustainable, and thus to improve decision-making. The Public Consultation section of OP 4.01 requires the borrowers to consult project affected groups and local NGOs about the project's environmental aspects and take their views into account. Further, the Disclosure section of OP 4.01 requires that the borrower provide relevant material in a timely manner prior to consultation and in a form and language that are understandable and accessible to the groups being consulted. This section also requires the borrower to make the draft environmental assessment report available at a public place accessible to project affected groups and local NGOs.

The Asian Development Bank (ADB) Environment and Indigenous People Policies also recognize the need for public consultations. The ADB recognizes the need for the involvement of key stakeholders to ensure a stronger affirmation of the project's acceptance. The ADB also recognizes the need to strengthen the implementation of mitigation measures in projects with clear specification and support of local stakeholders. The environmental assessment reports also need to be circulated widely. The Indigenous Peoples' Policy ensures that the ADB interventions are consistent with the needs and aspirations of affected indigenous people compatible in substance and structure with the people's culture and social and economic institutions, and that it is conceived, planned, and implemented with the informed participation

of affected communities, equitable in terms of development efforts and impact, and not imposing the negative effects of development on indigenous peoples without appropriate and acceptable compensation<sup>4</sup>.

Such provisions of WB and ADB are also in line with EPA 1997 and EPR 1997 public consultation requirements. These conformities address WCD concerns relating to stakeholder analysis, negotiated decision-making, and free, prior, and informed consent of stakeholders, which shows encouraging recognition of the fact that projects developed with public acceptance go a long way rather than projects without it.

#### **4.3.4 Environmental Protection Act and Regulation of 1997 and its Strength, Weakness, Opportunity, and Threat Analysis in Relation to Public Consultation and Acceptance**

##### **4.3.4.1 Strength in Relation to Public Consultation and Acceptance**

The EPR 1997 Rule 4 requires a notice to be published in a National Daily so that any member of the public, local government authorities, schools, hospitals, health posts, and community organizations may raise their concerns with the project proponent within a period of fifteen days. The MoPE had previously published a format for publishing public notice, which includes description of the nature of project, its location, areas, and the impact sectors following the implementation of the project. Concerns and issues regarding the project may be raised with concerned government body as well. As a follow up of such concerns, the EIA team has to analyze and address such issues adequately.

A public hearing is a must while undertaking EIA as prescribed by EPR 1997 Sub Rule 2 of Rule 7. The public hearing provides a platform for all concerned public to consult the project developer and raise their concerns. It also provides an opportunity to the environmental assessment team to adequately summarize public concerns and address such concerns in a more relevant manner. In case of an IEE, a notice is published requesting the submission of concerns regarding the project. And the IEE team is required to address such public concerns.

In addition to public hearing, recommendations from local government bodies are also required. This arrangement is expected to include public concerns as well. The EPR 1997 Sub Rule 2 of Rule 11 requires the MoPE to publish a notice in a national daily granting a 30-day period for all concerned public to offer their standings on the EIA report. Such provision provides ample opportunities for every stakeholder to stimulate public consultations regarding the proposed project and submit further concerns and issues related to the project.

The Rule 45 of EPR 1997 clearly states the provision of compensation to affected people. The Rule also highlights the procedures for property acquisition and compensation

as part of mitigation and compensatory measures. The EPR 1997 Rule 13 requires the concerned body to monitor the impacts caused by the implementation of the project. It also provides room for issuance of necessary directives to adopt further mitigation measures to reduce impacts that may not have been identified during the environmental assessment. This provision has ample room to effectively assess impacts on the people and further recommend necessary corrective measures. This provision also helps to form stronger basis to gain public acceptance of the proposed project.

##### **4.3.4.2 Weakness to be Addressed in Relation to Public Consultation and Acceptance**

As per EPR 1997, the proponent is obliged to publish a notice in a National Daily, which is done during the EIA Scoping exercise. In most cases circulation of such notice is limited. In remote areas of the country, such notice may not reach in time limiting the opportunity of some stakeholders to interact and provide their concerns to the appropriate authority. The areas where the projects are to be implemented may find the 15-day time period adequate. However, previous experiences have shown that negligible responses are received during assessments. Nevertheless the EIA team visits project sites to identify relevant issues and then prepare ToR for EIA.

There are very few human resources in the country that can play a key role in leading environmental assessment. The legislation does not bind the proponent to engage qualified and relevant experts to complete the assessment. Such an open space allows anybody - regardless of training and education - to join an EIA team. Such discrepancies allow improper undertaking of public consultations. It is also possible that the public concerns raised are not addressed properly. Similarly, limited number of experts in the ministry also hampers the initiation of timely approval of EIA.

As per the requirement of EPR 1997 Schedule 6, a summary of EIA report needs to be prepared. Since it has been the general practice to prepare reports in English language, the public who consults the summaries may not necessarily understand it. However, MoPE has directed the inclusion of summary of all environmental assessment report in Nepalese language also. At the same time it would also be relevant to use non-technical language as much as possible so that the general public may understand it.

The Environmental Management Plan (EMP) spells out all mitigation measures along with responsible institutions for the implementation of the plan. Because of lack of proper monitoring mechanism, the mitigation measures addressing public concerns may be ignored or often become irrelevant.

##### **4.3.4.3 Opportunity to Improve in Relation to Public Consultation and Acceptance**

There is a lack of properly trained human resources on EIA. The EIA team should essentially include experts while

conducting public consultations. Since it is obligatory to undertake EIA of development projects, it provides opportunity to better train public consultation experts to effectively assess projects and recommend measures to give due respect to the affected people.

The standards on ambient air, water, noise level would effectively serve interests of the public for a cleaner and healthier environment. When such standards are obligatory, the proposed projects would need to adequately address issues that might go against the standards. Therefore, a soundly designed project may ensure wider benefits to the public, and gain wider acceptance when EIA legislation also adheres to environmental standards.

#### 4.3.4.4 Threat to Practice in Relation to Public Consultation and Acceptance

While strengthening the Scoping process through the involvement of additional tools of public consultation and public hearing, the present level of resources and time will not be adequate. The developers may feel the burden and not properly undertake public consultations. It is, however, very essential that pertaining issues are identified in the Scoping phase.

Although clearly mandated by the EPR 1997, monitoring of implemented projects has been very weak in some cases. Lack of monitoring has undermined application of necessary measures in some cases that protect and benefit the local people. Such divergence poses threat to the confidence of the public about the project and risks their level of acceptability as well.

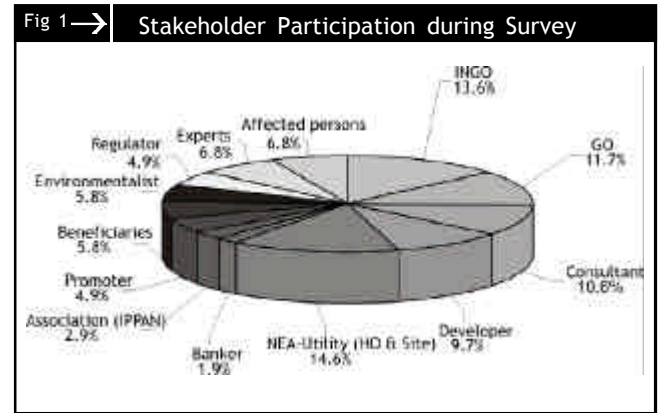
### 4.4 Questionnaire Survey

A questionnaire survey was conducted on relevant stakeholders during the analysis of strategic priority of WCD. As many as 13 stakeholder categories comprising various INGOs, government organizations (GO), consultants, NEA staff (head office and site staff), bankers/financiers, office bearers of Independent Power Producers' Association of Nepal (IPPAN), promoters, environmentalists, regulators, experts in the field of hydropower and irrigation, project affected people, and the beneficiaries of Phewa Multipurpose Project (which encompasses hydropower, irrigation, recreation, and navigation components) were surveyed. The percentage of surveyed categories is given in figure 1. A total of 103 individuals participated in the survey.

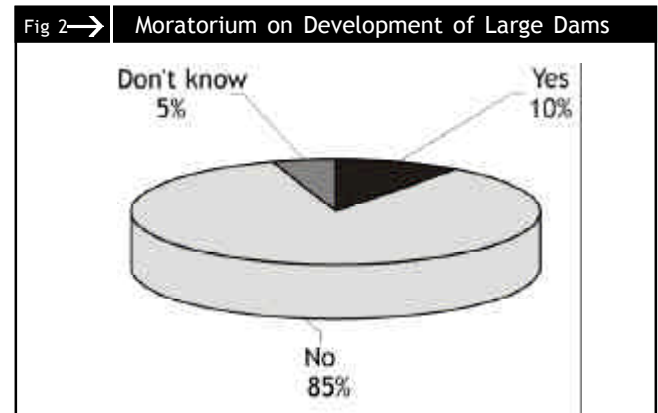
#### 4.4.1 Result and Learning of Questionnaire Survey

To start with, the survey revealed that 85% of the respondents do not agree on the idea of moratorium on developing large dams in Nepal (figure 2). It may be because of the fact that Nepal possesses nearly 83,000 MW of hydropower potential of which less than 1 percent has been harnessed and apart from water resources there are not many resources in abundance,

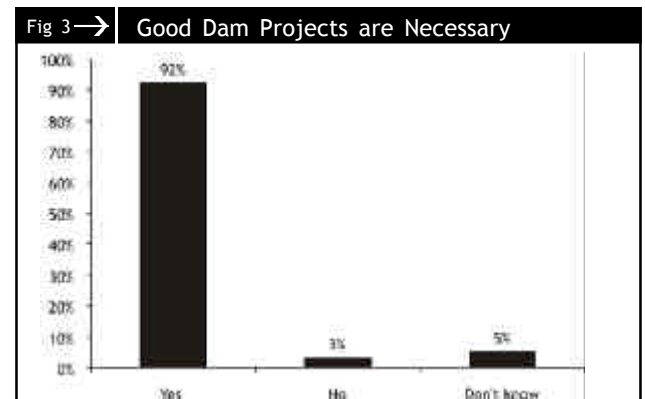
which could help reduce poverty and raise the economic base of the country.



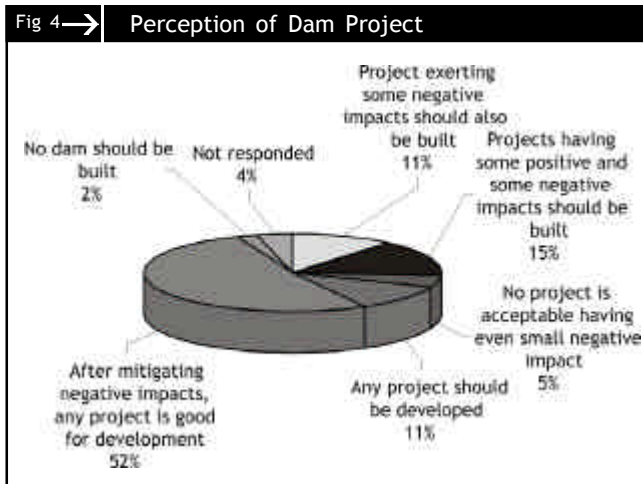
Some 82 percent respondents felt that those dams that are technically sound, economically viable, environmentally friendly, and socio-culturally acceptable are considered as good dams, while none denied this statement. However, 18 percent showed their ignorance on this matter.



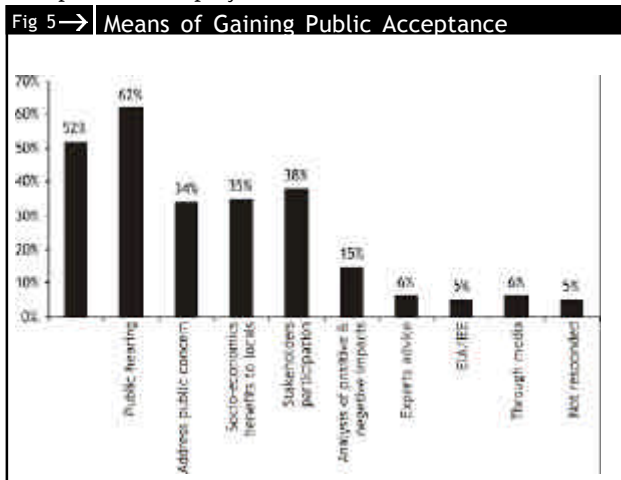
Nepal being a mountainous country, the elevation ranges from 80 m to 8,848 m in a short stretch of less than 200 km from south to north. Therefore, an elevation of few hundred meters is a normal phenomenon. Hence, large dams as categorized by WCD may fall on small/medium size in Nepalese context. The concern is whether the dams are built as good dams or bad dams and 92 percent of the respondents expressed for good dams to be built in Nepal. Some 5 percent showed their ignorance on this issue and 3 percent were against dam projects (figure 3).



The majority of the respondents (52%) expressed that once the negative impacts are mitigated, any project is good for development. There were around 2 percent who were totally against the dam projects, while 5 percent said that projects with even a small negative impact is not acceptable. Eleven percent of the respondents felt that all projects should be implemented for the welfare of the nation. Similarly, 15 percent opined that projects with some negative as well as positive impacts should be implemented, while 11 percent expressed that projects should be developed even if they exert some negative impacts (figure 4). Regarding the understanding of public acceptance, 86 percent said that they understood its meaning, 1 percent said that they didn't understand it, while the remaining 13 percent expressed their ignorance. It was also revealed that 92 percent thought it was necessary to gain acceptance of the public while developing a dam project in Nepal. Three percent thought it wasn't required whereas the remaining 5 percent said that they didn't realize its implications.

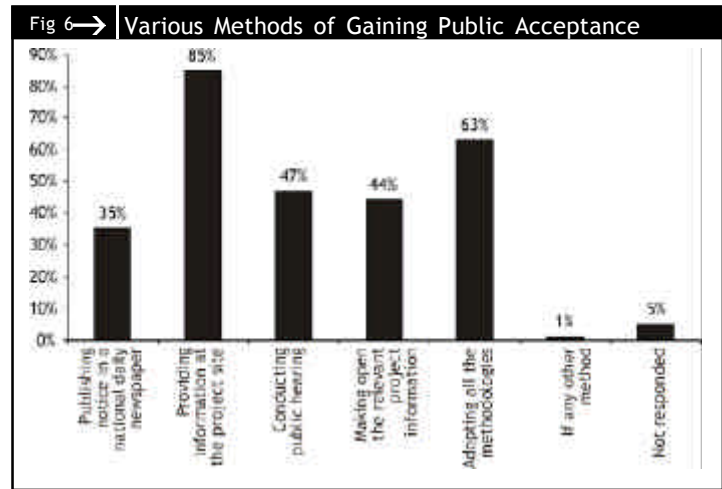


The respondents were further asked to describe the means to gain public acceptance. As it was an open ended question, subjective answers were expressed. These subjective answers were categorized into 9 different categories, which are given in figure 5. From the categories identified, it has been revealed that the EIA/ IEE process, which integrates all the categories, holds strong for public consultation process and gaining acceptance of the project.



Some 94 percent of the respondents also expressed that various methods were necessary for public consultation and acceptance. Only 1 percent didn't think so while 5 percent said they didn't know about it.

Those who advocated for various methods of public consultation further expressed the methods for consultation (figure 6). It is again interesting to see that the methods expressed are all used during environmental assessments of water resource projects. It can, therefore, be said that public consultation and gaining their acceptance may be achieved through the process of environmental assessment.

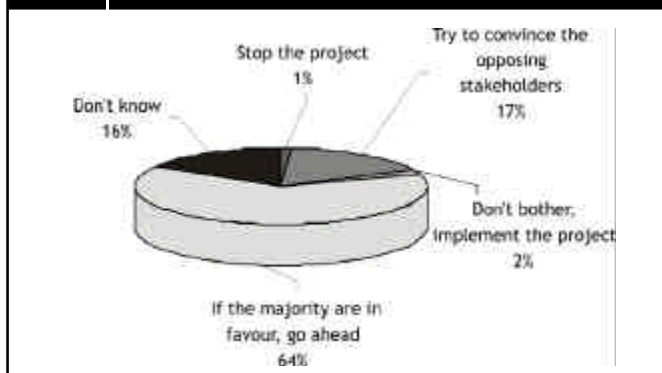


For the query 'a specific project is believed to have gained public acceptance if the project is supported by certain percentage of local people', only 5 percent said that the project should go ahead with total acceptance of the public. The remaining respondents feel public acceptance of projects should be there but the percentage of acceptance varies as shown in figure 7. The highest percentage of respondents, which is 25 percent, said that the support of 70 percent of project affected local people is needed for gaining acceptance.



As shown in figure 8, only 1 percent expressed that the project should be stopped when one or some of the stakeholders opposes it. Likewise, only 2 percent said that

Fig 8 → Acceptance of Project when Project is Opposed

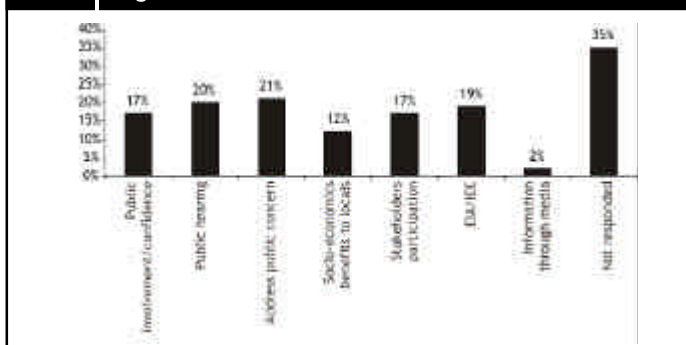


the project should go ahead without considering those who oppose the project. Majority of the respondents (64%) felt that the project should go ahead when most of the stakeholders agree to implement it. From the above responses, it may be said that public acceptance should be there for the implementation of a project, however, total acceptance by all stakeholders may not be the case all the time.

While responding to a query which sought to find out the knowledge of respondents as to how far hydropower and irrigation projects have gained public acceptance after the enforcement of EIA legislation, 52 percent said that most have gained acceptance. The other responses were 'all of them' expressed by 5 percent, 6 percent said 'half of them', 13 percent said 'some of them', while 24 percent expressed ignorance of this matter. It may be said that a majority of respondents feel that EIA legislation has its firm role when hydropower and irrigation projects are being developed.

Regarding hydropower and irrigation projects that were approved with respect to their environmental assessments, the respondents were further asked the logic behind projects gaining acceptance. The result is shown in figure 9, which shows that the acceptance was achieved due to

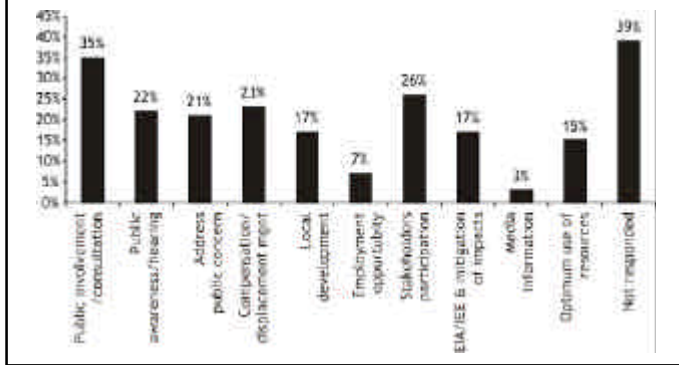
Fig 9 → Reasons for Public Acceptance of Hydropower/ Irrigation



extensive public consultations, addressing of public concerns, and socio-economic benefits.

Finally, when the respondents were asked to provide any

Fig 10 → Suggestions for Gaining Public Acceptance



other comments and suggestions with regard to public consultation and acceptance of hydropower/irrigation projects (figure 10), 39 percent refrained from giving any comments/suggestions. Nevertheless, 35 percent said that public involvement and consultation is necessary, 22 percent opined that public awareness campaign and public hearing session was necessary, while 21 percent said that the projects have to properly address the public concerns. Twenty-three percent expressed that compensation of the land/property have to be made adequately/timely and management of the involuntary displacement has to be done effectively and efficiently. Similarly, 17 percent said that local development activities in the project affected areas need to be implemented, 7 percent expressed that employment opportunity should be given to the project affected people, 26 percent opined that stakeholders' participation is necessary. Seventeen percent said that EIA/IEE and mitigation of negative impacts have to be adopted, 3 percent said that information should be disseminated through the mass media, while 15 percent showed their concern about the optimum utilization of the natural resources. From the responses, it can be generalized that the projects need to be discussed with the beneficiaries to obtain their consent in such a way that the implemented projects are sustainable, which also coincides with WCD principle of gaining public approval for sustainable implementation of water resource projects.

## 4.5 Analysis Learnings

### 4.5.1 Lessons Learnt from Review of Environmental Assessment Reports

The review and assessment of the environmental assessment reports of hydropower and irrigation projects have generated following lessons:

- » The finalization of assessment reports were done after incorporating pertinent issues/concerns raised by the stakeholders during public hearings. The reports were essentially submitted to concerned government departments - DoED in case of hydropower projects and the Department of Irrigation (DoI) in case of irrigation projects - which is also regulated by EIA legislation. The department reviewed the report and sent it to MoWR with its comments. The ministry then sent the

report along with its comments to MoPE. The Review Committee set-up by MoPE comprised representations from the line department, MoWR, TU, EIAA, and independent experts. The Committee reviewed the report and comments forwarded by the department and ministry. The reports were made available for the general public by publishing a notice in the National Dailies, which is again mandated by EIA legislation for a period of one month. The Review Committee examined the reports. And after necessary amendments the assessment reports were approved. In case of IEE, the line ministry reviewed the reports along with comments received from concerned department and approved the findings.

- » The clauses and rules of EPA 1997 and EPR 1997 were followed. In some cases, the public hearing that needed to be conducted in the project impact areas had to be held in district headquarters instead. Several reasons were given for the inability to conduct the hearing in the project impact area.
- » Most of the times, local people were aware about the project being implemented, which indicated that project developers maintained healthy relations with members of the local community.
- » Public consultation methodologies were followed to appreciable extent for socio-economic and cultural environment assessment. Several methodologies were followed such as questionnaire survey, PRA, RRA, and discussions. The group discussions were held but it was difficult to assess and review the issues and the outcomes of the discussions.
- » The physical environment database is covered from both primary and secondary sources. The biological environment database is also based on secondary sources and includes verification of some parameters from the public such as major uses of flora for local livelihoods and common faunal distribution of the area in question.
- » The public hearing documentation is poor in the EIA reports. The recommendation letters from concerned VDCs in favor of the project are essentially acquired. However, it is difficult to review, qualitatively and quantitatively, as to what level of acceptance the local people demonstrated for the project during public consultations.
- » Majority of public concerns is centered on provision of infrastructure facilities such as roads and rural electrification from the project along with issues relating to acquisition of land/property and compensation, and job/training opportunities etc.
- » The comments and suggestions of the review committee were rarely cited in the final EIA report. It would have been better if in the report such analysis of the committee was presented and how they were dealt by the assessment team so as to inform all the concerned.
- » Most of the time, the EIA report is rather vague about the concerns and issues shown by the stakeholders.

The report, however, suggests that the concerns and issues of local populace were adequately addressed.

#### **4.5.2 Lessons Learnt from Review and Analysis of Public Involvement Process given in Legal Framework**

With due consideration to available legal system and their practice in the country, the followings have been learnt from the analysis of the same. A summary of sections and rules of EPA 1997, EPR 1997, and National EIA Guidelines 1993 that address WCD Guidelines is given in Annex 2.

##### **4.5.2.1 Lesson on Stakeholder Analysis**

The lessons learnt with respect to current provisions and practices of stakeholder analysis in line with WCD Guidelines are given below.

- » The legal recognition of ownership of land is given by the State, which is also guaranteed by the Constitution. When a water resource project needs to acquire land and other properties for project's purpose, the owners of the properties have to be recognised. Furthermore, the property owners have to be rightfully compensated for the properties they lose. The compensation for lost property is dealt by several laws, which gives ample room for stakeholders to be involved in the project development process, including procedures for adequate rehabilitation.
- » An important stakeholder benefit comes from provision in the National Code. It prohibits the construction of new canals upstream out of the existing canals if water supply to the older canals are compromised, which confirms proper and a wide range of stakeholder analysis.
- » Although stakeholder rights have been addressed, a key constraint still remains as identification of stakeholders for consideration in a development scheme is open ended. As of now anybody can claim to be a stakeholder, which invites unnecessary complications to both developers and genuine stakeholders as well. The manuals for public involvement have attempted to address it but these manuals are not mandatory.
- » The stakeholder involvement has become an important part of project development process. However, the stakeholder involvement has also been limited due to their reduced awareness of project implications and their rights. Such ignorance has allowed developers to manoeuvre the project as per their comfort alone.

##### **4.5.2.2 Negotiated Decision-Making Process**

The WCD principle conveys that public acceptance should be achieved through agreements negotiated in an open and transparent process conducted in good faith and with wider participation of concerned people. In line with such deliberation, the outcomes of the analysis are given below:

- » The EPR 1997 confirms the participation and representation of stakeholders. Furthermore, there are provisions for informing the general public to

participate in wider meetings to discuss the project. These binding facilities converge to wide consultations among project developers, government authorities, local organizations, project affected persons, and other stakeholders, where negotiations can be made to benefit local people as well as for the benefits of other people.

- » The public hearings may also recognize views of certain personalities and are wrongly interpreted as concerted view of the stakeholders. Such tendencies jeopardize the benefits that rightfully belong to all stakeholders. However, frequent consultations during EIA also confirm to WCD Guidelines.
- » The VDC plays a major role as it has to provide its recommendation regarding the project in question. The VDC may voice stakeholders' concerns, while suggesting several ways to address those concerns. However, it is also possible that VDC's role could be biased due to political or other influences involved in the consultation process.
- » At the immediate project area, a 15-day time period for delivering written concerns to project developers or relevant authority during the Scoping stage, and 30 days to provide the ministry with the concerns on draft environmental assessment report seems quite enough.
- » It is encouraging to see that environmental assessment legislation requires assessment reports to be made available for public consumption. Such practice opens avenues to independently investigate issues of development for the overall benefit to the local people. At the same time, it provides opportunity to raise irrelevant issues that arise out of personal vendetta and political bias.

#### 4.5.2.3 Free, Prior, and Informed Consent

One of the principles of WCD recognises the essentiality of consent of indigenous and tribal people for the development of projects. Although the entire legal frameworks do not specifically label indigenous and tribal people, the following facts have been revealed in the Nepalese context:

- » Provisions exist for an inquiry committee related to the utilisation of water resources.
- » During environmental assessment, a notice is published in a National Daily. The notice is also pasted and disseminated at various locations and offices of the project area with information on the proposed project. This practice provides opportunity for discussion on the proposed project, and collect informed consent of local people of that project area.
- » Extensive interactions are undertaken with local people and authority on the basis of the ToR, and

probable impacts are identified. The mitigation measures are also drawn on the basis of such consultations. The final consent received for the implementation of the project depends on such prior project information and the ensuing discussions on it.

#### 4.5.3 Public Consultation Process Based on the Analysis of Current Practice

The experience and practice over the years have shown that participation and consultation with stakeholders and their acceptance of a project as their own sustain it. The project developers and consultants, therefore, reckon the significance of public participation and their acceptance for successful implementation and sustainability of their project. There are a number of techniques to consult the public. The wider participation in the project planning and development process may be useful to entail local ownership of the project. Such techniques<sup>5</sup> may be:

- » Public Meetings: They are 'open' with no restriction as to who may attend.
- » Door to Door Visit: It will serve the purpose of informing the stakeholders about the road being built and their understanding to it.
- » Advisory Panels: A group of individuals chosen to represent local people, which meets periodically to assess work done and results obtained, and also to advise on future project planning.
- » Open Houses: A manned facility, in a locally accessible location, which contains an information display regarding the project components where members of the public can visit to obtain information, and make their concerns and views known.
- » Interview: A structured series of open-ended interviews with selected representatives of community to obtain information, concerns, and views.
- » Questionnaires: A written, structured series of questions issued to a sample of local people to identify their concerns, views, and opinions.
- » Participatory Techniques: A systematic approach to appraisal based on group inquiry and analysis acquiring multiple and varied inputs. It may be assisted, but not controlled or directed, by external specialists.

In view of the importance of consultation and participation of the concerned public while developing water resource project, some activities and the concerned responsible parties have been tabulated below. It identifies different phases and activities that go into each phase that support public participation and gain their respect towards the project.

Project phase activities in support of public participation and gaining public acceptance in water resource project

SN	Responsible Party	Activity	Evidence of Participation	Remarks
<b>Pre-Feasibility Study and IEE</b>				
1	Consultant	<ul style="list-style-type: none"> <li>» Dissemination of information regarding project type to the local community.</li> <li>» Perform environmental and social screening.</li> </ul>	<ul style="list-style-type: none"> <li>» Collection of letters from the local authorities regarding public consultation.</li> </ul>	<ul style="list-style-type: none"> <li>» Record any issues that are positive or negative of the project.</li> </ul>
2	Local Authorities	<ul style="list-style-type: none"> <li>» Facilitate local people to gather their inputs regarding the project.</li> <li>» Ensure awareness of people regarding the project.</li> </ul>	<ul style="list-style-type: none"> <li>» Record minutes of consultations.</li> </ul>	<ul style="list-style-type: none"> <li>» Record any issues that are positive or negative of the project, which needs immediate attention by the parties concerned.</li> </ul>
3	Local Communities	<ul style="list-style-type: none"> <li>» Appraise and consult project consultants regarding local environmental and social parameters of their locality.</li> </ul>	<ul style="list-style-type: none"> <li>» Record evidence of participation and communication with project officials.</li> </ul>	<ul style="list-style-type: none"> <li>» Record any issues that are positive or negative to the community, which needs immediate attention by the parties concerned.</li> </ul>
<b>Feasibility Study and EIA</b>				
4	Consultant	<ul style="list-style-type: none"> <li>» Disclose project components to the local communities.</li> <li>» Disclose beneficial and negative impacts to the local communities due to implementation of the project.</li> </ul>	<ul style="list-style-type: none"> <li>» Collection of minutes of discussion meetings regarding different aspects of project components.</li> </ul>	<ul style="list-style-type: none"> <li>» Identification of environmental and social impacts. Presentation of project information such that local communities understand them.</li> </ul>
5	Local Authorities	<ul style="list-style-type: none"> <li>» Clearly mention the areas of impacts.</li> <li>» Facilitate identification of communities under influence of direct and indirect impacts.</li> <li>» Facilitate local communities to understand public participation legal procedures.</li> </ul>	<ul style="list-style-type: none"> <li>» Do.</li> </ul>	<ul style="list-style-type: none"> <li>» Possibly liaise between project and local community. Initiation of participatory planning.</li> </ul>
6	Local Communities	<ul style="list-style-type: none"> <li>» Weigh carefully development alternatives.</li> <li>» Understand major issues related to the project.</li> <li>» Communicate with individuals of the communities to ensure wider participation.</li> <li>» Timely respond to legal procedures of public participation</li> </ul>	<ul style="list-style-type: none"> <li>» Record evidence of participation and communication with project officials and community members.</li> </ul>	<ul style="list-style-type: none"> <li>» Make sure that community members understand and realize project impacts. Detail Design Stage of Project</li> </ul>
<b>Detail Design Stage of Project</b>				
7	Consultant	<ul style="list-style-type: none"> <li>» Dissemination of information regarding project design and its components.</li> <li>» Ensure inclusion of public concern into project design.</li> <li>» Adhere to legal requirements of public consultation.</li> </ul>	<ul style="list-style-type: none"> <li>» Collection of minutes of discussion meetings held for different aspects of project components.</li> </ul>	<ul style="list-style-type: none"> <li>» Ensure inclusion of monitoring and evaluation activities, and impact mitigation measures.</li> </ul>

SN	Responsible Party	Activity	Evidence of Participation	Remarks
8	Local Authorities	<ul style="list-style-type: none"> <li>» Communicate with project regarding project labor and social service requirements, and conflict resolution.</li> </ul>	<ul style="list-style-type: none"> <li>» Do.</li> </ul>	
9	Local Communities	<ul style="list-style-type: none"> <li>» Participation in public meetings and hearings.</li> <li>» Consult project officials regarding project implications.</li> <li>» Keep track of design components of the project.</li> <li>» Timely respond to legal requirements.</li> </ul>	<ul style="list-style-type: none"> <li>» Record evidence of participation and communication by project officials and community members.</li> </ul>	<ul style="list-style-type: none"> <li>» Ensure local communities understand design components of the project.</li> </ul> Project Approval
<b>Project Approval</b>				
10	Consultant	<ul style="list-style-type: none"> <li>» Provide necessary information to the authorities and community for approval procedures.</li> </ul>		<ul style="list-style-type: none"> <li>» Ensure exchange of relevant information and not mislead authorities and communities.</li> </ul>
11	Local Authorities	<ul style="list-style-type: none"> <li>» Understand project components and its impacts, include community concerns prior to recommending project implementation to concerned authority.</li> </ul>	<ul style="list-style-type: none"> <li>» Keep records of information provided.</li> </ul>	<ul style="list-style-type: none"> <li>» Impartial recommendation to approving agencies required with respect to public concerns.</li> </ul>
12	Local Communities	<ul style="list-style-type: none"> <li>» Participation in public meetings and hearings, and enable community consultation.</li> <li>» Enabling and encouraging sense of public ownership of the project.</li> </ul>	<ul style="list-style-type: none"> <li>» Keeping records and track of information provided.</li> </ul>	<ul style="list-style-type: none"> <li>» Monitoring of approval procedures.</li> </ul> Project Construction
<b>Project Construction</b>				
13	Consultant	<ul style="list-style-type: none"> <li>» Timely appraise local communities on the progress of the project.</li> <li>» Make sure that environmental damages are avoided or mitigated.</li> <li>» Make sure that beneficial impacts are enhanced.</li> <li>» Keep track of project direct and indirect effects.</li> <li>» Maintenance of project standards.</li> </ul>	<ul style="list-style-type: none"> <li>» Recording of persons/ contractors responsible for construction and implementation.</li> </ul>	<ul style="list-style-type: none"> <li>» Monitor implementation of all the project components.</li> </ul>
14	Local Authorities	<ul style="list-style-type: none"> <li>» Monitoring of project activities.</li> <li>» Resolution of conflicts.</li> <li>» Monitoring of project</li> </ul>	<ul style="list-style-type: none"> <li>» Do.</li> </ul>	<ul style="list-style-type: none"> <li>» Make sure that project components are not overlooked.</li> </ul>

SN	Responsible Party	Activity	Evidence of Participation	Remarks
15	Local Communities	<ul style="list-style-type: none"> <li>affected people.</li> <li>&gt;&gt; Monitoring of project indirect and direct effects.</li> <li>&gt;&gt; Understand and consult project officials regarding project components being constructed.</li> <li>&gt;&gt; Monitor implementation of project mitigation and other measures.</li> </ul>	>> Do.	>> Realization of project necessity and ownership.
<b>Post Construction</b>				
16	Consultant	<ul style="list-style-type: none"> <li>&gt;&gt; Observe maintenance and compliance norms.</li> <li>&gt;&gt; Preparation of monitoring reports.</li> </ul>	>> Record names of persons/ authorities/community members responsible for monitoring activities.	>> Include dissemination of operation goal information and discrepancies, if any.
17	Local Authorities	<ul style="list-style-type: none"> <li>&gt;&gt; Facilitate assessment of project operation.</li> <li>&gt;&gt; Observe direct and indirect impacts of project in community livelihood.</li> </ul>	>> Keeping track of responsible parties for operation of the project.	>> Recording of any discrepancies in the project implementation.
18	Local Communities	<ul style="list-style-type: none"> <li>&gt;&gt; Take interest and ownership of the project implemented.</li> <li>&gt;&gt; Enabling all community members to take benefits of the project.</li> </ul>	>> Do.	>> Participation in monitoring activities.

1 Singh, D. B. 2004. EIA, A Magic Tool for Sustainable Development in Hydropower Development. Paper presented at 2nd UNIDO/IC-SHP Seminar on SHP Cooperation among developing countries. IC-SHP (China), UNIDO and MoFTEC, China, April, 2004.

2 Project description based on: LEDCO. 2001. Khudi Hydropower Project EIA Main Report, Nepal.

3 Project description based on: DoED/MoWR/HMGN. 2004. EIA Final Report of Mewa Khola Hydropower Project (Taplejung District), Nepal.

4 Project description based on: DoED/MoWR/HMGN. 2004. EIA Final Report of Singati Khola Hydropower Project (Dolakha District).

5 Project description based on: GEOCE Consultants (P) Ltd. 2003. Upper Modi 'A' Hydroelectric project EIA final Report (Volume 1), Nepal.

6 Project description based on: SchEMS. 2002. EIA of Indrawati III Hydroelectric Project Vol I Main Report, Nepal.

7 Project description based on: TAEC Consult (P) Ltd. and NESS (P) Ltd. 2001. EIA Study of Middle Marsyangdi Hydroelectric Project Volume I: Main EIA Report, Nepal.

8 Project description based on: MoWR/DoI/HMGN/EU. 2000. Fattepur Irrigation Sub-Project Environmental Impact Assessment Final Report, Nepal.

9 Project description based on: Hydro Engineering and Development Co. (P) Ltd. 2005. IEE Study of Daram Khola Hydropower Project (5MW), Nepal.

10 Project description based on: ITECO Nepal (P) Limited. 2001. Sunkoshi Small Hydropower Project Volume 5: Report on IEE, Nepal.

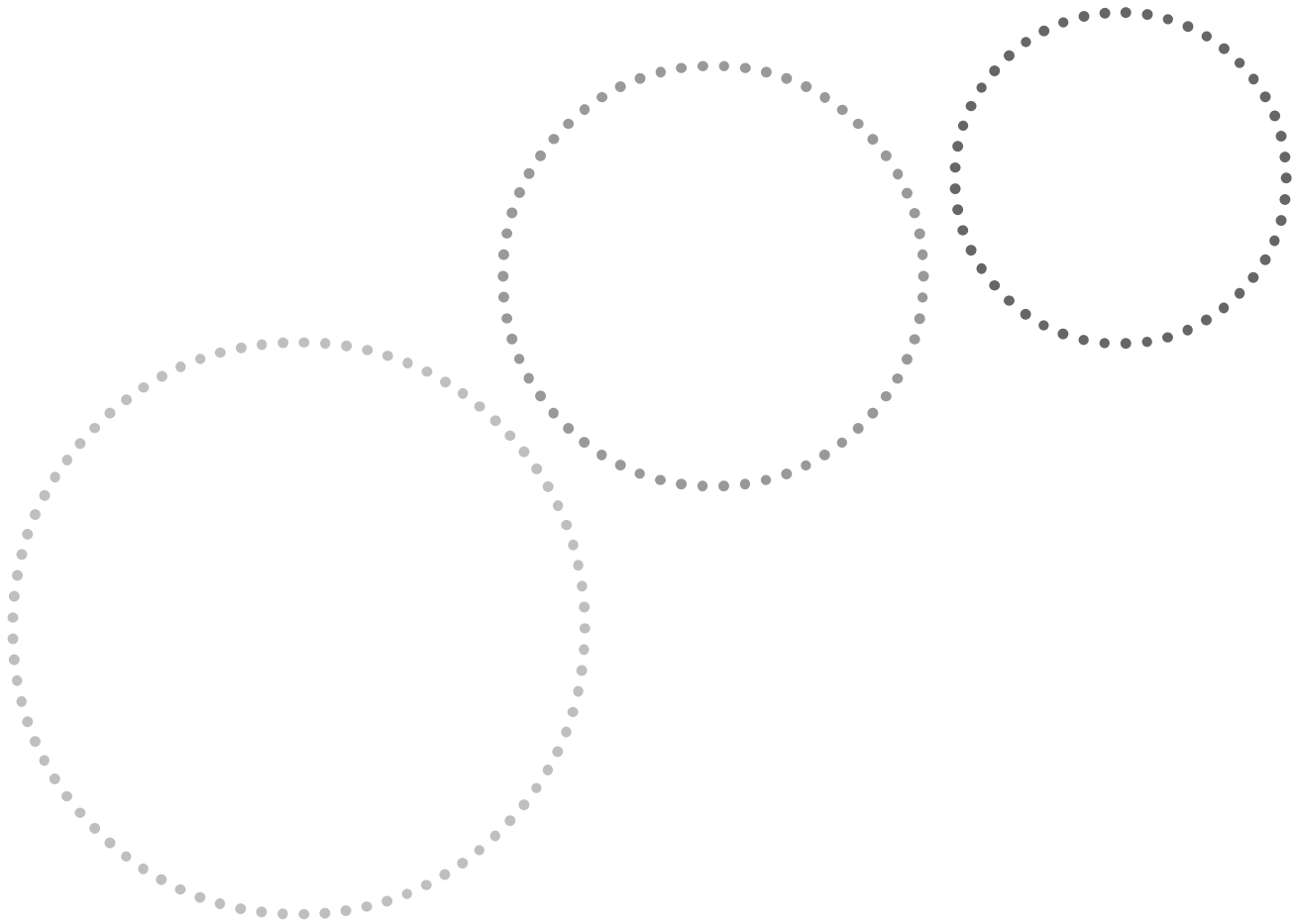
11 MoLJPA. 1990. The Constitution of the Kingdom of Nepal. Ministry of Law, Justice, and Parliamentary Affairs, Kathmandu.

12 NCS Implementation Project. 1994. National EIA Guidelines 1993, Kathmandu, Nepal.

13 DoED, 2001, Manual for Public Involvement in the EIA Process of Hydropower Projects. Department of Electricity Development, HMGN, Kathmandu, Nepal.

14 ADB. 1998. The Bank's Policy on Indigenous Peoples, Asian Development Bank.

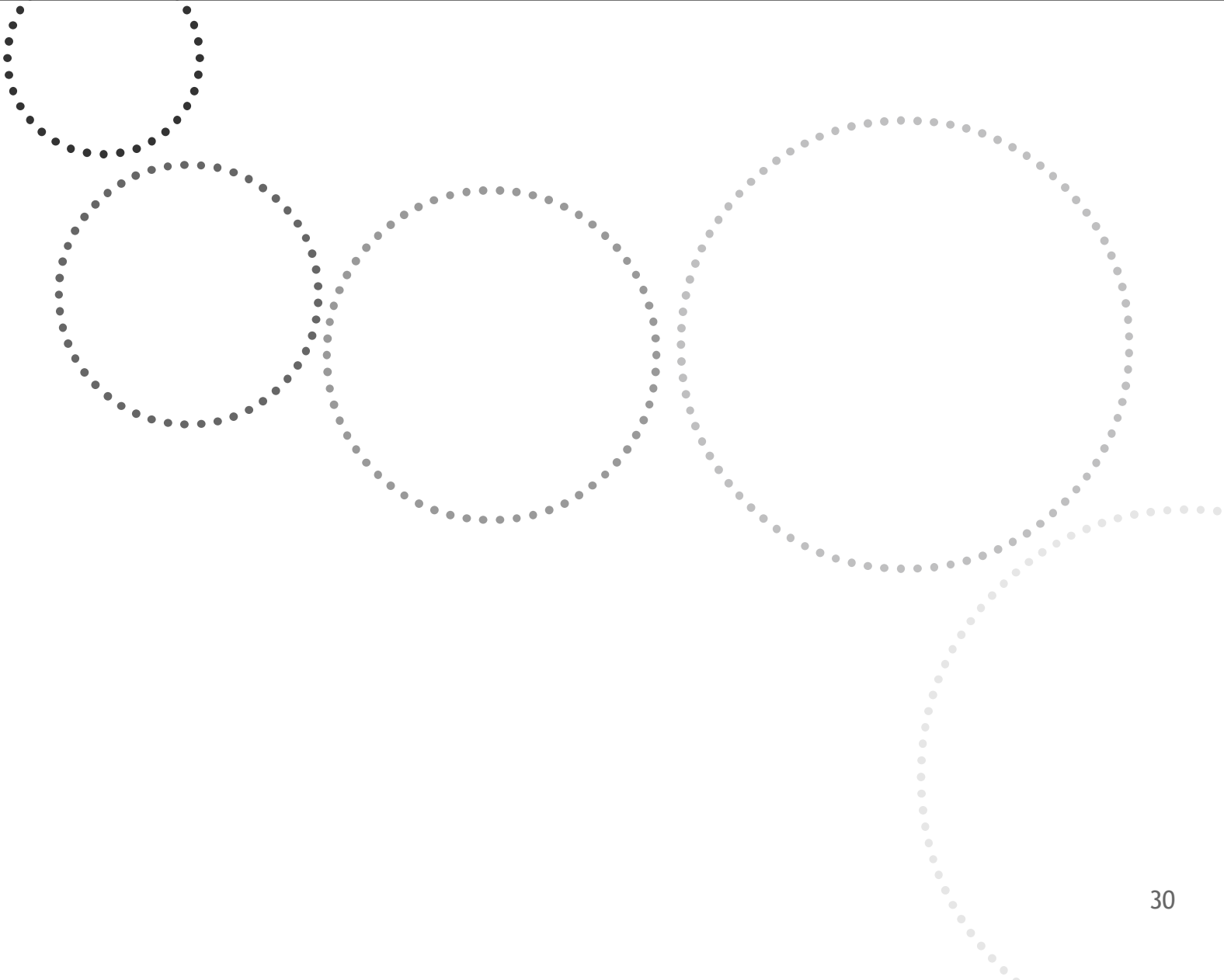
15 Based on: DoLID. 1998. Proposed Social and Environmental Monitoring and Evaluation Systems for Agricultural Roads. NEP/96/ADB/TA No 1556, DoLID, Nepal.





5

# Conclusion



To achieve public acceptance, it is learnt through experience and practice that it is important to establish the norms for consultation and proper involvement of all stakeholders during all phases of project planning and development. The identification of stakeholders also needs careful consideration to ensure that all legitimate stakeholders are included and that their views are given due consideration. Another aspect is that a project is opposed because the local community bears the negative impacts of the project while the rest are rewarded with its benefits.

To fulfil the principle and guidance of WCD strategic priority while implementing water resource projects, following the obligations of EPA 1997 and EPR 1997 may be very useful. These environmental legislation specifically require projects to undertake assessments to quantify the benefits and risks of project development, dissemination of project related information, process and procedures for public involvement in decision making for gaining public acceptance.

The process of environmental assessment involves identification and involvement of relevant stakeholders while assessing the project impacts. The access to project information is mandatory and the concerns of those stakeholders need to be considered and incorporated in the final design of the project. The provision of public hearing before concluding the EIA report further strengthens stakeholders' active and informed participation. However, certain limitations are also observed when stakeholders are unable to understand the overall implications of the project, which may also be influenced by immediate benefits of the project.

Apart from EIA legislation, other legal provisions in Nepal has provision for formal process of land and property acquisition and proper compensation and rehabilitation. In addition to the legislative frameworks, there were a number of manuals to involve public while conducting environmental assessment of hydropower projects in Nepal. Although these manuals do not possess legal mandate to be

followed, they have been widely adhered to while conducting public consultations during environmental assessments. These manuals along with other Guidelines have provided much helping hand to involve stakeholders in water resource projects.

The survey result and learnings shows that the process of public consultation and taking their confidence prior to implementing projects is essential. Although the respondents feel that acceptance by the public is necessary for sustainable implementation of projects, total acceptance by all is impractical. Another concern lay in the fact that negative impacts need to be mitigated through consultation with stakeholders involved. The survey also revealed that development of dam related projects is necessary in the context of Nepal where other resources are scarce. Above all, the survey revealed that most of dam related projects have gained public acceptance in Nepal, especially after enforcement of EIA legislation.

The Nepalese legal provisions extensively deal with public empowerment. This is an encouraging sign since the participation of people is essential for sustainable management of any resource and sustainable development of projects. Although most legal framework state that participation of people is required, it must be kept in mind that involving local people requires providing adequate information and training for informed and effective participation and improve skills of assessment team to participate them. It is equally essential that the relevant stakeholders of water resource projects are consulted thoroughly for its successful implementation. The implementation of project without consent of larger group of stakeholders may jeopardize its mission because they may feel that the project is threatening their quality of life, which they value. No matter how rational and viable the project may be, if the people and local organizations associated with it are not consulted regarding sharing of adverse impacts and benefits, the project implementation process will land into numerous unhealthy discussions and conflicts.

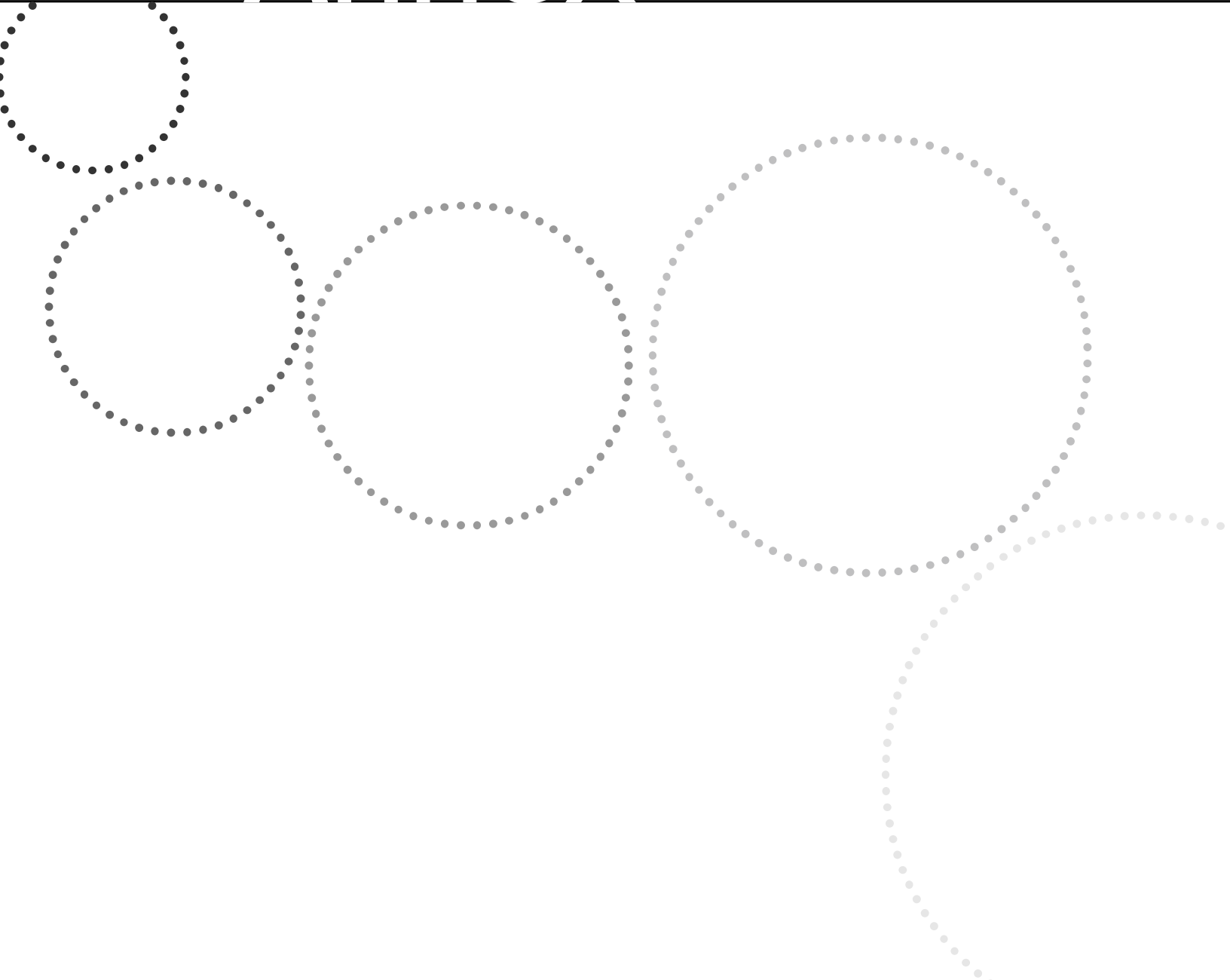


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# Annex



# Annex 1 Summary of Review of EIA Reports

Public Consultation during EIA							Acceptance and Approval Process		
Project	Scoping Notice	Methods of Public Consultation during EIA	Methods of Public Consultation during EIA	Public Hearing	VDC Recommendation	Approval of Scoping and ToR	Approval of EIA Report		
Khudi HP Project	<ul style="list-style-type: none"> <li>&gt; Notice published to generate public concern</li> </ul>	<ul style="list-style-type: none"> <li>&gt; public hearing conducted to define scope of the project</li> </ul>	<ul style="list-style-type: none"> <li>&gt; village and household questionnaire</li> <li>&gt; interview and focus group discussions, PRA</li> <li>&gt; 48 households surveyed</li> <li>&gt; key informant interviews with local authorities and other organizations personnel</li> <li>&gt; biological environment database information included consultations with local people</li> </ul>	<ul style="list-style-type: none"> <li>&gt; notice published on 01/17/2001</li> <li>&gt; public hearing on 02/03/2001</li> <li>&gt; 150 copies of summary distributed within impact area</li> <li>&gt; public hearing attended by 95 people</li> </ul>	<ul style="list-style-type: none"> <li>&gt; recommendations received from all project impact VDCs</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Scoping and ToR approved on 11/30/2000</li> </ul>	<ul style="list-style-type: none"> <li>&gt; EIA Review Committee analyzed and recommended for approval</li> <li>&gt; EIA report approved on 06/16/2002</li> </ul>		
Singati Khola Small HP Project (6.4 MW)	<ul style="list-style-type: none"> <li>&gt; Scoping Notice published on 07/14/2002</li> </ul>	<ul style="list-style-type: none"> <li>&gt; group discussions with local people and government officials</li> </ul>	<ul style="list-style-type: none"> <li>&gt; water right/use of upstream area investigated through interviews with locals</li> <li>&gt; ethnobotanical and wildlife behaviour pattern information generated through public consultation</li> <li>&gt; socio-economic survey included 3-week survey using questionnaire, PRA, FGD</li> <li>&gt; questionnaires developed for HH, gender, local administration issues</li> <li>&gt; 405 households surveyed</li> </ul>	<ul style="list-style-type: none"> <li>&gt; invitation to attend public hearing sent on 03/07/2004</li> <li>&gt; public hearing conducted on 03/11/2004</li> <li>&gt; 67 people attended public hearing</li> </ul>	<ul style="list-style-type: none"> <li>&gt; recommendations received from all project impact VDCs</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Scope/ToR approved on 11/16/2003</li> </ul>	<ul style="list-style-type: none"> <li>&gt; 10-member Review Committee examined Scoping Report</li> <li>&gt; EIA report approved on 07/05/2004</li> </ul>		
Mewa Khola Small HP Project (10 MW)	<ul style="list-style-type: none"> <li>&gt; Scoping Notice published on 09/02/2002</li> </ul>	<ul style="list-style-type: none"> <li>&gt; consultations with project affected people</li> <li>&gt; discussions with govt. officials.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; water right/use of upstream area investigated through interviews with local people</li> <li>&gt; ethnobotanical information generated through RRA</li> <li>&gt; socio-economic data generated through questionnaire, PRA, checklist, and FGD</li> <li>&gt; questionnaires developed for categories such as HH, gender, local admin, and PRA</li> <li>&gt; 342 households surveyed</li> </ul>	<ul style="list-style-type: none"> <li>&gt; invitation to attend public hearing sent on 03/18/2004</li> <li>&gt; public hearing conducted on 03/25/2004</li> <li>&gt; 52 people attended public hearing</li> </ul>	<ul style="list-style-type: none"> <li>&gt; all concerned VDCs recommended implementation of project</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Scope/ToR approved as per EPA/EPR norms</li> </ul>	<ul style="list-style-type: none"> <li>&gt; 10-member Review Committee examined Scoping Report</li> <li>&gt; EIA report approved on 07/05/2004</li> </ul>		

Acceptance and Approval Process							
Project	Public Consultation during EIA			Public Hearing	VDC Recommendation	Approval of Scoping and ToR	Approval of EIA Report
	Scoping Notice	Methods of Public Consultation during EIA	Methods of Public Consultation during EIA				
Upper Modi A Hydro electric Project(42 MW)	<ul style="list-style-type: none"> <li>&gt; Notice published on 04/24/2000</li> </ul>	<ul style="list-style-type: none"> <li>&gt; NEA conducted Scoping exercise during preliminary EA of the project</li> <li>&gt; public encouraged to provide their views and suggestions during reconnaissance visit</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Walkover survey undertaken but didn't include public verification of physical aspects of project</li> <li>&gt; Public consulted to generate biological environment information such as, use of local flora and fauna, their distribution pattern, and likely project impacts</li> <li>&gt; identification of PAFs</li> <li>&gt; questionnaire survey among PAFs and other households;</li> <li>&gt; FGDs held, including involvement of local authorities for socio-economic database verification</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Public hearing held on 07/07/2001</li> <li>&gt; 14 people participated in public hearing</li> <li>&gt; project EA summary distributed in Nepalese language.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Project impact VDC provided recommendation with its views and suggestions.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Scoping and ToR approved on 06/13/2000</li> </ul>	<ul style="list-style-type: none"> <li>&gt; EIA report approved on 08/07/2001</li> </ul>
Fattepur Irrigation Sub-Project	<ul style="list-style-type: none"> <li>&gt; notice published on 09/23/1999</li> </ul>	<ul style="list-style-type: none"> <li>&gt; several local level interactions held</li> <li>&gt; public concerns analyzed and integrated into final Scoping document.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; local level interactions held for completing physical environment information such as, siltation, slope failures</li> <li>&gt; faunal and floral distribution pattern information included</li> <li>&gt; public consultations</li> <li>&gt; local people consulted to assess likely impacts of the project</li> <li>&gt; socio-economic information cross-checked with knowledgeable informants</li> <li>&gt; PRA, FGDs were undertaken.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; public hearing conducted on 04/29/2000</li> <li>&gt; hearing attended by 134 people.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Fattepur VDC, community forest group, 2 schools, health post, community forest committee, flood affected community recommended for project implementation</li> </ul>	<ul style="list-style-type: none"> <li>&gt; project Scope and ToR approved as per stated norms</li> </ul>	<ul style="list-style-type: none"> <li>&gt; EIA report approved as per mandated procedures</li> </ul>
Indrawati III HP Project (7.5 MW) Project	<ul style="list-style-type: none"> <li>&gt; Notice published as per EPR mandate</li> </ul>	<ul style="list-style-type: none"> <li>&gt; several local level consultations held</li> <li>&gt; public concerns</li> </ul>	<ul style="list-style-type: none"> <li>&gt; physical environment database generated through secondary sources, which didn't include public inputs</li> <li>&gt; biological environment</li> </ul>	<ul style="list-style-type: none"> <li>&gt; notice for public hearing published on 13<sup>th</sup> Magh, 2058 BS</li> <li>&gt; public hearing conducted on 28<sup>th</sup> Magh, 2058 BS</li> <li>&gt; hearing attended by 58 people.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Impact VDCs recommended for implementation of project citing benefits of</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Scoping and ToR approved on 8th Jestha, 2058 BS</li> </ul>	<ul style="list-style-type: none"> <li>&gt; MoFSC, MoWR, provided their comments on draft EIA report, which were summarily</li> </ul>

Acceptance and Approval Process							
Public Consultation during EIA			Acceptance and Approval Process				
Public Hearing	Scoping Notice	Methods of Public Consultation during EIA	Methods of Public Consultation during EIA	Public Hearing	VDC Recommendation	Approval of Scoping and ToR	Approval of EIA Report
		<p>database included secondary sources and local level verifications of NTFPs</p> <ul style="list-style-type: none"> <li>&gt; socio-economic and cultural environment database included</li> <li>conduct of HH questionnaires, PRA, FGD, key informant interviews</li> </ul>	<p>given due consideration and integrated into final Scoping document</p>	<p>notice for public hearing published on 01/28/2001</p> <ul style="list-style-type: none"> <li>&gt; public hearing conducted on 02/10/2001, attended by some 550 people</li> </ul>	<p>transportation and other facilities</p>		<p>referred by MoPE</p> <ul style="list-style-type: none"> <li>&gt; comments were addressed in the final report</li> <li>&gt; EIA approved on 8<sup>th</sup> Ashwin, 2059 BS</li> </ul>
Middle Marsyangdi HP Project (70 MW)	<ul style="list-style-type: none"> <li>&gt; Notice published as per EPR mandate</li> </ul>	<ul style="list-style-type: none"> <li>&gt; local level discussions held</li> <li>written applications were received, which were addressed in the Scoping document</li> <li>public hearing conducted on 01/17/2000, participated by about 700 people</li> </ul>	<ul style="list-style-type: none"> <li>&gt; local information used to propose actions required to protect some physical parameters</li> <li>biological environment database included primary and secondary sources, which included floral and faunal info from local residents through questionnaire survey</li> <li>&gt; socio-economic and cultural environment database included discussions with locals, including questionnaire survey, key-informant interviews, verification of secondary information</li> </ul>	<ul style="list-style-type: none"> <li>&gt; notice for public hearing published on 01/28/2001</li> <li>&gt; public hearing conducted on 02/10/2001, attended by some 550 people</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Project impact VDCs and DDCs provided their recommendation letters</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Scoping and ToR approved on 1st Mangsir, 2057 BS</li> </ul>	<ul style="list-style-type: none"> <li>&gt; EIA approved on 28<sup>th</sup> September, 2001 (12<sup>th</sup> Ashwin, 2058 BS)</li> </ul>

## Annex 2 Relevancy Chart of EPA 1997, EPR 1997, and National EIA Guidelines 1993 with WCD Strategic Priority Guidelines

WCD Guideline and Defining Principle		Nepalese Law/Regulation Addressing WCD Guideline		
		Environment Protection Act, 1997	Environment Protection Regulations, 1997	National EIA Guidelines, 1993
<b>Stakeholder Analysis</b>	Recognize existing rights Identify those at risk Constraints for stakeholder involvement	Section 6 Section 6	Rule 4.1 Rule 4.1	Sections 13 and 14 Sections 13 and 14 Section 48
<b>Negotiated Decision Making Process</b>	Assurance of stakeholder representation Guarantee of integrity of community process Adequate time for stakeholder involvement Provision for prior informed consent Addressing power imbalance Transparency Facilitated negotiation	Section 6	Rules 4.2 and 7.2  Rule 7.2 Rule 7.2 Rules 4.3 and 7.2 Rules 4 and 7	Sections 13, 14, and 15  Section 14 Section 14 Section 14
<b>Free, Prior, and Informed Consent</b>	Assurance of wider stakeholder participation Independent dispute resolution		Rules 4.2 and 7.2  Rule 29	Sections 14 and 48

# Annex 3

## Proceedings of National Workshop

### In-Depth Analysis of World Commission on Dams Strategic Priority 'Gaining Public Acceptance' in Context of Nepalese Legislation and Practice

29<sup>th</sup> August, 2005  
Kathmandu, Nepal

A workshop was organized to discuss the findings of in-depth analysis of 'Gaining Public Acceptance' as recommended by World Commission on Dams (WCD) in the context of Nepalese legislation and practice. The workshop was organized by IUCN-The World Conservation Union Nepal Country Office. It was the joint effort of the Department of Electricity Development (DoED) and IUCN Nepal as a public-private initiative. Dr. Janak Lal Karmacharya, Managing Director, Nepal Electricity Authority (NEA), chaired the workshop and Dr. Govinda Raj Bhatta, Chairman, Electricity Tariff Fixation Commission, was the Chief Guest.

The meeting was attended by 43 participants from government and non-government organizations, international organizations, media persons, and others. The meeting agenda is attached in Annex 4.

#### Welcome Note

Mr. Sameer Karki, Coordinator at IUCN Nepal welcomed all the participants at the workshop. He said that IUCN Nepal has been facilitating the Dams and Development Dialogue since 2003 and that the dialogue involved several stakeholders. He said that the texts of the dialogue was put together after the participation of many stakeholders. He also informed that it was decided in 2005 that there would be four groups focusing on four different strategic priorities of WCD. However, three strategic priorities still remains to be discussed in depth. Mr. Karki hoped that the remaining strategic priorities will be discussed in future and informed that the dialogue is also linked to the global discussions on dams and development. Mr. Karki also thanked DoED and GTZ for making the workshop and the analysis a success.

#### Key Technical Presentation

Mr. Dilli Bahadur Singh, Senior Divisional Engineer at DoED, presented the findings of in-depth analysis of World Commission on Dams Strategic Priority 'Gaining Public Acceptance' in the context of Nepalese legislation and practice.

#### Question-answer Session

Following the key technical presentation reminiscing the study findings, the floor was declared open for questions from participants. Dr. J. L. Karmacharya, Chairperson of the workshop, moderated the question-answer session.

#### On the rights of indigenous people to decide a project's fate

Mr. Mohan Ratna Shakya of NEA was of the opinion that the ultimate decision vested on the indigenous people to decide on the implementation of national projects was questionable. He was of the opinion that such submission may lead to the practice of seeking permission of the indigenous people on every project of the country. Mr. D.B. Singh, however, clarified the issue saying that since the WCD Guidelines are for the sake of guidance, such submissions may be considered only for harmonizing the public consultation process.

#### Concerns on Parliamentary approval of hydropower projects

Mr. Vinay Bhandari of Butwal Power Company informed that hydropower export is well accepted in the Nepalese context. He also added that the Parliament has the privilege to approve a hydropower project. However, he questioned that when it does so, should it mean that the project is accepted by the public as well? On the other hand, when the Parliament doesn't approve a project due to political impasse, should it be deciphered as the voice of general public? He also expressed concern that environmental assessment process, including the acceptance process intermingled in the assessment process tends to approve hydropower projects without due consideration to its socio-economic impacts. Mr. D. B. Singh responded by saying that the Parliamentary procedures were not looked at during this research.

It was also questioned whether any development schemes

were cancelled simply on the grounds of the findings of EIA and its public acceptance process. However, in answering the query, it was said that there were cases when projects were abandoned due to the reporting of EIA.

### **Concern of questionnaire survey being biased**

Mr. S. R. Lacoul of DoED expressed his concern saying that the stakeholder questionnaire survey were basically pro-dam people. He questioned why the survey did not include the general public. Similarly, Mr. D. Sadaula of DoED was of the view that the survey did not include general public. He was of the view that most of the stakeholders who were surveyed were related to project development. He also added that the public acceptance survey response may have been different if it had included the general public. Mr. D. B. Singh said that the responses of questionnaire surveys also depend on the benefits reaped by the sample, and that the stakeholders who develop and promote projects should also be considered as general public. He further clarified that one who has some stake on the project is a stakeholder and while conducting the survey respondents from INGO, government agencies, consultants, developers, bankers, associations, promoters, beneficiaries, and affected people were included. Hence, views of all concerned stakeholders have been taken into account.

### **Concern over EIA report review process**

Ms. Neeru Shrestha of Water and Energy User's Federation (WAFED) said that the overall population of project impact areas should have been analyzed against the number of people attending the public hearing when EIA reports were reviewed. She also opined that the review would have had more substance if it had reviewed who amongst the hearing participants were women and from the indigenous group. Mr. D. B. Singh said that the current process wasn't able to assess and review at such depths. However, he made it clear that during the questionnaire survey, women were encouraged to participate and nearly 9% females were surveyed. But it was rather difficult to do so, which may also be the case during the course of EIA hearings, he added.

### **On project being cancelled due to EIA finding**

To an earlier question whether an EIA process rejected a project from being implemented, Mr. U. Parajuli of Department of Irrigation (DoI) informed that Baghmara irrigation project was cancelled due to unfavorable EIA findings. He also pointed that there were other laws and regulations in the country that addressed public consultation process while developing a project. Mr. D. B. Singh thanked for the information provided by Mr. Parajuli and also informed that the review of pertinent laws and regulations were done during the course of the

study. He also added that when confusion arises regarding the terminology 'general public', then we have to refer to the legislative framework of the country to define it.

### **Question of public acceptance at different level**

Mr. R. Lamichane of CARE Nepal pointed out that the level of public acceptance from EIA process was reviewed, whereas the review mentions that public acceptance was completed after the EIA process was over. He said that such deliberations may mislead the outcomes of the analysis. While responding to the concern, Mr. D. B. Singh said that the review of EIA reports was done to assess how far and how effectively the public were included in project development cycle.

### **Participation of public during public hearings**

It was reported that the number of the general public attending the public hearing of Upper Modi Khola Hydropower Project was only 14. Mr. Santosh Sigdel of WAFED questioned that in view of such a low participation during the process of an important segment of public consultation, how could one suppose that the project has gained acceptance. He also questioned whether the WCD Guidelines were targeted to be employed at the implementation stage of the project when other alternatives had already been curtailed.

Since the approved assessment report mentioned that only 14 people attended the hearing, Mr. D. B. Singh said that benefit of doubt had to be given to what was reported. He also said that it was insignificant whether the WCD public acceptance Guidelines intended to achieve something especially when the more important thing was the smooth operation of a project that largely depended upon the acceptance of the people. He also pointed out that an impasse emerged when a VDC secretary demanded to be a partner in the project in order to recommend it, which also raises the question as to how far the public should have their say during consultation and decision-making process.

### **On WCD position**

Mr. Bikash Pandey of Winrock International said that WCD doesn't take a stand on whether dams should be built. The Commission does question viability of dams higher than 15 m, but in Nepal's case such a height is very debatable. He felt that the questionnaire was generally pro-dam and that the public hearings during the environmental assessment gathered only a small number of people while there would be many indirectly affected people. Mr. D. B. Singh agreed that there might be differences in interpreting what WCD reflects. As regards the consultation with directly and indirectly affected people during an EIA, he said that since relevant government agencies conduct the review, request

for clarifications and draw comments from the general public, and give instructions to deal with the relevant issues, the question about the consultation process during an EIA is immaterial.

### **Possibilities of recommendations for amendment of laws**

At the end of question-answer session, Dr. Umesh Parajuli of DoI said that one issue that needs to be thoroughly assessed is how far and effectively Nepalese laws and regulations address the WCD Guidelines to gaining the acceptance of the general public. He further pointed out that recommendations drawn from such an assessment may produce insights to make necessary amendments in the existing laws and regulations to adequately and effectively address the issues of public consultation.

### **Concluding Remarks**

The Managing Director at NEA, Dr. J. L. Karmacharya and Dr. G. R. Bhatta, Chairman at Electricity Fixation Commission gave concluding remarks at the end of the workshop.

Dr. Karmacharya reminded that the objective of WCD was to review past dams and produce an insight to help build dams which were socially and environmentally acceptable, and that its principle was driven by the universal belief in human rights and right to development of societies. He also said that WCD grouped core values under five principles of equity, efficiency, participatory decision-making, sustainability, and accountability. Among the seven strategic priorities, Dr. Karmacharya felt that gaining public acceptance was the important one. He also commented that there could not be second opinion to gaining public acceptance, which shows that dam projects are built only when they are accepted. However, he also opined that the difficult part was the level of acceptance for dam projects. WCD's too much emphasis on disadvantaged and indigenous people have made the Guideline rather complex to be followed as it seems to neglect the benefits for the rest of the nation. Furthermore, Dr. Karmacharya felt that informed consent was rather an unpractical guideline as it is rather difficult to judge who would decide how consent was sought. Since Nepal's development largely depends upon water resources projects, Dr. Karmacharya

questioned how far independent dispute resolution should be embraced when litigation process consumes too much time and money along with the arbitration process. He also remarked that majority of population should not be ill-affected for the larger benefit of a small minority group and that such groups should not bear the ultimate power to reject a project. One of the submissions of the Commission, which Dr. Karmacharya profoundly put forward, was that the Guidelines were developed in such a way that the process of development projects could go ahead only with due respect to natural environment and society. Lastly, he opined that it was rather beneficial to adopt the WCD Guidelines as per the specific needs of the country.

Dr. G. R. Bhatta was of the opinion that hydropower holds a major role for Nepal's development, which is estimated at 83,000 MW. He also opined that a circumstance in one place may not bear the same consequences in other place. Dr. Bhatta gave an example that an 80 m dam in Lesotho was regarded as a high dam, whereas such dam height in Nepal may prove to be very negligible. A key issue was raised by Dr. Bhatta which was related to the submergence of large parts of land in reservoirs while constructing dams, and, therefore, such project should be subject to thorough assessment against the benefits envisaged. He also felt that industrial revolution in western countries have exhausted their hydropower potential and are now questioning the projects being built in developing nations. Dr. Bhatta expressed the view that since dams will regulate the downstream flow, it should be well studied as to how far such regulations would affect the downstream people. He was of the view that Nepal's financial resources to fulfil 5-year plans could be expanded when financial benefits from water resource development are materialized. However, he also opined that planners and policy makers should come out of the limited shell to be able to express what's needed for the country. Dr. Bhatta thanked IUCN Nepal and GTZ for providing the platform to discuss such an important issue.

Finally, Dr. Karmacharya thanked IUCN Nepal for facilitating the dialogue and informed about the Dams and Development Project's Nairobi conference where approaches would be made for representing Nepal in gaining public acceptance discussions.

# Annex 4

## Workshop on In-Depth Analysis of World Commission on Dams' Strategic Priority 'Gaining Public Acceptance' in Context of Nepalese Legislation and Practice

29<sup>th</sup> August, 2005  
Kathmandu  
Programme

Time	Activity	By
4:30 - 5:00	Registration	· IUCN Nepal
5:00 - 5:15	Chairing the Session: ·Chairperson  ·Chief Guest  ·Welcome Note	· Dr. G. R. Bhatta, Chairman, Electricity Tariff Fixation Commission · Dr. J. L. Karmacharya, Managing Director, NEA  · Mr. S. Karki, Coordinator, IUCN Nepal
5:15 - 5:45	Key Technical Presentation	· Mr. D. B. Singh, SDE, DoED
5:45 - 6:15	Floor Discussion	· Moderated by Dr. J. L. Karmacharya, MD/NEA
6:15 - 6:30	Closing Remarks: ·Chief Guest  ·Chairperson	· Dr. J. L. Karmacharya, MD/NEA · Dr. G. R. Bhatta, Chairman, Electricity Tariff Fixation Commission
6:30 onwards	Dinner	

## Annex 5 List of Workshop Participants

SN	Name	Designation	Organization	Phone	E-mail
1	Mr. A.K. Pokharel	Deputy Director General	DoI	5537313	
2	Mr. A.P. Shrestha		Himal Hydro	5531032	
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41	Mr. Uttam Silwal	Reporter	RSS	4262628	
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## IUCN - THE WORLD CONSERVATION UNION

Founded in 1948, IUCN-The World Conservation Union brings together states, government agencies and a diverse range of non-governmental organizations in a unique world partnership: over 1,087 members in all, spread across some 180 countries. The World Conservation Union builds on strengths of its members, networks and partners to enhance their capacity and to support global alliances to safeguard natural resources at local, regional and global levels.

As a Union, IUCN seeks to influence, encourage and assist societies throughout the world to conserve the integrity and diversity of nature and to ensure that any use of natural resources is equitable and ecologically sustainable.

IUCN-The World Conservation Union officially launched the Nepal Country Office on 23 February 1995 with the Ministry of Finance, His Majesty's Government as the government partner. IUCN Nepal has been developing partnerships with various government line agencies as well as non-governmental organizations to carry forward its activities to conserve Nepal's natural resources and ecological processes.

## DBS CONSULTANCY

Development Based Services and Consultancy advocates for the sustainable development and it believes that any project should be environmentally benign, socio-culturally acceptable, technically feasible and economically viable. DBS Consultancy is a pioneer consultancy firm in the field of EIA, IEE and Environmental Auditing. Apart from environmental studies, it also provides services in the field of water resources specializing in hydropower development as well as engineering and technology management.

## GTZ - THE GERMAN TECHNICAL COOPERATION

The Deutsche Gesellschaft fuer Technische Zusammenarbeit (GTZ) GMBH is an international cooperation enterprise for sustainable development with worldwide operations. Its corporate objective is to improve people's living conditions on a sustainable basis. Owned by the Federal Republic of Germany, GTZ translates the federal government's international cooperation into practice in more than 130 countries.

For the past forty years, the German government has developed a strong collaboration with the Kingdom of Nepal. During this period, the bilateral technical cooperation, implemented by the GTZ, has covered a broad range of sectors. In constant dialogue with our Nepalese partners and the German Federal Ministry for Economic Cooperation and Development (BMZ), the program is continuously adjusted according to the changing environment.