



# Land Acquisition and Livelihood Restoration Plan

*Upper Trishuli-1 Hydropower Project, Nepal*



**Final Report**

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## **ABBREVIATIONS**

ADB	Asian Development Bank
AEPC	Alternative Energy Promotion Centre
BCTS	Brahmins, Chhetri, Thakuri and Sanyasi
BRI	Border Road Initiative
CDO	Chief District Officer
CFC	Compensation Fixation Committee
CFUG	Community Forest User Group
Cu.mt.	Cubic meter
DAO	District Administrative Office
DDC	District Development Committee
DFO	District Forest Officer/Office
DoED	Department of Electricity Development
DUDBC	Department of Urban Development & Building Construction
EA	Executing Agency
EIA	Environmental Impact Assessment
ERM	Environmental Resources Management India
ESIA	Environmental and Social Impact Assessment
FECOFUN	Federation of Community Forestry Users of Nepal
FPIC	Free Prior Informed Consent
GoN	Government of Nepal
HA	Hectare
HH	Households
ICP	Informed Consultation and Participation
IDP	Internally Displaced People
IFC	International Finance Corporation
ILO	International Labour Organization
INGO	International Non-Government Organization
IP	Indigenous People
IPP	Indigenous Peoples Plan
JSS	Jan Sarokar Samiti
Kg	Kilogram
KV	Kilo Volt
KWh	Kilo Watt per hour
LAA	Land Acquisition Act
LNP	Langtang National Park
LRP	Livelihood Restoration Plan
MW	Mega Watt
NEA	Nepal Electricity Authority
NGO	Non- Government Organization
NR	Nepali Rupee
NRA	National Reconstruction Authority
NTFP	Non Timber Forest Produce
NWEDC	Nepal Water & Energy Development Company
OBOR	One Belt One Road
OM	Operations Manual
PAFs	Project Affected Families

PAPs	Project Affected People
PDA	Project Development Agreement
PIO	Project Implementation Officer
PIO	Public Information Officer
PPA	Power Purchase Agreement
R&R	Resettlement and Rehabilitation
RoR	Run Of River
SIMF	Social Impact Management Framework
Sqft	Square feet
UT-1	Upper Trishuli-1
VAT	Value Added Tax
VDC	Village Development Committee

## GLOSSARY

Term	Description
Ailani Land	Barren unregistered land
Anna	Is a customary unit of measurement; 1 Anna: 31.8 sq. m and 1 Ropani is comprised of 16 Anna
Contextual Vulnerability	Contextual vulnerability is understood as the 'present' susceptibility to an impact, which is influenced by multiple factors and processes.
Diyalo	wooden strips of pine trees and firewood
Economic Displacement	According to World Bank Group PS 5: Land Acquisition and Involuntary Resettlement "Economic Displacement refers to the loss of assets or access to assets that leads to loss of income sources or means of livelihood"
Free Prior Informed Consent	FPIC builds on and expands the process of ICP as discussed below, and is established through good faith negotiations between the client (the Project) and the affected communities of Indigenous Peoples. As part of this process, the client will document (i) the mutually accepted process between the client and Affected Communities of Indigenous Peoples, and (ii) evidence of agreement between the parties as the outcome of the negotiations. FPIC does not necessarily require unanimity and may be achieved even when individuals or groups within the community explicitly disagree.
Gaunpalika or gaupalika	Translated in English as Rural municipality, is the newly formed lower administrative division in Nepal. The Ministry of Federal Affairs and Local Development (Nepal) dissolved the existing village development committees and announced the establishment of this new local body. There are currently 481 rural municipalities in Nepal out of 744 local units.
Guthi Land	"Swayambhuguthi land or the Trust land is the land that belongs to a Monastery at Swayambhu in Kathmandu. Guthi Tainathi land (Guthi owned land)" means a land which is not registered in the name of any person and in which the Guthi Corporation has exclusive right. "Guthi" means and includes a Guthi (trust) endowed by any philanthropist through relinquishment of his or her title to a movable or immovable property or any other income-yielding property or fund for the operation of any shrine (matha) or festival, worship or feast of any God, Goddess or for the construction, operation or maintenance of any temple, shrine (devasthal), rest house (dharmashala), shelter (pati), inn (pauwa), well, tank, road, bridge, pasture, garden, forest, library, school, reading hall, dispensary, treatment facility, house, building or institution for any religious or philanthropic purpose." Source: The Guthi Corporation Act, 2033 (1976).
Household Size	Household size is the number of persons who reside in a structure and for whom the economically active individuals of the household are financially responsible for
IDP Camp	Internally Displaced Camps Temporary settlements, established on private or government land, for those households who were displaced due to the earthquake. These camps, are set up through aid and assistance of the government and INGOs/NGOs and are comprised of temporary shelters.
Indigenous People/ Group	The World Bank Group PS 7: Indigenous People, defines Indigenous People as a distinct social and cultural group possessing the following characteristics in varying degrees: <ul style="list-style-type: none"> <li>• Self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;</li> <li>• Collective attachment to geographically distinct habitats or ancestral territories in the Project area and to the natural resources in these habitats and territories;</li> <li>• Customary cultural, economic, social, or political institutions that are separate from those of the mainstream society or culture; or</li> <li>• A distinct language or dialect, often different from the official language or languages of the country or region in which they reside.</li> </ul>
Informed Consultation and Participation	Informed consultation and participation refers to the process of consultation which will result in the Affected Communities' informed participation. ICP involves a more in-depth exchange of views and information, and an organized and iterative consultation, leading to the client's (the Project's) incorporating into their decision-making process the views of the Affected Communities, on matters, that affect them directly, such as proposed mitigation measures, the sharing of development benefits and opportunities and implementation issues.
Jan Sarokar Samiti	"Project Concerned Persons" Committee.
Joint Family	A family unit including two or more generations in a common residence
Khola	Streams
Kodo	Wild cereal grown in mountainous regions

Term	Description
Lal Purza	Land ownership document
Literacy Rate	The number of persons who is 7 or above, who has the ability to read, write and understand in any language.
Livelihood Restoration	Livelihood restoration refers to the re-establishing of income sources and livelihoods of people.
Mohiyani Hak	Local cultivating or Tenants Rights for land
Negotiated Settlement	PS 5 defines negotiated settlement as a situation where buyer can resort to expropriation or impose legal restrictions on land use if negotiations with the seller fail.
Nuclear Family	A couple and their dependent children living in a common residence
Out Migration/ Migration	The process of people moving out of an area in their country to move to another area in their country permanently or temporarily
Pangi	Pangi is a traditional woollen apron worn by Tamang women. This apron is also a symbol of the women's marital status
Population Density	the number of people living per unit of an area (e.g. per sq. km.); the number of people relative to the space occupied by them
Poverty Line	A level of personal or family income below which one is classified as poor according to governmental standards. Or  The amount of money needed for a person to meet his basic needs. It is defined as the money value of the goods and services needed to provide basic welfare to an individual.
Project Affected Family	A household, whose members reported a shared in the land impacted by the Project and were thus subject to direct or indirect adverse or beneficial impacts on its social, physical, economic, cultural or natural environment due to land procurement for the Project.
Project Affected Population/ Person	Project Affected Population refers to the individuals who are part of the PAFs, and were thus subject to direct or indirect adverse or beneficial impacts on its social, physical, economic, cultural or natural environment due to land procurement for the Project.
Project Area or Area of Influence	Under World Bank Group Performance Standard 1, "Area of Influence" is defined to encompass: The area likely to be affected by: <ul style="list-style-type: none"> <li>the Project and the proponent's activities and facilities that are directly owned, operated or managed (including by contractors) and that are a component of the Project;</li> <li>impacts from unplanned but predictable developments caused by the Project that may occur later or at a different location;</li> <li>indirect Project impacts on biodiversity or on ecosystem services upon which Affected Communities' livelihoods are dependent;</li> <li>Associated facilities, which are facilities that are not funded as part of the Project and that would not have been constructed or expanded if the Project did not exist and without which the Project would not be viable.</li> </ul> Cumulative impacts that result from the incremental impact, on areas or resources used or directly impacted by the Project, from other existing, planned or reasonably defined developments at the time the risks and impacts identification process is conducted.
Project Footprint	The area that may reasonably be expected to be physically touched by Project activities, across all phases. The Project footprint includes land used on a temporary basis such as construction laydown areas or construction haul roads, as well as disturbed areas in transport corridors, both public and private.
Rehabilitation	Rehabilitation is understood as the re-establishing of incomes, livelihoods, living and social systems of a community.
Resettlement	Resettlement or relocation refers to the re-building of housing, assets and productive resources, cultural sites and infrastructure, in another location for the individuals or communities.
Ropani	Unit of land in Nepal (1 ha = 19.66 ropani);
Sex Ratio	The ratio of females to males in a population. It is calculated based on the following:  $\frac{\text{Number of Females}}{\text{Number of Males}} \times 1000$
Vulnerable Population	Individuals or groups who could experience adverse impacts more severely than others based on their vulnerable or disadvantaged status. This vulnerability may be due to ethnicity, gender, language, religion, culture, political views, dependence on natural resources, sickness or disability or other factors.

**1.1 PREAMBLE**

Environmental Resources Management India Private Limited (ERM) has been commissioned by Nepal Water and Energy Development Company (hereinafter referred to as 'NWEDC') to update the Social Impact Management Framework (SIMF) for the Upper Trishuli 1 Hydropower Project in Nepal. This document presents the updated Land Acquisition and Livelihood Restoration Plan (LALRP) prepared as part of this SIMF. A Livelihood Restoration Plan (LRP) was previously prepared for this Project in 2015. However, before this plan could be implemented, the Gorkha earthquake hit Nepal on 25<sup>th</sup> April 2015, with its epicentre in the Project area. The earthquake resulted in significant impacts and internal displacement of a large number of people from local villages. The intent of this LALRP is to update the 2015 LRP in keeping with the present post-earthquake context.

**1.2 PROJECT OVERVIEW AND BACKGROUND**

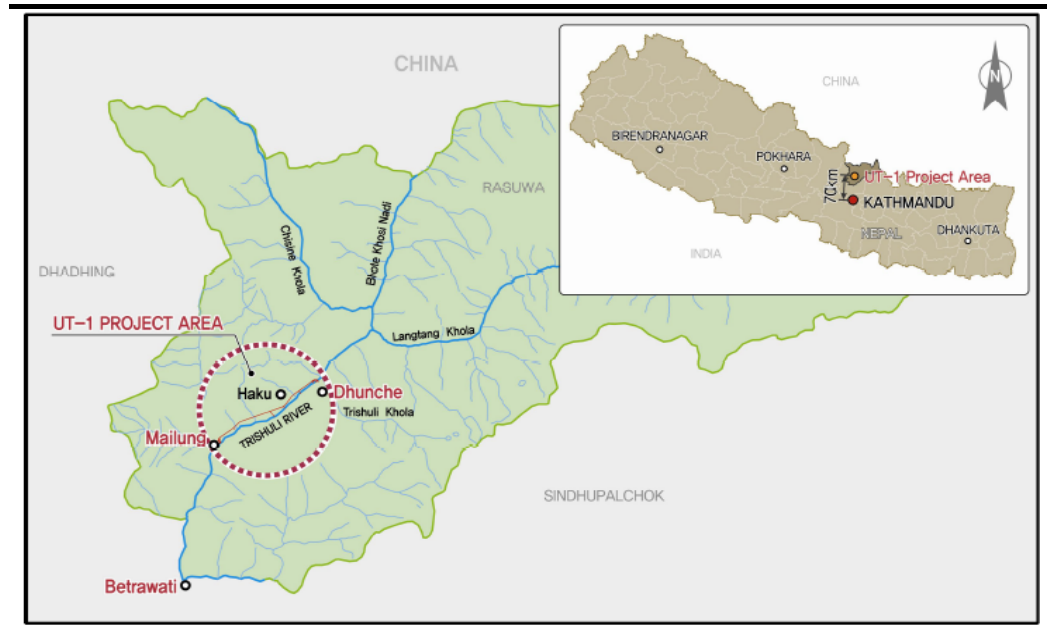
NWEDC is proposing to construct the 216 megawatt (MW) Upper Trishuli 1 Hydropower Project (the "Project" or "UT-1") on the Trishuli River within the Rasuwa District of the Central Development Region of Nepal, approximately 70 kilometres northeast of Kathmandu (Figure 1-1). This is a rural area in the upper portion of the Trishuli River Basin, with the Langtang National Park forming the eastern boundary of most of the Project area.

The International Finance Corporation (IFC), the Asian Development Bank (ADB), the Asian Infrastructure Investment Bank (AIIB), and other potential lenders are participating in a lender's consortium for a potential investment in this project, along with potential guarantees from the World Bank and Multilateral Investment Guarantee Agency (collectively referred to as the "Lenders").

The Project consists of a 77-metre-wide diversion dam in a narrow gorge located 275 metres downstream of the confluence of the Langtang Khola with the Bhotekosi River. The diversion dam creates a small 2.1 ha impoundment and diverts up to 76 cubic metres per second (m<sup>3</sup>/s) of water through a powerhouse with a 216 MW capacity, returning the water to the Trishuli River approximately 10.7 kilometres downstream of the dam. The Project will connect to the Chilime-Trishuli transmission line via a 1184.5-metre extension from the Project switchyard. The Project will be accessed via existing public roads, but NWEDC will construct an 11.84-kilometre private road upstream on the west side of the river to access the UT-1 dam. The Project will also take advantage of the newly constructed "Army Road," which follows along the east bank of the Trishuli River and ultimately extends to China. A Detailed Project Description is provided in Annex A.

The Project will take approximately 5 years to construct and will employ about 1,090 workers, with about 10 to 15 percent recruited locally and the remainder from elsewhere in Nepal or expatriates. Once in operations, the Project will operate in a true run-of-river mode, employ 72 staff, and produce about 1,440 gigawatt hours (GWH) per year.

**Figure 1.1** *Upper Trishuli 1 Project Location*



Source: NWEDC

### 1.2.1 *Project Footprint and Area of Influence*

The Project footprint is spread across three former VDCs, Haku, Dhunche and Ramche. The land take for the Project is from eight villages (Haku Besi, Sanu Haku, Thullo Haku, Gogone, Tiru, Thanku, Mailung, and Phoolbari) from the Haku VDC. A total of 107.79 ha of land are required for the Project. This land take has resulted in the loss of land for 38 land owners and Guthi tenants. In addition to this, there are 11 individuals being impacted by temporary land lease and 5 individuals who are impacted by loss of structures. These individuals represent 154 PAFs. Of these 154 PAFs, 149 PAFs have an impact on livelihood and are thus considered in this LRP<sup>1</sup>. In addition to this, the project has resulted in an impact on Community Forest land of five Community Forest User Groups (CFUGs). This has resulted in an impact on 422 CFUG members from these CFUGs.

The introduction to the new Constitution in 2015 has been accompanied by a change in the administrative structure of the country (Refer to *Figure 3.1* and *Figure 3.2*) in keeping with this, the following wards and *Gaunpalika/ Gaupalika* are now included as part of the Project footprint.

<sup>1</sup> The 5 PAFs, who are only impacted by loss of structure, will be considered as part of the ESIA and benefit sharing provisions for the project

**Table 1.1 Change in Administrative Structure for Project AoI**

Impacted Village	Total Population	Old Administrative Structure	New Administrative Structure
Haku Besi, Sanu Haku and Thullo Haku	1528	Haku Ward number 3	Parvati Kunda Ward number 1 & 2
Gogone and Tiru	427	Haku Ward Number 8&9	Uttar Gaya Ward number 1
Mailung	47	Dadagaon Ward number 9	Uttar Gaya Ward number 1
Thanku		Haku Ward number 5	Parvati Kunda Ward number 1 & 2
Phoolbari		Haku Ward number 3	Parvati Kunda Ward number 1 & 2
No directly affected villages	2268	Ramche	Kalika Ward Number 1
No directly affected villages	2744	Dhunche	Gosaikunda Ward number 6

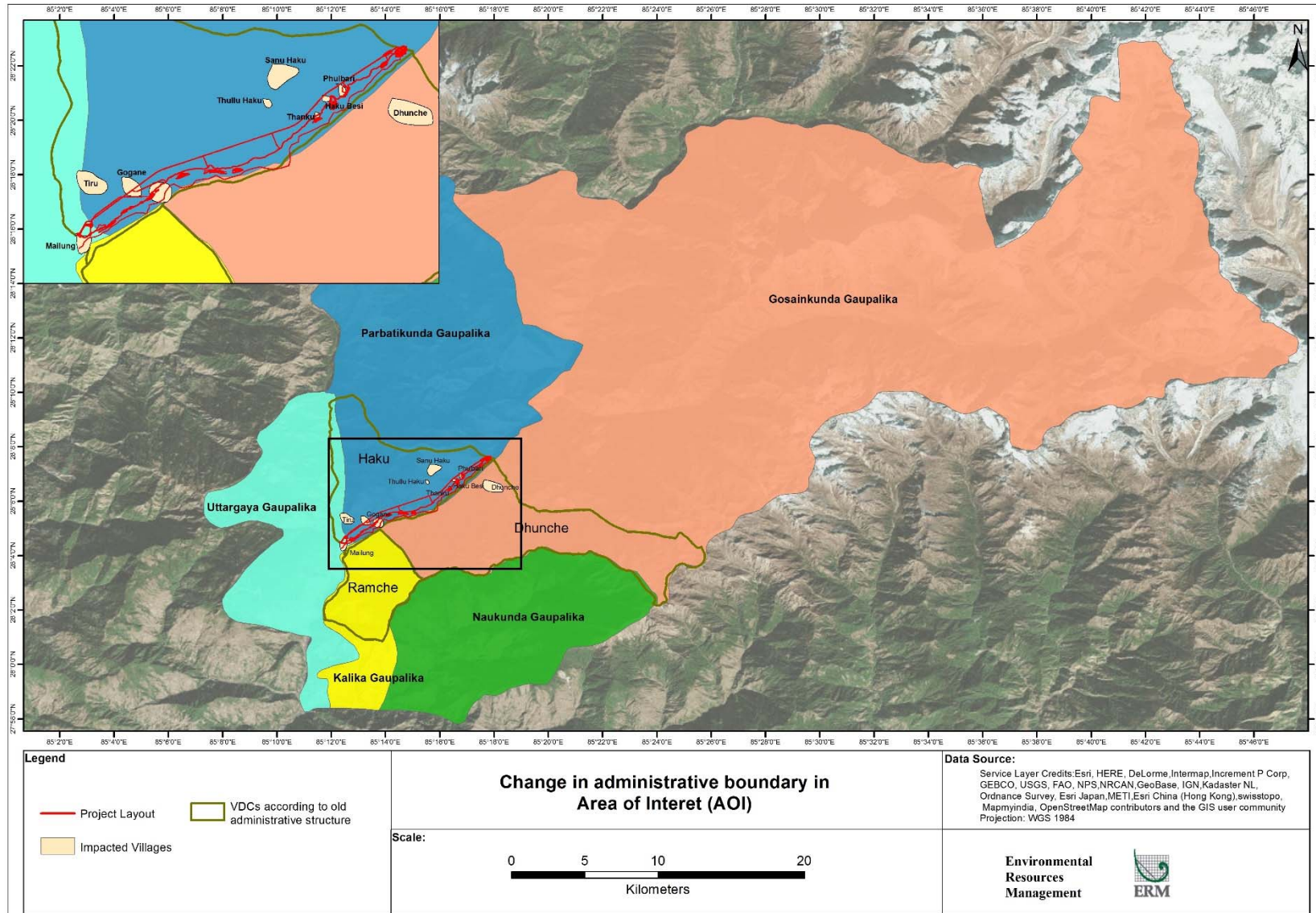
Source: NWEDC

The following figure provides an understanding of the Project layout in keeping with the former and new administrative structure.

In the old administrative structure, the Rasuwa District was comprised of 18 Village Development Committees (VDCs), each with 9 wards. However, as per the new administrative structure, there are 5 *Gaunpalikas* in the Rasuwa District. Thus while the Project was previously affecting three of the 18 VDCs, it is now affecting 4 of the 5 *Gaunpalikas*. Furthermore, the reorganisation of the wards of the 18 VDCs have been done in such a manner that the wards falling under same VDC may not fall under the same *Gaunpalika*.

The Area of Influence for this LALRP covers the directly affected villages and VDCs in terms of the project footprint . Hence the Area of Influence covers the three former VDCs of Haku, Dhunche and Ramche. The AoI for the ESIA covers a larger area in keeping with other potential impacts from the project. There are certain Project benefits committed in the PDA accruing at the district and Gaupalika level (such as the Benefit Sharing Plans), however, these are outside the scope of this LALRP. They are however referenced in the IPP.

Figure 1.2 Project Layout against the Revised Administrative Structure



### 1.3

#### SCOPE OF THE LALRP

This LALRP is being developed as part of the larger Social Impact Management Framework (SIMF). The specific scope of this LALRP is to verify and re-assess the following:

- Socio-economic profile/status and any vulnerabilities arising from the earthquake;
- Utilization of land/asset compensation and the current status (impact) on the assets created using the compensation amount;
- Change if any, in the livelihood profiles;
- Change, if any in the options of resettlement and rehabilitations;
- Reaffirm the livelihood restoration preferences/options suggested prior to the earthquake and update choices/preferences;
- Map (verify) skills/capacities to undertake/perform the suggested livelihood options/preferences;
- Reassess/confirm the delivery models for the livelihood maintenance/restoration/improvement programs; and
- Update/reassess time and resource requirements for implementing the LALRP.

The LARP is focussed on PAFs who have been impacted by livelihood loss of some kind.

### 1.4

#### SUMMARY OF APPROACH AND METHODOLOGY

This LALRP has been built on the information previously collected as part of the complimentary socio-economic baseline for the ESIA in 2014 (ESSA and NESS), the Gap Assessment in 2014 and the previous LRP formulated in 2015 (ERM), the Gap Assessment from 2016 and an updated socio-economic survey of the identified Project Affected Families (PAFs) and detailed stakeholder consultations (e.g., PAFs, local community, NGOs/ INGOs, Government agencies) in 2017 (ERM).

As part of the updated socio-economic survey, a team of eight ERM and NESS personnel conducted household surveys of the PAFs, focus group discussions, and key informant interviews with certain key stakeholder groups in April and May 2017 (see Table 1.2).

**Table 1.2 Stakeholder Engagement as part of the LALRP Process**

S. No	Stakeholder Group	Group Representatives	Date	Summary of Consultations Undertaken
1.	NGOs active in the Project area	Manekor	12 <sup>th</sup> April 2017	a discussion was undertaken on the activities of the organizations in the post-earthquake scenario, and the key learnings/ take aways from the same
2.		LaCCos	12 <sup>th</sup> April 2017	
3.		Lumanti	11 <sup>th</sup> May 2017	

S. No	Stakeholder Group	Group Representatives	Date	Summary of Consultations Undertaken	
4.	Government Departments	National Reconstruction Authority (NRA)	13 <sup>th</sup> April 2017	A discussion on the role and purpose of the NRA, its key objectives, way forward and challenges being faced	
5.		Ministry of Federal Affairs and Local Development (MoFALD)	5 <sup>th</sup> May 2017	A discussion on the process of grant disbursement for house reconstruction and the role of MoFALD in the same	
6.		Department of Urban Development & Building Construction (DUDBC)	5 <sup>th</sup> May 2017	A discussion on the overall reconstruction process and the designs approved by the government	
7.		Land and Revenue Department	5 <sup>th</sup> May 2017	A discussion on the role and key objectives of the agencies and the possibility of associating with them for the LALRP process	
8.		Veterinary Department	5 <sup>th</sup> May 2017		
9.		Chief District Officer (CDO)	12 <sup>th</sup> April 2017		
10.		Cottage Industry Department	5 <sup>th</sup> May 2017		
11.		Local Community/ PAFs	Women group from Haku VDC	5 <sup>th</sup> May 2017	A discussion with the various stakeholder groups on the following aspects:
12.			Women Group from Haku VDC	5 <sup>th</sup> May 2017	
13.			Tamang Women Group from Satbise	1 <sup>st</sup> May 2017	The impacts from the earthquake Present livelihood profile Role of the Project in earthquake relief Present perception towards the Project Present expectations from the Project in terms of LALRP activities
14.	Mixed group in Nuabise		8 <sup>th</sup> May 2017		
15.	Mixed group in Bogetitar		7 <sup>th</sup> May 2017		
16.	Mixed Youth Group		29 <sup>th</sup> April 2017		
17.	Mixed Group from Farm Camp		12 <sup>th</sup> April 2017		
18.	Women Shop Owner in Nuabise		8 <sup>th</sup> May 2017		
19.	Women Shop Owner in Nuabise		8 <sup>th</sup> May 2017		
20.	Mixed Group in Khalde		13 <sup>th</sup> April 2017		
21.	Key Informant Interview, local Politician in Nuabise		13 <sup>th</sup> April 2017		
22.	Key Informant Interview, women returned after Foreign Employment		2 <sup>nd</sup> May 2017		
23.	Men Group in Mailung		14 <sup>th</sup> April 2017		
24.	Men Group from Haku VDC		6 <sup>th</sup> May 2017		

Of the 154 PAFs, the socio-economic household survey included 129 (83.76 percent survey rate). Thirteen PAFs were not surveyed because the families were reported to have migrated out of the Project area (11) or no household

representative was available at the time of the survey (2) and twelve (12) PAFs were not covered as the negotiation process was ongoing at the time of the survey. This survey will be completed at a later date as part of the LALRP implementation. The following table provides an understanding of the date of survey conclusion in each of the settlements covered.

**Table 1.3** *Date of Survey Completion in Each Major Settlement*

Settlement	Date of Completion
Shanti Bazaar	30 <sup>th</sup> April 2017
Satbise	1 <sup>st</sup> May 2017
Mailung	2 <sup>nd</sup> May 2017
Khalte	3 <sup>rd</sup> May 2017
Nuabesi	3 <sup>rd</sup> May 2017
Battar	3 <sup>rd</sup> May 2017
Dhunche	6 <sup>th</sup> May 2017

The detailed methodology is provided in *Annex B*.

#### 1.4.1 *Study Challenges and Limitations*

ERM recognizes the following challenges and/or limitations in preparing the LALRP:

- The LALRP presently is based on the socio-economic survey of 129 PAFs. The survey of the 25 PAFs will be undertaken as part of the LALRP implementation and the LALRP will be updated accordingly;
- The PAFs identified, is based on the present information available. the number of PAFs may change, once the survey for those impacted by the land lease process in 2017 is completed
- The PAF surveys were undertaken primarily in Dhunche or the IDP camps, as this was where most of the PAF were living and for safety reasons at the time of the survey.
- The consultations with the PAFs had certain challenges and limitations. This was primarily because of the vulnerable situation they are in currently with disrupted lives, insecure shelter & livelihood and no immediate relief in the medium and long term. Thus the priorities of the PAFs (to secure shelter and livelihood) were not presently aligned with the focus of the LALRP (impacts of Project activities). As a result of this, the discussion often got diverted to the critical issues for the community in terms of support for resettlement and permanent shelter and ERM was not able to get focussed attention of the PAFs on aspect such as livelihood restoration options.
- The consultations and survey activities needed to take into account the daily schedule of the PAFs and local community. Most of the local community; men and women; are engaged in wage labour during the day and leave the camps early and come back late. It was therefore not easy to get dedicated time for consultations.

- Furthermore, the local government elections were due at the time for the detailed site visit. Certain members of the local community and PAFs were also active political leaders. This also affected the consultations.
- The latest Census of Nepal data is only available for 2011, and does not reflect the changes in the population as a result of the earthquake or the changes in the administrative structure.

## 1.5

### *LAYOUT OF THE REPORT*

The remaining report has been organized according to the following sections

<i>Section 2</i>	Land Requirement for the Project
<i>Section 3</i>	Applicable Reference Framework
<i>Section 4</i>	Socio-Economic Profile of the Project AoI
<i>Section 5</i>	Stakeholder Identification and Analysis
<i>Section 6</i>	Project Impacts and Mitigation Measures
<i>Section 7</i>	Livelihood Restoration Entitlements Identified
<i>Section 8</i>	Implementation Mechanism
<i>Section 9</i>	Reporting and Monitoring
<i>Annex A:</i>	Detailed Project Description
<i>Annex B</i>	Detailed Approach and Methodology
<i>Annex C</i>	Applicable Reference Framework
<i>Annex D</i>	Livelihood Entitlement Matrix
<i>Annex E</i>	ToR for Implementation Partner
<i>Annex F</i>	LRP Survey Tool, 2017
<i>Annex G</i>	Consultations Undertaken by ERM during LALRP Update
<i>Annex H</i>	Photo Documentation
<i>Annex I</i>	List of References and Studies Undertaken

This section provides an understanding of the Project's land requirement and associated Project Affected land owners and families.

## 2.1 *LAND AND STRUCTURE ACQUISITION FOR THE PROJECT*

The Project requires the permanent acquisition or temporary (construction phase) lease of a total of 107.79 hectares (ha) of land (Table 2.1), including:

- Government-owned land – 84.06 ha, including
  - 5.41 ha from the Langtang National Park. The Project has reached an agreement with the Park authorities to acquire and donate an equal (or larger) area of similar land use/classification within the Park buffer zone with compensatory afforestation.
  - 78.61 ha falls under Community Forest being used by five Community Forest User Groups (CFUGs) with 422 families who have user rights over the forest for various purposes. All CFUG members belong to the Tamang Community.
- Privately-owned land – 20.58 ha with 154 PAF, including
  - 5.05 ha of private land within the villages of Tiru, Haku Besi, Thanku, Sanu Haku, Thullo Haku, Phoolbari, Gogone and Mailung. All the private land taken was agricultural land with a few having structures on them.
  - 15.53 ha of Swambhuguthi (Guthi) Trust land, which belongs to the Monastery at Swayambhu in Kathmandu and comprised of 29 agricultural plots held by 18 tenants. The Guthi land falls in Haku Besi and Phoolbari villages as well as small settlements like Thanku and Budget Farm (very small cluster of households located in and around Haku Besi).
- Commercially-owned land - 3.15 ha owned by the Mailung Hydroelectric Project (HEP).

Most of this land (99.79 ha) was acquired and compensation paid in 2013 – 2014, prior to the earthquake, NWEDC procured 4.85 ha of land in the Mailung area to support the relocation of the powerhouse area worker camp to a safer (from a seismic and landslide hazard perspective) location in 2017. About 70 percent of the land has been leased as it is only required during construction; most of this is government-owned Community Forest land.

As part of the land acquisition described above, the Project also required the acquisition of 36 structures, including 19 houses, 8 partially constructed houses (whose owners had initiated construction to take advantage of the compensation being offered by NWEDC), 8 cow sheds, and one water mill. Of these, 29 structures were acquired in 2015, while 7 additional structures have been acquired in 2017-2018.

**Table 2.1 Land Requirement for the Project**

Project Component	Government Land (Community Forest)			Langtang National Park Land			Private Land			Swyambhuguthi			Mailung HEP			Government Land (River & Floodplain)			Total		Grand total
	Temp	Perm	Total	Temp	Perm	Total	Temp	Perm	Total	Temp	Perm	Total	Temp	Perm	Total	Temp	Perm	Total	Temp	Perm	
Access Road	33.05	0	33.05	0	0	0	0	0	0	0	8.55	8.55	0	0	0	0	0	0	33.05	8.55	41.6
Batching Plant	0	0	0	0	0	0	0	2.34	2.34	0	0	0	0.98	0	0.98	0	0	0	0.98	2.34	3.32
Construction																					
Camp (including base camp and labour camp)	0	0	0	2.8	0	2.8	1.36	0	1.36	0	5.54	5.54	1.968	0	1.968	0	0	0	6.128	5.54	11.668
Intake	0	3.91	3.91	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3.91	3.91
Switchyard and Power house	0	5.53	5.53	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5.53	5.53
Camp																					
Spoil Area	14.82	0	14.82	0	0	0	0	1.34	1.34	0	1.44	1.44	0	0	0	0	0	0	14.82	2.78	17.6
Construction																					
Road	10.3	0	10.3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10.3	0	10.3
Headwork (LNP*)	0	0	0	0	2.61	2.61	0	0	0	0	0	0	0	0	0	0	0	0	0	2.61	2.61
Transmission line	1.932	0.02	1.952	0	0	0	0	0	0	0	0	0	0.096	0.01	0.106	0.036	0	0.036	2.064	0.03	2.094
Baily Bridge	0	0	0	0	0	0	0.0112	0	0.011	0	0	0	0.1	0	0.1	0	0	0	0.1112	0	0.1112
Abutment																					
Access Road for Surge Shaft	9.05	0	9.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9.05	0	9.05
Quarry area	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Submergence area	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Grand Total</b>	<b>69.152</b>	<b>9.46</b>	<b>78.612</b>	<b>2.8</b>	<b>2.61</b>	<b>5.41</b>	<b>1.3712</b>	<b>3.68</b>	<b>5.051</b>	<b>0</b>	<b>15.53</b>	<b>15.53</b>	<b>3.144</b>	<b>0.01</b>	<b>3.154</b>	<b>0.036</b>	<b>0</b>	<b>0.036</b>	<b>76.5032</b>	<b>31.29</b>	<b>107.7932</b>

Land acquisition for the Project has resulted in the loss of land for 38 land owners and tenants, In addition to this, there are 11 individuals being impacted by temporary land lease and 5 individuals who are impacted by loss of structures. These individuals represent 154 PAFs. Of these 154 PAFs, 149 PAFs have an impact on livelihood and are thus considered in this LRP<sup>1</sup>. As stated in the Section 1.4, the LRP presently deals with 149 of the 154 PAFs as indicated in Table 1.2. Of these 149 PAFs, 89% are Tamang, which is considered as an Indigenous People's group.

This substantially higher number of PAFs, in comparison to land owners, was primarily for the following reasons:

- In most of the cases, the land reflected the ownership details as was captured in the Cadastral survey undertaken in Nepal almost 37 years back and land division and therefore mutation in the name of separated family members has not happened after the cadastral survey in most of the cases.
- As a result of the trend of early marriages (in the age-group of 14-20 years) there were numerous instances of younger members of the family living separately but being dependent upon the same parcel of land. The *Lal Purza* however in most cases did not reflect this mutation in the family;
- When the payment received by affected land owners/ tenants (in case of *Guthi* land) was divided internally, there were instances where the payment was received separately by members of the family who were living together
- Families who were earlier residing together have separated post-earthquake to benefit from relief efforts as most of the entitlement for relief efforts factored in separate HHs;
- Some families have separated due to economic or family issues. For example some of the parents (belonging to the age group of 40-60 years) have gone back to the original village and the young members of the family (18-35 years) have stayed in the IDP camps because of better education facilities for children, better access to market, better employment opportunities, liking for the relatively urban environment, etc. and
- Members of the household have migrated out for work and established a separate household;

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<sup>1</sup> The 5 PAFs, who are only impacted by loss of structure, will be considered as part of the ESIA and benefit sharing provisions for the project

**Table 2.2 Details of land Loser for UT-1 Project**

S.No.	Location	Land Loser ID	Number of PAFs associated with land loser	Number of PAPs associated with Land loser
<b>Private Land</b>				
1	Mailung	MAI-25	4	21
2	Mailung	MAI-02	1	3
3	Mailung	MAI-06	4	15
4	Mailung	MAI-21	1	6
5	Mailung	MAI-38	1	4
6	Gogone	GOG-34	5	10
7	Mailung	MAI-29	3	7
8	Mailung	MAI-37	1	13
9	Mailung	MAI-01	4	11
10	Gogone	GOG_07	7	27
11	Mailung	MA-32		1
12	Gogone	GOG-39	8	34
13	Mailung	MAI-11	10	34
14	Gogone	GOG-01	6	21
15	Gogone	GOG-13	4	10
16	Mailung	MAI-22	3	7
17	Haku Besi	HAK-07	3	13
18	Mailung	MAI-32	5	23
19	Mailung	MAI-10	1	7
20	Gogone	GOG-17	17	60
<b>Guthi Tenants</b>				
21	Phoolbari	PHO-01	1	7
22	Haku Besi	HAK-01	5	22
23	Haku Besi	HAK-06	1	7
24	Haku Besi	HAK-07	3	13
25	Haku Besi	HA-10	3	16
26	Haku Besi	HAK-13	4	22
27	Phoolbari	PHO-02	2	17
28	Haku Besi	HAK-17	1	2
29	Haku Besi	HAK-18	1	7
30	Phoolbari	PHO-04	8	32
31	Phoolbari	PHO-12	7	30
32	Haku Besi	HAK-10	3	16
33	Haku Besi	HAK-19	5	23
34	Phoolbari	PHO-19	3	22
35	Thanku	THA-01	7	34
36	Haku Besi	HAK-26	2	8
37	Haku Besi	HAK-24	2	6
38	Phoolbari	PHO-22	2	8
	Total		149	~619

Source: NEWDC, 2014 and Data collected by ERM, 2015

The PAFs associated with the land take in 2017 are not presently covered in this table and shall be updated once the socio-economic survey for the same is complete.

Prior to the earthquake, these PAFs resided in the Haku VDC. However, post-earthquake, many of these PAFs are still living in Internally Displaced Persons (IDP) camps, moved back to original villages or have moved to different Gaunpalikas (or former VDCs) in the Rasuwa and Nuwakot districts. The following table provides an understanding of the distribution of the PAFs in pre-earthquake and post-earthquake scenario.

**Table 2.3** *Distribution of PAFs*

Original Residence	Current Residence (Mostly IDP Camps)	Number of PAFs
Gogone (and Tiru)	Batar	7
	Bogetitar	18
	Kathmandu	1
	Khalde	3
	Naubise	9
	Satbise	2
	Tiru	1
Haku Besi	Dhunche	15
	Haku Besi	5
	Kathmandu	2
	Kebutol (IDP camp in Dhunche)	3
	Pradhikaran	1
Mailung	Bogetitar	8
	Kathmandu	1
	Khalde	5
	Mailung	2
	Naubise	12
	Satbise	4
	Shanti Bazaar	2
Phoolbari	Dhunche	10
	Kebutol (IDP camp in Dhunche)	7
	Phoolbari	2
	Thade	1
	Trishuli	1
Thanku	Dhunche	1
	Thade	6
	Information not available	13
<b>Total PAFs</b>		<b>149</b>

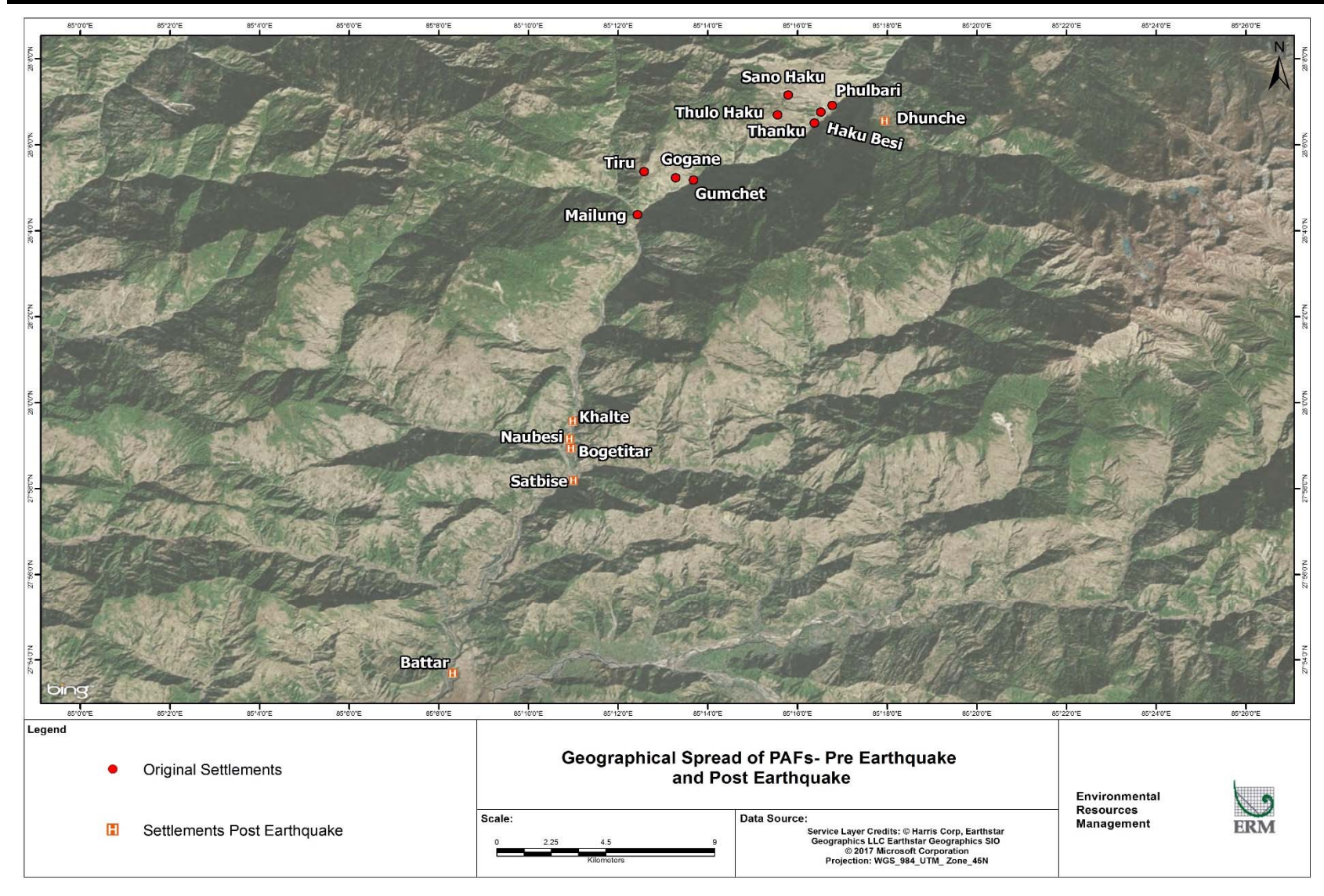
Source: LALRP HH Survey, 2017 based on the responses given

The PAFs associated with the land take in 2017 are not presently covered in this table and shall be updated once the socio-economic survey for the same is complete.

The following figure provides an understanding of the geographical spread of the PAFs.

Figure 2.1

Geographical Spread of the PAFs- Pre Earthquake and Post Earthquake



Source: ERM. Based on HH Survey, 2017, Responses Provided.

Note: It should be noted that the above positions are approximate locations of the key residential areas on Google Earth Imagery and represent approx. boundaries of the settlements identified

In addition to these PAF, this land take has also resulted in the loss of government-owned community forests for five Community Forest User Groups (CFUGs) representing 422 members (i.e., families) who are residents of the eight Project footprint villages.

There is still a lot of uncertainty in terms of whether people will be returning to their native villages (once they receive housing grants), moving to Government resettlement sites (once they are constructed); or continuing to live in the IDP camps for the foreseeable future. The situation on ground is expected to be dynamic at least for the next few years. This LALRP has been developed within this context.

### 2.3 *CUT OFF DATE FOR THE PROJECT*

The WBG's PS 5 requires a census to be carried out to collect appropriate socio-economic baseline data to identify the persons who will be displaced by the Project, determine who will be eligible for compensation and assistance, and discourage ineligible persons, such as opportunistic settlers, from claiming benefits. In the absence of host government procedures, the client needs to establish a cut-off date for eligibility. Information regarding the cut-off date should be well documented and disseminated throughout the Project area.

There was no official cut-off date declared for the Project as NWEDC undertook negotiations with individual families. It is proposed that the date of the first notification for land take by the government on 22<sup>nd</sup> April 2013 (refer to section 6.1.2 for further details) be considered as the cut-off date for the land owners eligible for LALRP Benefits.

#### **Box 2.1** *Opportunistic Encroachment in the Project Area*

*NWEDC, after payment of compensation (or payment of the agreed price to the land owners), was faced with a situation in which some of the former land owners started construction on the land already sold to NWEDC. NWEDC in this context sent letter to Rasuwas District Administrative Office (DAO) requesting their intervention to stop this opportunistic construction ( March 4, 2013). The site management reported that there were individual negotiations with such land owners in which the offer to compensate for the raw material was made; however there was no formal notice to bar people from making improvement or creating assets to their land. The DAO came up with a public notice on 20<sup>th</sup> March 2013, asking for removal of the illegal structures within 7 days of publication of such notice. Visit to the site with the site management team found that the structures are still there.*

*Five such cases have been reported since the compensation for the land has been provided. This reiterates the need for a formal cut- off date to be established and communicated in the area. The NWEDC land team suggests that the information was shared with the DAO when opportunistic developments started cropping up in the area. The cut-off date, however, was not officially communicated to the land owners and the community at large.*

The Jan Sarokar Samiti, which was a community based committee especially formed for the Project and registered with the Chief District Office (CDO), with representation from the three affected VDCs, indicated that:

- Declaration of any such cut-off date by NWEDC or any company does not constitute a formal and binding cut-off date unless mandated by law.
- In absence of this, the company depended upon its presence in the field and good will with the community to establish the principle of a cut-off date, but this was not successful. Therefore, NWEDC should provide compensation for structures that were built before receipt of compensation in terms of replacement value, excluding depreciation and the scrap value.
- If however the government issues a notice now prohibiting further construction on land that has been purchased by the Company, then that date should be considered as the cut-off date, irrespective of whether payment has been made or not.

However, it is acknowledged that the 2015 earthquake resulted in a change in the socio-economic conditions in the project Area of Influence, and resulted in a number of families separating and establishing separate households. Furthermore, the project has also had to identify additional land for mitigating the impacts from the earthquake. In keeping with these aspects, while the cut-off date for the project is considered as 22<sup>nd</sup> April 2013, the division of families post-earthquake and those impacted by the new land take in 2017 have been included in the present LALRP as part of a management of change process. This also covers the issue of structures being constructed by some of the land losers in the later stages, before the payment was made.

The Project, would however, need to communicate the cut-off date to all the affected wards falling under the Project area, as well as other forums such as the district administration and the Jan Sarokar Samiti. Any grievances that may emerge from the declaration of a cut-off date will need to be taken through the grievance redressal process described in *SEP & GRM* for the project.

Some of the land losers, as reported, continue to cultivate or use the land, especially in Guthi land area; though the payment for rights over the land has already been paid by NWEDC. The Project has sent communication to the families about not using the land during site visits and regular engagement at platforms like Jan Sarokar Samiti meetings.

The understanding of the context of the Project and the process associated with land procurement requires an understanding of the local administrative structure and local laws and regulations. While some of the laws and regulations have direct relevance in the context of the Project, others need to be reviewed as they define the complete administrative process surrounding the management of land including private, Guthi and Community Forest land.

This section provides a brief understanding of the requirements influencing the Project and LALRP, in terms of the national rules and regulations as well as the applicable requirements of the World Bank Group's Performance Standards (2012) and Asian Development Bank's Safeguard Policy Statement (2009) requirements. The generic requirements for the project have been covered as part of the ESIA for this project

Details of the relevant laws and general administrative structure in Nepal are captured in *Annex C*. An abridged version is provided here.

### 3.1 NATIONAL REGULATIONS

#### 3.1.1 *The Constitution of Nepal, 2072 BS (2015 AD)*

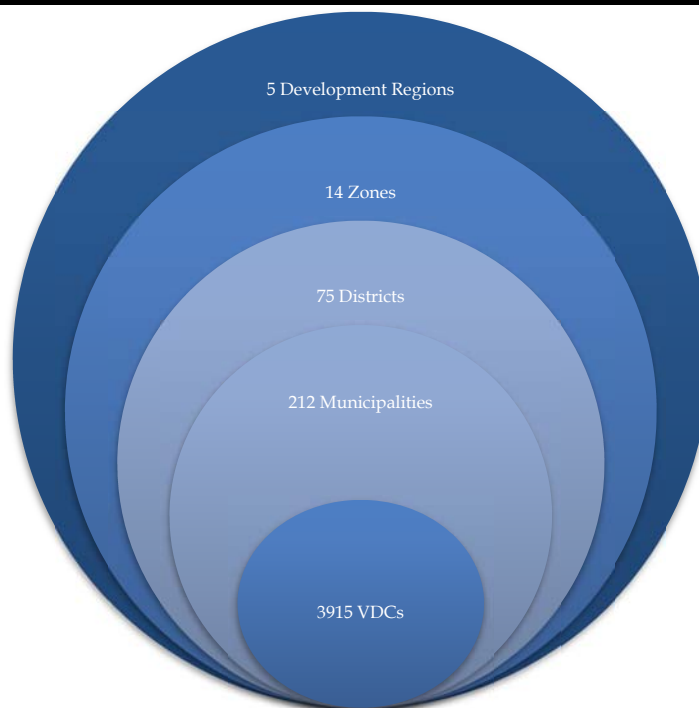
The present Constitution of Nepal came into effect on 20<sup>th</sup> September 2015. This Constitution replaced the interim Constitution of 2007. Article 25(1) establishes the right to property for every citizen of Nepal, whereby every citizen is entitled to earn, use, sell and exercise their right to property under existing laws. Article 25(2) states that except for public interest, the state will not requisition, acquire or otherwise create any encumbrances on property of a person. Article 25(3) states that when the state acquires or establishes its right over private property, the state will compensate for loss of property and the basis and procedure for such compensation will be specified under relevant laws.

#### *The Changed Administrative Structure*

A new local level administrative structure is being formed in Nepal, which has been approved by the cabinet, in line with the 2015 Constitution. This new structure was adopted on 10<sup>th</sup> March, 2017<sup>1</sup>, and elections were underway in the month of May for the *Gaunpalikas*. The old and new administrative structures are depicted in *Figure 3.1* and *Figure 3.2* respectively.

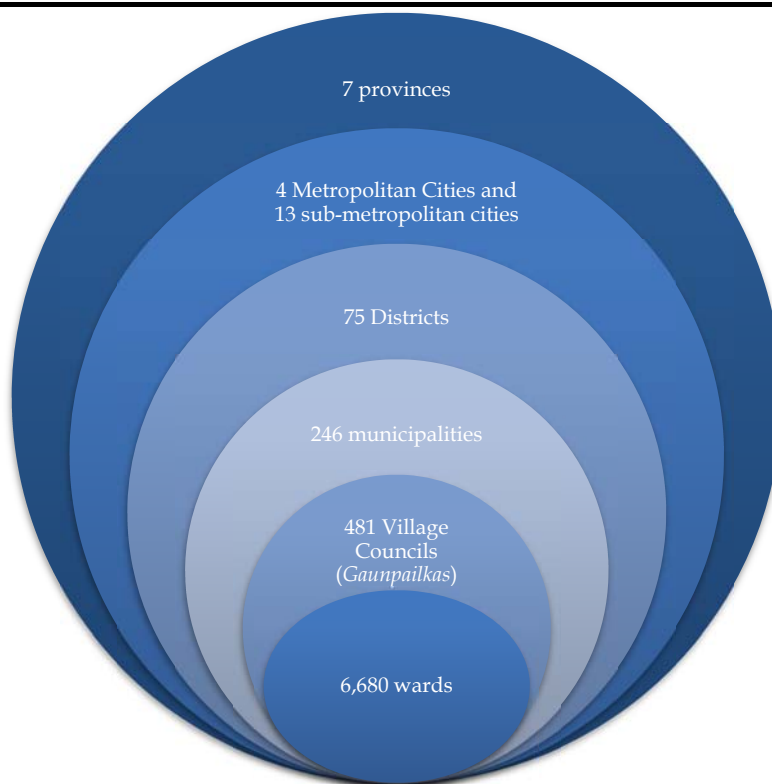
(1) <https://thehimalayantimes.com/nepal/new-local-level-structure-comes-effect-today/>

**Figure 3.1** *Old Administrative Structure of Nepal*



Source: Ministry of Federal Affairs and Local Development

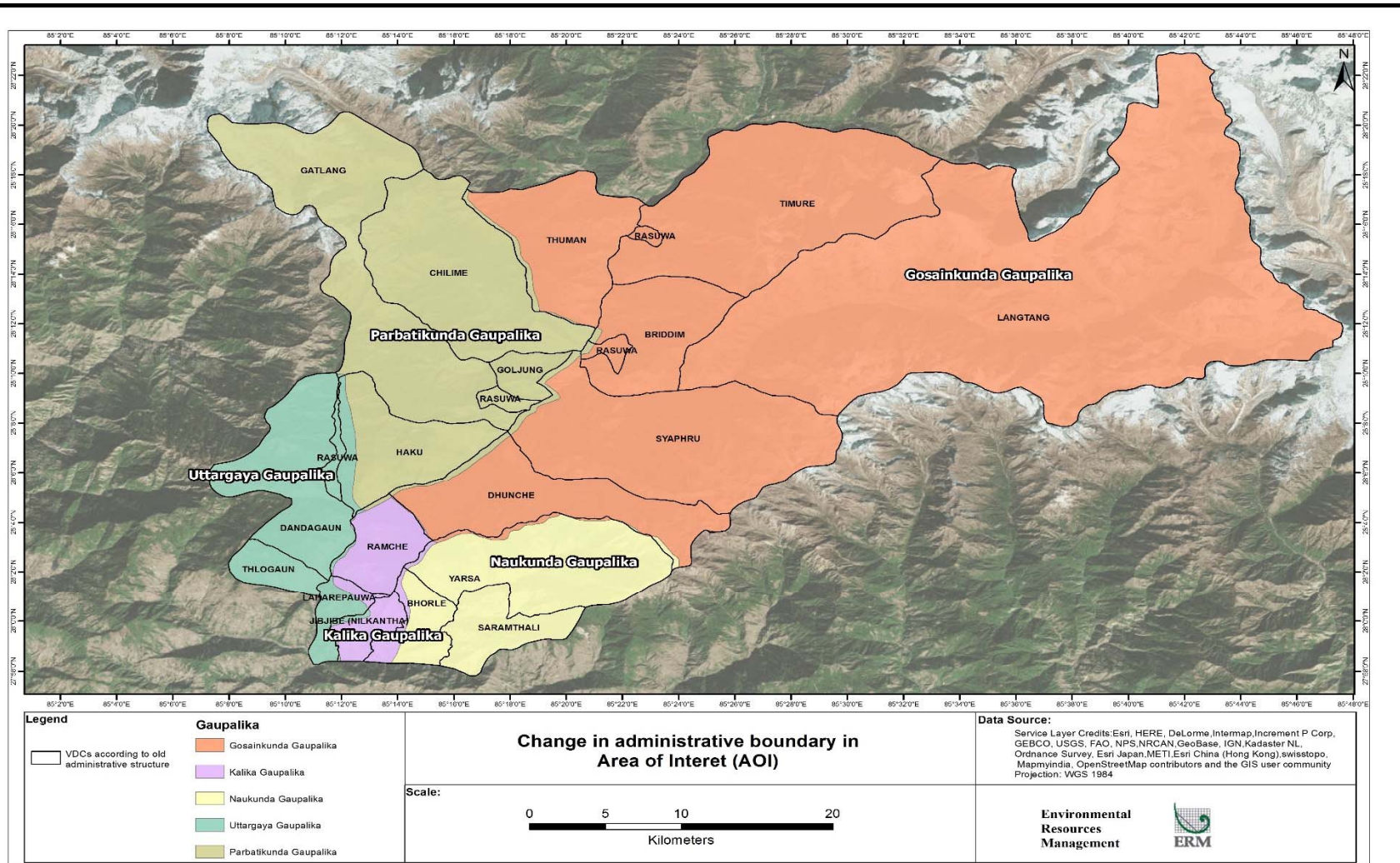
**Figure 3.2** *New Administrative Structure of Nepal*



Source: Ministry of Federal Affairs and Local Development

In keeping with this, the following figure provides an understanding of the manner in which the administrative structure of Rasuwa District has changed.

Figure 3.3 *Changed Administrative Structure in Rasuwa District*



The key changes from the new administrative structure, which are relevant for the livelihood restoration and benefit sharing process, are as follows:

- This new structuring is primarily aimed at moving Nepal toward a federal structure. In keeping with this, rural and urban municipalities have been defined as local governments. These local governments, at the province and local level will exercise legislative powers, as sub-national governments;
- For this, many of the existing laws shall have to be repealed or aligned and amended while more than one hundred new laws shall have to be legislated by the federal government to meet the constitutional requirements. These laws will pertain to
  - provision for coordination mechanisms across different tiers of government;
  - changes in size, purpose and composition of public organizations
  - Provision for additional constitutional bodies and their purpose; and
  - Provisions for exclusive and concurrent revenue assignments at all three tiers of government.

Though the exact scope of the changes in the laws and legal provisions is presently not known, it is observed that;

- The profile of the Gaunpalikas resembles the former Village Development Committees (VDCs), but they have more rights on collection of royalty and taxes. This will in turn have implications for benefit sharing and community based initiatives of the Project;
- The Gaunpalikas will also have a larger annual budget in comparison to the VDCs. This will thus impact the level of projects or interventions undertaken by the government at the Gaunpalika level and their interface with the provisions identified as part of the SIMF for the Project;
- Though the constitution does not recognize “District” as a different tier of sub-national government, its existence is allowed to continue. It remains to be decided and seen whether the existing organizational arrangements at District level would be completely eliminated or remain in new forms as extension of provincial government or a kind of federation or integrator or supervisory agency of local government units at District level;
- There is also an apprehension of competing interests in sharing many of the powers and resources from the federal government to sub-national governments simultaneously. This may also result in a lack of clarity in terms of the agencies and levels of government to be involved in the implementation of the SIMF for the Project.

### 3.1.2 *Applicable National Regulations*

The key applicable national regulations are as summarized in the table below.

**Table 3.1 Key National Regulations and Conventions Applicable for the Project**

Regulation	Summary
Land Acquisition Act, 2034 BS <sup>1</sup> (1977 AD)	<p>Land Acquisition Act, 2034 BS (1977 AD) is the core legal provision to guide the land acquisition and resettlement activities in Nepal. The Act empowers the Government to acquire land for development purposes, by paying compensation to the landowner.</p> <p>Though the land was mostly bought through private purchase, some of the provisions of the act were partially used by the DAO in the interest of the Project.</p>
Land Acquisition, Resettlement and Rehabilitation Policy for Infrastructure Development Projects, 2071 BS (2015 AD)	<p>The key objective of this policy is to avoid or at least minimize displacement and where not possible to provide adequate compensation and rehabilitation assistance to affected persons.</p> <p>According to the Project classification criteria, the UT-1 Project is categorised as a High Risk Project. This policy shall guide the identification of mitigation measures for the Project and development of management plans for the implementation of the same.</p>
The Guthi Corporation Act, 2033 BS (1976 AD) Second Amendment in 1993 AD	<p>Guthi lands refer to the land and property donated by the government or the state and individuals for social and religious benefits. The term Guthi indicates an 'organization based on caste or kinship, or occasionally on geographical proximity, which insures the continued observance of social and religious customs and ceremonies of the community'. Guthi lands were exempt from tax and not to be reclaimed for private use by the donors. Generally, only the income derived from the property should be used; while the property including land remains intact, i.e. cannot be sold.</p> <p>The act primarily deals with the management of the Sansthan, powers, duties etc. The applicability of this act for the Project stems from the provision of the rent and tenancy rights associated with the Guthi land. Section 30 of the act mentions that, "Notwithstanding anything contained in Lands Act, 1964 and other prevailing Nepal law, the tenancy right in a land cultivated on tenancy according to this Act may be sold and purchased." Chapter 6 of the act mentions in detail the provisions relating to Tenants. Section 35 of the Act, mentions Registration of tenants on payments of fees.</p> <p>There are 15.53 ha of Guthi land affected by the Project for which these provisions have to be considered.</p>
The Decentralization Act 2039 BS (1982 AD) Master Plan for the Forestry Sector of 1988 and the Forest Act of 1993	<p>The Decentralization Act 2039 BS (1982 AD) introduced the concept of Community Forest User Groups (CFUGs). The Master Plan for the Forestry Sector of 1988 and the Forest Act of 1993 formalized the concept and gave a legal basis for the groups to function as autonomous institutions in the management of forest resources.</p> <p>The above mentioned Acts are important for the Project as 78.612 ha (69.152 ha on permanent basis and 9.46 ha on temporary basis) of Community Forest and Government land is being diverted for the Project. For this, the land take process is guided by these Acts and provisions.</p>

<sup>1</sup> The years given outside of the bracket represent the year in keeping with the Hindu calendar followed in Nepal. This calendar is known as the Bikram Sambath Calendar. Throughout this report, the BS year will be given along with the accompanying year in keeping with the English Calendar in bracket.

Regulation	Summary
Hydropower Development Policy, 2058 BS (2001 AD)	<p>The Hydropower Development Policy, 2001 was introduced with a view to make clear, transparent and investment –friendly hydropower development in Nepal. On the basis of this policy, a model Project Development Agreement was formulated by the Ministry of Energy, Government of Nepal in 2010. On the basis of this policy and PDA, a basket of benefits/provisions were identified for the purpose of benefit sharing with the local community in the Project area.</p> <p>This policy is applicable for the Project, as it is a Run of the River Project. However, this policy will have to be amended in keeping with the changed administrative structure. Presently clarity is required on the manner in which the existing provisions for benefit sharing at VDC and District level will be interpreted at the Gaunpalika and District level.</p>
Convention (No. 169) Concerning Indigenous and Tribal Peoples in Independent Countries	<p>International Labour Organization (ILO) Convention 169 is directed at Government, and its implications for private sector are indirect. However, the convention is referred as a reference point by Indigenous People (IPs) and Civil Society Organizations. This Convention has been ratified by Nepal in 1989. This Convention’s provisions need to be kept in mind as more than 63.75% of the Rasuwa District’s population and 93.6% of the Project AoI’s population is comprised of the Indigenous group of Tamang. Furthermore, of the 89% of the PAFs are Tamang</p>

### 3.2 *APPLICABLE STANDARDS OF INTERNATIONAL DEVELOPMENT FINANCE INSTITUTIONS*

Apart from the national rules and regulations, the following international standards are applicable on the Project.

**Table 3.2** *Applicable International Standards*

International Standards	Summary
WBG PS 5: Land Acquisition and Involuntary Resettlement	<p>This Performance Standard puts in place various processes and systems to avoid/minimise the social and economic impacts related to land acquisition and resettlement. In cases where avoidance of such impacts is not possible, the PS requires the mitigation of the impact through compensation for the losses suffered and improvement of the living conditions of the affected communities in the form of comprehensive compensation packages.</p>
WBG PS 7: Indigenous People	<p>PS 7 recognises that Indigenous Peoples, as social groups with identities that are distinct from dominant groups in national societies, are often among the most marginalised and vulnerable segments of the population. The PS underlines the requirement of avoiding / minimizing adverse impacts on indigenous people in a Project area, respecting the local culture and customs, fostering good relationship and ensuring that development benefits are provided to improve their standard of living and livelihoods.</p> <p>This PS requires the Project to establish and maintain an ongoing relationship with the IPs affected by the Project through the life of the Project through an informed consultation and participation process, which would include, when required, a Free Prior and Informed Consent (FPIC) of the IPs.</p>

International Standards	Summary
ADB's Safeguard Policy Statement (SPS), 2009	<p>The SPS builds upon ADB's previous safeguard policies on the Environment, Involuntary Resettlement, and Indigenous Peoples and has the following objectives:</p> <ul style="list-style-type: none"> <li>• Avoid adverse impacts of projects on the environment and affected people, where possible;</li> <li>• Minimize, mitigate, and/or compensate for adverse Project impacts on the environment and affected people when avoidance is not possible; and</li> <li>• Assist borrowers and clients to strengthen their safeguard systems and develop the capacity to manage environmental and social risks.</li> </ul>
ADB Public Communications Policy 2011	<p>ADB's Public Communications Policy (2011) sets out disclosure requirements for various ADB activities, including Safeguard Requirement such as Safeguard Requirements 2: Involuntary Resettlement (Appendix 2 of SPS); and Safeguard Requirements 3: Indigenous Peoples (Appendix 3 of SPS). The policy puts in place the requirements of information disclosure to ADB and external stakeholder and the requirement for undertaking consultations and facilitating participation of the affected people and other impacted stakeholders.</p>
ADB Social Protection Strategy 2001	<p>The Social Protection Strategy spells out the scope of social protection and commitment of the ADB to develop priority interventions in five major elements including labour market policies and programs, social insurance programs, social assistance and welfare service programs, micro and area-based schemes and child protection.</p>
ADB Operations Manual (OM) C3 Sector and Thematic Policies on Incorporation of Social Dimensions 2011	<p>As part of this OM, all ADB operations incorporate social dimensions so as to ensure greater inclusiveness, equity and empowerment for the poor, vulnerable, and excluded groups, while providing them with a greater sense of security and ability to manage risks. As part of this OM, ADB encourages consultations with and participation by stakeholders during the key stages of the Project life, the incorporation of gender considerations and social analysis into the relevant aspects of ADB operations. The OM also requires the Project design and implementation arrangements include actions to enhance benefits and monitor and evaluate the distribution of the benefits of the Project</p>
ADB Gender Mainstreaming Guidelines 2012	<p>The projects of the Asian Development Bank (ADB) have four gender mainstreaming categories:</p> <ul style="list-style-type: none"> <li>• Category I: gender equity as a theme (GEN);</li> <li>• Category II: effective gender mainstreaming (EGM);</li> <li>• Category III: some gender elements (SGE); and</li> <li>• Category IV: no gender elements (NGE).</li> </ul> <p>The Gender Mainstreaming Guidelines 2012 provides a detailed overview on the definition, requirements and application of the above gender mainstreaming categories.</p>

### 3.3

#### *PROJECT DEVELOPMENT AGREEMENT WITH MINISTRY OF ENERGY*

On 29th December 2016, the Project Development Agreement (PDA) for the Project was signed between the Ministry of Energy, Government of Nepal and

NWEDC. Some of the key clauses of the agreement, pertaining to environmental and social aspects, are as follows (this is not an exhaustive list):

- The following Plans shall be prepared as part of the Project:
  - The Local Benefit Sharing Plan,
  - Employment and Skill Training Plan and
  - Industrial Benefits Plan
  - Land Acquisition and Livelihood Restoration Plan (LALRP);
- The Company shall ensure that its Nepal Employment and Skills Training Plan provides for appropriate training of suitable citizens of Nepal for Project-related opportunities;
- The Company shall comply with the Nepal Employment and Skills Training Plan, Nepal Industrial Benefits Plan and Local Benefit Sharing Plan and ensure that appropriate programmes are designed to assist suitable Nepali citizens, entities, and firms to meet the Project's requirements for goods and services;
- The Company shall conduct employee training programmes from time to time, including training in each of the skills used in the Project, including management training;
- **Prior to Commercial Operation Date**, the Company shall build the distribution network to supply such Local Free Power to each Eligible Household within the Free Electrification Area;
  - GON shall be responsible for the operation and maintenance of such distribution network at its sole cost.
  - GON and the Company shall jointly prepare a plan (the "Rural Electrification Plan"), based on a pre-feasibility study to be carried out by GON and the Company (at the Company's sole cost) to assess the costs and scope of rural electrification.
  - The Company shall implement the Rural Electrification Plan.
- **From and after commercial operation date**, the company shall supply at its own cost- 20 KWH of free power each month to each household within the free electrification area to up to 200% of the number of original Households;
- The company shall not impair the use of the river for drinking and cultural uses, existing irrigation, industrial and recreational uses. Where impaired, it should be mitigated

The Company shall (to the extent applicable) submit reports every six (6) months to GON for the first three (3) years of the Construction Period and every twelve (12) months thereafter, describing in detail:

- its employee training programmes,
- the implementation of such training programmes,
- The progress made towards meeting the objectives of using Nepali resources, training and development, the Nepal Employment and Skills Training Plan, Nepal Industrial Benefits Plan and Local Benefit Sharing Plan.

This section provides an overview of the socio-economic baseline of the Rasuwa District and the Project AoI and a detailed socio-economic profile of the PAFs. The baseline is based on primary and secondary quantitative and qualitative data. The baseline for the Rasuwa District and VDCs is based on the secondary data available and the regulatory EIA developed for this Project. The baseline of the PAFs is based on the socio-economic survey undertaken as part of this LALRP development. The following table provides the various sources of information used.

**Table 4.1** *Sources of Information for Baseline*

Baseline Area	Source of Information
Rasuwa District	<ul style="list-style-type: none"> <li>• Census Data 2011</li> <li>• UT-1 Supplementary ESIA 2014</li> </ul>
Project AoI (VDCs/ villages touched by the Project )	<ul style="list-style-type: none"> <li>• Census Data 2011</li> <li>• UT-1 Supplementary ESIA 2014</li> <li>• Focus Group Discussions Undertaken as part of LRP preparation 2015 and LALRP 2017</li> </ul>
Project Affected Families	<ul style="list-style-type: none"> <li>• Household Survey for LRP preparation 2015</li> <li>• Household Survey for LALRP 2017</li> <li>• Focus Group Discussions Undertaken as part of LRP preparation 2015 and LALRP 2017</li> </ul>

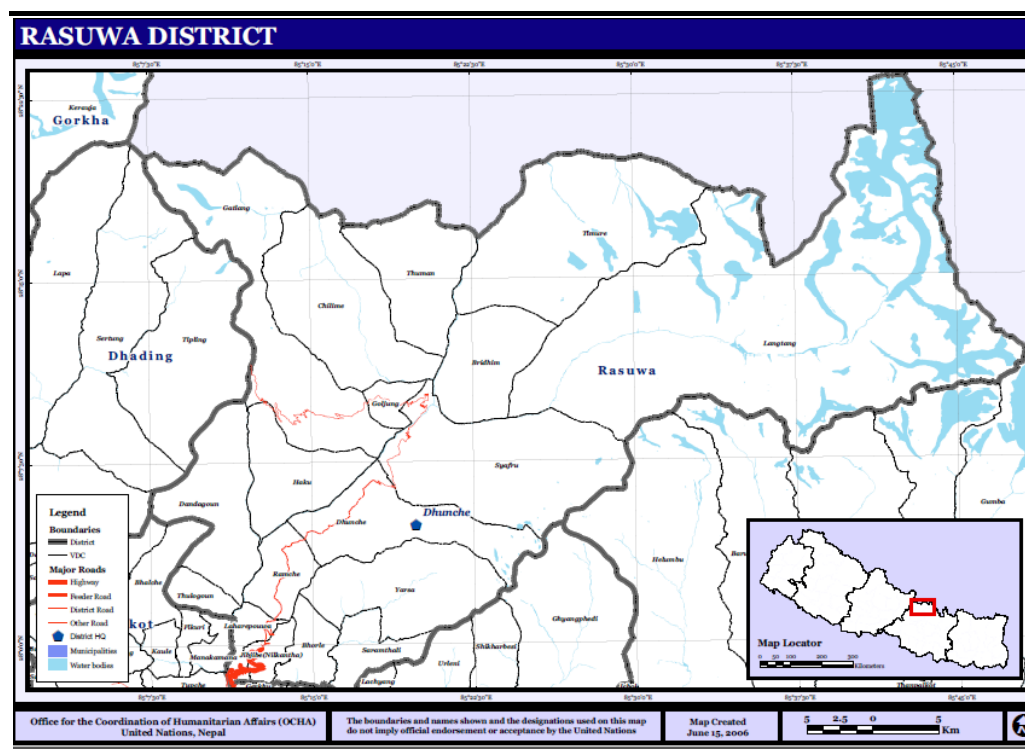
**Note:** The socio-economic information available for the Rasuwa District and VDCs/Project area is restricted to the Census Data 2011 and the information collected during the Complementary ESIA in 2014. This data does not reflect the changed administrative structures and the implications of the same on the socio-economic profile of the Project AoI. Furthermore, the data presented in this section for the Rasuwa District and Project AoI does not necessarily reflect the post-earthquake scenario. Where possible, the current status has been included information received during the consultations and PAF survey.

## 4.1 *RASUWA DISTRICT SOCIO-ECONOMIC BASELINE*

### 4.1.1 *Demographic Profile*

The Rasuwa District (District) is located in the north central part of Nepal. The district has a population of 43,300 individuals and 9,778 households and is one of the districts with the lowest population in the country.

Figure 4.1 *Rasuwa District Map*



Source: United Nations Nepal Information Platform, <http://www.un.org.np/attachments/district-map-rasuwa>

The District has an average household size of 4.43 individuals, and a sex ratio of 1016 females per thousand males, which is lower than to the national average (1050 females per thousand males). Covering approx. 1,544 sq. km., the District has a population density of 53.6 persons per sq. km as can be seen from the following table.

Table 4.2 *Rasuwa District Demographic Profile*

Variables	Value
Total Population	43,300
Total Area (sq. km)	1,544
population density	53.6
Total Households	9,778
Sex Ratio	1016
Average Household Size	4.43

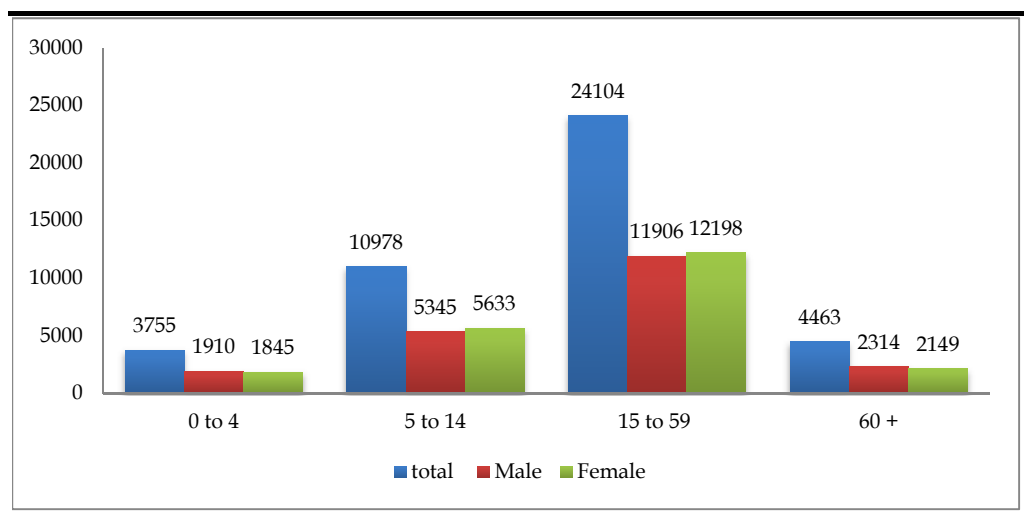
Source: Census 2011

Post-earthquake, the District has not undergone a shift in terms of the overall demographic profile. However, an increase in the population and population density in the urban areas and in settlements in the valley may be expected. Similarly, the number of households may increase. This is primarily the result of households splitting up post the earthquake, due to space issues in temporary housing and also to gain maximum benefit from relief support given by NGOs/INGOs.

The increase in number of households though has been offset by the fact that some of the old age families who were independent in the native village

conditions are now dependent on their offspring and stay with them. This has resulted in decreased households and a potential increase in average household size. However, it is likely that while families have decided to live together to deal with the livelihood challenges (and other challenges such as pressure of rent) temporarily; they do intend to settle separately once the situation improves. This is also reflected in the number of household members who have applied for separate resettlement grant /support from the government. Another cause of change in population may be the out-migration of sections of the population; especially youth; for livelihood purposes. However, the effects of this out-migration are likely to be offset by a section of the population returning to the District post-earthquake. This group is comprised of those who had earlier out migrated in search of employment, but have returned to the District and families, to take care of the family members.

**Figure 4.2** *Distribution of population by Age in the Rasuwa District*



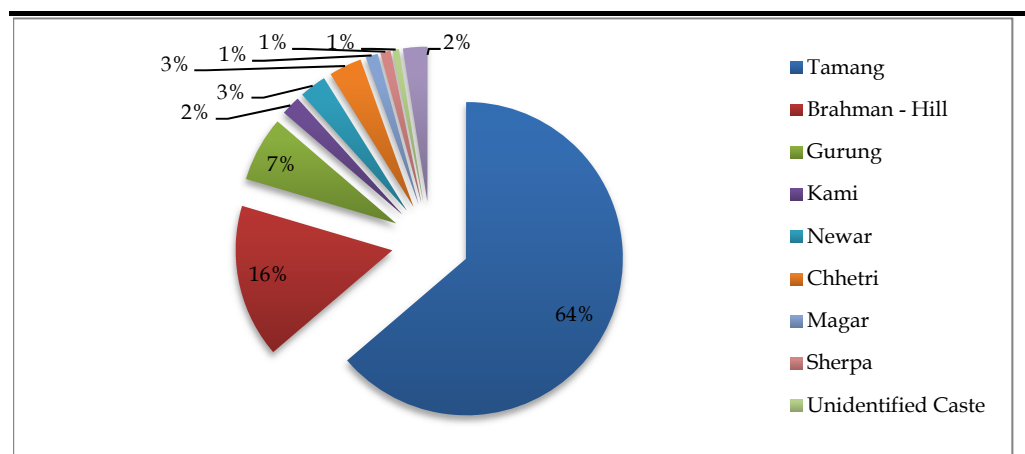
Source: Census 2011

According to the information available, 34% of the District is reported to be in age group of 0-14 years, while the age group between 15 to 59 (the productive age group) represent 56% of the population.

#### 4.1.2 *Social Groups*

The population in the District includes 18 ethnic groups, with Tamang (an indigenous group) forming a majority of the population (63.75%). The other main ethnic groups in the area are Hill Brahman, Gurung, Kami, Newar, Chhetri, Magar and Sherpas amongst others. The following figure provides an understanding of the ethnic composition of the District.

**Figure 4.3 Ethnic Composition of the Rasuwa District**



Source: Census 2011

The main religion in the area is Buddhism (69% of the total population), followed by Hinduism (25.4%) and Christianity (4%). The other religions in the area comprise of Islam, Kirat, Prakriti, and Bon. Over the last years, there is reported to be an increase in the number of Christians which could be a result of active presence of NGOs/ INGOs in the District and an increase in the number of children studying in Catholic boarding schools for better education.

The population in the district speaks 9 languages, the most prominent of which is Tamang (60%), followed by Nepali (31.67%). The other languages spoken in the area are Newari, Magar, Gurung, Sherpa and Tibetan.

#### Gender

While women constitute 50.4% of the total population in the District, their access to education, property ownership and participation in social organization and economic activities is lower than in the case of their male counterparts. Compared to the 60.58% male literacy rate, 46.5% of the women are reported to be literate and only 8% of the women have legal ownership of property. However, the life expectancy of women at 54 years is comparable to that of men at 55 years. The following table provides an understanding of the ownership of assets by women.

**Table 4.3 Women's Ownership of Assets**

Asset	HHs No.	Percentage
Both House and Land	460	5
Land only	322	3
Neither house nor land	8892	91
Not stated	67	1
<b>Total</b>	<b>9741</b>	<b>100</b>

Source: UT-1; Complementary Social Baseline, NESS, July 2014

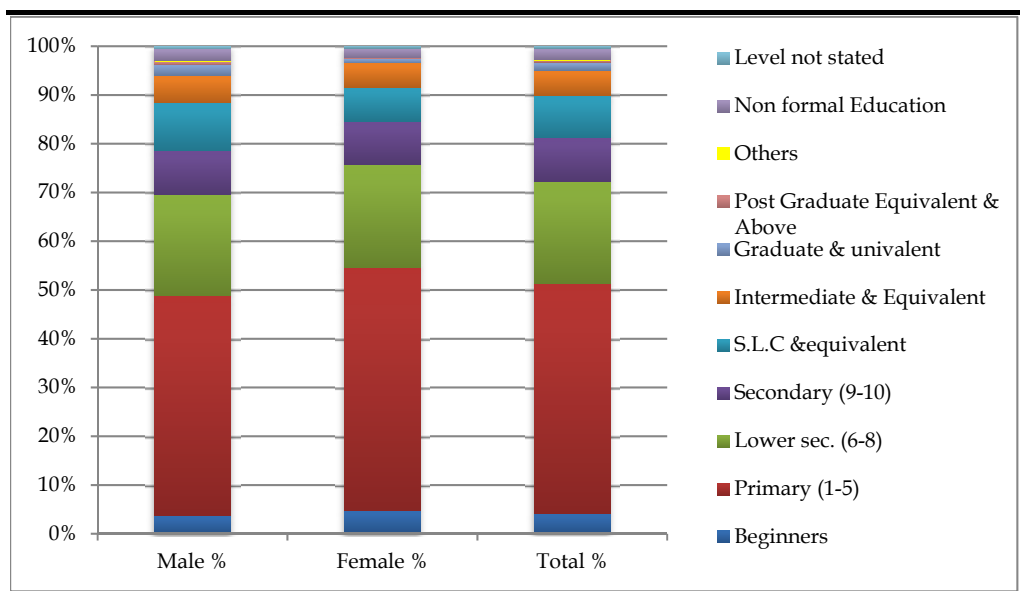
While involved in income generating activities such as agriculture and small businesses, women are reported to be mostly involved in household activities

including child care, animal husbandry, water fetching and looking after the welfare of family members.

### 4.1.3 Education Profile

The District is characterised by a literacy rate of 53.6%, with the male literacy rate being 60.58% and the female literacy rate being 46.5%.

**Figure 4.4** Educational Profile for the Rasuwa District



Source: Census 2012

Of the literate population, 50% is reported to have education only till the primary level while only 16% of the population is reported to have received the School Leaving Certificate and 7.18% has education above the intermediate level.

The District is reported to have 129 educational institutions, of which 123 are managed by the community and 6 are institutional. The primary education institutions comprise of 80% of the total educational institutions. Some of these educational institutions too have been impacted by the earthquake.

### 4.1.4 Livelihood Profile

Agriculture with animal husbandry is reported to be the main source of livelihood for 89% of the households. The other occupations include manufacturing, trade and business, transportation, services etc.

However, despite the dependency of the majority of households on agriculture for livelihood, only 40% of these households meet their food input from their own agricultural production, while the remaining resort to seeking loans, wage labour and outmigration (within and outside Nepal) for livelihood. Nearly 24% of the households in the District have at least one of

their family members living outside the village. Approx. 36% of the household are reported to be marginal farmers (0-0.5 ha) and 54% of the population is reported to live below the poverty line.

The dependence on non-farm based activities has increased post-earthquake. This is because a part of the population has lost (some temporarily, others permanently) access to agricultural land and livestock holdings. Furthermore, the increased proximity to urban areas and an increase in construction activities (due to repair and reconstruction) has resulted in a section of the population (especially youth) moving towards labour in construction site, as masons; unskilled construction labour and other low skill based occupations. Another source of income that has grown considerably since the earthquake is stone breaking. Construction labour activities have also been supported and augmented by NGOs/INGOs providing training in skills such as masonry, plumbing and electrician.

#### **4.1.5**      *Health*

The District has 18 health care facilities, including 1 hospital at Dhunche. In addition to this, there are 17 health posts and sub-health posts at the VDC level. Apart from this, there are 42 primary health care outreach clinics, 57 Expanded Program on Immunization (EPI) clinics and 24 female and child health volunteers.

The predominant diseases in the District include disease of the skin respiratory system, diarrhoea, parasitic infections, gastric disorders and eye and ear infections. It is reported that the Gorkha earthquake resulted in a loss of physical infrastructure, including damage to hospitals and health posts, though exact information of the damage was not available at the time of the assessment. As a large number of people now live in concentrated IDP camps, health risks related to poor access to water and sanitation is increasing.

#### **4.1.6**      *Water Supply and Sanitation*

In the District, 88% of the households report using tap/piped water, while the remaining are primarily dependent upon nearby springs and rivers. The sources of the water supply in most of the cases are springs. The villages impacted by the landslide induced by the earthquake have reported loss of access to the spring water as some springs have disappeared or appeared elsewhere.

About 57% of the District's population is reported to have access to some type of toilet (predominantly being flush toilets with septic tanks) in their homestead. Facilities of storm water drainage and wet sewage drainage do not exist in the District.

#### 4.1.7 Energy Use

In terms of sources of energy, 98% of the households were reported to rely on firewood for cooking and other household purposes. The firewood was primarily sourced from the Community Forest land through established user rights. The commercial supply of energy is reported to be limited to the District headquarters and those households connected by the main roads. Solar lighting is reported to be a source which is growing in importance within the District. As part of the relief support provided by NGOs/ INGOs, the impacted population was provided with solar lights and panels.

## 4.2 SOCIO ECONOMIC PROFILE OF THE PROJECT AOI

### 4.2.1 Demographic Profile

#### VDCs in AoI

The three VDCs in the Project area are characterised by a total population of 1,646 households and 7,181 individuals. The average household size in the Project area is 5.71 persons, which is higher than the average size of the Rasuwa District and national average.

**Table 4.4** Demographic Profile of the VDCs in the Project AoI

VDC	Households	Total Population	Male Population	Female Population	Sex Ratio
Dhunchhe	714	2,744	1,465	1,269	866
Haku	443	2,169	1,049	1,120	1068
Ramche	489	2,268	1,092	1,178	1079
Total	1,646	7,181	3,606	3,567	989

Source: UT-1 Supplemental ESIA Appendix A, 2014, based on the responses given

As has been discussed previously, most of the villages in Haku VDC, including Gogone, Tiru, Haku Besi, Phoolbari and Thanku were displaced due to the earthquake. Most of the population from the Haku VDC is presently living in IDP camps across Rasuwa and Nuwakot districts. While a portion (certain members of the family) of the population has returned back to the original village, most are only going for short durations for agricultural purposes including taking care of the livestock (whatever was saved from the earthquake); however most of the families are still continuing with some kind of alternate accommodation in the IDP camps.

The overall Project area is characterised by a negative sex ratio of 989 females per thousand males. However, the VDCs of Haku and Ramche are characterised by a positive sex ratio of 1068 and 1079 females per thousand males respectively. A possible reason for this sex ratio could be the men migrating for work; however the same could not be confirmed as part of the assessment.

**Table 4.5** Age Structure of the population in VDCs in AoI (%)

Age Group	Male	Female	Total
Below 5 years	7.5	7.8	7.5
5-14 years	21.7	21.5	21.6
15-59 years	62.9	64	63.4
60 years and above	7.9	6.7	7.4
Total	53.4	46.6	100

Source: UT-1 Supplemental ESIA Appendix A, 2014 based on the responses given

Almost, 29.1% of the population surveyed in 2014 as part of the complementary baseline, was reported to be below the age of 14 years, while 7.4% of the population was reported to be 60 years and above. The economically active section of the population (15-59 years) comprises of 63.4% of the population, as can be seen in the above table.

*Project Affected Families*

The survey included 129 of the 154 PAF households (83.7% survey rate), with a total population of 604 individuals and an average household size of 4.68 individuals per households. This average household size is lower than that of the Project area, which may be attributed to the separation of families post-earthquake.

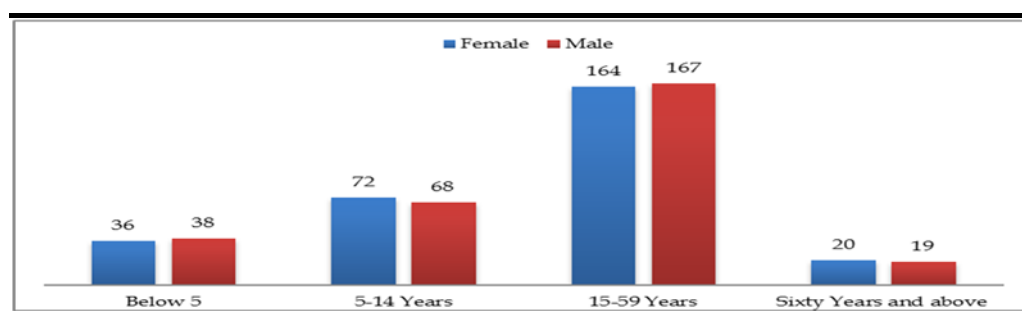
**Table 4.6** Demographic Profile of PAFs

Original Residence	Number of PAFs	Total Population	Female	Male	Sex Ratio	Average Household Size
Gogone	41	173	80	93	860	4.22
Haku Besi	26	122	64	58	1103	4.69
Mailung	34	159	74	85	871	4.68
Phoolbari	21	116	62	54	1148	5.52
Thanku	7	34	16	18	889	4.86
Grand Total	129	604	296	308	961	4.68

Source: LALRP HH Survey, 2017 based on the responses given

The overall sex ratio of the households surveyed was 961 females per thousand males, which is lower than the sex ratio in the Project area, especially Haku and Ramche. Within the households surveyed, the PAFs from Haku Besi and Phoolbari were reported to have a positive sex ratio. These villages have historically been characterised by a positive sex ratio.

**Figure 4.5** Age Wise Classification of the PAFs



Source: LALRP HH Survey, 2017 based on the responses given

As can be seen from the above figure, a majority of the PAF population (57%) are reported to fall within the economically active age group of 15-59 years. This age group and those below the age of 5 are reported to have a negative sex ratio of 982 and 947 females per thousand males respectively.

#### 4.2.2 Social Groups

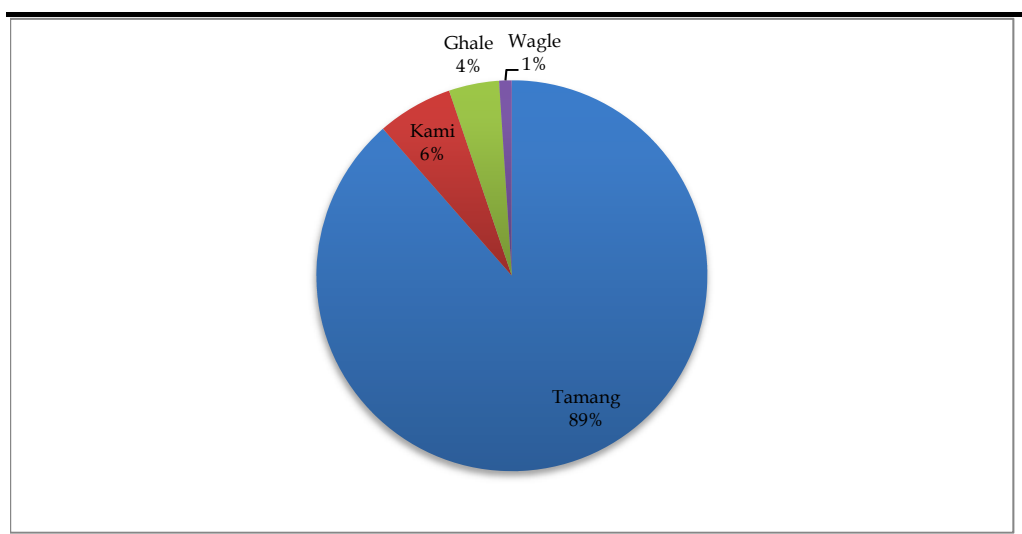
##### *VDCs in AoI*

The ethnic groups found in the Project AoI are Tamang, Gurung, Magars and Newars. Of these, the Tamang are in majority, comprising of 93.6% of the population (surveyed during the complementary baseline for the supplemental ESIA), followed by Gurung (1.3%) while the castes of Brahmins, Chhetri, Thakuri and Sanyasi (BCTS) constituted 3.8% of the population. The IPP provides an understanding of the profile of the key indigenous groups in the AoI

##### *Project Affected Families*

The following figure provides an understanding of the distribution of social groups identified amongst the PAFs.

**Figure 4.6 Social Groups amongst the PAFs**



Source: LRP HH Survey, 2015 based on the responses given

As can be seen from the above figure, 89% of the PAFs belong to the Tamang community. In addition to this, 6% of the PAFs were reported to belong to the Dalit (Kami) group and 4% and 1% of the PAFs were reported as Ghale and Wagle groups respectively. The IPP for the Project provides a detailed understanding of the Tamang population in the District and Project area.

### 4.2.3 Family Structure

#### *VDCs in AoI*

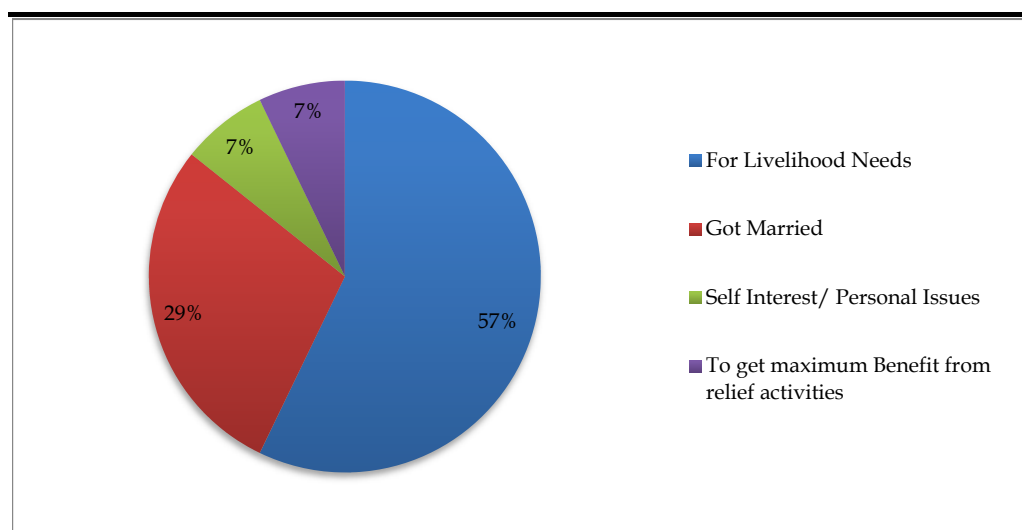
79% of the households in the Project AoI were reported to live in nuclear families, while 21% reported to having adopted a joint or extended family structure.

Post-earthquake, there are two main trends observed in terms of family structure. There have been instances of families coming together, with parents living with their children; who earlier used to reside in separate households. However, the larger trend is expected to have been of the number of nuclear households in the Project area increasing due to the younger population moving to a separate household from their parents. This may be due to the children getting married and establishing separate households or the family splitting up post-earthquake to get maximum benefits from relief work.

#### *Project Affected Families*

82.75% of the PAFs reported to live in nuclear families, while 17.25% were reported to living in joint families. Further post-earthquake, 12% (15 PAFs) reported to having at least a member of the household living separately. The following figure provides the reasons for the separation given by these PAFs.

**Figure 4.7** *Reasons for Separation of Household Members Post Earthquake*



Source: LALRP HH Survey, 2017 based on the responses given

### 4.2.4 Education and Literacy

#### *VDCs in AoI*

As can be seen from the table below, 30% of the surveyed population in the VDCs is reported to be illiterate. The male literacy rate is reported to be higher (79.6%) than that of women (60.1%) in the VDCs. Amongst the ethnic groups;

the Gurung are reported to have the highest literacy rate at 95%, followed by the BCTS group and Magars.

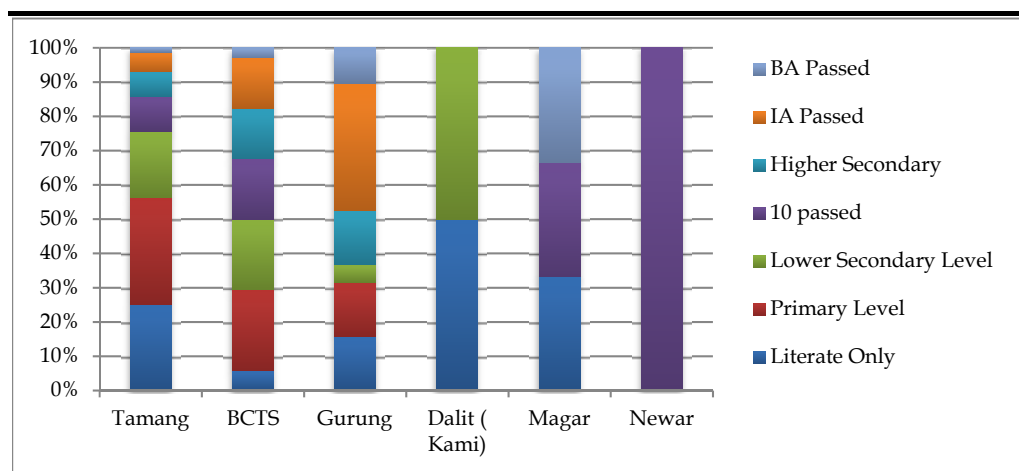
**Table 4.7** *Educational Status of the Project AoI (% of total surveyed population in 2014)*

Categories	Illiterate			Literate			Total		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Tamang	21.6	40.1	30.4	78.4	59.9	69.6	52.4	47.6	100.0
BCTS	3.6	35.7	14.3	96.4	64.3	85.7	66.7	33.3	100.0
Gurung		14.3	5.0	100.0	85.7	95.0	65.0	35.0	100.0
Dalit	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	100.0
Magar		50.0	25.0	100.0	50.0	75.0	50.0	50.0	100.0
Newar		100.0	50.0	100.0		50.0	50.0	50.0	100.0
Total	20.4	39.9	29.5	79.6	60.1	70.5	53.1	46.9	100.0

Source: UT-1 Supplemental ESIA Appendix A, 2014 based on the responses given

Of the literate population in the Project AoI, 24% is reported to not have any formal education but are able to write or read basic sentences. 30% has only completed education till the primary level. Furthermore, 19% has completed lower secondary education and 10% have completed education till class 10. However, only 1.7% of the population is reported to have completed education till the Bachelors level.

**Figure 4.8** *Level of Education of the Project AoI (% of the Educated Population) (2014)*

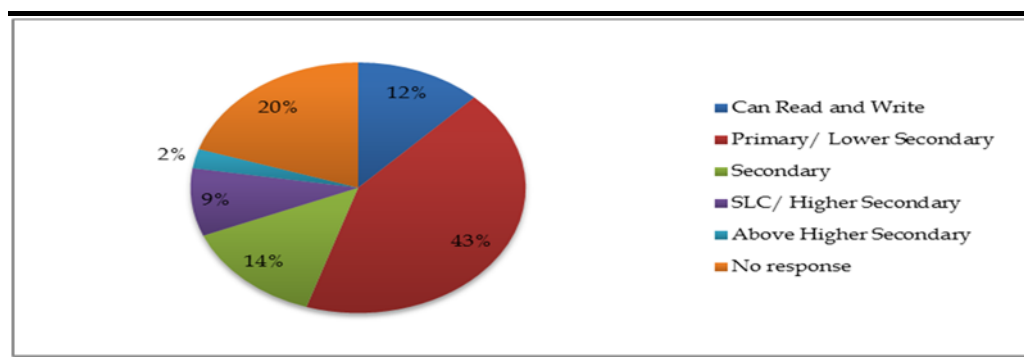


Source: UT-1 Supplemental ESIA Appendix A, 2014 based on the responses given

### *Project Affected Families*

Similarly, 35% of the PAF population is reported to be illiterate. In terms of the literacy rate across gender, the male literacy rate is reported to be higher (54%) than that of women (48%). The following figure provides an understanding of the literacy level of those PAFs who were reported to be literate.

**Figure 4.9** Educational Status of PAFs surveyed



Source: LRP HH Survey, 2015 based on the responses given

As can be seen from the figure above, of the literate population amongst the PAFs, 12% reported to be able to read and write but not have any formal education while 42.68% has only completed education till the primary or lower secondary level. However, only 2.5% of the population is reported to have completed education till the Bachelors level or have completed a certificate course.

#### 4.2.5 Land Use and Ownership

##### VDCs in AoI

In terms of the private land holdings within the Project AoI, the following three land types have been identified:

- *Bari* or un-irrigated upland
- *Khet* or irrigated low land and
- *Kharbari* or marginal land

##### Project Affected Families

Of the households surveyed 86% of the households were reported to own land categorised as *Bari* or un-irrigated upland, which is reported to be lower in terms of fertility. On the other hand, 14% of the PAFs (in Gogone, Haku Besi and Phoolbari) surveyed reported owning irrigated low lands or *Khet*, which are more fertile and appropriate for rice cultivation.

Furthermore, 42 PAFs from Haku Besi, Phoolbari and Thanku, were reported to have access to Guthi land impacted by the Project as tenants.

**Table 4.8** Land Holdings amongst the PAFs Surveyed

Village Names	Average Land holding (ha)	Average Leased Land (ha)	Distribution of Marginalized Land Owners	Distribution of Small land Owners
Gogone	0.19	0.08	24	2
Haku Besi (including Sanu Haku and Thullo Haku)	0.57		2	7

Village Names	Average Land holding (ha)	Average Leased Land (ha)	Distribution of Marginalized Land Owners	Distribution of Small land Owners
Mailung	0.23		5	
Phoolbari	0.41	0.81	11	8
Thanku	0.11		5	
Tiru	0.22		9	
Grand Total	0.29	0.4	56	17

Source: LRP HH survey, 2015 based on the responses given

The average size of the land holdings per households is reported to be 0.29 Ha of owned land and 0.44 Ha of leased land. Only the villages Gogone and Phoolbari are reported to have leased land. The highest average land holding size was reported from the villages Haku Besi and Phoolbari while the lowest land holding sizes were reported from Thanku and Gogone.

In terms of the size of the land holdings, 43.41% of the PAFs were reported to marginal land owners (less than 0.5 Ha) while 13.18% of the land owners were reported to be small land owners (0.5-2 Ha). Furthermore, 100% of the small land owners reported their land type as Bari, while 19.35% of the marginal land owners reported to owning *Khet* land (irrigated land).

**Note:** In many cases the total land holding reported by the PAFs includes those plots which have already been transferred to NWEDC for the UT-1 Project. So, the reported land availability may not be correct reflection of actual land ownership in all the surveyed PAFs. This is especially important in case of Haku Besi, Phoolbari villages, where the land acquired and transferred to NWEDC was still available for cultivation as the access road construction has not started in these places. In case of Gogone the land ownership effectively is not of value now as the land is either not suitable for cultivation due to landslides and debris or is not safe enough to reach there and cultivate. Even the Government's Geological Survey report has confirmed the same. Consultations with the DUBDC at Dhunche indicated that the Government has finally decided that some land will be provided to the landless people, whose land was lost in the earthquake and do not have any land available for the house construction. This work has been awarded to certain department and is being supported by one of the INGOs across all the earthquake affected part of Nepal.

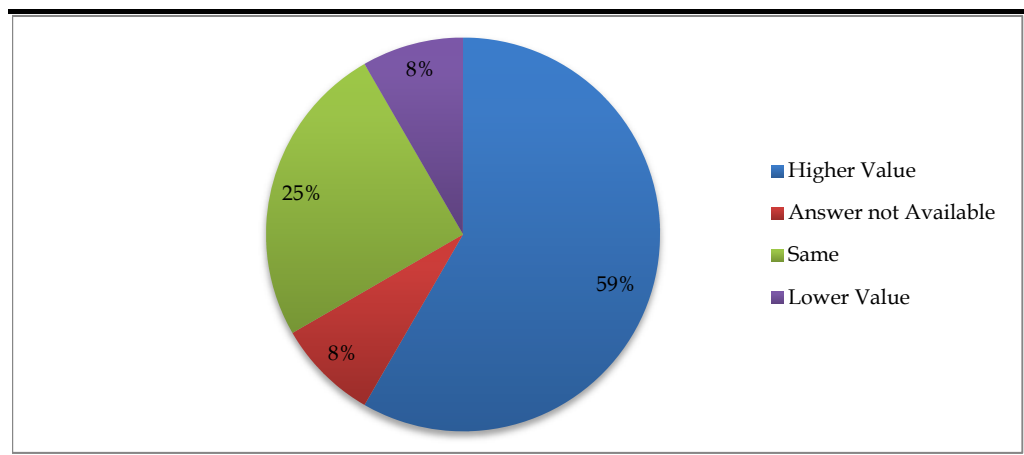
#### Use of compensation money for Purchase of Additional Land

21 PAFs reported having purchased land with the compensation money, of which 16 PAFs purchased new land post- earthquake. These 16 residential plots ranged in size between 1 to 8 anna (0.003-0.03 Ha) and were located in Batar (7), Dhunche (6), Betravati (1), Ramche (1), and Kathmandu (1).

Some of the PAFs indicated that they have purchased land as investment, and are presently not utilizing the same (no construction for accommodation or for business) or have leased it out on rent. As can be seen from the figure below, 59% of the PAFs reported the value of the purchased land to be high. This

high value is primarily because land is being purchased in urban areas, such as Dhunche, Betravati, and Kathmandu.

**Figure 4.10** Value of Alternative Land Purchased



Source: LALRP HH survey, 2017 based on the responses given

#### 4.2.6 Livelihood Profile

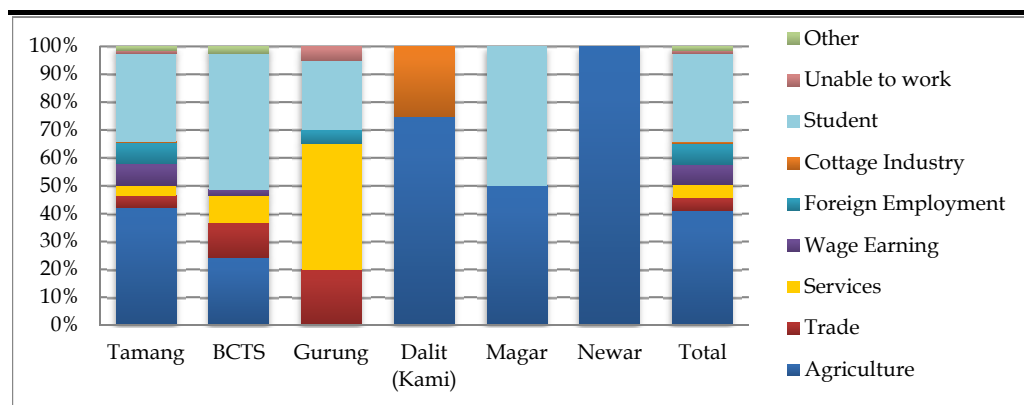
##### VDCs in AoI

A significant portion of the population in the AoI (41.3%) within the economically active age group reported agriculture as the key source of livelihood in the pre-earthquake scenario. Apart from agriculture, the other sources of income identified were as follows:

- Wage labour (7.3%),
- Business (4.9%),
- Foreign employment (7.5%) and
- Service (4.76%).

Wage earnings were primarily related to construction- related activities such as masonry, carpentry, construction work, and driving and bamboo basket making.

**Figure 4.11** Livelihood Profile in the Project AoI



Source: UT-1 Supplemental ESIA Appendix A, 2014

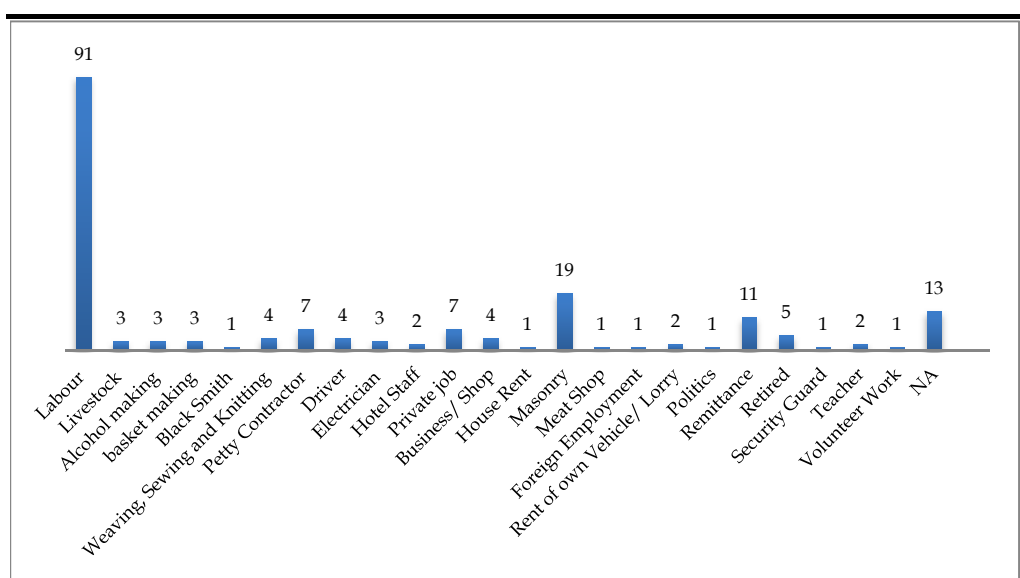
Within the Project AoI, the social groups such as Kami, Magar and Newar report the highest dependence on agriculture. On the other hand, Indigenous groups of Tamang and Gurung report their major income source being wage earnings and foreign employment.

From the discussions with the local community, it is understood that post-earthquake, the dependence on agriculture has reduced as people have lost access to their land, or their land stands damaged. This has been compensated by an increase in dependence upon wage labour in construction sites and stone breaking.

#### *Project Affected Families*

Amongst the PAFs surveyed, the primary source of livelihood reported is labour (47% of PAFs) and masonry (9.9% of PAFs). This is followed by agriculture (7% of PAFs) and remittance (5% of PAFs). The remaining sources of income represent less than 5% of the total PAFs.

**Figure 4.12** *Livelihood Profile of the PAFs*



Source: LALRP HH Survey 2017 based on the responses given.

This is a significant shift in the livelihood profile, in comparison to the pre-earthquake scenario, where approximately 50% of the population in comparison had reported a dependence upon agriculture as a source of income.

According to the discussions with the PAFs, presently the livelihood profile of the community is characterised by variation and uncertainty in income sources. Nearly 60% of the PAFs reported to having difficulty in finding stable sources of livelihood. Most of the PAFs involved in labour work, reported to be gainfully engaged for approx. 8-15 days in a month, which is very low. This has resulted in the PAFs trying to diversify their livelihood activities, with income from labour being supplemented by livestock/ poultry farming, agriculture, weaving, basket making and sale of homemade alcohol.

Some of the reasons identified by the PAFs for difficulty in finding stable sources of livelihood include the following:

- fluctuations in the market,
- demand for only particular skills,
- lack of proper training to be really employable,
- inadequate resources (access to money and land) and
- technical expertise, lack of access to government support, etc.,

The PAFs have limited education, which is a major hindrance in gaining new skills.

28% of the PAFs surveyed expressed the desire to return to their original settlements. Most of the remaining 72% PAFs reside in IDP camps, on rented private land or government land, which they may have to vacate at some time. Thus, this livelihood profile and the present trends, is largely dependent upon the current residence of the population and are likely to change once again if the PAFs change location of residence.

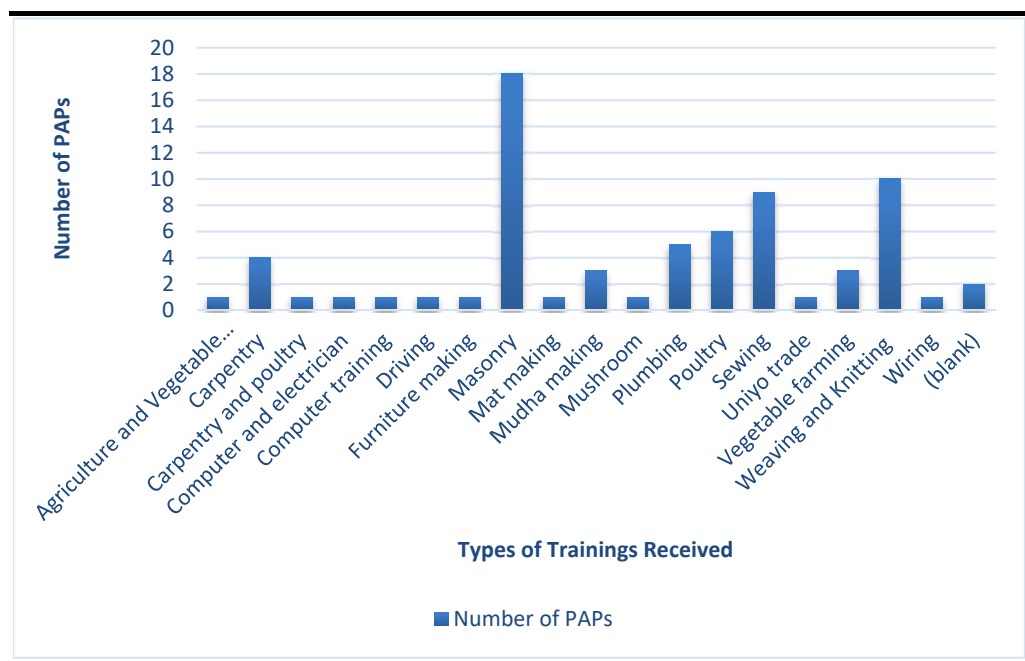
In the pre-earthquake scenario, most women were engaged in agricultural or livestock farming activities. Presently a larger number of women are reported to be engaged in wage earning activities, primarily stone breaking.

Another shift in the post-earthquake scenario has been the increased economic burden on the younger population as the older generations (50 years and above), having lost access to agricultural land and livestock holding and to not having any other skill training or physical fitness to undertake wage labour, now depend on their children to look after them. A common scenario is of the elders of families living as a separate household in the IDP camp or original village, but being economically dependent on their sons for maintenance and financial support.

### **Trainings Received**

64 individuals from 51 PAFs have received livelihood and skill training as part of the relief activities by NGOs/ INGOs in the District. Of these, 40 received trainings with completion certificates, and for 3 individuals, trainings are still on going.

**Figure 4.13** *Trainings Received by PAFs as part of Earthquake Relief*



Source: LALRP HH Survey, 2017 based on the responses given

As can be seen from the above figure, the most common form of training received is masonry, carpentry, sewing, weaving and knitting, poultry farming and plumbing. While most men reported to have received training for masonry, carpentry and plumbing, the most common training for women was sewing, weaving and knitting and poultry farming.

The following sub sections provide a more detailed understanding of the key areas of livelihood generation for the PAFs at present. This understanding has in turn informed the development of the LRP and its entitlements later in this report.

### **Wage Based Labour**

54% of the PAFs reported undertaking wage labour and masonry as the source of livelihood. This wage labour is primarily daily wage labour and is both semi-skilled (masonry, plumbing, bag weaving etc.) and unskilled work (stone breaking, labour in shops). The PAFs engaging in wage labour are largely concentrated in areas near Naubise and Bogetitar.

The people were trained on construction of houses (both mud and RCC) by the NGOs under the “Food for Work” programme. This programme provided wage based employment to several locals. Those who have successfully completed the masonry trainings report an increase in their average earnings from 600-800 NPR per day to 800-12000 NPR per day. Those involved in agricultural labour get a lower wage, between 500-600 NR/ day. In comparison to men, the women are reported to be paid lower at 250-400 NR/day for the same task.

In recent months, it is being observed that an increase in number of households undertaking wage labour has resulted in the saturation of demand in market and this has resulted in a shortage of work for the people. As a result of this, the PAFs reported to only getting work for 8-15 days in a month as compared to earlier, where most had work for 20 days or more in a month. Furthermore, at the time of ERM visit for the survey most of the construction of houses with NGO aid is nearing completion, therefore the employment opportunities were gradually decreasing skilled and unskilled work.

### **Stone Breaking**

A large number of members from the PAFs have reported to be engaged in stone breaking activities, as a primary or secondary source of income. A large number of unskilled women and aged people (above 50 years) are involved in stone breaking activities, earning an amount ranging from 250-400 NPR per day, being paid on a piece rate basis.

**Figure 4.14** *Stone Breaking Activities in IDP Camps*



Source: ERM site visit, 2017

This activity is one of the most prominent sources of income because of its proximity to the IDP camps, especially near Farm Camp and Pradhikaran camp in Dhunche.

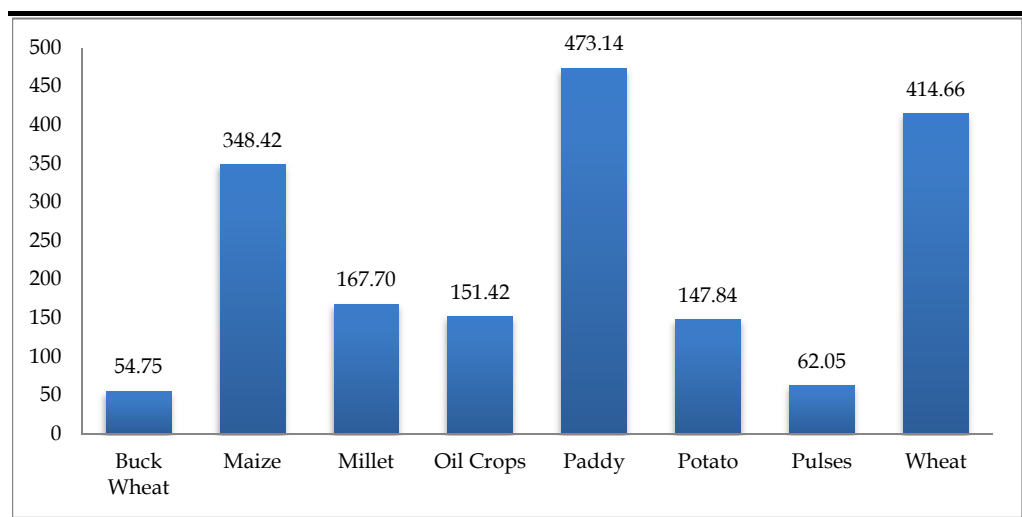
However, it is not a preferred source of livelihood for the community as the daily wage rate is lower than that for other labourers (discussed in previous section). Furthermore, since the people work without gloves or any protection, there is a risk of injury. Lastly, people usually undertake this activity close to their residents itself. There is thus a risk of children getting injured by playing with the tools or rocks, as there is no protection for children.

### **Agriculture**

In the pre-earthquake scenario, agriculture was reported to be one of the most important sources of livelihood in the community. The main crops grown in the area include paddy, buck wheat, pulses, oil seeds, maize, potato, corn, millets and vegetables. While crops such as paddy and maize are grown primarily for household consumption, crops such as potato and vegetables are grown both for household consumption and for sale in the market. The

households owning irrigated land parcels (*Khet*) typically grow multiple crops (two or more) on their land. On the other hand, those households who own unirrigated land (*Bari*) tend to grow only a single crop, with certain households growing vegetables, pulses and potatoes on small scale. Most of the land parcels are reported to be unirrigated, and depending upon monsoons and rainfall for irrigation. The average yield for the different crops as reported by the PAFs in 2015 is as shown in the figure below.

**Figure 4.15** *Average Yield (Kg/Ha) under Different Crops*



Source: R&R Plan HH survey, 2015 based on the responses given

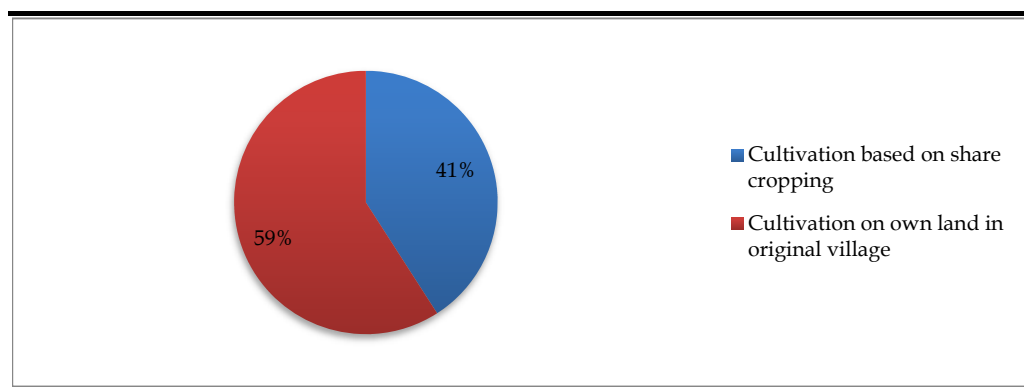
As can be seen from the above figure, the highest average yield was reported to be of paddy, followed by wheat and maize.

However, due to the earthquake, and the damage to agricultural land, there is a marked shift from agriculture to other sources of livelihood. There is also the increased proximity of the PAFs to urban areas and consequently non-farm based livelihoods. As discussed earlier, about 7% of the PAFs reported a dependence on agriculture as a source of livelihood over the last 2 years. These PAFs report that they do cultivation only for their own consumption and not for the market. The following sections provide an understanding of the agriculture being undertaken on rented land and on native land.

### ***Agriculture On Rented Land***

Of the PAFs who reported undertaking agriculture, 41% reported to be doing so on share cropping basis on rented land with private land owners in the vicinity of the IDP camps. This form of agriculture is most dominant amongst the PAFs from Gogone, Tiru and Mailung.

**Figure 4.16** Location of Agricultural activities



Source: LALRP HH survey, 2017 based on the responses given

According to the survey, some PAFs are engaging in agriculture on share cropping basis in a group of 4-6 families, which is helping them in sharing of effort. However, this places an additional burden on the household in terms of expenses.

**Figure 4.17** Agricultural Activity in IDP Camps



Source: ERM site visit, 2017

15% of the PAFs expressed a desire to rent/purchase land in the vicinity of the IDP camps for agricultural purposes, instead of cultivating their land in the original village. The reasons for not being able to do so include the high rent and market value of land in the area and lack of available cultivable land.

#### **Agriculture On Native (earthquake affected villages) Land**

The PAFs who are undertaking agriculture on their native land, in original villages, primarily belong to Haku Besi and Phoolbari. This group of PAFs those are gradually shifting back to their original villages while others visit the villages for short durations for opportunistic cultivation, while staying near Dhunche. One prominent factor for this change is the relatively easier access to these villages from Dhunche post-earthquake as compared to the villages of Tiru and Gogone. The risk of landslides is also considered to be lower in these villages when compared to Tiru and Gogone.

## Livestock Rearing

In the pre-earthquake scenario, livestock rearing was reported as one of the key sources of income, with 68.75% of the PAFs reporting some form of livestock holding in 2015. Of these, the most common livestock holdings were poultry, followed by goats and cattle. However, post-earthquake, most of the PAFs lost their livestock or saw a sharp reduction in numbers.

While most have tried to rebuild their livestock rearing, 75 PAFs (58% of total) report a reduction in the total number of livestock heads owned, while 4 PAFs (3% of total) reported to have same or increased livestock holdings. This is despite training and support being provided to PAFs by NGOs/ INGOs in poultry farming and boar farming as part of relief work post-earthquake.

*Figure 4.18 Present Livestock Holdings in IDP Camps*



Source: ERM site visit, 2017

Some of the reasons for the PAFs not restoring their livestock holdings are:

- lack of money to purchase and maintain the livestock;
- lack of space in IDP camps for keeping the livestock especially larger animals such as boars and cattle;
- lack of grazing land, for goats and cattle/bovine especially in Naubise, Bogetitar, Satbise and Batar; and
- Reluctance by PAFs and community to keep larger number of livestock in IDP camps for hygiene reasons. This issue often flares into conflicts because of the odour and nuisance from poultry and livestock. However, the NGO intervention in this area has helped in training people to undertake such activities in limited space, which could be seen being implemented in Naubise Camp where two or three families have

constructed small sheds and are maintaining a limited number of cattle and goats.

**Figure 4.19** *Livestock cultivation in limited space in Naubise*

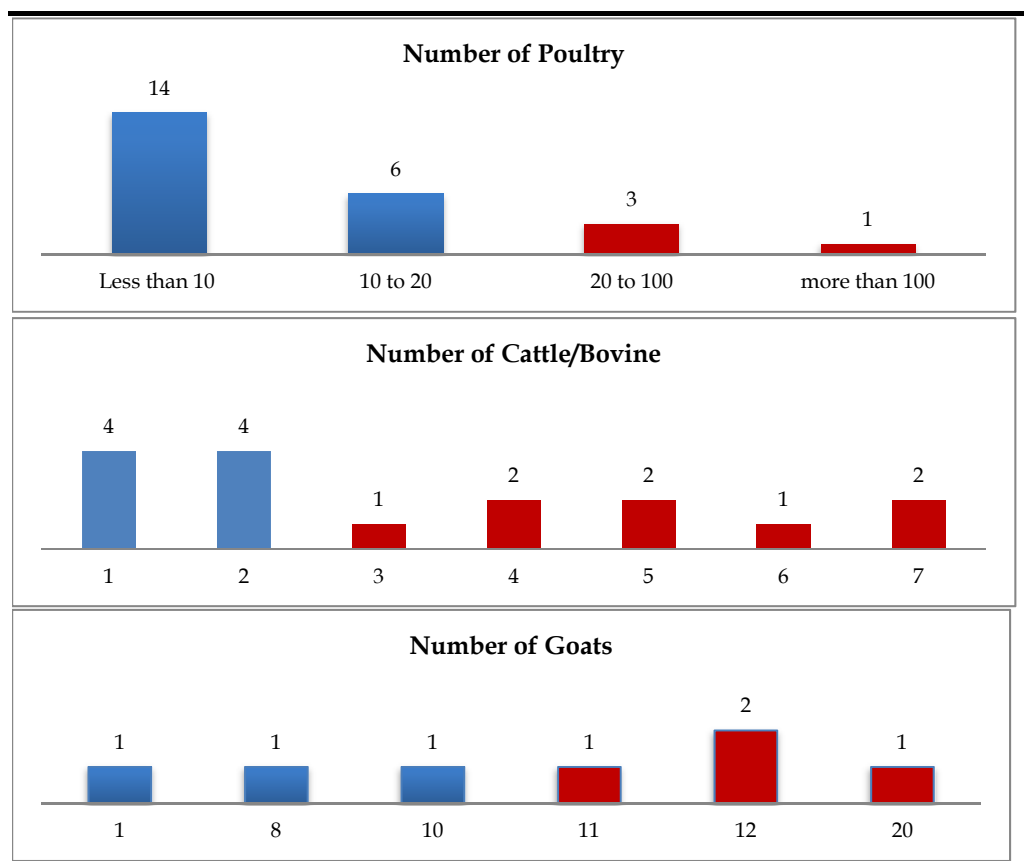


Source: ERM site visit, May, 2017

The difference in temperature and climatic conditions between the original villages and present settlements is reported to have resulted in large number of deaths in the livestock heads, which were bought to the present settlements. The families, who continue to maintain their livestock in the original settlements, still have the same sub-species. However, those who are maintaining livestock holdings in the IDP camps are reported to have switched to the sub-species found in the plain regions. This may have implications when people try and move back to their native villages in some time.

In case of PAFs from Haku Besi and Phoolbari who are residing in IDP camps, space constraint have resulted in them either selling their cattle after the earthquake or maintaining them in original villages, where there is sufficient grazing land and suitable climate. In such cases a sizeable number of PAFs have either returned to their native village permanently or keep visiting regularly for the maintenance of livestock.

Figure 4.20 Types of Livestock Holdings across PAFs



Source: LALRP HH survey, 2017 based on the responses given

As can be seen from the above figures, most of the PAFs reported small livestock holdings. In terms of value of livestock holdings it is estimated that those PAFs owning less than 20 poultry, 2 cattle/bovine and 10 goats; are rearing the same for household purposes. The households with more than 20 poultry or 3 cattle and 10 goats (depicted in red) may be engaging in sale of products such as eggs, milk and meat or have the potential to do so. However, it should be noted that only 3 PAFs reported an income from livestock holdings.

### Poultry

There have been certain families in the pre-earthquake scenario which maintained poultry in order to fulfil household needs of egg and chicken. However, the occurrence of earthquake resulted in loss/ death of poultry. The people with ample savings could replenish their poultry after earthquake. The NGOs played a role in training displaced people on poultry management and provided the trainees with the requisite number of poultry in order to take forward the learning, along with food supplies and support in vaccination. The case study below presents the story of a family undertaking poultry for the first time.

Figure 4.21 Failure and Success in Poultry Farming

Case Study: Failure and success in Poultry
<p style="text-align: center;"><b>Detailed Case Study</b></p> <p>One PAF from Bogitar IDP Camp, shared her experience on poultry training during the survey undertaken by ERM in May 2017.</p> <p>She had received NPR 50,000 from one of the NGO (Lumanti) as seed capital to start poultry farm after completing training period with the same NGO. Disbursement of seed capital was not directly given to the beneficiary with the objective of rightful use, rather it was extended through a local entrepreneur in the nearby area in form of supplying chickens worth NPR 50000. Cost of arrangement of poultry shelter was supposed to be borne by beneficiaries. She started this poultry farm business with this support. Although this business venture didn't succeed and mostly chickens died during growing period, but She had good learning of this business.</p> <p>She attributed 'initiating poultry in wrong cycle' as major reason behind failure of her venture into poultry. Based on discussions with her it was understood that poultry farming can be done in 3 cycles in a year. Each cycle is of 3 months duration. The best cycle for growth has been reported to be between December and February, considering the local climate. A period of almost a month between any two cycles, is required for cleaning and drying poultry shed which is necessary for initiating next cycle of farming.</p> <p>She failed in first attempt, but learned from her mistakes and gained confidence to restart poultry farming. She invested her personal saving and established a poultry shed on a rented place, located close to Betrwati (nearest market place from her present residential place). She is paying NPR 7000 per month as rent for area taken for poultry shed and now managing this business in a better way. She visits her poultry shed twice a day and remains busy with other activities during day time. She manages to earn about rupees thirty thousand in one cycle of poultry farm in a year. This is serving as good additional source of income for her now.</p>
<p style="text-align: center;"><b>Key Inference</b></p> <p>A lot of people learn from failures, while engaging in an activity. She failed in her first attempt at poultry as all her poultry died in first attempt but could effectively utilise her learning from the failure and is now successfully undertaking poultry.</p>

While some of the PAFs could gainfully utilise their poultry training after withdrawal of NGO support, a large number of people trained on skills to manage poultry could not take it forward successfully because of the following reasons:

- Limited space for poultry farm near camps;
- Lack of proper understanding of potential diseases and follow up on vaccinations;
- The poultry needs cooler temperature for healthy growth and survival and the relatively hot climate of Naubise and Bogetitar camps led to death of poultry;
- Lack of electricity and water facilities to maintain ambient temperature and limited understanding of active growth cycle of poultry led to death of poultry.

### Small enterprises

Consultations with PAFs from Haku Besi and Phoolbari indicated that a number of families had small grocery shops, restaurants, tea shops, etc. in their original villages prior to earthquake. It has also been understood from consultations that some of these people also shifted to Dhunche after selling land to UT-1 (prior to earthquake as well as post-earthquake). These people had bought land in and around Dhunche and had set up small shops in the newly purchased land or land rented land being used for residence. These shops are meat shops, tea shops, grocery shops, etc. In this case, the prior experience of managing an enterprise and savings helped restart business enterprises in the new setting.

It was also observed that new enterprises are also being set up in Naubise and Khalde camp areas, but the people who are venturing in this area for the first time require some handholding support in terms of technical knowledge of managing an enterprise in order to run their venture profitably.

Figure 4.22 *New Business Enterprise in Nuabise*

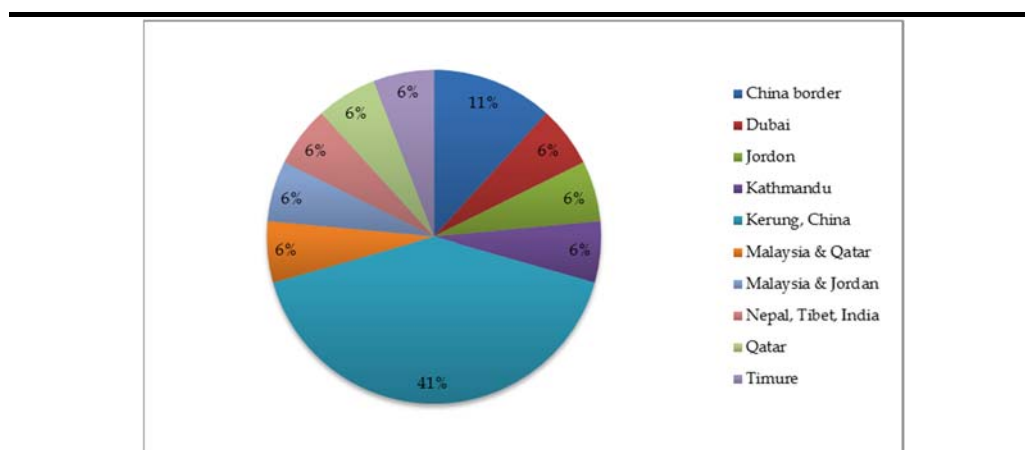
Case Study: Female Entrepreneurship
<p style="text-align: center;"><b>Detailed Case Study</b></p> <p>A lady from Dandagaon, living near Nuabesi IDP camp has opened a small shop near in a small portion of her shelter, around one month back. The shop serves ready to eat local snacks. The lady has set up the shop on a rented land, which the family also uses for accommodation. The rent for the shop is NRS 500 and the material for the temporary camp has been provided by the NGO, ACF. The electricity is generated through solar panels installed in the shop, which has also been provided by ACF.</p> <p>The lady has studied till class 6 and is able to read, write and do basic calculations and hence a little handholding was required on managing the venture independently. She started the shop with an initial investment of NRS 3000 for buying raw material and other ready to eat snacks supplies for 1 month. She earns NRS 250 to 300 per day by selling the snacks. The NGO ACF has supported 7-8 females in the area to set up similar small shops.</p>
<p style="text-align: center;"><b>Key Inference</b></p> <p>A lot of people are setting up small shops near their IDP camps, in which initial infrastructural assistance is provided by NGOs. Females are preferring occupations close to their houses in order to manage both home/kids as well as productively use their time.</p>

### Migration to other Countries

The survey and the consultations undertaken in May, 2017 showed that a lot of young population of the community is increasingly getting interested in foreign employment. About 13 percent of PAFs reported having family members migrate for labour and provided regular remittance. A number of other households also reported having family members who had gone for wage labour to foreign countries for a few years, and had saved money and subsequently returned back to Nepal. On the other hand, approximately 9 percent of the PAFs reported having a family member return from foreign employment due to the earthquake. About 63 percent of the PAFs surveyed, reported no change in the frequency and nature of migration in the household, in pre-earthquake and post-earthquake scenarios. Consultations found that migration to other countries had occurred earlier as well, but the number of people opting for and investing in this option is increasing.

The following figure provides an understanding of the main countries reported for migration.

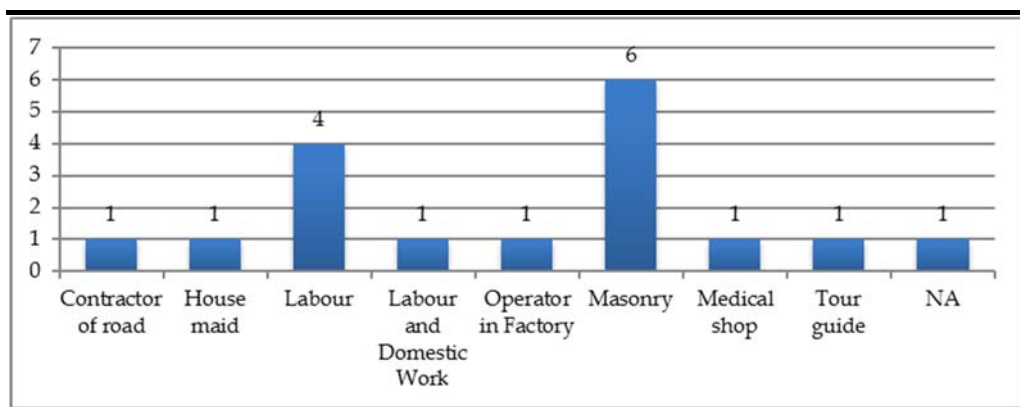
Figure 4.23 *Countries for Migration*



Source: LALRP HH survey, 2017 based on the responses given

As can be seen from the above figure, the most common country for migration presently is China (kerung and China-Nepal border). The following figure showcases the nature of work undertaken by those migrating for foreign employment.

**Figure 4.24** Nature of Activities undertaken



Source: LALRP HH survey, 2017 based on the responses given

The women of Tamang community and especially PAFs also travel to foreign countries for a period of 3-4 years. The primary objective of foreign employment is reported to be the savings from the salaries that can be brought to Nepal and put to productive uses like buying land, construction of house, buying assets like trucks, etc.

*Tamang PAF in the village Phoolbari reported to have migrated to Malaysia for the purpose of undertaking wage labour for a period of 3 years. This employment was reported to be arranged through contractors who regularly take people to foreign countries for employment. For the purpose of meeting the expenses of reaching Malaysia and the documentation process, the individual reported to have taken a loan of NR 1, 50,000. In turn, in 3 years, the individual earned more than NR 5, 50,000 of which he managed to save NR 2, 50,000, which is now used for meeting the larger expenses of the household, such as the education of the younger generation.*

There are a number of manpower/ staffing firms operating out of Kathmandu which deal in sourcing Nepali locals and placing them in factories, restaurants, beauty parlours/ saloons, etc. in countries like Malaysia, Dubai, Qatar, Jordan, etc. They are understood to charge a lump sum fees of around 1.5- 2 lac NPR for males and approx. 60,000 NPR for females, which includes their travel cost. The lodging facilities are provided by the employer or the local contact of these employment firms in the foreign countries, depending on the nature of work and type of agreement.

The beginners/ untrained people start with a basic salary equivalent to 10,000-12,000 NPR and the same is upgraded based on expertise and experience of the employee. During key informant discussions with certain PAFs who have been doing well, it was understood that the salary gets revised to approx. 30,000 NPR and with limited expenditure on lodging, food, etc. the people

have reported to save nearly 5-7 lac NPR in a period of 3 years. Thus foreign employment has become one of the major sources of livelihood in the area.

#### **4.2.7** *Dependence on Natural Resources*

In the pre-earthquake scenario, an important resource for community in terms of livelihood dependence was the natural resources, in terms of forest and riverine resources. The forest resources are commonly used for extraction of timber, firewood (household consumption and sale), for foraging by livestock and collection of medicinal plants and Non Timber Forest Produce (NTFP).

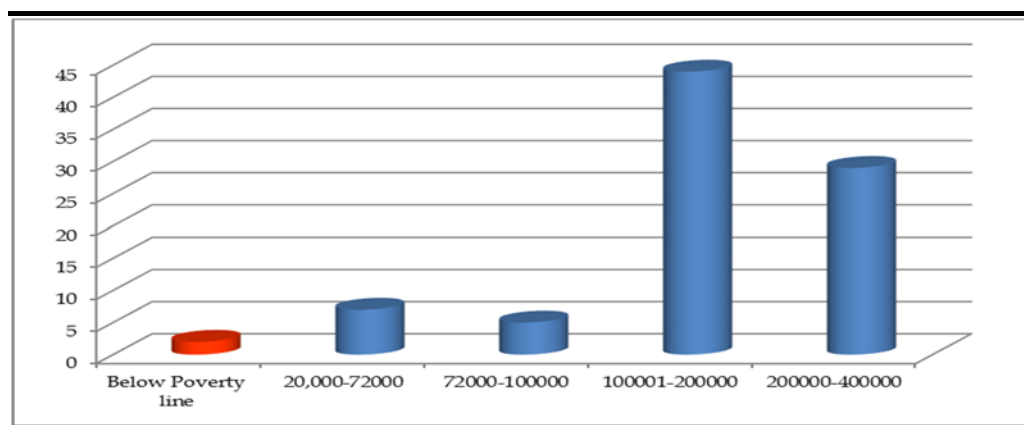
In the 2015 survey, people reported that the river was used for water for fishing (sustenance and recreational) by approx. 13 households. The river stretch to be affected by the Project was also reported to be used during the dry season for drinking water and household needs such as washing of clothes and utensils and feeding and bathing cattle. Another use of the river was for irrigation where irrigation was being used at one location on 4 ropani plot of land, serving four households. The irrigation system was reported to be an earthen structure with no permanent diversion structure at the intake and was used for the cultivation of paddy during the monsoon.

However, in the post-earthquake scenario, the dependence on natural resources reduced to almost negligible, especially for the families living in the IDP camps. The only usage of natural resources reported is by members of the household who have returned to the original settlements for a temporary or permanent duration. Those living in the IDP camps have replaced the resources they used to get from the forest with LPG, solar lighting, and modern medicines. Furthermore, none of the PAFs surveyed reported any fishing activities. However, it should be noted that this is likely to be a temporary situation and there is a possibility that fishing activities may resume once the local community returns to their original villages.

#### **4.2.8** *Annual Income and Expenditure*

The following figure provides an understanding of the average income levels amongst the PAFs surveyed. Most of the PAFs (34%) were reported to have an annual income of 1, 00,001- 2, 00,000 NR. However, a limitation is that these income levels were reported based on approximation and recall value by the PAFs and may not necessarily provide an accurate picture. Furthermore, nearly 30 percent of the PAFs reported to have some form of savings, either in bank accounts or in cash.

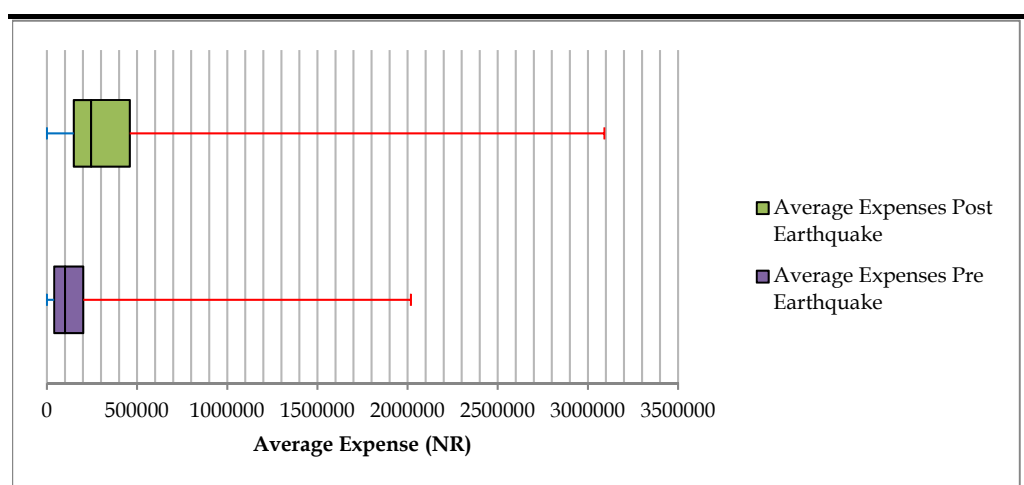
**Figure 4.25** *Income levels (NR) in PAFs Surveyed*



Source: LALRP HH survey, 2017 based on the responses given

In terms of expenditure, as can be seen from the figure below, the annual expenditure has increased significantly in the post-earthquake scenario, compared to pre-earthquake. This can also be seen in the fact that median<sup>1</sup> as in seen in the following figure, is reported to have shifted from NR 1,00,800 pre-earthquake to NR 2,45,250 post earthquake.

**Figure 4.26** *Expenditure Levels in Pre-Earthquake and Post-Earthquake Scenario*



Source: LALRP HH survey, 2017 based on the responses given

The average annual expenditure is reported to have increased from NR 1,86,749 in pre-earthquake scenario to NR 2,45,250 in post-earthquake scenario (refer to *Figure 4.27*). This is primarily attributed to the following reasons:

- The spending on ration, healthcare, LPG, maintenance, transport, telephone, rent and cultural expenses has increased.
- New expenses have arisen, in the post-earthquake scenario. For instance, earlier the primary fuel source was fuel wood, which was procured free of charge from the neighbouring forest. Now, in the post-earthquake

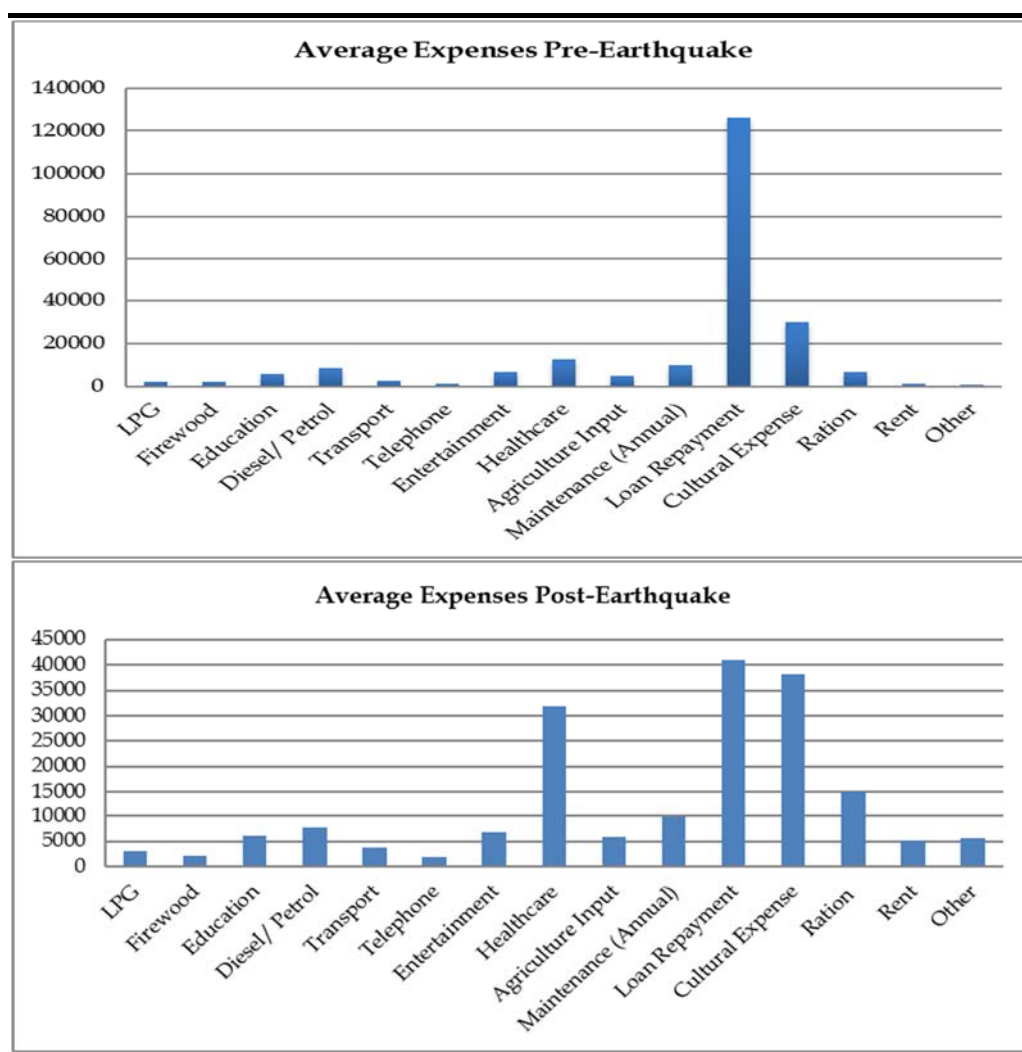
<sup>1</sup> The median denotes the value or quantity lying at the midpoint of a frequency distribution of observed values or quantities

scenario, the PAFs are dependent upon LPG which has to be purchased. Furthermore, any fire wood used also has to be purchased from the market. Similarly, while earlier, the PAFs primarily consumed Kodo millet<sup>1</sup> and vegetables grown in kitchen gardens, they are now dependent upon rice and vegetables, which is purchased from the market;

- While the dependence on agriculture as a source of livelihood has significantly reduced, the average expenditure by PAFs on agricultural input has increased post-earthquake.

The major expenses include loan repayment followed by cultural expenses, healthcare, ration and annual maintenance.

**Figure 4.27** *Average Expenses Pre-Earthquake and Post-Earthquake*



Source: LALRP HH survey, 2017 based on the responses given

One of the reasons attributed for this change in spending patterns, is the proximity to urban areas and an increased access to lifestyle goods and products and higher costs of basic goods, as compared to goods and products accessible to them closer to their villages.

<sup>1</sup> A wild cereal grown in the mountainous regions

This sub section provides an understanding of the physical and social infrastructure accessibility in the Project AoI and to PAFs and the changes in the same post-earthquake.

*Health Facilities*

In the pre-earthquake scenario, the PAFs had reported a preference for the government hospital in Dhunche, followed by traditional healers, government health post and medicinal plants. Post-earthquake, the access to medical services has improved for the PAFs, which has been accompanied by a reduction in the dependence on traditional and natural medicine. This is due to proximity of IDP camps to urban areas.

However, the living conditions post-earthquake have deteriorated leading to increase in diseases prevalent amongst the local community. A common factor is lack of sanitation and hygiene in IDP camps as well as relatively higher temperatures in the plain areas that the people are not used to.

*Electricity*

The main sources of energy for lighting purposes in the Project AoI, pre-earthquake, were reported to be kerosene and electricity. The PAFs had reported a dependence on LPG and kerosene for electricity, with none of the PAFs reporting electricity as a source of energy. Apart from kerosene, LPG and electricity, the other key sources of lighting in the Project area; pre-earthquake were reported to be *Diyalo*<sup>1</sup>. However, in the present scenario, most of the PAFs are dependent upon solar energy for lighting purposes. This source of energy is in the form of one or two bulbs connected to a small solar panel for each individual household. These solar panels and bulbs are reported to have been provided by NGOs/INGOs as part of the relief activities. Only the PAFs, who have returned to the original villages, are likely to be using more kerosene and *Diyalo*.

*Water and Sanitation*

In the pre-earthquake scenario, 45% of the PAFs had reported to having access to piped water at the community level. This tap water was reported to be sourced by the laying of a pipeline from a close by stream to a common location where the community can collect water. On the other hand, 39.17% of the PAFs were reported to be directly dependent upon the springs in the area for drinking water in 2015. In addition to this, some PAFs had also reported dependence upon the river, canal, ponds or dug wells for their daily needs.

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<sup>1</sup> wooden strips of pine trees and firewood

However post-earthquake, most of the springs and streams used by the local community for household purposes and irrigation have dried up or disappeared. This has created a severe issue of water availability for those PAFs who wish to return to the original village permanently. In the IDP camps, the local community and PAFs, have access to piped water at the community level.

The PAFs were reported to have an improved access to sanitation in the post-earthquake scenario, with all the IDP camps having community toilets and bathrooms. There were a few households who were reported to have individual toilets as well, but this number of scarce and limited to the households who were economically well-off. However, due to the high population density, these camps have high risks of diseases and sanitation problems.

#### *Means of Communication*

There is a marked improvement in connectivity and means of communication for the PAFs and local community in the post-earthquake scenario. While, in the complementary baseline, 88% of the surveyed PAFs had reported access to mobile phones, presently 100% of the surveyed PAFs have access to at least one mobile phone in the household. Furthermore, due to the proximity to roads and urban areas, the amount of time spent travelling to key urban centres such as Kathmandu, Dhunche, Betravati etc. has decreased.

#### **4.2.10** *Vulnerable Population*

It is acknowledged that Tamang community as a whole is an Indigenous group and vulnerable in the context of Nepal. Similarly, the Dalit community as a whole is vulnerable in the country. However, in the context of the impact of the earthquake on the community; vulnerability needs to be re-examined. All PAFs are vulnerable due to their pre-earthquake socio-economic status, and, the impacts of the earthquake on shelter and livelihoods. However, in addition to this broader vulnerability, certain PAFs have been identified as even more vulnerable due to certain key socio-economic vulnerabilities. The following vulnerable groups within the larger vulnerable PAF group have been identified:

- Those without any potential source of income;
- Those without any productive agricultural land;
- Physically or Mentally differently abled;
- Elderly (60 years and above); and
- Single women headed households;

It should be noted that there may be households with multiple sources of vulnerability. This also does not detract from the larger vulnerability of the PAFs as a group. The total number of PAFs identified, with one or more form of enhanced socio-economic vulnerability is 114.

**Table 4.9** *Vulnerable Groups Identified*

Type of Vulnerability	Total
Broader Vulnerability Identified	154 PAFs
Specific groups with enhanced vulnerability within larger population	
Differently Aabled	11 PAFs
Lack of any potential source of income	25 PAFs
Landless or Lack of Productive Agricultural land	76 PAFs
Elderly	39 PAFs
Single Women Headed Household	9 PAFs

*Source: LALRP HH survey, 2017 based on the responses given*

However, it should be kept in mind, is that this present understanding of the vulnerability of the households is based on the existing conditions and any change in the same would result a change in the vulnerability of the PAFs.

These groups have been identified as vulnerable in keeping with their ability to adjust and adapt to stressors and impacts which may be caused due to the Project or other factors. However, it should be noted that the cause and extent of vulnerability and consequently the ability to adapt varies across these groups. For instance, vulnerabilities associated with lack of any potential source of income, productive land or physically/mentally challenged can be assisted or mitigated through targeted livelihood support mechanisms or diversion of dependence on certain key resources. However, the vulnerabilities associated with old age or gender based vulnerabilities are caused by societal and cultural constraints. For this purpose, specific targeted initiatives are required. These vulnerabilities require a larger change in the socio-cultural setting of the community.

A stakeholder is “a person, group, or organization that has a direct or indirect stake in a Project/organization because it can affect or be affected by the Project/organization's actions, objectives, and policies”. While those stakeholders who are likely to be directly impacted or have a direct impact on the Project activities are known as **Primary Stakeholders**, those who are likely to have an indirect impact or are to be indirectly impacted are known as **Secondary Stakeholders**.

“Stakeholder mapping” is a process of examining the relative influence that different individuals and groups have over a Project as well as the influence of the Project over them. The purpose of a stakeholder mapping is to:

- Identify each stakeholder group;
- Study their profile and the nature of the stakes;
- Understand each group’s specific issues, concerns as well as expectations from the Project
- Gauge their influence on the Project;

The significance of a stakeholder group is categorized considering the magnitude of impact of the Project on the stakeholder or degree of influence (power, proximity) of a stakeholder group on the Project functioning. The significance of the stakeholder group importance for the Project and the requirement for engaging with them is identified as an interaction of the impact and influence. The matrix for significance is as depicted in the table below.

**Table 5.1 Stakeholder Significance and Engagement Requirement**

		Influence of/by Stakeholder on Project		
		Low	Medium	High
Magnitude of Impact of Project	Negligible	Negligible	Negligible	Negligible
	Small	Negligible	Minor	Moderate
	Medium	Minor	Moderate	Urgent
	Large	Moderate	Urgent	Urgent

On the basis of this understanding, the following stakeholder groups have been identified and analysed. The following table provides a summary of the stakeholder identification and analysis for the Project. The Stakeholder Engagement Plan provides the detailed stakeholder mapping undertaken.

**Table 5.2 Summary of Stakeholder Identification and Analysis**

Stakeholder Category	Stakeholder Group	Magnitude of Impact/ Influence	Stakeholder Significance
Primary Stakeholder			

Stakeholder Category	Stakeholder Group	Magnitude of Impact/ Influence	Stakeholder Significance
Community	Project Affected Families and People	Impact of Project on Stakeholder: Large Influence of Stakeholder on Project: Medium	Urgent
	Vulnerable Groups	Impact of Project on Stakeholder: Large Influence of Stakeholder on Project: Low	Moderate
	Local Community in AoI	Impact of Project on Stakeholder: Large Influence of Stakeholder on Project: Medium	Urgent
Institutional Stakeholders	SIMF Implementation Partners and NGOs	Impact of Project on Stakeholder: Medium Influence of Stakeholder on Project: High	Urgent
Government Bodies	Regulatory Authorities	Impact of Project on Stakeholder: Small Influence of Stakeholder on Project: High	Moderate
Other Groups	EPC contractors and sub-contractors	Impact of Project on Stakeholder: Medium Influence of Stakeholder on Project: High	Urgent
<b>Secondary Stakeholder</b>			
Community	Local Community Leaders	Impact of Project on Stakeholder: Large Influence of Stakeholder on Project: Medium	Urgent
Institutional Stakeholders	Project Financing Agencies	Impact of Project on Stakeholder: Large Influence of Stakeholder on Project: High	Urgent
	Gaunpalika/ VDC Institutions	Impact of Project on Stakeholder: Medium Influence of Stakeholder on Project: Low	Minor
	Jan Sarokar Samiti	Impact of Project on Stakeholder: Medium Influence of Stakeholder on Project: Medium	Moderate
Government Bodies	Rasuwa District Administration	Impact of Project on Stakeholder: Small Influence of Stakeholder on Project: High	Moderate
	Government Bodies working on Community Development Activities	Impact of Project on Stakeholder: Small Influence of Stakeholder on Project: Medium	Minor
Other Groups	Local Political Groups	Impact of Project on Stakeholder: Medium Influence of Stakeholder on Project: Medium	Moderate
	Media	Impact of Project on Stakeholder: Small Influence of Stakeholder on Project: High	Moderate
	NGOs/CSOs operating in the area	Impact of Project on Stakeholder: Small Influence of Stakeholder on Project: High	Moderate

## 5.1

### ENGAGEMENT ACTIVITIES UNDERTAKEN

NWEDC has maintained regular engagement with local communities since 2009. This section provides an understanding of engagement activities undertaken for the Project, including during the:

- Land take process – 2009 to 2012 (Section 8.1);
- National Environmental Impact Assessment (EIA) and Supplementary Environmental and Social Impact Assessment (ESIA) process – 2012 to 2014 (Section 8.2);

- Livelihood Restoration Plan (LRP) formulation process – 2015 (Section 8.3);
- Earthquake relief process, including the Nepal Water and Energy Development Company (NWEDC) relief efforts – 2015 to 2016 (Section 8.4);
- Gap Assessment Process – 2016 (Section 8.5);
- Land Acquisition and Livelihood Restoration Plan (LALRP) formulation - 2017 (Section 8.6); and
- Free, Prior, and Informed Consent (FPIC) Process – 2017 ongoing (Section 8.7).

### 5.1.1

#### *Land Take Process Engagement (2009 – 2012)*

NWEDC undertook Project land identification and survey activities during 2009 to 2010. This was followed by public meetings held in the villages of Mailung, Gogone, and Haku Besi in 2012. These meetings, undertaken with landowners and other community representatives, were aimed at providing information about the Project to the stakeholders, the land requirement for the Project, including the community forestland and the proposed entitlements in lieu of the same. The final agreements on rates were reached in the presence of the Village Development Committee (VDC). It is noted that the terrain of the Project area is difficult and accessibility to some of the villages to conduct consultations was challenging during the land take process. These meetings were followed by a public hearing after the completion of the EIA, held in March 2013 (discussed subsequently). The purpose of the public hearing was to provide a more detailed Project understanding and finalize the compensation amount for the land purchase.

NWEDC requested the intervention of the District Administration when ownership of the land was uncertain. NWEDC paid rightful compensation to the identified landowners after ratification of the rates through the Compensation Fixation Committee. The land take (tenancy rights transfer) was undertaken based on negotiated settlement with the tenancy right holders.

Two formal meetings were conducted in case of Guthi land. NWEDC representatives and local villagers of Haku Besi (Wards 3 and 7) met on 19 January 2013 to discuss the rates and terms of transfer of the tenancy rights. Subsequently a meeting was held at NWEDC's office in Kathmandu between Guthi land tenants of Haku Besi and NWEDC, in which 16 villagers were present. Subsequent to the meetings and the agreed rates, the monetised value agreed for the transfer of the tenancy rights was transferred in the tenant's accounts.

### 5.1.2

#### *EIA and ESIA Process Engagement*

The key engagement activities undertaken as part of the EIA and ESIA process are discussed below:

- **Public Meetings, 2012:** In the months of September and October 2012, public meetings were held in the villages of Mailung, Haku Besi, and Gogone with various local stakeholders including the landowners and community representatives. As part of the meetings, the information regarding the Project was disclosed, including the location of the key facilities and the land requirement for the Project, including the requirement for community forestland and the potential benefits to the community in terms of compensation, employment, and training. As part of this meeting, the compensation rates for the land to be procured were also discussed.
- **Public Meetings, 2013:** In continuation of the public meetings, post the measurement of private land, consultations, and meetings were undertaken in February 2013 with the landowners, for the purpose of negotiations for the land purchase. Following this, after the completion of the EIA study, a public hearing was held in March 2013. The purpose of this public hearing was to provide an understanding of Project impacts. As part of the meeting, the final compensation package was agreed upon with the community and their signatures were taken as agreements. Apart from these consultations, meetings were also undertaken with the District Administration Office and the Department of Forest Research and Survey to finalize the compensation rates and the land procurement process.
- **Supplementary ESIA, 2014:** The Project engaged with the community as part of the Supplementary ESIA process to gain an understanding of the Project area's socioeconomic conditions, to help the community understand the potential Project impacts, and to understand the perception of Project by the community.

### 5.1.3

#### *LRP Formulation Engagement (2015)*

Community engagement was also undertaken during the EIA and Supplemental ESIA process, consultations were undertaken as part of the LRP process. These consultations were undertaken amongst the key stakeholder group identified during the land procurement and impact assessment process.

**Figure 5.1** *Engagement Activities during LRP engagement*



Source: ERM site visit 2015

The purpose of these consultations was to develop an understanding of the local stakeholder’s perception of the Project and its activities, the impacts of the Project on the community, especially in terms of the impacts of land take, the adequacy of the compensation provided, and the possible livelihood restoration activities that could be introduced to support the Project Affected Families (PAFs).

**Table 5.3** *List of Stakeholder Consultations Undertaken*

S. No	Stakeholder Group	Village/ VDC	Date	Purpose
1	Community Forestry User Group	Mailung	18-11-2014	To understand the functioning of the CFUGs, the impact of the Pon, the guthi land, the compensation paid for the same and pending issues is any.
2	Jan Sarokar Samiti	Mailung	11-01-2015	To discuss the purpose and functioning of the Jan Sarokar Samiti
3	Community Forestry User Group	Haku Besi	13-1-2015	To understand of the functioning of the CFUGs, the impact of the Project on the guthi land, the compensation paid for the same and pending issues is any.
4	Tamangs	Haku Besi	12-01-2015	To profile the community, understand vulnerabilities and impacts from the Project and discuss community expectations.
5	Women	Haku Besi	13-01-2015	To understand the profile of women, their status on the Tamang family, and impacts specific to them and the range of livelihood activities they require.

S. No	Stakeholder Group	Village/ VDC	Date	Purpose
6	Tamangs	Haku Besi	13-01-2015	To understand the Tamang community in terms of their socio-cultural practices, economic profile, their relationship with the other social groups, and any impacts specific to them
7	Youth	Haku Besi	14-01-2015	To develop an understanding of youth's perception and expectations of the Project, the changing socioeconomic profile of the villages and the Project's impacts on youth.
8	Women	Mailung	10-02-2015	Understand the profile and socioeconomic status of women and their role in the society. Develop an understanding of their specific perceptions and expectations of the Project and the potential impacts of the Project on them.
9	Women	Mailung	11-02-2015	Develop an understanding of the role of women in the society in terms of livelihood generation and decision making at the community and household level. Also, to understand their perception and expectations of the Project and its potential impacts.
10	Forest Department	Mailung	12-02-2015	Understand the process of Community forestland acquisition, compensation, and other related issues.
11	Fishing Group	Karakchapul	12-02-2015	Understand the nature of the fishing activities in the area and the potential impacts of the Project on the same and the possible mitigation/ compensation measures that can be put in place.
12	Community Forest User Group	Mailung	12-02-2015	To develop an understanding of the working of the CFUGS, the impact of the Project on the Guthi land and the compensation paid for the same.
13	Assistant Chief District Officer	Dhunche	12-02-2015	To understand the land acquisition process in the district and the role of the government in the same and the policy towards hydropower projects.
14	Senior Agriculture Development Officer	Dhunche	12-02-2015	To develop an understanding of the agricultural activities in the district, the government programs and schemes being implemented and the identification of potential programs and activities that can be undertaken in collaboration with the Project proponents.
15	Mapi Department	Dhunche	13-02-2015	To develop an understanding of the land acquisition survey process.
16	Malpot Department	Dhunche	13-02-2015	To develop an understanding of the role of the department in the land survey and transaction

Since then, the Project has also recruited two Community Liaison Officers (CLOs), who are stationed at Dhunche, one of which is from a PAF for the Project. These CLOs are the local points of contacts for the PAFs and the local communities; they undertake regular informal engagement, play an important

role in the process of information disclosure, and also serve as the first level of communication for the local community.

#### **5.1.4 *Post-Earthquake Relief Activities and Engagement (2015)***

Nepal was struck by a 7.8-8.1 magnitude earthquake called the “Gorkha Earthquake” on 25 April 2015. The Rasuwa District, where the UT-1 Project is located, was one of the worst affected areas. The earthquake damaged more than 80 percent of the houses and resulted in more than 200 deaths within the Area of Influence (three VDCs accounting for about 500 households), including 43 fatalities within the Project area, and compromised the Project’s access road.

As a stakeholder in the region, the NWEDC proactively engaged to provide relief and rehabilitation support to the earthquake affected communities. As part of this engagement process, NWEDC, in partnership with the local government and community based organizations, undertook relief activities including immediate interventions/evacuations post-earthquake and long-term interventions. NWEDC provided support in terms of the following:

- Aid in search and rescue operations in Mailung, Gogone, Tiru, and Haku VDC, through which they rescued approximately 67 injured locals through helicopters;
- Immediate relief of food, tarpaulin sheets, blankets, toilet pans and utensils;
- Distribution of corrugated galvanized iron sheets (over 1550 tonnes) and bamboo (8 per family) for the construction of temporary shelters and toilets;
- Distribution of rice and cooking oil (a total of approximately 37.7 tonnes of rice and 1452 litres of cooking oil);
- Establishment of medical health camps and medicine support;
- Distribution of warm clothes to school children in Haku VDC;
- Provision of drinking water, water tanks and pipes; and
- Contribution of \$50,000 as support for relief and rehabilitation of quake victims to Nepali Ambassador in Seoul by Korea South East Power Company Ltd. (KOSEP).

This relief support was focused on the villages of Mailung, Gogone, and Tiru, which were the most severely impacted. Within these villages, the priority relief support was given to the elderly, disabled, and injured people. It should be noted that as part of these relief activities, no distinction was made between the Project-affected and other households in the affected VDCs.

#### **5.1.5 *Gap Assessment Process Engagement (2016)***

In 2016, ERM was recruited to undertake an environmental and social gap analysis and status assessment of the Project within the Area of Influence, in the post-earthquake condition. One of the key activities undertaken as part of this assessment was consultation with the internal and external stakeholders.

**Table 5.4** *List of Consultations undertaken as part of Gap Assessment*

Stakeholder Group	Location	Key Issues
NWEDC	Kathmandu	Post-earthquake baseline studies being undertaken by NWEDC; Possible design changes being made in the Project due to earthquake; Status of ESMS, existing proposed organisational structure for implementation of the ESMMP, and HSE plan for the Project; Status and understanding of the various relief activities being undertaken by the Project in IDP camps;
Local Community, in IDP Camp	Mailing Naubise	Understanding of the impacts from the earthquake; Status and understanding of the various relief activities being undertaken by the Project, NGOs and government in IDP camps;
Local Community, in IDP Camp	Bogetitar	Change in socioeconomic baseline in the Project area post the earthquake, in terms of social structure, livelihoods and access to infrastructure and services;
Land Owners in IDP Camps	Across IDP camps	Key concerns of the local community in the post-earthquake scenario;
Local Community, in IDP Camp	Farm Camp	Key expectations of the community from the Project and the government
Local Community, in IDP Camp	Kebutol	
Local Community, in IDP Camp	Pradhikaran	
Agriculture Department	Dhunche	Status and understanding of the relief work and support being provided by the Department to the affected communities Discussion on the possibility of involving the Department in the implementation of the mitigation measures to be identified as part of the gap assessment
Assistant Chief District Officer	Dhunche	A discussion on the relief work being undertaken in the District A discussion on the possibility of the affected communities returning to their villages An understanding of the government's position and plans on the resettlement of the affected communities and the possible way forward
Forest Department	Dhunche	The impact of the earthquake on the forest area and landslide potential The impact from the earthquake in the Project area The impact of the earthquake on biodiversity within the national park
Forest Ranger, LNP	Dhunche	The impact of the earthquake on the forest habitat and biodiversity The measures to be taken by the Department in response to reducing flow in the Project's diversion reach
Saman (Design Engineers)	Dhunche	An understanding of the possible design changes being proposed in keeping with the health and safety concerns, environmental and social concern as well as from risk perspective

Stakeholder Group	Location	Key Issues
NGO, Samaritan Trust	Dhunche	<p>Status of the various relief activities being undertaken by the NGOs and government in IDP camps;</p> <p>Change in socioeconomic baseline in the area post the earthquake, in terms of social structure, livelihoods and access to infrastructure and services;</p> <p>Key community concerns and Project expectations in the post-earthquake scenario</p> <p>Future activities planned by NGOs in the IDP camps and the possibility of the Project partnering with the NGOs in the implementation of the mitigation measures</p>

### 5.1.6 *LALRP Development Process Engagement (2017)*

As part of the LALRP formulation process in 2017, focus group discussions and key informant interviews were undertaken with certain key stakeholder groups in April and May 2017 (refer to Section 1.4 for further details). These discussions and interviews were aimed at supplementing and triangulating the information made available during the PAF survey and also for collecting additional qualitative data on certain key areas, such as non-governmental organization (NGO) activity in the area and livelihood restoration mechanisms.

**Figure 5.2** *Engagement Activities during LALRP engagement*



Source: ERM site visit 2017

The following stakeholder groups were covered as part of the discussions and interviews.

**Table 5.5 Stakeholder Engagement as part of the LALRP Process**

S. No	Stakeholder Group	Group Representatives	Date	Summary of Consultations Undertaken
25.	NGOs active in the Project area	Manekor	12 April 2017	Discussion on the activities of the organizations in the post-earthquake scenario, and the key learnings/ take-aways
26.		LaCCos	12 April 2017	
27.		Lumanti	11 May 2017	
28.	Government Departments	National Reconstruction Authority (NRA)	13 April 2017	Discussion on the role and purpose of the NRA, its key objectives, way forward, and challenges being faced
29.		Ministry of Federal Affairs and Local Development	5 May 2017	Discussion on the process of grant disbursement for house reconstruction and the role of the ministry in the same
30.		Department of Urban Development & Building Construction	5 May 2017	Discussion on the overall reconstruction process and the designs approved by the government
31.		Land and Revenue Department	5 May 2017	Discussion on the role and key objectives of the agencies and the possibility of associating with them for the LALRP process
32.		Veterinary Department	5 May 2017	
33.		Chief District Officer	12 April 2017	
34.		Cottage Industry Department	5 May 2017	
35.		Women group from Haku VDC	5 May 2017	
36.	Women Group from Haku VDC	5 May 2017	Discussion with the various stakeholder groups on the following aspects: <ul style="list-style-type: none"> <li>• The impacts from the earthquake</li> <li>• Present livelihood profile</li> <li>• Role of the Project in earthquake relief</li> <li>• Present perception towards the Project</li> <li>• Present expectations from the Project in terms of LALRP activities</li> </ul>	
37.	Tamang Women Group from Satbise	1 May 2017		
38.	Mixed group in Nuabise	8 May 2017		
39.	Mixed group in Bogetitar	7 May 2017		
40.	Mixed Youth Group	29 April 2017		
41.	Mixed Group from Farm Camp	12 April 2017		
42.	Women Shop Owner in Nuabise	8 May 2017		
43.	Women Shop Owner in Nuabise	8 May 2017		
44.	Mixed Group in Khalde	13 April 2017		
45.	Key Informant Interview, local Politician in Nuabise	13 April 2017		
46.	Key Informant Interview, women returned after Foreign Employment	2 May 2017		

S. No	Stakeholder Group	Group Representatives	Date	Summary of Consultations Undertaken
47.		Men Group in Mailung	14 April 2017	
48.		Men Group from Haku VDC	6 May 2017	

### 5.1.7 *FPIC Process Engagement (2017-ongoing)*

The presence of IP triggers specific requirements under lender social safeguard policies. World Bank Group Performance Standard 7 (Indigenous Peoples) requires a client to seek the FPIC of affected IP communities under specific circumstances, including ‘where a project impacts on land and natural resources subject to traditional ownership or under customary use.’ Based on UT-1 Project impacts on Government-owned forest land communally administered by Community Forest User Groups (CFUGs), whose members belong to Indigenous Peoples communities including are predominantly Tamang, Gurung and Newar, it ishas been determined that FPIC is applicable to this Project.

The NWEDC has carried out the land acquisition process for both private and forest land as per provisions of the laws in Nepal. As Nepal does not have any specific law that mandates a FPIC requirement or defines how the process is to be carried out, the FPIC process was not carried out prior to the land acquisition process. However, several rounds of consultation process and disclosure of the project information has been carried out. The requirements of carrying out FPIC process is part of the NWEDC’s effort to seek international finance and meet lenders requirement of FPIC process. Therefore, in the project-financing context for this specific project, the concept of seeking ‘prior consent’ shall imply seeking consent from affected IP communities for a draft package of proposed impact mitigation measures and benefits prior to the main phase of UT-1 project development (i.e. prior to the main construction phase). The proposed mitigation measures would incorporate any supplemental compensation and/or livelihood restoration measures needed to fully mitigate the impacts of completed land acquisition and resettlement efforts to date.

An FPIC process will be initiated in the first half of 2018, focusing on project-affected communities of IPs, primarily those formerly resident in eight nine main villages in or near the project footprint and their traditional representatives (if any) located elsewhere. The following broad approach is proposed, subject to detailed discussion with the IP communities and their representatives:

FPIC process proposed is a shared tripartite (NWEDC, community, local government) decision-making for Indigenous Peoples Plan (IPP) creation and evolving a mechanism for joint management of IPP implementation and Grievance Redress Mechanism (GRM). The process will be carried out through following steps.

Step-1: Project Disclosure: ESIA and related plans disclosed to members of 9 project-affected villages (including those in IDP camps if any).

Step-2: Working Group (WG) Selection Process: Each partner selects participants to join in a collaborative Working Group to manage the IPP/FPIC process; separate meetings of each partner to formally select IPP Working Group representatives.

Step-3: First IPP Working Group Meeting: (i) receipt of IPP suggestions from all partners (including NWEDC draft Plans), (ii) determination of the consent process, (iii) determination of IPP Writing Team (WT) members [those WG members tasked with actually writing/revising IPP and FPIC document.

Step-4: Writing/revising of IPP and the disclosure of this draft IPP to communities.

Step-5: Consultations Round 1: Community Priorities: presentation by WG of possible mitigation, benefits and management structure in an IPP based on LBSP/IPP and other inputs; collection of concerns and requests for draft IPP.

Step-6: Drafting/revising of IPP by WT/WG based on community inputs. Disclosure of revised IPP to communities.

#### **Box 5.1**

#### ***Language Policy for Information Disclosure and Consultation Process***

The disclosure of the written documents will take place in a common language on which affected Tamang, Gurung and Newar community is proficient.

The consultations with a particular IP's community will be carried out in their respective mother-tongues/dialects for their easy comprehension. NWEDC will engage expert translators with adequate knowledge in Tamang, Gurung and Newar dialect/language.

Where participants in a consultation are heterogeneous, selection of the language will be done with mutual agreement.

Step-7: Consultations Round 2 – IPP Confirmation: submission of detailed Plan with proposed components, management structure and budget to 8 villages by WG.

Step-8: Revision of Final Draft IPP by WT/WG based on community inputs. Disclosure of revised IPP to communities.

Step-9: WG Process Decision Point: determine if another consultation round is needed, or if facilitation/mediation is needed to resolve outstanding issues, or if the previously agreed upon consent decision process can now take place.

Step-10: Consent Process: The consent process is carried out and if consent is obtained for approval of i) IPP and ii) MoU document indicating Consent.

Step-11: IPP Implementation: If consent is obtained NWEDC would initiate IPP implementation under tripartite supervision and each party fulfils their

commitments. The management plans shall be subsequently updated based on the feedback received during their various engagement activities. The LALRP and IPP will also provide summaries and documentation (photographs) of each of these consultations undertaken.

## 5.2

### KEY FEEDBACK AND CONCERNS

As part of the LALRP update, the effort was to get the people to talk about their current issues and concerns, the primary purpose was also to discuss the UT-1 Project and community expectations. However it was clear that the priority of the community was their present condition, and uncertainty of livelihoods and housing. It was extremely difficult to get people to discuss the Project. ERM recorded all these consultations, and some key issues that emerged and the manner in which they have been incorporated into the report are summarised below:

- **Access to Relief Support:**
  - The perceived difference in access to relief support across the camps. It was reported that, due to interventions of local political leaders, IDP camps such as Naubise and Bogetitar received most of the relief support from numerous NGOs/ INGOs. However, the camps such as Satbise, with no strong political leader, did not receive any relief support from any NGO/INGO.;
  - Manner in which the feedback has been incorporated: The difference in access to relief support has been taken into account in the identification of entitlements for the LALRP. For instance, those who have received multiple trainings or trainings in certain skills will be identified for advance trainings or different trainings.**
- **Issues related to Housing**
  - The local community representatives reported various issues associated with residing in IDP camps. These issues included, lack of space, health and sanitation issues, as well as the inability to establish a stable source of livelihood. Due to the lack of space and uncertainty of the duration of stay in IDP camps, many households have been unable to establish a stable income or initiate a business activity (such as livestock farming or setting up a small shop);
  - The community is more concerned about the housing issue and is also concerned about next steps They have an expectation that NWEDC will also do something about housing issue;
  - Manner in which the feedback has been incorporated: The feedback pertaining to uncertainty in housing will be taken into account while implementing the entitlements. The trainings and livelihood support will be finalized in consultation with the PAFs and will be identified in keeping with their then present residential status. Those who have returned to their original villages and are interested will be prioritized for agricultural support, while those still residing in IDP camps will be provided livelihood support which would**

**allow them to achieve livelihood stability in their present residential status and in the future.**

- **Key Learnings from Trainings Received**
    - Many of the local community residents took trainings without fully understanding the skill and it's potential. The primary aim immediately post- earthquake was to get as much relief support as possible. However, this resulted in many members of the community, especially women and youth, in taking trainings in which they had no interest in and subsequently not using the skill gained;
    - According to the discussion with the women groups, most of the trainings provided to women was geared towards household skills, such as sewing and tailoring, vegetable gardening etc. and not livelihood generation. Furthermore, while some women received trainings such as making Pangi<sup>1</sup> no market linkage was provided as part of the trainings. This all resulted in most of the women, using the skills obtained from the training, sporadically and for mostly for meeting household needs only;
    - According to the discussions with certain PAFs and youth representatives, the NGOs/INGOs provided similar trainings in the IDP camps, with a focus on skills such as masonry. This has resulted in a difference in the demand and supply of masonry jobs. Furthermore, over the last few months, there has been a reduction in the number of masonry or construction labour related jobs available. This is reported to be resultant from most of the reconstruction activities post- earthquake having been completed. Also the training on masonry did not include working with Cement and concrete rather with the local material which has limited their opportunity in urban areas;
- Manner in which the feedback has been incorporated: The entitlements identified as part of the LALRP and the process of implementation have been identified in keeping with this feedback**
- **Adequacy of compensation provided:**
    - a number of the land owners who sold their land to the Project, expressed dissatisfaction for the compensation provided for the land and other assets provided by the Project.
    - This was reported to be primarily resultant from the large number of claimants/dependents upon the non-payment of compensation for certain other assets impacted.
    - It was understood that, in a number of cases, while the land was registered under a single individual's name, the families who were dependent upon the land resided in separate households. This was primarily the case in situations where the land was in the name of one individual, whose children and/or grand children had established separate households after marriage, but the official partition of the land had not been undertaken.
    - Furthermore, in cases where the number of dependents was high, after the division of the compensation, the amount per head was not enough

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<sup>1</sup> Pangi is a traditional woolen apron worn by Tamang women. This apron is also a symbol of the women's marital status

- for the individuals to allow for the restoration of the livelihoods in terms of purchase of alternative land or establishing a business.
- Also, the land owners had earlier asked for NPR 10 lakh per ropani as the compensation amount for the land take. However, this was negotiated to NPR 5 lakh per ropani by the Project.
- The land owners also preferred the land to be leased by the Project, as it would have provided a regular source of income. However, due to the nature of Project land requirement, the same was not feasible;
- Also, compensation for the trees and certain structures was not provided by the Project.

**Manner in which this feedback has been incorporated: The impact discussion as part of this LALRP provides mitigation measures for closing these issues**

- **Impact on access to natural resources:** according to the consultations undertaken, it is understood that the Project has resulted or will result in loss of access to natural resources such as forest resources and fishing resources. The community was of the opinion that the Project activities resulted in the loss of more trees than had been marked as part of the lease agreement. This is reported to primarily be resultant from the debris from the road construction activities falling downslope, onto land that is not part of the lease agreement or purchased from the land owners, and by the migrant labour accessing the forest for firewood.
- **Issues in Project Implementation**
  - The PAFs have a concern that the current Sarokar Samiti for the Project does not have adequate representation of the people from Haku. While all the PAFs (land owners or tenants on Guthi land), reside in Haku VDC and now in IDP camps, the Sarokar Samiti and its deliberations for the Project does not have their participation.;
  - during the consultations undertaken, the community representatives informed ERM that during the negotiations for the land procurement, the Project had promised employment for one member from each impacted family in the Project. However, the members of the community are yet to get employment in the Project. The community also expressed unhappiness over the fact that contractual work for the access road was awarded to outside contractors instead of the local community.
  - Some of the PAFs also had concerns regarding delays in the payment in the access road construction by the responsible sub-contractor. The concerned PAFs had communicated this issue to NWEDC, in a verbal and informal manner. Through the subsequent intervention by NWEDC, half of the payment have been made at the time of the site visit and the remaining was expected to be paid shortly. It was highlighted as a major concern Without 7 days cycle of payment or 15 days cycle of payment, it could become really difficult for the PAFs to get engaged in the construction work for the Project. NWEDC was understood to have taken cognizance of this issue and was in discussions with the sub-contractor to streamline the payment process.

This process was reported to be closed at the time of preparation of the LALRP;

- Though PAFs mostly responded that they don't see a major challenge with the influx of workers as there has been good relationship with them in the past. They feel that the labourers will buy from the locals; however they have a concern that wage rates will be reduced because of the influx of the workers from outside;

It is understood, that while the community and other stakeholders have some concerns regarding the Project, the overall perception is positive. The community in most parts, views the Project as a source of local development in the area. This is primarily in the form of improvement in access through the construction of the access road and also employment opportunity generation. The community is aware of the benefit sharing requirements in the PDA. The relations between the community and NWEDC were further strengthened by the earthquake relief and reconstruction efforts by the Project.

### 5.3

#### *GRIEVANCE REDRESSAL MECHANISM*

As part of the LRP, an external stakeholder Grievance Redressal Mechanism (GRM) was put in place for the Project in 2016. The purpose of GRM is to provide a forum for the community and other stakeholders to voice their concerns, queries, and issues with the Project. Such a mechanism provides the stakeholders with a single channel through which concerns can be raised and timely responses received. The GRM was aimed at being accessible and understandable for all stakeholders in the Project and for the entire Project life.

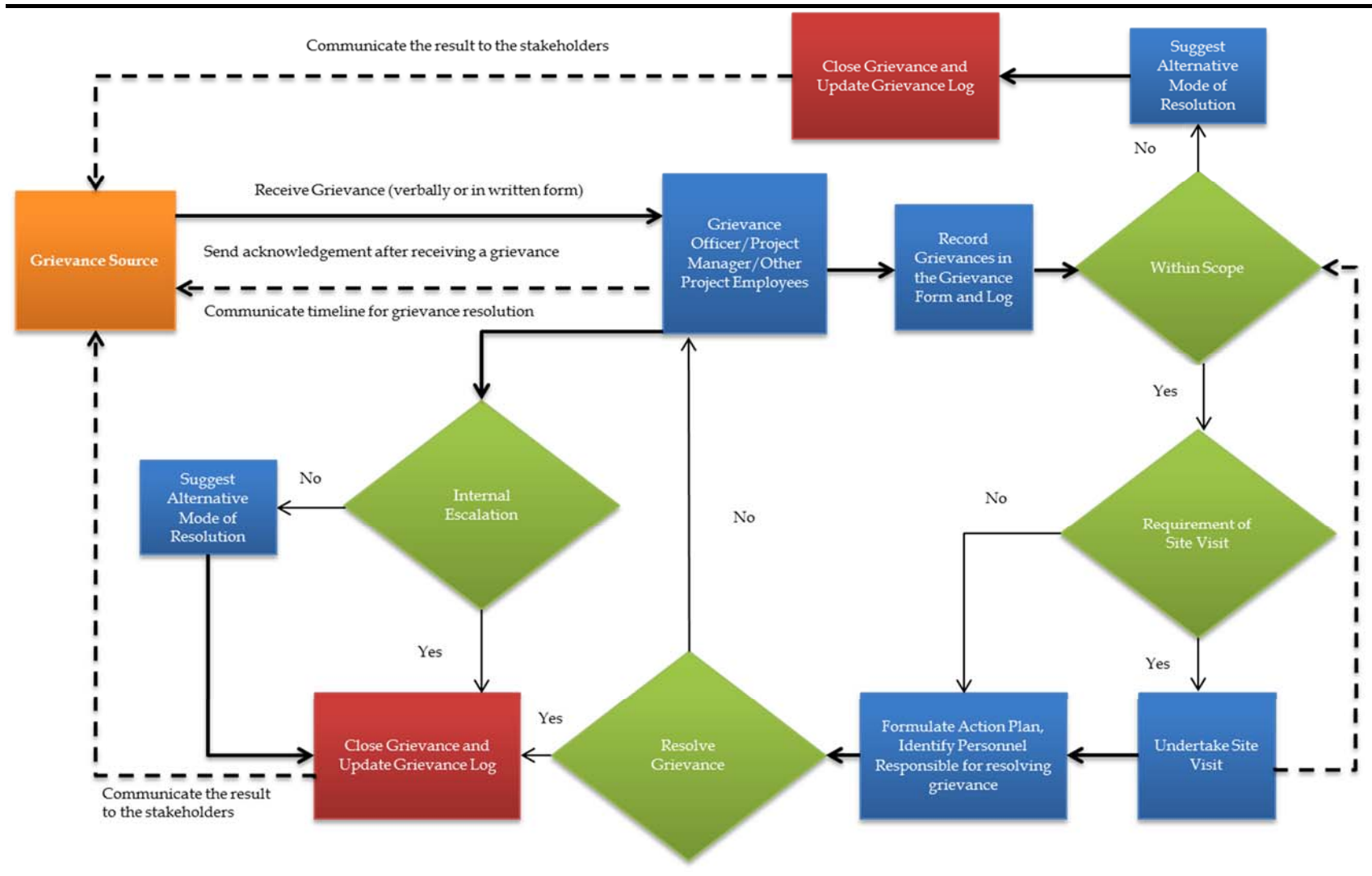
The GRM contains the following:

- Grievance definition, categories, and principles;
- Some of the key emerging grievances based on records review and consultations with NWEDC and community ;
- Institutional mechanism for GRM implementation; and
- The process of receiving, documenting, addressing, and closing grievances.

While the ESMMP provides the detailed GRM for the Project, the process of receiving, addressing and closing the grievances is depicted in Figure 8-3 below.

Any grievances can be sent to the Project's Grievance Office, Project Manager, Community Liaison Officers, or the Liaising Team Head. Although the GRM process is in place, currently the only construction activity is the removal of landslide debris from the portion of the access road that was constructed at the time of the earthquake, and many of the local residents are still residing in IDP camps, so few grievances have been filed to date.

Figure 5.3 External Stakeholder Grievance Redressal Mechanism Schematic Representation



This section provides an assessment of the Project's land acquisition and livelihood impacts, along with the mitigation measures agreed to by NWEDC. These impacts are discussed in the context of the earthquake and the resulting social conditions in the Project area. Table 6.1 summarizes these impacts, but overall, the Project required the:

- Acquisition of 107.79 hectares (ha) of land from 38 land owners and tenants and temporary land lease from 11 individuals, representing 154 Project Affected Families (PAF);
- Acquisition of 36 structures, including primary residences of 12 PAFs, although not all were occupied at the time of acquisition; and
- Acquisition of government-owned Community Forest land managed by five CFUG representing 422 members (families).

**Table 6.1** *Summary of Project Related Impacts*

Type Of Impact	Owners / Families Affected	% Tamang (IP)	Mitigation Process / Timing	Compensation Status
Pre-Earthquake Land Acquisition / Resettlement				
Private-owned Land: 5.05 ha acquired Guthi Land: 15.5 ha acquired	38 owners (20 private, 18 Guthi) collectively including 154 families	89	Negotiated purchase, cash compensation (2013-14), based on higher than market rates (two rates, slightly higher rate for land near road in Mailung) at that time (rate decided in consultation with land owners and Rasuwa DAO). The rates were reinforced by the Compensation Fixation Committee formed in 2013 at the District level. Since the rates paid were comparable to the prevailing rates of Urban areas in Dhunche which was reported to be 2 times higher than the rates for rural areas in the district, they can be considered comparable to replacement value at that time of land take (2013-2014)	Completed in (2014).
CFUG Land: 78.6 ha of Government owned, but CFUG managed, forest land acquired	5 CFUGs involving 422 members from the same eight affected villages.	~90%	Lease agreement, led by District Forest Office (10 September 2013), compensation paid for 3856 lost trees/seedlings, felled trees made available to members	Completed in October 2013. Additional compensation pending for trees impacted outside of the Project footprint from construction activities. Compensation amount will be identified for trees

Type Of Impact	Owners / Families Affected	% Tamang (IP)	Mitigation Process / Timing	Compensation Status
				impacted outside lease area, through consultations between NWEDC, CFUG members and DOF. As part of these meetings, through a negotiation process (similar to that followed at the time of the lease) an agreement be reached on the number of trees additionally impacted (outside lease area) by the project and the compensation for the same. The compensation rates shall be consistent with the present DoF rates
Loss of trees/crops	Approximately 2554 trees/saplings were impacted (this was based on the socio-economic survey done in 2015). These trees were located on land belonging to 21 land owners, and 53 PAFs	95	No stand-alone payments, compensation was incorporated into the land payment.	Completed in (2014)
Loss of Structures	29 structures belonging to 21 families: 7 primary residences, 5 secondary (seasonal) residences, 8 partially constructed residences , 8 sheds, 1 watermills etc	95	Cash compensation based on valuation by DUDBC in 2014. Based on the information available, it is understood that asset value with depreciation cost, scrap value and VAT is a reflection of the replacement value of the assets at the time of the land take.	Partially completed in (2014). Payments outstanding for 7 structures which were incomplete at time of valuation; additional payments pending for replacement cost discrepancies for 10 structures
Physical Displacement	7 individuals (5 additional PAFs) lost primary residences in 2015 (other 13 families losing structures did not lose primary residences).	100	As above	Completed in 2015, for 7 primary residences. 3 families used money to construct new houses in their village. 4 families constructed houses elsewhere (Dhunchu, Thade).

Type Of Impact	Owners / Families Affected	% Tamang (IP)	Mitigation Process / Timing	Compensation Status
Other natural resources	Future reduction in water flow in diverted section could impact community use of river for drinking, washing, cattle-related uses, minor fishing activities, small scale irrigation	95	No mitigation measures were identified for the loss of natural resources	Any future impacts identified will be addressed through the GRM in place for the Project and offset in keeping with the principles of replacement cost and the magnitude of impacts NWEDC will conduct a rapid survey of the project area to confirm fishing activity and livelihood dependence
Post-Earthquake Land Acquisition / Resettlement				
Land: 8 ha	11 Individuals impacted by temporary land take.	100	Cash compensation / lease agreement (no loss of security of tenure)	Agreement completed on 26 February, 2018
Physical Displacement	An addition 5 individuals have lost 7 primary residences in 2017.	100	Cash compensation + livelihood restoration	Cash compensation completed in March, 2018

## 6.1 IMPACT ON PRIVATE LAND AND GUTHI LAND

### 6.1.1 Context

A total of 107.79 ha of land has been procured for the Project. Of this, 15.53 ha of land is Guthi land and 5.05 ha is private land. The impacted Guthi land belongs to a Monastery at Swayambhu in Kathmandu and comprised of 29 agricultural plots on which 60 PAFs are dependent. The private land take is comprised of 21 land parcels on which 82 PAFs are dependent. The parcels of land acquired were primarily located in the former Haku VDC in the villages of Tiru, Gogone, Haku Besi, Phoolbari, Thanku, Mailung and Sanu Haku.

The land take of private and Guthi land parcels has resulted in a reduction of the total land holdings and agricultural land available for the PAFs. The parcels of private and Guthi land acquired for the Project are characterised as either irrigated (khet) or rain fed (Bari) land.

According to the information made available by the District land and agriculture departments, most of these lands do not have high agricultural value. In most instances, the land was used as agricultural land; however 4 to 5 PAFs indicated that they were not cultivating the land recently for various reasons including their land becoming less productive or general lack of access to resources (including manpower and financial resources) to cultivate

in the hills. The following table provides an understanding of the land owners/tenants and PAFs impacted by the land take for the Project and the remaining land parcel with them.

**Table 6.2 List of land Loser for UT-1 Project**

S.No.	Location	Land Loser ID	Number of PAFs associated with land loser	Area lost (in Ha)	Remaining land (in Ha)	Use of Land
<b>Private Land</b>				<b>3.96</b>		
1	Mailung	MAI-25	4	0.15	0.11	Agriculture
2	Mailung	MAI-02	1	0.20	0.11	Agriculture
3	Mailung	MAI-06	4	0.10	0.03	Agriculture
4	Gogone	GOG-03	1	0.19	0.21	Agriculture
5	Mailung	MAI-38	1	0.25	0.16	Agriculture
6	Gogone	GOG-34	5	0.15	Information not available	Agriculture
7	Mailung	MAI-29	3	0.15	0.53	Agriculture
8	Mailung	MAI-37	1	0.25	0.16	Agriculture
9	Mailung	MAI-01	4	0.18	Information not available	Agriculture
10	Gogone	GOG_07	7	0.19	0.04	Agriculture
11	Haku Besi	HAK-15	1	0.15	Information not available	Agriculture
12	Gogone	GOG-39	8	0.27	0.32	Agriculture
13	Mailung	MAI-11	10	0.09	Information not available	Agriculture
14	Gogone	GOG-01	6	0.15	Information not available	Agriculture
15	Gogone	GOG-13	4	0.16	0.60	Agriculture
16	Mailung	MAI-22	3	0.16	Information not available	Agriculture
17	Mailung	MAI-39	3	0.21	0.16	Agriculture
18	Mailung	MAI-32	5	0.15	0.05	Agriculture
19	Mailung	MAI-10	1	0.20	0.03	Agriculture
20	Gogone	GOG-17	17	0.59	Information not available	Agriculture
<b>Swyambhuguthi</b>				<b>15.53</b>		
21	Phoolbari	PHO-01	1	1.89	0.01	Agriculture
22	Haku Besi	HAK-01	5	1.44	15.00	Agriculture
23	Haku Besi	HAK-06	1	0.15	0.21	Agriculture
24	Haku Besi	HAK-07	3	0.15	5.00	Agriculture
25	Haku Besi	HAK-10	3	0.68	0.03	Agriculture
26	Haku Besi	HAK-13	4	1.6	1.05	Agriculture
27	Phoolbari	PHO-02	2	0.49	0.26	Agriculture
28	Haku Besi	HAK-17	1	0.18	0.04	Agriculture
29	Haku Besi	HAK-18	1	0.18	0.01	Agriculture
30	Phoolbari	PHO-04	8	0.06	1.00	Agriculture
31	Phoolbari	PHO-12	7	0.40	6.50	Agriculture
32	Haku Besi	HAK-10	3	0.70	0.03	Agriculture
33	Haku Besi	HAK-19	5	1.47	1.00	Agriculture
34	Phoolbari	PHO-19	3	2.60	9.00	Agriculture
35	Thanku	THA-01	7	0.65	0.00	Agriculture
36	Haku Besi	HAK-26	2	1.09	Information not available	Agriculture

S.No.	Location	Land Loser ID	Number of PAFs associated with land loser	Area lost (in Ha)	Remaining land (in Ha)	Use of Land
37	Haku Besi	HAK-24	2	1.25	0.01	Agriculture
38	Phoolbari	PHO-22	2	0.54	0.05	Agriculture

Source: NEWDC, 2014 and Data collected by ERM, 2015

**Note:**

1. This information pertains to the PAFs impacted by land take in 2015. Similar information will be collected for the PAFs impacted by land take in 2017 as part of the LALRP implementation process
2. This information, especially the remaining land is based on consultation and individual interviews with the PAFs and is not based on review of the family's land records There could be discrepancies between what was reported and what is actually in possession and being used.

Seven PAFs have lost all land parcels belonging to them (0.65 ha) and the houses they used to live in. However, they were able to purchase replacement land with the compensation money, which was paid in advance of the land take. These land owners bought land near Dhunche (near the road) in an area with improved access by public road.

### 6.1.2 Land Acquisition Process

This section provides an understanding of the land take process for the private land and Guthi land.

#### *Private Land*

The private land take process for the Project was undertaken on the basis of negotiated settlements<sup>1</sup> with the land owners in most of the cases. The following table provides an understanding of the key timelines for the land take process.

**Table 6.3 Timeline of Private Land take**

Year	Process
2007	Land Identification for Power House
2009	Land Survey for Power House
2010	Land Finalization for Power House and Initiation of land procurement Process
September - October 2012	Public Meetings at Mailung, Haku Besi and Gogone
December 2012	Measurement of private lands
January 2013	More Meetings in the community
February 2013	Land Price negotiations with land owners
March 2013	Community Meeting and finalization of compensation amount
May 2013	Payment of Compensation by District Administrative Office (DAO) to remaining land owners
August 2013	Request to DAO to facilitate the land take process for the families having internal problems with payment sharing

(1) <sup>1</sup> PS 5 defines negotiated settlement as a situation where buyer can resort to expropriation or impose legal restrictions on land use if negotiations with the seller fail.

Year	Process
2014	Initiation of road construction activities and completion of complimentary ESIA

Source: Consultations undertaken during site visit, 2015

The process for the private land take by NWEDC involved the following key steps:

- surveys for land identification;
- the assessment of existing land value of the plots of land identified in 2013-2014;
- negotiations with the land owners for the rate of the land parcels;
- Payment of compensation amount; and
- Transfer of ownership and tenancy rights to NWEDC.

The following sub-sections provide an understanding of the key steps identified:

#### *Identification and Survey of Land Parcels*

The land identification activity was initiated in 2007 through visual reconnaissance and surveys. These surveys were undertaken by the Project team in 2009 to 2010. All the relevant cadastral maps were obtained from Rasuwa District Survey Office. The Project layout maps were geo-referenced on the cadastral maps to identify the private land parcels. The Rasuwa District Land Revenue Office and Lands and Survey Department provided the following information for the identified parcels:

- Category of land/Grade of land;
- Area of Land;
- Land Owner's Name; and
- VDC/ward number and other details

During this stage of the process only limited consultation was undertaken with key informants to identify land ownership, no negotiations or engagement with the land owners or local community were undertaken.

#### *Land Valuation*

NWEDC initiated the land parcel valuation process in 2007. For the purpose of assessing the value of the land identified, the Project depended upon the information available with the land records department. During the consultations with the land department, it was mentioned that the land type in the Project footprint was consistent with the government records and the grade of land also informed the assessment of rates for the land.

For the purpose of the fixing the rate of the land compensation, NWEDC, in consultation with the District authorities, identified the compensation rates

payable at NR 5 lakh per *ropani*<sup>1</sup> for the land procurement, which was based on the following data:

- District Administration Office published land rates per *ropani* for 2014.
- Transaction details of similar land in the last 2-3 years;
- Private transactions in the current year; and
- Land transaction rates for other projects in the area;
- General understanding of the market rate in the area.

It is common practice in the area that land registration and transactions are usually done at lower rates to avoid taxation; hence, the general understanding of the market rate in the local area, which was established by NWEDC, was essential.

These rates were also reinforced by the Compensation Fixation Committee (CFC) formed at the district level in 2013.

#### *Process for Negotiation and Agreement on Rates*

Upon the completion of the land finalization and market assessment, NWEDC initiate the process of negotiations with the land owners through its land team. This process included meetings with the land owners, which was initiated in 2012. In some cases, NWEDC conducted the meetings at an individual household level; however, it was primarily undertaken at the community level. The purpose of these meetings was to get a sense of the general willingness of the community towards selling the land and the expectation of the community on land valuation.

Meetings were primarily undertaken at the ward level and mutually acceptable rates were agreed. The first negotiation for the private land rates took place in Mailung, followed by Gogone and Haku Besi. The purpose of these meetings was to provide the land owners and other community representatives with information pertaining to the Project, the land requirement for the Project, and the proposed entitlements/compensation.

These meetings were followed by a public hearing, held in March 2013, after the completion of the EIA. The purpose of the public hearing was to provide a more detailed Project understanding and finalize the compensation amount for the land purchase.

According to the information made available during the ERM consultations in 2015, the land owners had initially demanded a compensation rate of NR 10 lakh per *ropani*, which was subsequently negotiated to NR 5 lakh per *ropani*. The first agreement was made in Mailung, which actually set the precedent for the rest of the wards to follow. For the land plots located along the road in Mailung, a higher rate of NR 6,50,000 was offered.

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(2) <sup>1</sup> Unit of land in Nepal (1 ha = 19.66 *ropani*);

### *Payment of Compensation*

Some of the key aspects related to the compensation process were as follows:

- The compensation for the land take was paid through cheques in the early months (April- May) of 2013, which was prior to the hand-over of the land to the Project. This was primarily done to allow the impacted land owners to purchase alternate land parcels or invest in other sources of livelihood prior to the loss of land, and thus minimize the impacts from the sale of land.
- Some of the families from Gogone, however, did not accept the compensation, as they did not agree with the compensation rate offered. In these cases, the cheques were deposited with the Rasuwa District Administrative Office (DAO), to be collected by the land owners at a later date.
- Some of the families did not accept the compensation due to internal conflicts within the family. In 13 land parcels, there were questions pertaining to ownership of the land. In these cases, the DAO was requested to resolve ownership issues. The DAO facilitated separation of the plot of the land owned by head of family ultimately resulting in the partition of family, at least on paper.

DAO office published a notice, through which claimants were asked to raise any objection within 21 days of publishing of the notice. A copy of the Notice published by DAO is shown in *Figure 2.6.1*.

Figure 2.6.1 Land Procurement-related Notice Issued by District Administration Office

<p style="text-align: center;">नेपाल सरकार गृह मन्त्रालय जिल्ला प्रशासन कार्यालय रसुवा</p> <p style="text-align: center;"><b>माथिल्लो त्रिशुली १ जलविद्युत आयोजनाले जग्गा अधिग्रहण गर्ने सूचना</b></p> <p style="text-align: center;">प्रथम पटक प्रकाशित मिति २०७०/०१/०९</p> <p>नेपाल सरकारबाट अनुमती प्राप्त माथिल्लो त्रिशुली १ जलविद्युत आयोजनाको विभिन्न संरचना निर्माण कार्यको लागि आवश्यक पर्ने तपसिलमा उल्लेखित जग्गाहरु अधिग्रहण गर्नु पर्ने भएकोले सो जग्गाहरु प्राप्त गर्नको लागि प्राप्ती ऐन २०३४ को दफा ९ क प्रयोजनार्थ सम्बन्धित सबैको जानकारीको लागि यो २१ दिने सूचना प्रकाशित गरिएको छ ।</p>							
सि. नं.	साविक कि.नं.	हालको कि.नं.	गा.वि.स.	ज.घ.को नाम	बाबु वा पतिको नाम	जग्गाको क्षेत्रफल	प्राप्त गर्नु पर्ने जग्गाको क्षेत्रफल
१	१०८	१०८	हाकु - ९	क्रिड तामाड	सन्ध तामाड	१-१४-३-२	१-१४-३-२
२	११४	११४	हाकु - ९	दत्ता घले	नुरगल घले	३-३-३-२	३-३-३-२
३	११५	११५	हाकु - ९	तामामा तामाड	भर्वा फुन्चो	११-८-१-०	११-८-१-०
४	११६	१५२	हाकु - ९	वाडलामा तामाड	गोम्बो तामाड	५-४-२-०	५-४-२-०
५	११६	१५५	हाकु - ९	फुर्वा तामाड	गोम्बो तामाड	२-०-०-०	२-०-०-०
६	११६	१५६	हाकु - ९	सोनाम तामाडनी	पति गोम्बो तामाड	१-०-०-०	१-०-०-०
७	११७	१७१	हाकु - ९	छोवाड तामाड	दुन्दुप तामाड	५-०-०-०	५-०-०-०
८	११७	१७२	हाकु - ९	वीरमान तामाड	दुन्दुप तामाड	५-०-०-०	५-०-०-०
९	११७	१७३	हाकु - ९	निमा तामाड	वीरमान तामाड	४-०-२-३	४-०-२-३
१०	११८	१६७	हाकु - ९	साजन तामाड	ल्लानुर्पु तामाड	३-०-०-०	३-०-०-०
११	११८	१६८	हाकु - ९	अजय तामाड	ल्लामा तामाड	३-०-०-०	३-०-०-०
१२	११८	१६९	हाकु - ९	चन्द्रमान तामाड	जीतमान तामाड	३-०-०-०	३-०-०-०
१३	११८	१७०	हाकु - ९	निमा डोम्बो तामाडनी	पति सुब्बा तामाड	३-३-३-०	३-३-३-०

Note: The Date mentioned in the Notice is Bikram Sambat (YMD) (B.S) (2070/01/09) Gregorian Calendar (A.D)- (April 22, 2013). Note: This notice was not issued under the Land Acquisition Act, 2034 BS (1977)

The family disputes were on two counts: in some cases, while the land owners were from the same family, they resided in separate households, thereby increasing the number of families impacted. In other cases, while the families had divided into separate households, the land ownership had not been transferred.

The issue of ownership was ultimately resolved with facilitation by DAO for the 13 land parcels, which also entailed the division of the land parcels. NWEDC submitted the compensation money with Nepal Bank Limited Natural Disaster Fund A/C for subsequent disbursement to land losers and requested for transfer of lands in name of 'Nepal Water And Energy Development Company Private Limited'. The DAO office further administered the cheques to the identified land owners. The entire process was completed by August 2013. The land was taken post the completion of this process.

#### Summary of the Private Land Purchase Process

On the basis of the understanding of the land take process for private land thus developed, the following key points had been identified by ERM in 2015:

- The option of replacement land was not provided to the land owners by the Company. Consultations undertaken by ERM as part of the LRP

preparation in 2015 in the Haku VDC and Dhunche with the various stakeholders found that obtaining alternate land of comparable quality within reasonable proximity of these communities is difficult. As a result, monetised compensation was agreed upon by the community in the VDC meetings.

- The rate of compensation decided was higher than the prevalent market rates of NR 10,000-50,000 per ropani prevailing at the time. This appreciated value was resultant from the Project's understanding of the importance of land holdings in the community and the value addition done on the land, with the aim of allowing the land owners to purchase and prepare alternative pieces of land, wherever they could identify such parcels.
- The rate also took into account the potential appreciation of the land value in the area in the near future and the business importance the access road will have in the future because of its strategic location and connecting to the China border, thereby serving as an important trade corridor. However, it should be noted that since then, the 'Border Road Initiative (BRI) Project by China has started construction in the area. This has resulted in property prices increasing by up to 10 times in the Rasuwa District, especially where the road route is proposed, which was not foreseen at the time of the land valuation;
- From a broader understanding, the rates offered captured the agricultural potential and the tree potential of these lands. However according to the discussion with the local community, this understanding was not clearly communicated to them at the time of negotiations;
- The following figure provides an understanding of the compensation rates fixed for the various VDCs. It was evident that the District rates for all land falling under Haku VDC (Ward 1-9) was between NR 16,000 and 19,000 per ropani. The rate of NR 5,00,000 per ropani was applicable for urban area of Dhunche VDC.

Figure 2.6.2 Rasuwa District Market Land Rates

सि.नं. १ देखि ३९ सम्ममा लेखिए भन्दा बाहेकका यस जिल्लाका गा.वि.स.हरुको जग्गाको न्यूनतम मूल्याङ्कन निम्न बमोजिम रहनेछन् ।

सि.नं.	गा.वि.स.	वडा नं.	खेत (प्रति रोपनी रु.)	पाखो (प्रति रोपनी रु.)
१	गतलाड	१-७	१५,०००-	१०,०००-
		८,९	१२,०००-	९,०००-
२	गोल्जुड	१-९	१६,०००-	१२,०००-
३	चिलिमे	१-३	३६,०००-	१५,०००-
		४-९	२१,०००-	११,०००-
४	टिमुरे	१-९		३१,०००-
५	ठूलोगाउँ	१-९	२४,०००-	१७,०००-
६	डाँडागाउँ	१-९	१८,०००-	१४,०००-
७	धुमन	१-९	१६,०००-	११,०००-
८	धैबुड	१,२,३	४,००,०००-	३,५०,०००-
		बजार आसपास ५,६,७	५,००,०००-	४,००,०००-
९	धुन्चे	४,८,९	५०,०००-	४०,०००-
		१,२,३,४	५,००,०००-	५,००,०००-
		९	१,००,०००	८०,०००-
		९	४६,०००-	४१,०००-
१०	बृद्धिम	१-९	२१,०००-	१६,०००-
११	भोर्ले	१-९	७६,०००-	३१,०००-
१२	यासा	१-९	१६,०००-	१३,०००-
१३	राम्चे	१-९	२६,०००-	१८,०००-
१४	लहरेपौवा	१	४,००,०००-	३,००,०००-
		२,३,४,५	२,५०,०००-	१,००,०००-
		६,७,८,९	६१,०००-	४१,०००-
१५	लाडटाड	१-९		५१,०००-
१६	सरमथली	१-९	४१,०००-	२९,०००-
१७	स्याफु	१,२,६,७,८	७५,०००-	६०,०००-
		३,४,५,९	५,००,०००-	५,००,०००-
१८	हाकु	१-९	१६,०००-	११,०००-

Source: Minimum Rate of Rasuwa District, 2014

As Figure 2.2 indicates, while the land rates for the VDCs in the Rasuwa District ranged from NR 15,000-20,000 per ropani, the rates of Dhunche were substantially higher at NR 5,00,000 per ropani. This variation resulted from the compensation rates provided by other hydropower projects in the area, which have set a higher benchmark on rates.

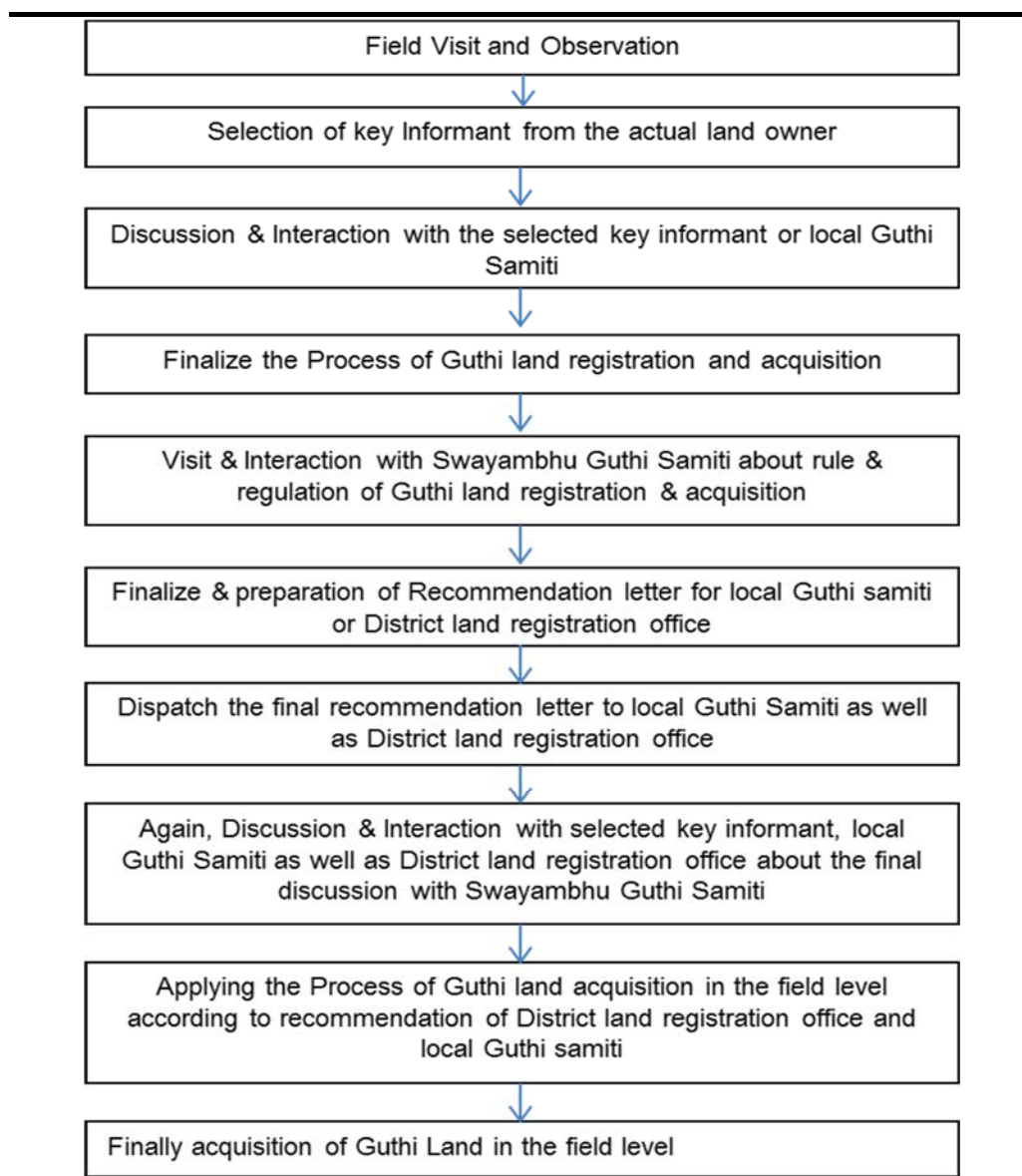
Since the rates paid were comparable to the prevailing rates of Urban areas in Dhunche and were reported to be 2 times higher than the rates for rural areas in the district, they can be considered comparable to replacement value at that time of land take (2013-2014)

### Guthi Land

The Project's Guthi land take process included the transfer of tenancy rights based on negotiated settlements with the tenancy right holders (locally known as those with *Mohiyani Hak*). This process was undertaken on the principle that NWEDC treated the Guthi land as equivalent to private land. This was

based on the understanding that due to the long-standing dependence of the tenants on the land, the potential Project impacts were comparable to those on private land owners. Figure 2.3 depicts the Guthi land take process.

**Figure 2.6.3 Guthi Tenancy Rights Transfer Process**



NWEDC representatives and local villagers of Haku Besi (Ward no 7 & 3) met on 19<sup>th</sup> January 2013 to discuss the rates and terms of transfer of the tenancy rights. Subsequently, NWEDC held a meeting at its office in Kathmandu with Guthi land tenants of Hakubesi in which 16 villagers were present. Some of the key decisions taken in the meetings were as follows:

- Compensation rate @ 5 lakhs NR per ropani was agreed upon, which was equal to the rate offered for the private land;
- Priority would be given to affected tenants for Project employment;
- Priority would be given to local people for Project employment; and

- NWEDC would pay 10 percent of the total compensation amount in advance, on demand by the land owners, so as to allow them to clear tax arrears for many years associated with the Guthi land tenancy.

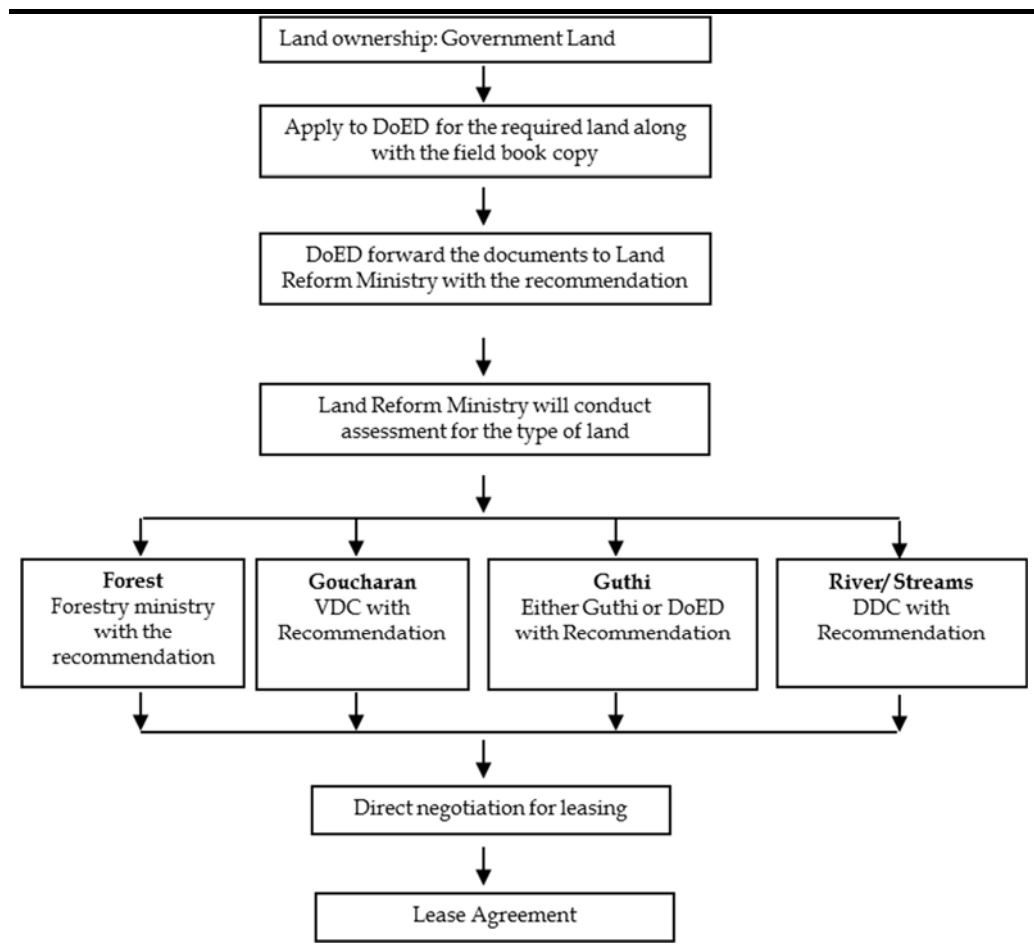
In summary, the Guthi land take process was similar to the land take process for the private land; was based on negotiated settlements with the tenants; and the rates offered for the Guthi land were similar to those offered for the private land.

### *Government Land*

The Project requires government and forestland for the access road, switchyard and power house camp, spoil areas, and the head works. The process of land take is described in the figure 2.6.4.

NWEDC filed an application for the lease of the land with the Nepal Department of Electricity Development (DoED), who then forwarded it to the Land Reform Ministry for the assessment of the land and for its recommendations. Upon the completion of the assessment and receipt of recommendations from the Forest Department, Guthi, VDC and DDC, NWEDC undertook direct negotiations with the DoED to finalize the lease agreement (Figure 2.4).

**Figure 2.6.4** *Process for Government land procurement (through Lease)*



Consultations identified one PAF living in Gogone who was growing trees on a small plot of Government-owned (but not Community Forest) land. NWEDC has agreed to provide compensation to this PAF by end of July 2018. No other private user rights over any non-CFUG Government land was identified.

### 6.1.3 *PS 5 Applicability*

ERM undertook a review of the existing legislation in place pertaining to land acquisition and undertook an analysis of the applicability of PS 5 for this Project. The land take process for the Project was based on negotiated settlements with the land owners and Guthi tenants. A partial Government intervention was resorted to by NWEDC for selected cases in which NWEDC was not able to procure land through negotiated settlement, although this was not a full-fledged land expropriation process under law.

To assess if PS 5 is triggered, the process of land purchase, and the role of the government was analysed. The DAO indicated their role was to facilitate land procurement for the Project. A notice was issued by the DAO to land owners who had land ownership disputes within the family and not because of their objections to the selling of land per se. Through the notice, claimants were asked to raise any objection within 21 days of the publication of the notice.

The compensation fixation committee, to ensure credibility and strong basis to the rate offered, decided upon the rates, which was similar to the rate offered to other land losers for the Project. **At the end, the issue of ownership was resolved with facilitation by DAO for 13 land parcels, which also entailed the division of the land parcels.** The DAO office further administered the cheques (the money was submitted by NWEDC) to the identified land owners. The whole process was completed by August 2013. Hence the role of the DAO as a facilitator to ensure closure of the land purchase process was endorsed by NWEDC.

Furthermore, according to the information made available by NWEDC:

- The existing Law of Nepal provides flexibility to the company (Memorandum of Article, and Association of Article) to acquire any assets or property required for the Project.
- NWEDC also indicated that the process followed was not a formal Land Acquisition Act (LAA) process, but a process of facilitating the negotiated settlement between the company and the land owners in case of family disputes over land ownership among some families.
- The intervention of the DAO was required to assure that the process of establishing land ownership and reaching agreements between claimants on the division of the compensation amount was done fairly, amicably and transparently. The administration's involvement also added credibility to the process.

Consultation with the Jan Sarokar Samiti (JSS) found that there was a general support in the community for the Project. Consultations with JSS indicated that the land rates offered to the people was more than people could have expected if they sold land on the open market. People also understand the benefits of the Project access road being developed. Haku Besi currently does not have access to any road (apart from village tracts). However, since then, the Nepal- China Road Project has been initiated, which will also improve the connectivity in the region.

Based on the detailed review of the land procurement process, supported by observations and consultations in the field, discussion with the NWEDC management as well as the DAO, the following reasons were identified for the triggering of PS 5 for the Project:

- **Issuance of Survey License prior to Negotiations:** One of the key reasons for the triggering of the PS 5 is that the survey license for the Project was issued prior to the negotiation process with the land owners. This implied that if people were not ready to sell their land to the Project, alternate options in terms of procuring this land through government led land acquisition process could have been triggered.
- **Community Preference for Land Lease:** Consultations with the community found that the preferred choice of the community was leasing the land to the company and not direct selling of the land in most of the instances. This option was perceived to have provided continued source of income for the private land owners. The option however was not considered by the company owing to the permanent requirement of land for certain structures;
- **Government Involvement:** The asset valuation was undertaken in a manner which replicated the government land acquisition process and was done by the DUBDC office, Nuwakot division. The compensation for asset loss, which was calculated post the deduction of scrap value and the depreciation cost of the asset, was therefore not based on the negotiation per se or on the principle of replacement value.
- **Physical Displacement:** the Project land requirements have resulted in the physical displacement of seven land owners in 2015. This physical displacement resulted from the primary residence of these land owners being located on the land impacted. However, it is understood that most of these land owners had alternative houses located in the Project area which are now being used as the primary residence. In cases where the land owner did not have alternative residence, the same was purchased/ constructed by the affected family with the compensation amount received.
- **Payment of Compensation:** While the compensation in most of the instances was paid in cheque, there were certain land owners who did not accept the compensation amount. In such cases, NWEDC submitted the amount with the DAO office, and the land owners were required to collect the amount from the DAO office.

The LRP was thus prepared in 2015 with the primary objective of meeting the PS 5 requirements. This LALRP has also been formulated in keeping with the requirements of the applicable reference framework, including PS 5.

#### 6.1.4 *Existing Mitigation Measures*

The land lost was compensated at rates higher than the market rate in the area. This compensation amount was determined based on the evaluation report prepared by the Nepal Government's Department of Urban Development and Building Construction, Nuwakot District based Division Office.

The land loss was compensated at rates that were negotiated and which were higher than the market rate in the area (refer to Annex C for further details). NWEDC has already paid land value to land owners and the tenants for land in all the cases where there was evidence of ownership or tenancy. There was no difference in rates paid to owners and tenants and both kind of impacted families received NPR 5 lakhs per *ropani*. According to the information made available during the consultations with the local community in Haku VDC and the Project proponents, it was understood that community accepted this approach. Differential rates were however paid for the land located close to the road in Mailung; the amount paid was NPR 6.5 lakhs per *ropani* for land near to the road, while others received NPR 5 lakhs per *ropani*.

Land for land options was not considered feasible owing to general lack of availability of similar kind of land in the area. More importantly, the community preferred receiving cash compensation as it provided diversified options to the families for income generation and improvement in standards of living which is evident from the choices already made by the PAFs for utilisation of the compensation money.

To facilitate the land transaction the Project also took certain steps:

- Both private land owners and Guthi tenants received a total of 5 lakh NPR per *ropani*; however in case of Guthi land, 10% of the payment amount was paid as advance to facilitate resolving of the tax and tenancy rights related issues associated with the land;
- The payment amount was paid before taking possession of the land to facilitate purchase of alternative land and construction of houses by the land owners;

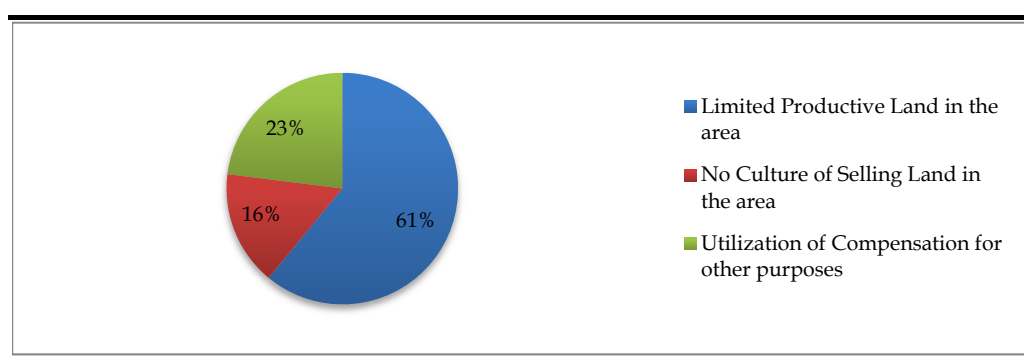
#### 6.1.5 *Residual Impacts and Emerging Issues Post Earthquake*

Some of the issues that have emerged after the land take process and post-earthquake, were summarised below:

- Access to fertile land in the Project area in this region is a challenge. One of the concerns of the PAFs was that the land lost to the Project is in

proximity to the river and was more fertile than any replacement parcels of land that PAF is able to purchase. This is so because these replacement parcels will be located uphill closer to the settlements, and the land parcels located in the valley were mostly unavailable for purchase. To obtain the same crop yield from these less fertile parcels of land, the PAF will be required to undertake cultivation across larger parcels of land or diversify their livelihood for replacing the lost agricultural production. This issue was further accentuated post-earthquake, where most of the land in the Project area has been damaged due to landslides and fissures. This has resulted in the reduction of cultivable land available for purchase and is thus likely to result in an impact on the livelihood of the PAFs. In terms of the land already owned by the PAFs, while most can be repaired for use, the PAFs are unable to afford the cost of the same.

**Figure 6.5** *Reasons for Difficulty in purchasing replacement land*



Source: LRP HH survey, 2015

- From the consultations undertaken with the PAFs it is evident that while they were aware that there will be limited or no replacement land available for cultivation, they still were not averse to giving their land to the Project. This is because the Rasuwa District rates were quite low at that time in comparison to what Project offered and the people saw this as a good opportunity. The compensation has positively increased the income of the families.
- The community is waiting for potential development in the area with the coming of the access road and also employment opportunities with the hydropower development. It is understood that it was this expectation of development benefits along with the compensation rates offered that resulted in the PAFs to agree to give their land to the Project willingly.
- The other issue is to do with the reduction of the benefits through the division of land payment among the families. In cases, where the compensation amount has not seen much division, the conditions of the families have improved in terms of allowing the families to construct/purchase new houses or land in Kathmandu/ Dhunche/ Ramche and meet certain key expenses such as medical expenses, payment of debts and socio-cultural expenses such as marriages as well as allowing for a certain portion of the money to be saved for lean periods. Where compensation was divided, the amount for each family was not enough to make a step change in their incomes.

- Payment amount was seen as income of the family which should be equally divided. In most of the cases however the amount was mostly divided among the male members. In some of the instances, a part of the compensation was also paid to the daughters, who were married in the same community. The parents kept either an equal portion of the land or a very small portion of the complete amount to meet their own needs.
- In the case of Haku Besi and Phoolbari, people despite cultivating the Guthi land, mention lack of ownership/tenancy rights of such land as per the records of the government.
- The land procurement was completed and people with access to ownership rights and supporting documents were paid as per the rates agreed for the project during community consultations and later validated by the compensation fixation committee at the district level. The remaining land was either forest land (including community forest land) or Guthi land (Guthi corporation lands reportedly have 51 % Government ownership) without any leaseholders. In one or two instances, the cultivation was being undertaken without access to leaseholder rights. NWEDC has already paid for the leaseholding rights being transferred in its name. Post the earthquake of 2015, the government has provided extra support to the people residing on the Guthi land to get leaseholder rights, which may have potentially included some people who never claimed such rights before. Presently, there are some other 4-5 claims surrounding land parcels for which NWEDC has already paid the lease amount to either the Forest department or Guthi corporation. NWEDC understands that these issues will need validation by the Government to ascertain the real situation in terms of ownership or lease rights. NWEDC will consider these as grievances and as part of GRM, NWEDC will facilitate the intervention of the administration and the forest department. Based on the government decision on these claims, NWEDC will address these grievances based on the entitlement framework provided in the LRP.
- There is another instance in which one of the PAFs from Gogone had planted trees on government land, which was subsequently impacted by the Project. The loss of trees was not compensated.

#### *Utilization of Compensation Amount Paid*

The patterns in the utilisation of compensation can be seen from the following

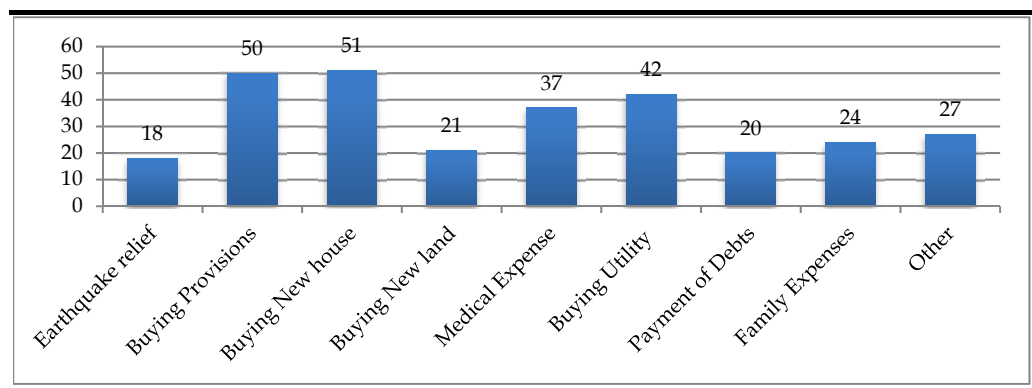
- Sale of land to the company opened up considerable opportunities, especially for some of the families that never had access to such disposable incomes. In cases where the compensation amount was high even after division in the family, lands were purchased in Kathmandu or Dhunche and in most of the cases put on rent partially or fully, thus adding to the family income.
- In some cases, the amount of land lost and consequently the compensation amount was small. Often this amount was further divided among family members, leaving very little for the actual family engaged in cultivation on the land. These households have struggled to put the money to any

effective use, and have instead used the compensation amount to meet the daily household needs and to educate their children.

- Pre-earthquake, most PAFs reported to have saved at least a portion of the compensation amount received. However, post-earthquake, a number of the PAFs used the compensation amount to cope with the earthquake impacts;
- About 33 percent of the PAFs have bought/constructed a new house in the original village with the compensation amount. However, most of these houses were severely damaged by the earthquake.

The following figure provides an understanding of the utilization of the compensation received by the PAFs.

**Figure 6.6 Utilization of Compensation by PAFs**



Source: LALRP HH survey, 2017, based on responses given

### 6.1.6 Additional Mitigation Measures

NWEDC shall take the following additional mitigation measures to reduce the impacts:

- Address the additional claims on Guthi land through the project’s grievance redressal process. NWEDC will consider these as grievances and as part of GRM, NWEDC will facilitate the intervention of the administration and the forest department. Based on the government decision on these claims, NWEDC will address these grievances based on the entitlement framework provided in the LRP;
- Grant preference to the PAFs for direct/indirect Project employment opportunities and livelihood restoration options;
- Identify and provide additional social and livelihood support to especially vulnerable families.
- Provide compensation and help restore the livelihood for the one PAF from Gogone who lost their trees cultivation areas.

## 6.2 LOSS OF STRUCTURE

### 6.2.1 Context

The Project has resulted in an impact on 29 residential and non-residential structures located in the Project footprint area. These 29 structures belonged to 21 PAFs and included houses, sheds, and a water mills. In addition to this, in 2017-2018 the Project procured 7 more structures from residents residing in Mailung for an alternative camp area. The total number of structures thus is 36. The following table presents a summary of the kind of structures impacted by the Project.

**Table 6.4 Summary of Impacted Structures**

Type of Structures	Number of Structures	Number of Structures for whom compensation was paid	Number of Structures for whom compensation is pending
<b>Structures already impacted in 2015</b>			
Residential structures	7 primary residences and 5 seasonal residences. (12 residential structures)	12	0
Partially constructed residences	8	2	6
Cow Shed	8	7	1
Water Mill	1	1	0
Total structures already impacted	29		
<b>Structures impacted in 2017</b>			
Residential structures	7	7	0
Grand Total	36		

As indicated above, the Project resulted in the loss of primary residence for seven PAFs in 2015. These seven PAFs have constructed replacement structures in their villages or on alternative land in Thade and Dhunche from the compensation money. The remaining 13 PAFs already had an alternative house in their villages, which was the primary residence.

NWEDC did recently acquire the seven primary residences (impact on additional 5 PAFs) on the Mailung HEP site, but the earthquake had damaged all of these structures and all of the families had already been displaced at the time of acquisition and were living in IDP camps. Hence the total PAFs impacted by loss of primary residential structure is 12. Since this new land take is on a lease basis for 7 years, there has been no impact on the security of tenure for these owners. Furthermore, the compensation amount paid for these structures is higher than the market value, and is comparable to the prevailing replacement value in the area. Also, these PAFs are eligible for livelihood support and shifting allowance as part of the LALRP entitlements. The LALRP implementation will also regularly monitor any changes in the living conditions of these owners for the duration of the LALRP implementation.

## 6.2.2 Structure Valuation Process

The valuation of structures was undertaken through the Government by the Department of Urban Development & Building Construction (DUDBC) in June 2013. This valuation process was initiated after the negotiations for the land take and during the payment of compensation for the land required.

DUDBC conducted a site visit and measured and photographed the various structures affected by the Project. Structure owners were present in most cases. The valuation amount was determined using the parameters discussed below.

- Earth work and foundation;
- Masonry;
- Roofing (including use of CGI sheet roofing);
- Door frames and door and window shutters; and
- Plaster work.

**Figure 6.7** *Asset Inventory undertaken during LRP Preparation in 2015*



Source: ERM site visit, 2015

DUDBC based the structure valuation on Rasuwa District Unit Rate Schedule (per square foot or cubic meter) for various aspects of the construction mentioned above. The Rate Schedule is annually published and captures the unit rate for:

- Raw materials included in the construction including the transportation cost;
- Labour types including skilled, semi-skilled and skilled workers etc.

DUDBC assessed 22 structures for compensation. NWEDC has paid compensation for 20 of these structures to date, only two seasonal cowshed have not yet been compensated. There were, however, some discrepancies in the payments made for the assets relative to the deduction of a depreciation cost, addition of scrap value, and whether compensation included a 13 percent VAT.

Seven additional structures were subsequently identified that were not assessed by DUDBC. These structures included:

- Two residential structures for which construction was initiated prior to land take discussions, but construction was never completed;
- Four residential structures for which construction started after land take discussions were completed; and
- One cowshed for which construction was initiated prior to land take discussions, but construction was never completed.

In order to develop an understanding of these seven structures, ERM undertook a valuation of the structures using the DUBDC methodology. The ERM survey team recorded the detailed of the structures in the presence of the structure owner. The structures which were not accessible due to the difficult terrain were measured through visual observation, through the use of cameras and hand held video camcorders, in the presence of the structure owners.

### 6.2.3 *Mitigation Measures already Undertaken*

The valuation of the structures located on the private land was undertaken through the Government by the DUBDC, Division Office at Nuwakot. The unit rate for the structures was based on the Rasuwa District rate schedule for various aspects of construction, including raw material and labour used. Based on the information available, it is understood that asset value with depreciation cost, scrap value and VAT is a reflection of the replacement value of the assets at the time of the land take. The compensation amount was paid to the PAFs in 2013-2014 prior to taking possession of the land. This was to allow the PAFs to purchase alternative land/structure or build a new structure in the land remaining prior to the Project taking possession of the land. Refer to Section 6.2.2 for a detailed understanding of the process followed.

### 6.2.4 *Residual Impacts and Emerging Issues Post Earthquake*

Seven structures (6 residential structures and 1 cow shed) were not considered for compensation by NWEDC in 2015 as these structures were incomplete at the time of valuation. Amongst the remaining 22 structures that were considered for compensation, there were the following discrepancies in the evaluation process:

- The compensation amount determined for 10 structures was done after the deduction of the depreciation cost @ 2.5% and scrap value amount @ 10%;
- The compensation amount determined for 12 structures was done without any deduction and inclusive of 13% Value Added Tax (VAT)

Furthermore, payment for 2 of the 22 structures has not yet been made. In summary, replacement value was not provided for the 12 structures compensated.

The 2015 earthquake resulted in an impact on all structures across the AoI. There was possibly partial or complete destruction of the alternative

residential structures used by the PAFs. Most of the PAFs are reported to be living in IDP camps post the earthquake and few have yet to undertake repair activities in their villages.

### 6.2.5 *Additional Mitigation Measures*

NWEDC has committed to the following additional mitigation measures:

- Compensate the 7 uncompensated structures at replacement value, without deduction of depreciation cost and scrap value and inclusive of VAT;
- Provide additional compensation for 10 structures, which were not paid replacement value, for the depreciation cost and scrap value deducted and VAT not paid;
- Compensate the Mailung HEP structure owners at replacement value, without deduction of depreciation cost and scrap value and inclusive of VAT, in consultation with the DAO office and *Jan Sarokar Samiti*.
- Provide shifting support where necessary.

NWEDC has committed to completing the compensation process by end of July 2018.

## 6.3 *IMPACT DUE TO LOSS OF CROPS AND TREES*

This section provides an understanding of the loss of crop and trees on the impacted private and Guthi land.

### 6.3.1 *Context*

#### *Loss of Crops*

Agriculture was one of the key sources of livelihood and sustenance for the community in the Project area pre-earthquake. Most of the crops and vegetables produced on the land were for sustenance and met the needs of the PAFs for a period of 6 to 9 months in a year. For the remaining months the families reported that they purchase the required produce from the local markets.

Most of this land was reported to be partially or completely destroyed due to the earthquake. However, PAFs are optimistic that most of this land can be cleared and repaired with some capital cost.

#### *Loss of Trees*

The trees in the land impacted by the Project ranged from timber trees such as Sal, fruit bearing trees such as Mango and other trees for firewood.

**Table 6.5 Tree loss on the Private and Guthi land parcels**

S. No	Name of Tree	Usage	Number of Trees on Impacted Land parcels
1.	Aaru	Fruit	7
2.	Amala	Fruit	51
3.	Amba	Fruit	8
4.	Ambak	Fruit	7
5.	Amriso	Fodder	5
6.	Anjer	Fruit	4
7.	Bamboo		1 grove
8.	Banana	Fruit	21 groves
9.	Bhauwa		10
10.	Chilaune	Timber	233
11.	Chitwar	Used in making rope	1
12.	Chuletro	Fodder	1
13.	Churi	Fruit/timber	12
14.	Daar	Fodder	75
15.	Dalchini	Spice	3
16.	Dodhela	Fodder	3
17.	Dube	Timber	60
18.	Dune	Fodder	50
19.	Gadu	Fodder	18
20.	Gorkha Mala	Used for religious purposes	1
21.	Jamir (lemon species)	Fruit	1
22.	Kafal	Fruit	126
23.	Kangiyo	Fodder	5
24.	Kapro	Fodder	1
25.	Kayon	Fodder	20
26.	Khanayo	Fruit	70
27.	Kimbu	Fodder	36
28.	Kniu	Fodder	3
29.	Koirala	fodder & vegetable	5
30.	Kutmeru	Timber/Fodder	1
31.	Lakuri	Medicinal	1
32.	Lemon	Fruit	3
33.	Mahua	Fruit	16
34.	Mango	Fruit	3
35.	Nigalu (bamboo kind)	Fodder	3
36.	Orange	Fruit	3
37.	Peepal	Timber	1
38.	Sahajh		2
39.	Sal	Timber	1018
40.	Seemal		19
41.	Sette	Timber/Firewood	17
42.	Tanki	Fodder	26
43.	Tune	Timber	1
44.	Turi	Fodder	1
45.	Uttis	Timber	618
46.	White Ciris	Timber/fodder/ fire wood	4
47.	Yellow Wood	Timber / fire wood	1

Source: ERM site visit, 2015 based on responses given

The Project's land take is estimated to impact approximately 2,554 trees/saplings of 21 PAFs. Some of the trees affected on the private land

belonging to the PAFs from Gogone, Tiru and Mailung were damaged due to the road construction activities, while the few remaining ones were destroyed by the earthquake. In case of Guthi land, most of the trees were destroyed by the earthquake. In total, 21 PAFs reported to have trees on their land

*To the extent possible, an attempt was made to document the loss of trees due to the Project activities and their value in 2015. However, in certain cases, these parcels were inaccessible or already affected; in such cases the assessment of the number of trees lost was based on the recall value, further corroborated with the community members and NWEDC, wherever possible.*

### 6.3.2 **Crop and Tree Valuation**

The 20 sale deeds for private land do not explicitly include the structures, crops and trees impacted by the land take. On the other hand, the agreement for the transfer of the 18 Guthi land tenancy rights does explicitly include the curtilage, crops, and permanent and temporary structures. ERM's consultations with the community, however, found that the community was not aware about the methodology on how the rates were derived and if the crops and trees were included in the compensation. The community representatives stated that NWEDC had indicated the land owners could harvest the standing crops.

NWEDC indicates that for most of the land owners, the compensation for the land included the crops and trees; structures were valued and compensated separately. The relatively high compensation rate provided by NWEDC indicates that crop and tree compensation was included.

ERM had the following observations in 2015:

- During the valuation process undertaken by NWEDC, no valuation of the crops or parcel specific land use documentation was undertaken;
- The private land owners reported to not being aware of the compensation amount including the crop and tree compensation.

ERM, as part of the assessment, undertook a land use profile of the impacted land and developed an understanding of the cultivation in the area. The current land use profile of the acquired land parcels were established through walk through of the site and in cases of inaccessible areas, through visual observations using cameras and hand held camcorders. In this process, it was observed that most of the land impacted, which is presently not physically occupied yet by the Project, was either under cultivation or had been cultivated in the preceding years. Most of the households reporting present cultivation on the land were from the Tole Haku Besi and Phoolbari. However, this land may have been damaged by the earthquake.

### 6.3.3

#### *Existing Mitigation Measures*

##### *Crop loss*

As part of the sale/lease agreement with the land owners it was agreed that they would be allowed to harvest standing crop at the time of the land take.

- As the land owners were allowed to harvest the standing crops, no additional crop compensation was provided for the same.
- As the land prices was negotiated it is assumed that the rate covered the longer term livelihood loss from cultivation. In any case the opportunity given to harvest the standing crops mitigated the loss to a great extent for the said year.

##### *Tree loss*

NWEDC team communicated that the land sale agreement included any loss of trees which may be standing on the land at the time of purchase. The land owners were also allowed to cut the trees and take the timber post the sale of the land.

### 6.3.4

#### *Residual Impacts and Emerging Issues Post Earthquake*

##### *Crop loss*

The crop loss was already captured in the compensation amount paid for the land. In some cases, especially in Haku Besi and Phoolbari, some of the HHs even after receiving the payment of the land continued to grow the crops; they are aware that no compensation would be provided for the same as the PAFs were asked to not plant any new crops on the land after the payment of compensation. However, most of the crops were damaged due to the earthquake even before the Project allowed the harvest of the standing crop. Furthermore, the transition loss, while preparing a similar land for cultivation and getting crops from it, has not been accounted for presently.

##### *Tree Loss*

- During the consultations with the land owners, it was reported that the local community did not have a clear understanding of the tree loss being included in the compensation amount as per the agreement. While the agreement with the Guthi land tenants and Swyambhuguthi clearly states that the land value includes the loss of trees, there is no such clause in the private land agreements;
- Furthermore, it was reported that the land owners were not aware of the provision of cutting the trees and taking the timber as part of the sale agreement.

### 6.3.5 *Additional Mitigation Measures*

#### *Crop loss*

NWEDC has committed to the following additional mitigation measures:

- Alternate livelihood options/ skill trainings will be provided for the PAFs, for those who do not wish to return to their original village and undertake agriculture;
- Agricultural training or support will be provided for those PAFs who wish to return to their original village and undertake agriculture;
- Transition allowance will be provided to each PAF, aimed at providing support to the families while they develop other skill sets/ livelihood options as identified in the LALRP. The transition allowance for the PAFs has been calculated on the basis of the minimum wage applicable in the Rasuwa District for skilled workmen. This transition cost is to be paid for the duration of the training plus six months during which time the PAFs are expected to be able to re-establish their cultivation cycle or establish an alternative source of livelihood based on the livelihood restoration support identified in *Section 7*

#### *Tree Loss*

Compensation will be provided for the tree loss at replacement value. The Project will also consider providing sampling of similar tree species to the PAFs for planting in their land plots. The compensation requirement especially for the tree will be paid through an escrow amount dedicated for the Project. As part of the LRP development in 2015, ERM undertook an assessment of the trees impacted and the compensation amount to be paid for the same. This shall be discussed and agreed with the PAFs. The compensations for the tree losses are proposed to be closed by end of July 2018

## 6.4 *IMPACT ON USE OF COMMUNITY FOREST*

### 6.4.1 *Context*

The Project activities are expected to impact 78.6 ha of Community Forest. This forestland belongs to the Dhunche and Haku VDCs and is under the supervision of five CFUG.

**Table 6.6** *Community Forest Affected by the Project*

SN	Name of community forest	Present Status of CFUG after reorganisation	Location ( User Groups)	Total area (ha)	Impacted Area (ha)	% of Area Impacted	CFUG members	Number of trees/ seedlings to be cut
1	Daksin Kalika	Daksin Kalika	Haku-8,9	373.92	17.25	4.61	175	330
2	Dharnasila Kanya	Dharnasila Kanya	Haku-9	126.86	24.57	19.37	60	736
3	Bratar	Bratar	Haku-7	14.22	0.99	6.96	45	105

SN	Name of community forest	Present Status of CFUG after reorganisation	Location ( User Groups)	Total area (ha)	Impacted Area (ha)	% of Area Impacted	CFUG members	Number of trees/ seedlings to be cut
4	Lumbudanda	Lumbudanda	Haku-7	NA	9.85	NA	34	138
5	Labingpakha Tutudanda	Larbangpakha	Haku-3 Haku-3	206.36	23.96	11.61	108	308
	<b>Total</b>			NA	76.62	NA	422	1617 trees/2239 seedlings (total 3856)

Source: NWEDC, 2015

Consultation with the *Ilaka* (sub-district) Forest official found that the quality of forest in the Project area was quite poor, and that NTFP species with high market potential were limited and restricted to primarily the upper regions of the mountains. Grazing land was not adequate in the forest. The dependence on the Community Forest in the Project area in the pre-earthquake scenario can thus be summarised as follows:

- The community used these forests primarily for the purpose of collection of timber for construction purposes, firewood, NTFP collection such as honey, collection of wild fruits, herbs and mushrooms, medicinal Plants and grass for rope and fodder. While the timber, firewood and medicinal Plants were for self-consumption, the NTFPs and food products were collected for both self-consumption as well as sale, thereby providing an additional source of income for the households.
- The individual dependence on the Community Forests was reported to be negligible while at a community level, there was some dependence for the collection of timber and NTFPs. The individual dependence was reported to be negligible due to the location and poor quality of the forest to be impacted;

Furthermore, as the impacted land was in the low regions; which are considered poor in terms of productivity and value of species, the overall impact from the loss of Community Forest was reported to be minor.

#### *Community Forest Lease Process*

The process of land take of community forest was led by the Rasuwa District Forest Office (DFO). The forestland required for the Project, though owned by the government, is in reality managed and protected by five CFUGs, representing 422 families. The forestland lease is likely to result in impacts such as the loss of access to forest resources (e.g. firewood, fodder, timber, food, medicine) and the cutting of 3,856 trees.

Upon receiving the application for the forestland, the DFO called for a general assembly of each affected CFUG. As part of these meetings, an understanding of the land requirements and its potential impacts was provided to the committee members and recommendations were sought from the members in regards to the process of land take to be adopted. Based on the feedback from these meetings, the DFO presented a report to the Nepal Ministry of Forest,

which then was forwarded it to the Council of Ministers for its review and approval of the lease agreement. After the payment of the lease fee by NWEDC, the DFO signed the lease agreement. The detailed process followed for the Community Forest acquisition is described in more detail in *Annex C*

#### *Participation of the Community Forest Committees and its Members*

The DFO met with four of the CFUG or Community Forest Committees (*Dakshin Kalika, Lumba Tanda, Dharna Shila Kanya Devi, and Haku besi*) in December 2014 and February 2015.

**Figure 6.8** *Consultations with Community Forest User Group*



Source: ERM site visit, 2015

The community was consulted on two occasions during the land take process for the community forest land. The first consultation was undertaken during the initial stages of land identification and tree demarcation, the second consultations were held before the cutting of the trees. As part of these meetings, it was agreed that a tree cutting cost of NR 600 per tree would be paid through the hiring of local labour. Also, the logs of the cut trees were to be stockpiled, and after evaluation by the DFO, handed over to the CFUG for selling at agreed rate to potential buyers. These buyers have till now either been the community or the contractors hired by the CFUG. The money is not to be shared with the DFO; however, the accounts of the committee are checked by the DFO from time to time.

Furthermore, the CFUG raised concerns about potential impacts to other trees outside the lease area during the access road construction. There is a provision under the lease agreement between Forest Department and NWEDC for the compensation for any trees impacted outside the lease area.

#### **Box 6.1** *Certain Key Terms and Conditions of the Forestland Lease*

Some of the key terms and conditions of the land lease with the Department of Forest are as follows:

- The Project shall as a compensation effect plantation of various species of sapling suitable to the local environment in a place as specified by the DFO on a total land of 82 ha inclusive of 76.62 ha of forestland to be used by the Project and 5 ha equivalent to the number of plants at the ration of 1: 2 for 3,856 trees and plants and handed over to the concerned

Forest Office subsequent to raising them for 5 years as per the Availing of Forest Land for Other Purpose Procedure, 2063.

- The Project to procure a private first class land adjacent to the national forest of the Rasuwa District equivalent to 1.4 ha of land within the Community Forest area out of the total area to be occupied by the physical infrastructure of the Project (4.01) shall be purchased and the title thereof shall be transferred in the name of the Government of Nepal within one year from the date of issues of Electricity Generation License and shall effect plantation therein and handover the same to the concerned Rasuwa District Forest Office (DFO) subsequent to the rearing up of plants for 5 years.
- 1617 No. of trees and 2239 plants identified in the record as requiring removal for the Project by the DFO shall be removed by the Project with the consent and order of the DFO. Such trees shall be fallen and stalked in the area as specified by the DFO at the cost of the Project and handed over to the concerned CFUG through the DFO for the management thereof. The trees and plants other than those shall be of Government of Nepal and these plants shall be conserved.
- The trees to be fallen from the Community Forest shall be earmarked by the DFO within the quantity of annual approved removal capacity as specified in the approved action plan of the concerned CFUG to the extent possible and managed for cause to be managed accordingly
- In the case of any loss or damage out of the forest area made available in the course of construction of the infrastructure or any other construction works, the maintenance, reconstruction and repair thereof shall be carried out by the Project itself. In case of loss or damages to trees and plants, an action shall be taken as per the monitoring report of the DFO in accordance with Forest Act and Rules

Source: Land Lease Agreement between Department of Forest, Babar Mahal and NWEDC, Kathmandu

NWEDC has also agreed to provide funding to the CFUGs to monitor and protect their forests during construction.

#### Summary of the Process Followed for Community Forest

The following key observations have been made by ERM:

- There were no informal settlers rights or disputes identified on the government land required for the Project and this was confirmed during consultations;
- The valuation of the tree was undertaken by the DFO in course of the survey exercise.
- The CFUG committees were a part of the tree identification and marking done by the DFO;
- The DFO maintains records of trees, with photographs before and after cutting of the tree, for validation purposes;
- The CFUG member representatives informed that initially they did not agree with the tree cutting. However, after an understanding of the potential income to be generated from the tree cutting and with the assurance from the DFO that trees will be replanted, the community agreed for the cutting of the trees in the lease area;
- Project construction, especially of the access road, should significantly increase the CFUG revenue from compensation for cutting of trees and selling of the timber. In 2015, almost 1,200 trees were cut mostly to enable the construction of the access road.
- It should be noted, however, that a substantial portion of the Community Forests is reported to have been damaged due to landslides from

earthquake. The exact extent of damage to the forest has not yet been accessed.

#### 6.4.2 Existing Mitigation Measures

The DFO authorized the removal of 3,856 trees and seedlings in Community Forests by the Project. The process of removal of trees/seedlings is discussed below:

- The trees identified shall be felled and stalked in the area as specified by the DFO and handed over to the concerned CFUG through the DFO for the management thereof. The CFUGs may then undertake the sale of the trees and seedlings cut as they view appropriate;
- In addition to handing over the fell trees/seedlings to the CFUGs, the Project has also provided monetary compensation for the trees/seedlings lost. This additional compensation has been paid to the CFUGs to support the Community Forests.

The following table provides an understanding of the compensation amount paid to the CFUGs.

**Table 6.7 Cash Compensation paid to CFUG**

Description	Quantity	Amount	Remarks
<b>Dakshin Kali Community Forest Group / 1st Group</b>			
Sal Tree	638 CFT	1,91,400	
Pine Tree	889.5 CFT	1,33,425	
Others	1008CFT	75,600	
Fire Wood	2112.91 CFT	33,806	4.22 Chatta <sup>1</sup>
Total	4648.41 CFT	4,34,231	
<b>Darnashila Community Forest Group / 2nd Group</b>			
Sal Tree	507 CFT	1,52,100	
Pine Tree	61.27	9,191	
Others	2623.99CFT	1,96,799	
Fire Wood	3249.73 CFT	51,995	6.49 Chatta
Total	6441.99 CFT	4,10,085	
<b>Lumbu Danda / 3rd Group</b>			
Sal Tree	0	0	
Pine Tree	10.5	1,575	
Others	879.5	65,963	
Fire Wood	1,105	17,680	2.21 Chatta
Total	1995	85,218	

Source: NWEDC, 2015

This cash compensation amount is reported to be higher than that agreed with the CFUGs.

<sup>1</sup> In Nepal, fuel wood is measured in Chatta; its dimension is 20' x5' x5'. A stack of 5' x5' x5' is called quarter chatta.

Despite the existing mitigation measures in place, the following concerns were highlighted during the community consultations:

- A number of trees in the community forest area outside the lease area of the road were impacted due to the construction activities and the debris from the blasting and excavation being dumped downslope, for which compensation was not provided to the user groups. The CFUG maintains that the permission from the user groups was taken only for the trees falling within the ROW for the road and there are grievances that the extra trees damaged owing to the construction of the access road were not compensated. Furthermore, big boulders and rubble material from road construction and blasting had affected certain sections of the community forest, which CFUGs maintain has not been considered for compensation. Consultations with Lumbu danda CFUG found that more than 5 complaints were made to the Ilaka officer and the Project (both officially and unofficially), and the Ilaka officer had finally agreed to inspect the Community Forest areas being affected by the access road construction (somewhere in the last week of February 2015).

While lease area for the access road is 30-meters-wide, but the way the lease area is measured in hilly terrain remains a matter of concern for the community. Consultations with local communities indicated that if the lease area is measured horizontally, in the hilly terrain, the vertical slope affected could be anywhere between 60 to 120 meters in distance. CFUG representatives contend this has resulted in the loss of more trees than originally understood.

- The firewood for the construction labour camps was being sourced in 2015 from the surrounding Community Forest, for which the CFUGs have not been compensated. NWEDC indicates that the contract agreements require the sub-contractor to provide cooking fuel for the labourers.

**Figure 6.9** *Firewood sourced from the Community Forest for the Labour Camp*



Source: ERM site visit, 2015

- The Gorkha earthquake and subsequent landslides resulted in extensive damage to the Community Forest area. Since the earthquake occurred before the inspection by the Ilaka officer on the complaints could be

completed, there is no clarity on the additional trees that were actually impacted by the Project activities;

- In the post-earthquake scenario, a re-assessment is required of the number of trees to be impacted by the Project
- Also, the overall dependence on the Community Forest by the local community has reduced in the post-earthquake scenario and since the community moved to reside in the IDP camps, which does not allow them to access the Community Forest area regularly. The dependence on Community Forest land may increase once the local community starts moving back to the original villages. However, the timeline for the same cannot be determined presently.

#### 6.4.4 *Additional Mitigation Measures*

NWEDC has committed to the following additional mitigation measures:

- Provide compensation for any trees damaged by construction activities outside the lease area, including those impacted by debris from road construction and by sourcing of firewood by labourers etc. This compensation shall be undertaken in keeping with the provisions of the forest lease agreement signed between NWEDC and the DFO, which states that, *“In the case of any loss or damage out of the forest area made available in the course of construction of the infrastructure or any other construction works, the maintenance, reconstruction and repair thereof shall be carried out by the Project itself. In case of loss or damages to trees and Plants, an action shall be taken as per the monitoring report of the DFO in accordance with Forest Act and Rules”*. This payment of compensation will be undertaken on a regular basis, in a timeline agreed upon with the CFUGs. For identifying the number of trees already impacted outside the lease area by the project (and not the earthquake), NWEDC shall undertake consultations with the CFUG members and DFO. As part of these meetings, through a negotiation process (similar to that followed at the time of the lease) an agreement should be arrived at in terms of the number of trees additionally impacted (outside lease area) by the project and the compensation for the same. The compensation rates shall be consistent with the present DoF rates;
- Prohibit firewood collection by the construction workers and ensure there is provision of alternate fuels for cooking and heating;
- Adopt, provide training in, and implement a Worker Code of Conduct that clearly informs construction workers to avoid damaging the Community Forests;
- Conduct training and capacity building of the CFUGs for rejuvenation and management of community forest area;
- Provide financial support to the CFUG in managing and protecting the Community Forests;
- Establish a Grievance Mechanism to ensure any CFUG concerns are quickly identified and addressed through grievance process of the Project; and
- Provide compensation and help restore the livelihood for the one PAF who lost their trees cultivation areas.

## 6.5 *IMPACT ON NATURAL RESOURCES*

### 6.5.1 *Context*

The Project will result in the loss for forest used for non-timber forest products and will reduce flow in the 11.84 km long diversion segment between the dam and the powerhouse. Water from this river segment was used during the dry season for drinking water, household uses such as clothes washing, and watering cattle. Proposed environmental flows would still be sufficient to support these uses. This segment of the Trishuli River was also used for the following purposes:

- Fishing – about 13 families reported sustenance or recreational fishing in the river, but do not rely solely on fish for sustenance or income. The proposed environmental flows will still support fish use of and migration through the diversion segment.
- Irrigation – one water intake has been used to irrigate a small area supporting four families. Monsoon flows will continue to be spilled at the dam site and flow down the diversion segment.
- Cremation – during stakeholder consultation, one cremation site previously used by the Dalits was identified on the west bank of the Trishuli River along the diversion reach, but it is understood to not have been used in many years and other sites further downstream are now preferred.

### 6.5.2 *Existing Mitigation Measures*

No mitigation measures were identified for the loss of natural resources

### 6.5.3 *Residual Impacts and Emerging Issues Post Earthquake*

Since the earthquake, however, most families have left the area and their use or dependence on natural resources along the diversion segment has been at least temporarily reduced to almost negligible. The only usage of natural resources is reported by members of the household who have returned to their original settlements for a temporary or permanent duration. Those living in the IDP camps have replaced the resources they used previously with LPG, solar lighting, and modern medicines. Furthermore, none of the PAFs surveyed reported any fishing activities. It should be noted, however, that this is likely to be a temporary situation and fishing activities may resume once the local community returns to their native villages

### 6.5.4 *Additional Mitigation Measures*

Since none of the PAFs reported fishing for recreation or livelihood purposes, or other dependence on natural resources, no additional mitigation measure have been identified. If any claims emerge in the future, they will be dealt with through the Project's GRM. Any impacts thus identified will be compensated through principles of replacement cost and will be commensurate to the magnitude of impacts. NWEDC will also conduct a

rapid survey of the Project area to confirm fishing activity and livelihood dependence at least three months prior to start to construction. This survey shall include a profiling of the settlements and households dependent upon the river stretch in the AoI (especially the dewatered zone) for fishing purposes. Once these settlements and groups are identified, FGDs shall be undertaken with these communities, along the dependence on fishing activities for livelihood purposes and the overall livelihood profile. Key data parameters included in the FGDs:

- Typology of fishing grounds and their location;
- Income from fishing and associated activities;
- Ownership and governance of fisheries resources;
- Fish species, catch and trends;
- Seasonality of fishing activities, months of peak and low fishing;
- Seasonal variation in species, productivity, etc.
- Fishing techniques;
- Equipment and inputs, including ownership, availability;
- Associated fishing activities (canoe/boat building and repair, net and fish trap manufacture, transport, marketing, etc);
- Fish catch or income from fishing activities based on studies and assessment (quantitative, where possible);
- Relative contribution to household income and welfare.

This data shall be used to develop a profile of the fishing and related activities in the area. Some of this data is available from the previous assessments undertaken for this project, this data shall be verified and updated as required.

## 6.6

### *IMPACT DUE TO CREATION OF EMPLOYMENT OPPORTUNITY*

A potential positive impact from the Project is expected to be in terms of the livelihood opportunities to be created by the Project. These livelihood opportunities are expected to be in the form of jobs for unskilled, semi-skilled and skilled labour, petty contracts direct employment opportunities and creation of market/ indirect benefits for small businesses. Another positive impact will be the opening up of access to Mailung, Dhunche and cities such as Kathmandu, through the construction of the access road. In order to maximize on these positive impacts/benefits, the Project will develop the following management plans as committed in the PDA:

- Local Benefit Sharing Plan;
- Employment and Skill Training Plan; and
- Industrial Benefit Sharing Plan.

The Plans are being prepared and finalized by NWEDC, in consultation with the government. Since, most of these employment opportunities will be created at the contractor level, the bidding documents for the contractors will

have to include provisions to ensure that the requirements of these Plans are met.

## **6.7 GAPS AGAINST WBG PS 5 AND ADB REQUIREMENTS**

Based on the understanding of the scope of the land take requirement of the Project, land take process and asset valuation process followed for the Project, a gap assessment was undertaken of the Project against the WBG PS requirements and relevant ADB requirements. This gap assessment in 2015 summarised what has already been done, and what remained to be done to close the remaining gaps. The summary of the gap assessment thus undertaken is provided in this section. On the basis of this, assessment, the requirement and scope of the LALRP has been defined.

**Table 6.8** *Gap Assessment against Applicable Reference Framework*

S. Applicable Reference Framework	Key Gaps and Status	Gap Closure Measures
<p>1. IFC PS 5: The project will consider feasible alternative project designs to avoid or at least minimize physical or economic displacement, while balancing environmental, social, and financial costs and benefits, paying particular attention to impacts on the poor and vulnerable.</p> <p>ADB SPS: Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks.</p> <p>AiIB: Determine the required scope of Involuntary Resettlement planning, through a survey of land and assets, a full census of persons to be displaced, and an evaluation of socioeconomic conditions specifically related to Involuntary Resettlement risks and impacts. This establishes baseline information on assets, productive resources and status of livelihoods. Include consideration of customary rights, collective or communal forms of land tenure. Take gender into account in conducting the above.</p>	<ul style="list-style-type: none"> <li>As part of the land take process, the project identified the private land parcels and Guthi land parcels to be impacted by the land take. The project made efforts to minimize the land take and its potential impacts, while also keeping in mind the environmental impacts and financial costs to the project. This was done through design rationalisation as well as a verification of the government records and consultations with local key informants and the government departments</li> <li>Upon the completion of the land finalization and market assessment, NWEDC initiated the process of negotiations with the land owners through its land team. This process included meetings with the land owners, which was initiated in 2012. The consultation were undertaken at a community level though in some cases, NWEDC conducted the meetings at an individual household level also;</li> <li>As part of the regulatory EIA and ESIA process identified the total number of land owners and tenants to be impacted by the project;</li> </ul>	<p>A Census survey of all the PAFs impacted by land and structure loss was undertaken in 2015. This provided the baseline for the LRP development.</p> <p>A Gender Action Plan and SEP has been prepared as part of the LRP in 2015, and further updated in the present SIMF.</p>
<p>2. ADB: Carry out meaningful consultations with affected persons, host communities, and concerned nongovernment organizations. Inform all displaced persons of their entitlements and resettlement options.</p> <p>AiIB: Carry out meaningful consultations with persons to be displaced by the Project, host communities and nongovernmental organizations, and facilitate their informed participation in the consultations. Consult with all persons to be displaced on their rights within the resettlement process, entitlements and resettlement options, and further participation process. Ensure their involvement in planning, implementation,</p>	<p>A gender analysis was not done as a part of these assessments</p> <p>Stakeholder engagement was undertaken during ESIA process and as part of land negotiation (refer to SEP and Section 5 for further details).</p> <p>However these were not considered adequate and inclusive.</p>	<p>A Grievance Redressal Mechanism and Stakeholder Engagement Plan has been developed for the project.</p> <p>The project is presently in the process of disclosing the SIMF and ESMMP for the project to the local community and undertaking the FPIC process with the IP population</p>

5. Applicable Reference Framework	Key Gaps and Status	Gap Closure Measures
<p>monitoring and evaluation of the resettlement plan. Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, Indigenous Peoples and those without legal title to land, and ensure their participation in consultations.</p>		
<p>3. ADB: Establish a grievance redress mechanism to receive and facilitate resolution of the affected persons' concerns.</p> <p>AIIB: Establish a suitable grievance redress mechanism to receive and facilitate resolution of the concerns of persons displaced by the Project and inform them of its availability.</p>	<p>At the time of LRP development in 2015, the project did not have any Grievance Redressal Mechanism in place.</p>	<p>a Grievance Redressal Mechanism and Stakeholder Engagement Plan was developed for the project in 2015, and has been subsequently updated as part of the present SIMF</p>
<p>4. ADB: Improve, or at least restore, the livelihoods of all displaced persons Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards.</p> <p>AIIB: Improve the standards of living of the poor and other vulnerable groups displaced by the Project, including women, children and persons with disabilities, to at least national minimum standards, including access to social protection systems.</p>	<p>The EIA and ESIA undertook an analysis of the impacts from this land take, and identified entitlements and mitigation measures for the same.</p> <p>Vulnerable households were not identified during the survey process There was no livelihood development plan in place.</p>	<p>The LRP was developed in 2015 and updated in 2017. This LRP provides a detailed understanding of the land requirement for the project, the land acquisition process followed, the number of impacted land owners and groups, present status of the same and identifies entitlements for the mitigation of the impacts identified</p> <p>Additional entitlement or support for vulnerable PAFs has been included</p>
<p>5. IFC PS 5: In the case of physical displacement, the client will develop a Resettlement Action Plan that covers, at a minimum, the applicable requirements of this Performance Standard regardless of the number of people affected.</p> <p>ADB SPS: Prepare a resettlement plan elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.</p> <p>AIIB: Prepare a resettlement plan elaborating on displaced persons'</p>	<p>Refer to Point 4</p>	<p>Refer to Point 4</p>

S. Applicable Reference Framework	Key Gaps and Status	Gap Closure Measures
<p>entitlements, income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget and time-bound implementation schedule.</p> <p>Ensure that the resettlement plan or RPF is proportional to the extent and degree of the impacts. The degree of impacts is determined by: (a) the scope of physical and economic displacement; and (b) the vulnerability of the persons to be displaced by the Project.</p> <p>6. ADB: Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, before project appraisal, in an accessible place and a form and language(s) understandable to affected persons and other stakeholders.</p> <p>AIIB: Involve affected persons in consultation on the resettlement plan and disclose the draft resettlement documentation</p>	<p>The regulatory EIA for the project discussed issues pertaining to physical and economic resettlement.</p> <p>However, no specific Resettlement Action Plan was prepared for the project at the time</p>	<p>The LRP was developed in 2015 and updated in 2017.. The project is presently in the process of disclosing the draft LALRP to the local community. Based on the feedback of the local community the LALRP will be further updated and finalized. The disclosure is being undertaken in local Nepali and Tamang language and an FPIC process is also being undertaken in parallel . Refer to SEP and IPP for further details on disclosure process</p>

S. Applicable Reference Framework	Key Gaps and Status	Gap Closure Measures
<p>7. IFC PS 5: Compensation and benefits for Displaced persons:</p> <p>Client to provide unavoidable displaced PAPs with compensation for loss of assets at full replacement cost to help them restore their standards of living or livelihoods; Where livelihood is land-based or collectively owned, the client will offer land-based compensation where feasible; The client will provide opportunities to PAPs to derive appropriate development benefits from the project.</p> <p>In the case of projects involving economic displacement only, the client will identify and describe the measures that the responsible government agency plans to use to compensate Affected Communities and persons. If these measures do not meet the relevant requirements of this Performance Standard, the client will develop an Environmental and Social Action Plan to complement government action. This may include additional compensation for lost assets, and additional efforts to restore lost livelihoods where applicable.</p> <p>ADB SPS: Provide physically and economically displaced persons with needed assistance, including the following: (i) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (ii) civic infrastructure and community services, as required.</p> <p>AIIB: Provide persons displaced by the Project with needed assistance, including security of tenure (with tenure rights that are as strong as the rights the displaced persons had to the land or assets from which they have been displaced), relocation land (and assets, as applicable), proper housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, transitional support and development assistance, such as land development, credit facilities, training or employment opportunities; and civic infrastructure and community services, as required.</p>	<p>The land process and payment of compensation for the land and assets was completed in 2014. This included compensation for land, assets, trees and crops impacted on private land, Guthi land and CFUG land.</p> <p>However, certain gaps were identified in the compensation paid in keeping with the applicable standards. Refer to Section 6 for further details on the gaps identified</p>	<p>As part of the LRP specific measures and entitlements were identified to retrospectively close the gaps identified. These have been updated in the present LALRP in keeping with the present context and status. Refer to Section 6 for an understanding of the mitigation measures put in place.</p>

S. Applicable Reference Framework	Key Gaps and Status	Gap Closure Measures
<p>8. ADB: Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.</p> <p>AIIB: Ensure that persons displaced by the Project who are without title to land or any recognizable legal rights to land, are eligible for, and receive, resettlement assistance and compensation for loss of non-land assets, in accordance with cut-off dates established in the resettlement plan.</p>	<p>The land procurement was completed and people with access to ownership rights and supporting documents were paid. In one or two instances the cultivation was being undertaken in the remaining land parcels without access to leaseholder rights. Presently, there are some other 4-5 claims surrounding the land parcels for which NWEDC understands that, it has already paid the lease amount to either the Forest department or Guthi corporation.</p>	<p>NWEDC will consider these as grievances and as part of GRM, NWEDC will facilitate the intervention of the administration and the forest department. Based on the government decision on these claims, NWEDC will address these grievances based on the entitlement framework provided in the LRP.</p>
<p>9. ADB: Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation.</p> <p>AIIB: Pay compensation and provide other resettlement entitlements before any physical or economic displacement under the Project Closely supervise implementation of the resettlement plan throughout Project implementation</p>	<p>The compensation amount was paid to the tenants and land owners with land titles and tenancy certificates prior to taking possession of the land in 2013. Refer to Section 6 for further details on compensation payment process.</p>	<p>Section 6.1.5 provides an understanding of the process of resolving these claims</p> <p>The LALRP puts in place a detailed process of implementation of the livelihood restoration entitlements. Refer to Section 7 and 8 for further details</p>
<p>10. ADB: Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports.</p> <p>AIIB: Using suitably qualified and experienced experts, monitor and assess resettlement outcomes under the Project, their impacts on the standards of living of displaced persons and whether the objectives of the resettlement plan have been achieved, by taking into account the baseline conditions and the results of resettlement monitoring.</p>	<p>The EIA for the project identified impacts pertaining to physical and economic displacement.</p> <p>However, no monitoring requirement or provisions were put in place as part of the EMP.</p>	<p>A monitoring process has been put in place as part of the LALRP. Refer to Section 9.2 for further details</p>
<p>11. WBG PS: Forced evictions will not be carried out except in accordance with law and the requirements of this Performance Standard 5.</p>	<p>No forced evictions were carried out for the project</p>	<p>No significant gap</p>

This section frames the entitlement for the Project affected families and covers the additional mitigation measures agreed to by NWEDC and described in the previous chapter. These entitlements have been defined in keeping with the LRP formulated in 2015 and the changes that have occurred in the socio-economic baseline of the AoI and the profile of the PAFs since then.

## 7.1

### CONTEXT

Livelihood restoration measures are required to mitigate adverse project impacts on affected communities (i.e., to mitigate economic displacement caused by Project-related acquisition of arable land and associated loss of access to natural resources). The selection of appropriate livelihood restoration strategies has, however, been greatly complicated by the effects of the 2015 earthquake, which devastated PAFs' homes, lands, and access to resources, forcing many of them into temporary IDP camps, and completely interrupting their livelihoods. Nearly all of the PAFs are in flux and uncertain about their future plans, with many still living in IDP camps three years after the earthquake. In this context, it is difficult to separate livelihood restoration needs associated with Project impacts (for which the project is responsible) with similar larger scale relief needs associated with earthquake impacts (for which the Government is responsible).

Project discussions with PAFs on the topic of livelihood restoration have spanned the pre-earthquake and post-earthquake scenarios: the most recent surveys and discussions occurred in 2017, while the bulk of PAFs were still resident in multiple IDP camps and prospects for re-establishing housing and agriculture in the project area were very uncertain. Some of the families want to return to their home villages, others seem to prefer being closer to some of the larger towns and the more diverse economic opportunities they offer, and still others are afraid to return to their villages for fear of more earthquakes, but also do not have the skills to be marketable in the larger towns.

In this context, a "one size fits all approach" is not appropriate. This *Consultation Draft Livelihood Restoration Plan* takes a more flexible approach, focusing on helping the PAFs address their basic need of constructing safe housing, while presenting a range of stable livelihood options. As Government reconstruction grants have started to flow, some of PAFs have begun to return to the Project area to rebuild their houses and cultivate their land. This suggests that Project-related livelihood restoration options should focus on gaining access to arable land (either in their original villages or elsewhere), in order to achieve long term rehabilitation.

Recognizing that the situation on the ground is still evolving, the Project plans to continue engaging with PAFs through the forthcoming FPIC process to

determine optimal livelihood restoration strategies - and associated PAF priorities - in the post-earthquake context. NWEDC will update the LALRP to reflect these preferred strategies and options.

Some of the critical aspects to be kept in mind for the formulation and implementation of the LALRP are discussed in the subsequent sub sections. This context has in turn informed the identification of specific entitlements and the implementation mechanism.

### **7.1.1 *Present Residence and Associated Vulnerabilities***

- While UT-1 has supported the PAFs in the earthquake relief efforts, the PAFs are still in a state of flux and uncertainty, with lack of clarity on the permanent residence and their inability to find steady sources of income to meet their livelihood needs.
- In their current places of residence, it has been reported that though the income of PAFs has increased in certain cases, their expenditure has increased by a much greater proportion.

### **7.1.2 *Project Compensation Money and Impact on Livelihood***

- PAFs from Haku Besi and Phoolbari, received higher compensation amounts as they had on an average larger parcels of land. This enabled them to have greater flexibility of utilising it for purchasing land, investing in purchase of trucks or setting up small business enterprises.
- A few PAFs from Haku Besi and Phoolbari bought land near Dhunche to set up their own small enterprise in Dhunche, even prior to earthquake in some cases. Nearly 4 PAFs from Haku Besi and Phoolbari reported to have bought trucks and started transport services.
- In contrast, the PAFs from Gogone and Tiru, have received on an average approx. 2-4 lakh NR per family. Due to this limited amount of disposable money it was primarily used for buying household provisions, earthquake relief, and similar activities, and could not be invested in land and other remunerative assets.
- Of the total 154 PAFs, approximately 7 PAFs have settled in Kathmandu using their compensation to buy land there.

### **7.1.3 *Aftermath of the Earthquake and immediate relief activities***

Immediately following the Gorkha earthquake, a number of relief activities were undertaken by NGOs/INGOs as well as by NWEDC in the earthquake affected area. Post-earthquake, the local community established IDP camps in the Rasuwa and Nuwakot districts. The relief activities undertaken by the NGOs/ INGOs in the area were led and coordinated by the DAO. NWEDC was given responsibility for the relief activities in the Haku VDC till December 2015.

NWEDC provided relief in the form of evacuation support through helicopters, with preference being given to the elderly, the physically challenged and the physically injured. In addition to this, NWEDC also provided relief material in the form of tin sheds, bamboo, daily provisions and food supplies in the IDP camps. In these relief activities, no differentiation was made between PAFs and Non-PAFs. NWEDC continues to support the development of social and physical infrastructures in the area, through the rebuilding of two schools (Haku Besi and Dhunche), one health centre and removing rubble from local roads.

In addition to this, a number of NGOs/ INGOs provided relief support in the area in terms of daily provisions, food and skill based trainings and livelihood support. However, despite, all this support, the local community sentiments in the area is characterised by a deep sense of instability and uncertainty, with no near visibility of a home and secured livelihood. Presently, the government, through the National Reconstruction Authority (NRA), and NGOs such as the Dharmus Shanthali Foundation are in the process of constructing alternative housing for those villages, whose land has been declared inhabitable post-earthquake. While some households in the Project area have also returned back to their original habitation on a permanent and temporary basis, some continue to reside in the IDP camps due to fear of safety and risk of landslides.

#### **7.1.4 *Post-Earthquake- Livelihood Changes in Project Area***

Post the earthquake, most of the people in the former Haku VDC were rendered homeless and had lost either all or a larger part of their assets. The people started searching for new areas to settle, which could prove to be safer (as well as affordable for them), in light of the aftershocks of earthquake and consequent landslides.

The PAFs were largely engaged in subsistence livelihoods prior to earthquake. The people cultivated their own land in their original villages and the produce was primarily used for self-consumption. The need for other utilities (e.g., dairy products, poultry) was fulfilled from their livestock and poultry, while the rest could be brought from the local shops in the village. *Kodo* used to be the staple diet of the people, while rice was selectively used or used for limited part of the year and especially during festivities. Hence, the need for earning additional livelihood was limited. The youths in some instances had started venturing outside the country in search of employment opportunities. Selling of the extra produce, livestock and its products constituted other sources of income, which helped meet the basic needs which could not be produced in the village.

NWEDC's land compensation changed the economic status of the affected families, especially in cases where a PAF received a large payment. In the Haku Besi area, the amount received per PAF was relatively higher and the pattern of investment was also different as compared to Gogone. PAFs from Haku Besi area bought alternate land either in Kathmandu, Dhunche, or

Ramche, either as investment or for constructing house or using the constructed building for renting purposes. Some of the PAFs also invested their money in buying trucks for a transportation business. A lot of PAFs either upgraded their existing house or constructed a new house in native village.

After the earthquake, the PAFs, who traditionally engaged in land and livestock based livelihoods to a large extent, did not venture out in search of livelihood for the initial few months. The relief support provided by NGOs and Government and their personal savings (including compensation money from UT-1 in some cases) helped these displaced people to stay afloat for a few months. However, 10 to 12 months after earthquake, the external aid started diminishing and the people had to resort to searching for sources of livelihoods. During this time, certain PAFs:

- Started visiting their original villages to initiate cultivation on land remaining after earthquake;
- Started evaluating possibilities of renting land near their IDP camps to initiate cultivation near their places of residence;
- Started looking for jobs as wage labourers which would fetch them earnings on a daily/ weekly basis. The activities requiring limited skill, e.g., working as unskilled construction labour, stone breaking, etc. were one of the prominent sources of livelihood initially.

The efforts of the PAFs, to some extent were augmented by the NGO/INGO interventions in terms of livelihood trainings, which helped them learn new skills to enhance income. The NGOs (focussed on livelihoods) were active near Naubise and Bogetitar areas and their intervention were limited to areas around Dhunche.

#### **7.1.5 NGO activity in the Rasuwa District**

The influx of NGOs began right after the earthquake and the level of grants was at its peak during that period. There have been developmental efforts in areas of provision of supplies, reconstruction, trainings, etc. during the period between May 2015 and May 2016 in the IDP camps; involving the local community in the Project area. The number of NGOs active in Rasuwa District during the first year post earthquake was reported to be ~200 (some of them directly on the ground while others through their local NGO partners) and it reduced to nearly 20 to 25 in the first quarter of the second year (2017), and has continued decreasing gradually. During the consultations with NRA Project implementation Officer (PIO) in March, 2017, it was mentioned that during this time there were nearly 18 NGOs and INGOs involved in various interventions which revolve around livelihood, capacity building, house reconstruction, WASH, child care, education etc. Some of the key NGOs and their area of interest are discussed subsequently.

**Table 7.1 Key NGOs in Rasuwa District According to Area of Interest**

NGO/INGO	Area of Interest
Build Change;	Housing Reconstruction
Lumanti; (with Parivartan Nepal)	Housing Reconstruction and livelihood restoration
Nepal Red Cross;	Housing Reconstruction
Batas Foundation;	Housing Reconstruction
Manekor.	Housing Reconstruction and livelihood restoration
LaCCoS	Livelihood Restoration

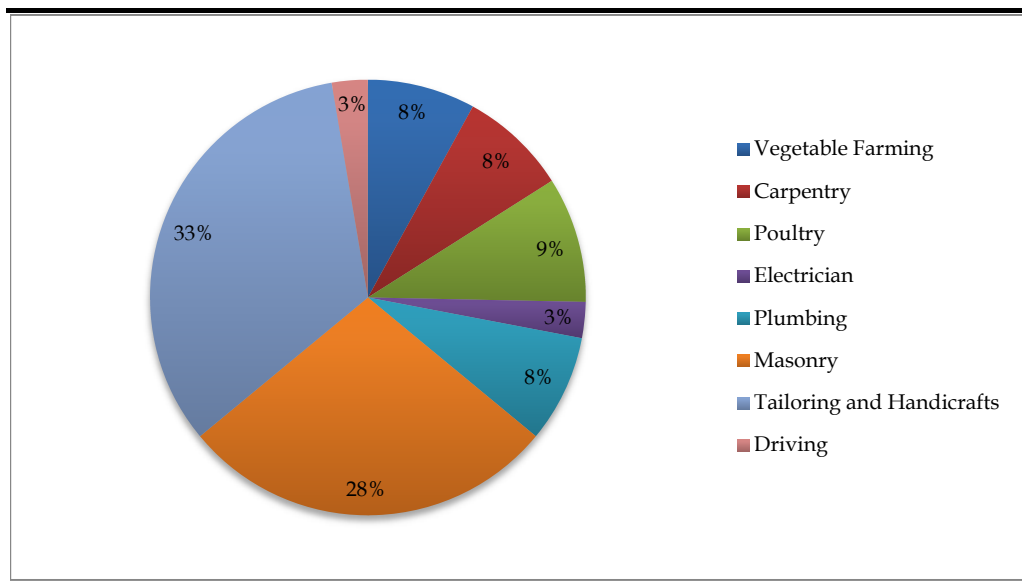
The current activities are reported to the NRA in quarterly coordination meetings. Most of the INGOs and national level prominent NGOs (like Parivartan Nepal), bilateral and multilateral agencies are operating in the Rasuwa District through selected local NGO partners who have a long standing presence and resources in the area. The key NGOs presently active in the IDP camps of Naubise and Batar include Manekor, LACCOS and Lumanti. Lumanti has also been undertaking livelihood restoration trainings in the IDP camps, in collaboration with Parivartan Nepal. Consultations with the NGOs indicated that most of these interventions related to livelihood support and training will be over in the period from June to October, 2017 and there is lack of clarity on further fund availability for these kinds of interventions.

In Dhunche area, where the PAFs of Haku Besi and Phoolbari are residing, very few interventions have been undertaken by above mentioned NGOs. The limited number of trainings provided to PAFs has been through Cottage and Small Industries Board.

*Trainings Provided to PAFs*

The trainings conducted for the PAFs range from group level trainings (e.g. Training for electrician, mason etc.) to individual and household level training (vegetable farming, poultry and boar farming, etc.). From the discussions undertaken with the PAFs and other trainees in general, it is understood that these trainings were aimed at allowing for PAFs to sustain themselves and rebuild their livelihoods, both in Nepal or through foreign employment. The following figure shows the trainings received by the PAFs on different skills in detail.

Figure 7.1 Details of the trainings undertaken by PAFs



Source: LALRP HH Survey, 2017 based on the responses given

**Table 7.2 Livelihood Support by Main NGOs in Rasuwa District**

NGOs	Men Focused	Women Focused	Men and Women Focused	Other support	Funding Support
Manekor	<ul style="list-style-type: none"> <li>• Tourism Capacity Building</li> <li>• Sherpa/mountaineering/porter Training</li> <li>• Plumbing training</li> <li>• Electrician Training</li> <li>• First aid Veterinary training</li> </ul>	<ul style="list-style-type: none"> <li>• Machines for Spice grinders</li> <li>• Tailoring training</li> <li>• Sewing Machines</li> </ul>	<ul style="list-style-type: none"> <li>• Bakery and Cooking Training</li> <li>• Infrastructure support</li> <li>• Water Sanitation and Hygiene training</li> <li>• Seed capital for enterprises</li> <li>• Farming equipment</li> <li>• Ground apple cultivation</li> <li>• Coffee machines for tourist lodges</li> <li>• Boar Farming</li> </ul>	<ul style="list-style-type: none"> <li>• Provision of Accommodation and travel for those attending training</li> <li>• Drinking Water provision for impacted villages</li> <li>• Establishment of user committees</li> <li>• Market linkages</li> </ul>	<ul style="list-style-type: none"> <li>• UNDP</li> <li>• DfID</li> <li>• LWF</li> <li>• Save the Children</li> </ul>
LACCOS	<ul style="list-style-type: none"> <li>• Training for Tomato farming</li> <li>• Driver training</li> <li>• Electrician training</li> <li>• Mobile repair training</li> <li>• Mechanic training</li> </ul>		<ul style="list-style-type: none"> <li>• Livelihood Promotion Programme</li> <li>• Local Governance Community Development Programme</li> <li>• Sustainable Action for Food Security and Resilience Programme</li> </ul>	<ul style="list-style-type: none"> <li>• Financial Assistance immediately post-earthquake</li> <li>• Irrigation and water systems</li> <li>• Construction of training centre</li> <li>• Market place for vegetables and other produce</li> <li>• Water Supply to local schools</li> </ul>	<ul style="list-style-type: none"> <li>• USAID</li> </ul>
Lumanti (in collaboration with Parivartan Nepal)	<ul style="list-style-type: none"> <li>• Plumbing training</li> <li>• Electrician Training</li> </ul>	<ul style="list-style-type: none"> <li>• Daka making training</li> </ul>	<ul style="list-style-type: none"> <li>• Poultry farming training</li> <li>• Vegetable farming training</li> <li>• Boar farming training</li> <li>• Seed capital for poultry and boar farming</li> <li>• Soap making training</li> </ul>	<ul style="list-style-type: none"> <li>• Reconstruction Assistance to NRA</li> </ul>	NA

Source: Limited consultations with NGO

The prominent names of training providers reported by the PAFs in the survey conducted in May, 2017 are:

- Small and Cottage Industries Development Board;
- ACF;
- Gharelu;
- Asia;
- Parivartan Nepal; and
- Lumanti.

The NGOs have undertaken the livelihood trainings in order to build capacities of the people in their areas of operation in Rasuwa District on certain basic skills. The NGOs have been very active in areas near Naubise, Bogetitar, Satbise and Batar, where one or more people from Project affected families have been reported to have attended one or more skill trainings. However, the scenario in Dhunche is remarkably different where skill trainings have not been received by a majority of PAFs. The following table provides an understanding of the manner in which Lumanti (supported by Parivartan Nepal) provided various trainings to people residing in Naubise camp (people from Gogone, Tiru, Mailung etc.).

**Table 7.3** *Details of Training (earthquake affected families residing in Naubise Camp)*

Training	Number of People per Batch	Duration per batch	Support Provided to beneficiaries by Lumanti supported by Parivartan Nepal
Poultry Farming	No batch size limitation	7 days	<ul style="list-style-type: none"> <li>• Accommodation</li> <li>• Meals</li> <li>• Travel Allowance based on the following: <ul style="list-style-type: none"> <li>○ 1 hour of walking: NPR 100</li> <li>○ Bus travel: ticket refund</li> </ul> </li> </ul>
Vegetable Farming	No batch size limitation	7 days	
Driving	~20	21 days	
Plumbing	~20-25	390 hours/ 65 days	
Masonry	~25	7 days	
Electrician	~20	390 hours/ 65 days	
Daka Making	~20-25	390 hours/ 65 days	

Note: Consultations with PAFs in Naubise IDP camp

In addition to the NGOs, the cottage industry department in Dhunche also provides certain trainings, as discussed in the following table.

**Table 7.4** *Trainings provided by the Cottage Industry Department in Dhunche*

S.	Training Head	Location	Target	Duration	Women	Men	Total Trained
1	Daka making	Bhorle	10	03 months	10		10
2	Industrial Growth Programme						
2.1	Daka making	Danda gaon	10	2 months	12		12
2.2	Hosiery making	Danda Gaon	10	45 days	15		15
2.3	Hosiery making	Thullo Haku	10	45 days	21		21
2.4	Daka making	Thullo Haku	10	2 months	12		12
3	Advanced Entrepreneurship		20				

S.	Training Head	Location	Target	Duration	Women	Men	Total Trained
4	Shyama Making (conventional Enterprise growth programme)	Syaphru Bazaar	10	45 days	10		10
5	Shyama Making (capacity development and employment programme)	Syaphru Bazaar	10	45 days	15		15
6	Youth Entrepreneurship and Industrial Manpower Development Programme		20				
7	Entrepreneurship Development Training	Syaphru	20	10 days			0
8	Specific Training Programme for Earthquake Affected People		100				
8.1	Sewing and Tailoring	Bogetitar		3 months	12		12
8.2	Worker training	Jivjive		45 days	2	9	11
8.3	Mechanic	Bogetitar		45 days		22	22
8.4	House wiring	Thambuchet		45 days	3	14	17
8.5	Plumbing	Thambuchet		45 days		15	15
8.6	Worker training	Thullo Haku Syaphru		45 days		15	15
8.7	Worker training	Ramche		45 days		10	10
9	Capacity Development		16				
9.1	Sewing and knitting training for prison inmates	Dhunche Prison		3 months		10	10
9.2	Sewing and knitting training	Dhunche office		3 months	11		11
9.3	Nepali handmade paper making	Bogetitar		2 months	8	2	10
9.4	Aaran Improvement and Remission Training	Kalikaasthan		15 days	5	5	10
9.5	Jacket making	Itpare		45 days	5	9	14
9.6	Bracelet and Necklace making	Ghaderi danda		15 days	9	1	10

Source: Small and Cottage Industries Development Board; Dhunche

The intent of undertaking skill trainings and the extent of their utilisation varies among families. The story of one family having undertaken multiple skill trainings is captured in the figure below.

Figure 7.2 Case Study of Family with Multiple Skill Trainings

Case Study: Multiple Trainings Received
<p style="text-align: center;"><b>Detailed Case Study</b></p> <p>A resident of Bogetitar IDP camp presently received Masonry training for 45 days from Cottage and Small Industries department and Masonry training from ACF for 7 days. He also received training for 45 days for Carpentry from Cottage and Small Industries.</p> <p>His wife received sewing and knitting training for 45 days from Paribartan Nepal and his daughter received sewing and knitting training for 90 days from Cottage Industries. In spite of attending many skill trainings, this family couldn't convert the trainings into gainful livelihood opportunities. It was understood that the Masonry training by ACF was for mud houses, which has limited market after the failure of mud houses to withstand earthquake and landslides. Similarly, the carpentry and other masonry training is reported to have not given regular employment.</p> <p>The sewing and knitting trainings provided to the females in the house is without market linkage, which led to stopping of these activities after withdrawal of NGO support. his daughter while being consulted mentioned that she is not interested to pursue sewing and knitting related livelihood in future.</p> <p>Thus, the numerous trainings undertaken by this family have not proved helpful in providing a stable source of income to this family.</p>
<p style="text-align: center;"><b>Key Inference</b></p> <p>Some people who undertook training, may have done so, without understanding the usefulness or requirements of the trainings. Certain people have also undertaken trainings just to get the daily allowance and meals. It has been reported that some of the trainings may not have been relevant to the present market conditions. The presence of multiple NGOs/INGOs in the area, resulted in same people getting multiple trainings; however, market linkage and actual desirability or ability may have been ignored.</p>

The discussions with the local community on the trainings have helped in understanding their takeaways from the training and the challenges in fully utilising the learning which are listed below:

- A lot of households in the IDP camps (except Batar and Satbise) have received one or more livelihood trainings;
- The number and range of trainings by NGOs was larger in Naubise and Bogetitar areas, as compared to Dhunche;
- Most of the people have been trained on basic skills, which were scaled up and beneficially utilised by certain people and could not prove helpful for many others;
- People having received masonry, plumbing, electrician trainings have been able to gain some employment in the nearby areas and urban centres;
- Women of some families have engaged in small collective vegetable gardens to meet their daily family requirements. The seeds are provided by the NGOs and the entire operation is also presently regulated by NGO representatives. However, the independent functionality and success of these groups will be understood after the NGO support is withdrawn;
- Some of the people trained on masonry skills have reported to be trained on construction earthquake resistant houses, which they think is an essential skill in Nepal; and
- The people who got trained as carpenters reported that the training has been essential for building a new skill, but the demand of this skill is not extensive and hence earnings are irregular.
- As part of the various earthquake relief and skill building activities, the NGOs identified specific skill training for each of the groups was identified keeping in mind the expectations, capacity and practical feasibility of each activity identified for each group.
- The initial assessments undertaken by the NGOs on each target group helped them in identification of behavioural patterns and expectations of each group (enlisted in), which helped in charting out the implementation Plan for the training activities. these characteristics for the main groups, is as listed below

**Table 7.5** *Characteristics and Expectation of Target Groups*

Target Groups	Characteristics
<b>Women's Groups</b>	<ul style="list-style-type: none"> <li>• The members of which engage in different activities like handicraft, hotels, business enterprise, poultry, etc.; hence there is not much competition;</li> <li>• Expects clear communication and transparency in terms of support provided, timelines of various activities;</li> <li>• Want clarity in the group selection criteria;</li> <li>• Good field agent is critical for successful intervention with this group.</li> </ul>
<b>Men's Group (25-40 years)</b>	<ul style="list-style-type: none"> <li>• They are the main breadwinners of the family and hence tend to turn self-centred when opportunity comes, especially in the given scenario, where the source of income are less;</li> <li>• A considerable proportion of this group is illiterate and hence less aware;</li> <li>• The educated and financially comfortable individuals take responsibility for the group at large and emerge as opinion leaders and decision makers for the group;</li> <li>• This group has an inclination towards working as construction labourers /masons as it is considered as a masculine activity;</li> <li>• The illiterate members of this group are apprehensive of working/ attending trainings in groups, especially with literate folks.</li> </ul>
<b>Youth Group (17-25 years)</b>	<ul style="list-style-type: none"> <li>• Energetic and quick learners;</li> <li>• Clear decision making and thought process;</li> <li>• Involvement in the development and welfare of the community;</li> <li>• Open to working in groups</li> <li>• Interested in conducting adult literacy classes for the community</li> </ul>

The trainings provided some skills and cash based support, but its utilisation petered out after the withdrawal of NGO support and facilitation. Only some people could translate the trainings provided into gainful employment (mostly in occupations like masonry) or undertaking poultry farming activities. Since the period between January 2016 and April 2017 witnessed a lot of activity on reconstruction and rehabilitation front, there was a huge requirement of masons, which was fulfilled by some of these trained people.

Some of the general reasons identified for the trainings being unsuccessful are enlisted below.

- Apparent lack of willingness of individuals to pursue regular employment;
- There are certain people who attended training just for the sake of being engaged and to earn the allowances being paid to attend trainings;
- A large part of the community people do not want women to go out and work for low wages;
- People have limited understanding and awareness about the scope and possibilities of employment and need elongated period of hand holding;
- In some PAFs, the people are engaged in foreign employment, which fetches comfortable income. The family members of such families are less interested in making an effort even after receiving trainings.

Furthermore, the women trained on tailoring, weaving and mat making could not continue with the same after withdrawal of NGO support. The people were trained with basic skills of tailoring and handicrafts, which equipped

them enough to manage household needs. However, these trainings could not result in income generating activities because of the following reasons:

- Lack of advanced or specialist skills and the general interest in taking things forward without support;
- There was poor finishing of the products which limited their sale in the market; and
- Lack of market linkage provided as part of the training.

#### 7.1.6

#### *Consideration in the Identification of Entitlements going forward*

- The people from Gogone and Tiru with lesser savings and practically no access to land for cultivation would need intervention at a greater level in order to restore their livelihood;
- Land based livelihood options will not be feasible for PAFs residing in Naubise, Batar, Bogetitar, Khalde and Satbise due to saturation of land around these areas and higher rates for rent or purchase;
- The prospects of involving PAFs who have shifted to Kathmandu permanently are weak, and should be re-confirmed at the time of implementation;
- To the extent possible, the skill enhancement trainings shall be identified in keeping with the location of residence of the PAF and the existing skill set. For instance, those with access to agricultural land and willing to continue agriculture based livelihoods, will be provided support in returning their lands to productivity and enhancing the productivity of the land parcels. However, for those who no longer have access to agricultural land or wish to move away from farm based livelihoods, alternative skill set trainings will be provided.
- As part of the skill trainings and livelihood support, care will be taken to not duplicate the existing trainings and support provided by NGOs and government as part of earthquake relief. Through this livelihood support, the project will aim to further strengthen the existing skill set or provide a different skill set in keeping with the market scenario prevalent in the area.
- In trainings involving group based activities, it is essential to segregate people with limited education from educated people in order to ensure better learning of members of each group;
- Trainings which would help gaining better salaries in foreign countries have been identified for LALRP in order to assist the people looking for foreign employment.

It is in keeping with this context, the LALRP has been formulated, with the aim of restoring the livelihoods of the PAFs. However, it is to be noted that this LALRP has been designed and developed in keeping with the present socio-economic and residential status of the PAFs. This status is in a state of uncertainty and flux and as such the LALRP is a living document and the Micro Plans/ entitlements for each PAF will need to be agreed and finalized only after consultation with the PAFs.

Furthermore the additional land take being planned by the Project will be guided by this LALRP itself, in terms of principles of livelihood restoration, and benefits and entitlements to be given to eligible entities.

## 7.2

### *PRINCIPLES GOVERNING THE RESETTLEMENT AND REHABILITATION PROCESS*

The LALRP for the Project will be implemented in accordance to the following principles:

- Restore, if not improve, the living standards of the PAFs to pre-Project levels;
- Provide livelihood support to all the PAFs, such that at least one member of the PAFs, depending on their skills and age, age-appropriateness will be provided with either:
  - Direct employment with the Project;
  - Contract business opportunities with the Project;
  - Assistance in resuming agricultural activities to those who return to original villages;
  - Training on occupational skills with market linkage support;
  - Seed capital for business in line with existing skills and additional technical support; or
  - Special allowances in case of the elderly and physically and mentally differently abled who cannot be engaged in livelihood generation activities.
- Ensure the PAFs are able to sustain their livelihoods once support from the Project ends;
- Integrate gender equality into all components of the entitlements to ensure practical and tailored benefits for women and vulnerable households;
- Finalize the LALRP after obtaining input from the PAFs during the FPIC process on the overall mitigation measures and entitlements identified for the groups;
- Implement the LALRP in a participatory and consultative manner by discussing the individual PAF level entitlements with each PAF through individual discussions;
- Establish Key Performance Indicators and monitor the effectiveness of the LALRP throughout its implementation, making adjustments as needed to ensure success.

While the entire PAF group is considered vulnerable, even within this larger group, there needs to be a prioritisation of the more vulnerable PAFs:

- Those without any productive agricultural land and those without any potential source of income;
- Physically and Mentally differently abled individuals;
- Elderly (60 years and above)
- Single women headed households
- Those still residing in IDP camps
- Other PAFs

### 7.2.1 *Process Commitments*

- This LALRP shall be implemented taking in cognizance the other commitments made as part of the SIMF for the Project;
- A formal disclosure of the final implementation Plan, the phases of its implementation, coverage of number of members from each PAF in each phase will be undertaken;
- Agreement and consent will be sought on micro Plans for each PAF by the implementation partner, prior to initiating implementation.
- As part of the discussions on the micro Plan, a verification will be undertaken of the individual entitlements identified per PAF.

### 7.3 *ELIGIBLE ENTITIES IDENTIFIED*

The eligible entities for entitlement have been identified on the basis of the impact assessment process. Based on the understanding so developed, the following losses are identified for LALRP support:

- Loss of Structure with formal rights on land- Those PAFs whose house/ structure was impacted and who have formal rights on land
- Loss of Structure without formal rights on land – Those PAFs who have been using house/structures without proper land documents - e.g. encroachers;
- Loss of Livelihood – Impacted PAFs due to loss of private land and Guthi land with formal rights/certificates on land;
- Loss of Livelihood- Impacted PAFs without ownership certificate;
- Loss of non-residential structures;
- Community Property Users; like members of impacted CFUGs; and
- Vulnerable Population as identified in *Section 4.2.10*-This group can be bifurcated into two groups-
  - Vulnerable PAFs/ PAFs who cannot be engaged in Livelihood Activities and
  - Vulnerable PAFs/PAFs who can be engaged in livelihood activities

### 7.4 *ENTITLEMENTS FOR RESETTLEMENT AND REHABILITATION*

The following table provides a description of entitlements and assistance proposed to PAFs, in addition to the compensation already disbursed by the Project. It should be noted that most of the PAFs will be eligible for more than one category of entitlements; depending upon the profile of the PAF and the nature of impacts. In such cases, the PAFs shall be eligible for all entitlements identified under various criteria. However, no duplication of entitlements (except for cash compensation where relevant) shall take place.

**Table 7.6 Summary of identified entitlements for impacted entities**

Impact	Entity	Approximate Number	Rationale	Entitlement
Loss of Structure and Livelihood (agricultural land, crops and trees)	PAFs with/without formal rights / Lal Purza or Tenancy Certificates <sup>1</sup> who have been impacted in terms of loss of livelihood	<ul style="list-style-type: none"> <li>20 Land owners with Lal Purza, whose land has been bought by the Project.</li> <li>17 Land owners with Tenancy Certificate (for Guthi land) who land has been procured by the Project.</li> </ul>	<ul style="list-style-type: none"> <li>The people have lost land as well as structures (residential and non-residential);</li> <li>The land sold to the Project has been compensated for at considerably higher market rates Cash compensation of 5 lakh/ ropani was paid. The market rate prevalent at the time of land transaction was NPR 10,000-50,000 per ropani;</li> <li>People continued to use/reside in the land till the earthquake.</li> </ul>	<ul style="list-style-type: none"> <li>Priority for direct employment/ contractual employment and opportunities or</li> <li>Livelihood Support in terms of                             <ul style="list-style-type: none"> <li>Alternate livelihood options/ skill trainings will be provided for the PAFs, for those who do not wish to return to their original village and undertake agriculture;</li> <li>Agricultural training or support will be provided for those PAFs who wish to return to their original village and undertake agriculture;</li> </ul> </li> <li>Transition Allowance for those undergoing training, for the duration of the training (expected to vary from 15 days to 6 months depending upon the training) and additional six months, calculated based on the minimum wage of NR 8,000<sup>2</sup> per month</li> <li>Compensate tree loss at replacement value</li> </ul>
	Impact on structure (both residential and non-residential structures ) on land with formal rights	<ul style="list-style-type: none"> <li>29 structures (18 PAFs) have been impacted by the Project, as identified in the LRP made in April 2015.</li> <li>The complete compensation has not been paid in 19 of the total 29 structures identified.</li> </ul>	<ul style="list-style-type: none"> <li>The structures comprised of residential and non-residential structures;</li> <li>The residential structures primarily comprise of secondary residents used by the community during agricultural cycles;</li> <li>The non-residential structures comprised of water mills and cowsheds.</li> <li>The valuation of the structures was undertaken by DUBCD, Nuwakot division and compensation was paid for, based on the valuation</li> </ul>	<ul style="list-style-type: none"> <li>Pay compensation for the 12 structures; already assessed by DUBDC; at replacement value, without deduction of depreciation cost and scrap value and inclusive of VAT;</li> <li>For the 7 structures not evaluated in 2015 and the new 7 structures under consideration, pay replacement value, in consultation with the DAO office and Jan Sarokar Samiti;</li> <li>Shifting allowance where required ( most families are not living in these structures).</li> </ul>

<sup>1</sup> As mentioned earlier, the Tenancy Certificates were obtained for the land parcel to be sold by the families, with the assistance of Project.

<sup>2</sup> <https://www.minimum-wage.org/international/nepal>

Impact	Entity	Approximate Number	Rationale	Entitlement
		<ul style="list-style-type: none"> <li>In addition to this, 7 additional structures are under consideration by NWEDC</li> <li>A total of 14 primary residential structures belonging to 12 PAFs have been impacted.</li> </ul>		
<b>Loss of only livelihood (agricultural land, crops and trees)</b>	Livelihoods based on land with formal or informal rights	<ul style="list-style-type: none"> <li>154 PAFs</li> </ul>	<ul style="list-style-type: none"> <li>The people using these land parcels have lost land linked livelihoods.</li> </ul>	<ul style="list-style-type: none"> <li>Priority for direct employment/ contractual employment and opportunities or</li> <li>Livelihood Support in terms of <ul style="list-style-type: none"> <li>Alternate livelihood options/ skill trainings will be provided for the PAFs, for those who do not wish to return to their original village and undertake agriculture;</li> <li>Agricultural training or support will be provided for those PAFs who wish to return to their original village and undertake agriculture;</li> </ul> </li> <li>Transition Allowance for those undergoing training, for the duration of the training (expected to vary from 15 days to 6 months depending upon the training) and additional six months, calculated based on the minimum wage of NR 8,000 per month</li> <li>Compensate tree loss at replacement value</li> </ul>
<b>Common property</b>	Community Forest User Groups	5 CFUGs	<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li>Compensation for trees to the CFUGs (refer Section 6.4.4) through Escrow fund</li> <li>Support in rebuilding Community Forest- if demanded and feasible ;</li> <li>Support in forest management initiatives to do improve remaining forest cover and/or rehabilitate destroyed areas</li> <li>Training and capacity building of the CFUGs for rejuvenation and management of Community Forest area.</li> </ul>

Impact	Entity	Approximate Number	Rationale	Entitlement
				<ul style="list-style-type: none"> <li>Financial Literacy training to the CFUG members for the management of cash compensation received</li> </ul>
Vulnerable Groups	Vulnerable Individuals/PAFs who can be engaged in livelihood activities	<ul style="list-style-type: none"> <li>Lack of Any potential source of income: 25 PAFs</li> <li>Landless or lack of productive agricultural land: 76 PAFs</li> <li>Singled Women Headed Households: 9 PAFs</li> </ul>	This group is comprised of those who are currently in an enhanced vulnerable position due to their socio-economic standing, but can be engaged in livelihood generating activities.	<ul style="list-style-type: none"> <li>Preference in livelihood restoration for direct employment, petty contracts and contractual work generated by the Project or Preference in livelihood support;</li> <li>Transition Support for those undergoing training, for the duration of the training (expected to vary from 15 days to 6 months depending upon the training) and additional one year, calculated based on the minimum wage of NR 8,000</li> </ul>
	Vulnerable Individuals/ PAFs who cannot be engaged in Livelihood Activities	<ul style="list-style-type: none"> <li>Differently Aabled:5 individuals</li> <li>Elderly: 7 individuals</li> </ul>	<ul style="list-style-type: none"> <li>This group comprises of those who may be unable to undertake livelihood generating activities and are thus dependent upon other family members for maintaining them.</li> </ul>	<ul style="list-style-type: none"> <li>Transition allowance based on minimum wage of NR 8000 per month for a maximum of 2 years, till the families that support them are able to restore their livelihoods and have stable incomes.</li> <li>Each such vulnerable individual or family to be monitored and additional support considered where necessary.</li> </ul>
Temporary loss of livelihood	PAFs giving land on lease basis	<ul style="list-style-type: none"> <li>7 PAFs</li> </ul>	<ul style="list-style-type: none"> <li>This category of PAFs may be impacted by the land procurement for the Project in 2017</li> </ul>	<ul style="list-style-type: none"> <li>The land should be restored to the original state at the time of return</li> <li>Livelihood Support in terms of <ul style="list-style-type: none"> <li>Alternate livelihood options/ skill trainings will be provided for the PAFs, for those who do not wish to return to their original village and undertake agriculture;</li> <li>Agricultural training or support will be provided for those PAFs who wish to return to their original village and undertake agriculture;</li> </ul> </li> <li>Transition Allowance for those undergoing training, for the duration of the training (expected to vary from 15 days to 6 months depending upon the training) and additional six months, calculated based on the minimum wage of NR 8,000 per month</li> </ul>

On the basis of these entitlements, an Entitlement Matrix has been prepared for the Project, and is attached as *Annex D*. The entitlements in the entitlement matrix have been identified based on the eligibility criteria established above and the preferences of the PAFs surveyed. The following table provides a summary of the number of individuals identified against each key entitlement identified.

**Table 7.7** *Livelihood Entitlement Options summary*

S. No.	Entitlement	Number of People
Employment and contract Opportunities	Direct Employment	52
	Contractual Opportunities	6
	Wage based Work	20
Skill Enhancement Trainings  <i>Note: those who return to their original villages and wish to continue agricultural activities will be provided training in agricultural productivity enhancement. The following columns provides an understanding of the number of PAFs to be provided specific skill training in case they do not return to their original villages or wish to diversify their livelihoods</i>	Poultry	19
	Boar Farming	4
	Goat Farming	8
	Driver/ Mechanic	16
	Masonry	12
	Electrician/ Plumbing	13
	Cooking	6
	Computer	21
	Tailoring/ Sewing/ Knitting	38
	Seed Capital for Business Enterprise	Seed Capital for Business Enterprise
Transition support to vulnerable individuals/families	Transition allowance	12
<b>Total</b>		<b>234</b>

Source: LALRPHH Survey, 2017

It should be noted that this is an indicative list, based on the preliminary feedback of the PAFs. Also, presently this list reflects multiple choices identified by the PAFs. This shall be verified and finalized as part of the Micro Plan formulation discussed subsequently.

## 7.5 **PROCESS OF IMPLEMENTATION OF ENTITLEMENTS IDENTIFIED**

This section provides a description of the key steps to be followed during the implementation of the entitlements identified. The *Section 8* and *Section 9* provide an understanding of the roles and responsibilities, resource requirements and reporting and monitoring mechanisms for the LALRP.

### 7.5.1 **Disclosure of LALRP**

The Draft LALRP shall be reviewed by NWEDC and the Lenders against the applicable reference framework and any changes required shall be identified. Once the LALRP has been updated with the comments, a non-technical summary of the same shall be disclosed to the local community and PAFs. This disclosure shall be undertaken in keeping with the process identified in Stakeholder Engagement Plan and IPP and consensus shall be sought from the PAFs on the basic contents of the same. It should be noted here that consensus

is not sought on the individual PAF level entitlements, but rather on the entitlements identified at the broad eligibility level. Furthermore, input shall be sought from the community on the process of implementation and the proposed implementation schedule. This disclosure process is expected to be undertaken in the first half of 2018.

### 7.5.2 *Identification of an Implementation Partner and Other Associated Organizations*

The entitlements thus identified, are to be implemented by an implementation partner. Once there is a consensus to the LALRP and its provisions, NWEDC shall identify an implementation partner. The eligibility criteria for the Implementation partner are as identified in *Annex E*.

The implementation partner will in turn identify NGOs/ INGOs, government bodies and other partners for implementing specific entitlements identified. A typical Terms of Reference for the Implementation Partner is provided in *Annex E*.

### 7.5.3 *Individual PAF Micro Plans and Agreements*

It should be noted that as part of the LALRP update survey, the PAFs have identified certain preferences for livelihood support from the Project, based on which the overall entitlements under this LALRP have been formulated. Once an agreement is reached on the entitlement framework of the LALRP, the implementation partner shall formulate a tentative Plan for each individual PAF (hereafter referred to as Micro Plans). These micro Plans should be based on the entitlement framework and the preferences identified, however, should provide flexibility in terms of the trainings preferred.

The implementation partner shall then undertake consultations (in the form of structured interviews) with each individual PAF, to discuss the micro Plans formulated. It is understood that due to the impacts of the earthquake, the socio-economic profile and residential status of the PAFs is in a state of flux and dynamism. In keeping with this as part of these consultations detailed discussions shall be undertaken on the present status of the PAF livelihoods and their preferences.

This consultation will take into account the current status of the PAFs, their locations, their current (or temporary livelihood), their choice of the support needed and agreed duration. Once consent is reached on the contents of the Plan, a formal agreement shall be signed with each PAF.

This agreement should provide an understanding of the following:

- Identification number of PAF (in keeping with that provided in the LALRP)
- Residence (original and present) details;
- Household level details;

- Details of Impacted Assets (along with layout and pictures wherever possible);
- Entitlements identified; and
- Timeline for implementation of the entitlements identified.

This agreement will be considered as the final document for implementation of LALRP.

#### 7.5.4 *Implementation of Specific Entitlements*

Once the micro Plans are disclosed and the agreements signed, the implementation partner shall undertake the implementation of the R&R entitlements identified. It should be noted that while the micro plans are to be signed at an individual PAF level, the implementation of the entitlements should be undertaken in groups; to allow for time and monetary efficiency. Furthermore, the implementation of the entitlements will be largely dependent upon the residence of the PAFs at the time of implementation. Thus, the process of implementation shall be reviewed and updated as necessary, in keeping with aspects such as access, livelihood profile, resettlement options etc.

The key steps to be followed in each of the entitlements are discussed in the following Table 7.8.

**Table 7.8 Implementation of Specific Entitlements**

Approx. Number of Entitled Entities	Lessons Learned from Past Experience & Objective	Key Steps
<b>Cash Compensation</b>		
<ul style="list-style-type: none"> <li>• 2 who have been assessed but not paid compensation</li> <li>• 10 who have not been paid replacement value</li> <li>• 7 who were not considered for compensation</li> </ul>	<p>NWEDC has paid the structure owners cash compensation based on the evaluation of DUBDC. However, 2 of the 29 structure owners were not paid the compensation amount. 10 of the 29 structure owners were paid compensation after deduction of depreciation cost and scrap value. Furthermore, there were 7 incomplete structures which were not considered for compensation.</p> <p>The purpose of this entitlement is to provide all impacted structures with a compensation amount at replacement value. Furthermore, the process of implementation is aimed at ensuring the proper utilization of the compensation amount received by the PAFs.</p> <p>In case of additional land take, the rate offered should be in keeping with the then present replacement value</p>	<p><b>Planning</b></p> <ul style="list-style-type: none"> <li>• Preferably the cash compensation shall be paid through cheques. However, the access to banking facilities shall be assessed. If banking facilities are not readily accessible by most PAFs, the Project may consider paying the compensation in cash;</li> <li>• the bank details of each PAF which will be used for receiving/encashing the cheques for cash compensation shall be collected and verified;</li> </ul> <p><b>Implementation</b></p> <ul style="list-style-type: none"> <li>• In case of no bank accounts, and if desired by the PAF, provide assistance in setting up of bank accounts. This assistance may be in the form of helping the PAFs get in touch with Banks, understanding the procedures and Do's and Don'ts of maintaining bank accounts and completing the formalities for opening a bank account;</li> <li>• Conduct money management/financial literacy trainings, prior to releasing cash compensation, to enable the entitled entities to effectively manage the money received and to invest the same in asset replacement/enhancement activities;</li> <li>• To the extent possible, the compensation shall be released to both men and women members of the household.</li> <li>• At the time of disbursing the compensation, ensure at least one VDC representative or District administrative representative is in attendance.</li> <li>• Once the compensation amount has been released to the PAFs, a receipt of acknowledgement shall be signed and the entitlement shall be closed. However, the PAFs shall be provided with sufficient time to verify the compensation amount received in keeping with that identified in the micro Plan;</li> </ul>
<b>Priority in Employment Opportunity</b>		
<ul style="list-style-type: none"> <li>• Direct Employment: 52</li> <li>• Contractual Opportunities: 6</li> <li>• Wage based Work: 20</li> </ul>	<p>Presently, certain local community members are engaged as petty contractors and semi-skilled and unskilled labourers in the road construction.</p>	<p><b>Planning</b></p> <ul style="list-style-type: none"> <li>• The priority for employment will be given to the members of enhanced vulnerable households, who are fit enough to take up and sustain employment opportunities provided by the Project</li> <li>• This entitlement shall be implemented in keeping with the Employment and Skill Training Plan formulated for the Project. while the details of this entitlement are provided in the ESTP for the Project, some of the key steps are given as follows:</li> </ul>

Approx. Number of Entitled Entities	Lessons Learned from Past Experience & Objective	Key Steps
	<p>This entitlement is aimed at providing preference in employment to at least one willing and eligible adult member per PAF, with an employment opportunity in the Project. This shall be subject to vacancies, and suitability of the candidates in terms of skill requirements</p> <p>This employment in turn shall allow for the PAFs employed to seek opportunities in other avenues or projects, based on the experience and skill set gained</p>	<ul style="list-style-type: none"> <li>○ Identification of employment avenues in the Project, including undertaking a detailed mapping of the positions where there is scope of employment (both permanent and contractual) over the span of Project lifecycle.</li> <li>○ Mapping of the skills and educational requirements for each position;</li> <li>○ Detailed mapping of the existing skill set amongst the PAFs. this will include a final consultation and agreement on the demographic details made available as part of the LALRP formulation;</li> <li>○ Making a list of the eligible candidates from the PAFs based on the LARP survey data and further agreements with the PAFs ;</li> <li>○ Creation of a year wise Plan of recruitment and skill enhancement (ESTP). It is understood that it may not be possible for the Project to recruit all eligible PAFs in a single instance. Thus a staggered recruitment Plan may be developed within the larger ESTP to allow for the engagement of the PAFs and local community members on a rotational basis (for unskilled and semi-skilled work);</li> <li>○ This possibility of engaging individuals for certain time periods and/or on a rotational basis shall be discussed with the PAFs;</li> </ul> <p><b>Implementation</b></p> <ul style="list-style-type: none"> <li>● In keeping with the recruitment Plan formulated, provide induction training to the PAFs, prior to initiation of work activities. This induction training shall be in keeping with the overall systems and practices of the Project and shall provide an understanding of the job description, safety precautions to be undertaken, the grievance mechanism accessible etc.</li> <li>● Provide hand holding assistance to the PAFs for fulfilling the documentation requirement for the Project;</li> <li>● Undertake regular monitoring for the first two years, to ensure that the PAF are: <ul style="list-style-type: none"> <li>○ Able to work in a new environment</li> <li>○ Not removed from the job after short period of employment and are able to generate livelihood for longer period of time and even after the construction stage;</li> <li>○ Not discriminated against and are fairly treated and given ample opportunity to learn and work at site.</li> </ul> </li> </ul>
<b>Training &amp; Capacity Building and linkage to Project employment or other avenues</b>		
<ul style="list-style-type: none"> <li>● Driver/ Mechanic: 16</li> <li>● Masonry: 12</li> <li>● Electrician/ Plumbing: 13</li> <li>● Cooking: 6</li> </ul>	<p>The skills and capacities of the PAFs are limited in nature. This in turn proves hindrances in their ability to avail the economic opportunities created by the various hydroelectric projects in the area. Thus, in order to</p>	<p><b>Planning</b></p> <ul style="list-style-type: none"> <li>● This entitlement shall be implemented in keeping with the larger ESTP being formulated for the Project</li> <li>● Based on the present estimates of number of individuals per training, a detailed implementation Plan shall be formulated for each training. While identifying the specific implementation Plan, the primary purpose shall be to increase the existing skill sets in the community, to allow them to</li> </ul>

Approx. Number of Entitled Entities	Lessons Learned from Past Experience & Objective	Key Steps
<ul style="list-style-type: none"> <li>• Computer: 21</li> <li>• Tailoring/Sewing /knitting: 38</li> </ul>	<p>facilitate the enhancement of skill levels in the community and subsequently the employment of locals in the projects and also to other income generating avenues, the Project has identified the need to build/improve skills and capacities of the affected PAFs. The various types of trainings identified include:</p> <ul style="list-style-type: none"> <li>• Technical training such as the handling of machinery;</li> <li>• Vocational training such as welding, carpentry, computer operations, plumbing, masonry for men and tailoring/stitching of dress, embroidery for women.</li> </ul>	<p>exploit the opportunities created by the existing markets in sectors such as textile, tourism and fashion, hydropower projects in the area and other developments such as the Nepal- china road, earthquake resettlement activities etc. for this purpose, a market assessment shall be undertaken of the existing market scenario and potential opportunities in the coming 5-10 years;</p> <ul style="list-style-type: none"> <li>• This implementation Plan shall include details pertaining to total number of individuals to be covered, number of batches, number of training days in a batch and every month, the number of candidates per batch, the minimum eligibility requirements for each, the skills to be imparted during the training, etc.;</li> <li>• Furthermore, while planning for these trainings, those PAFs who already have certain knowledge shall be identified, as should those who have no understanding but wish to learn. The training sessions may thus be split into beginners level courses and more in depth advanced courses;</li> <li>• This Plan shall then be disclosed to the PAFs, in term of the necessary skill level required, the eligibility criteria for the same and the time lines to be followed in the implementation of the intervention. This disclosure will be undertaken in keeping with the disclosure process identified in the SEP.</li> <li>• Based on the PAF's feedback, the implementation Plans shall be revised</li> <li>• Once the micro Plans are finalized, the implementation Plans for each type of training shall be updated and finalized with the final number of individuals per training;</li> </ul> <p><b>Implementation</b></p> <ul style="list-style-type: none"> <li>• Implementation of the trainings identified, in keeping with the ESTP put in place</li> <li>• To the extent possible, these trainings shall be undertaken in the local Nepali or Tamang language, and using local experiences or examples and material which is being used in the area;</li> <li>• In keeping with the literacy level of the PAFs, these trainings shall be based, to the extent possible, on visual and hands-on experiences;</li> <li>• The PAFs, who successfully complete the trainings, shall be given certificates of completion and letters of recommendation. These will be aimed at allowing the PAFs to utilize the skills gained for generating employment;</li> <li>• The PAFs who successfully complete the trainings shall be given priority in employment in the Project, directly or indirectly, based on the requirement at that point of time based on the commitments in the Nepal Employment and Skill Training Plan;</li> <li>• If they cannot be absorbed into the Project, employment options would be found for them in sectors in which they have been trained and assistance shall be provided in terms of initiating communication, informing the PAFs of the opportunities, assisting them in applying for the same etc.;</li> </ul>

Approx. Number of Entitled Entities	Lessons Learned from Past Experience & Objective	Key Steps
		<ul style="list-style-type: none"> <li>• Furthermore, for trainings such as tailoring, sewing, cooking etc. if the trained individuals are not absorbed into the Project, the option of providing market linkages shall be made available. In consultation with the PAFs, the possibility of creating groups within the PAFs should be explored.</li> <li>• In case of market linkages, the Project would assist the PAFs by identifying potential partners in the market, who may require the particular skill in question and assist the PAFs in holding negotiations with these stakeholders including finalization of contractual terms and conditions;</li> <li>• In addition to market linkage, NWEDC should explore the possibility of establishing groups amongst the PAFs post training completion. These groups should be designed in a manner to be self-sustaining, with a clear organization structure and with the purpose of allowing the PAFs to undertake livelihood activities as a group. NWEDC shall then assist these groups by enabling market linkage;</li> <li>• In case any of the PAFs wish to undertake business opportunities (such as for tailoring, sewing, cooking etc.) based on the trainings received, they should be provided with training on business enterprise and seed capital as discussed subsequently,</li> </ul>
<b>Training on Livestock, poultry and boar farming followed by monetary and technical assistance for Livestock Rearing by the PAFs</b>		
<ul style="list-style-type: none"> <li>• Poultry: 19</li> <li>• Boar Farming: 4</li> <li>• Goat Farming: 8</li> </ul>	<p>As part of the earthquake relief, NGOs active in the area have provided numerous trainings and seed capital support for poultry farming. While some of the PAFs could gainfully utilise their poultry training after withdrawal of NGO support, a large number of people trained on skills to manage poultry could not take it forward successfully because of reasons as discussed in <i>Section 7.1.5</i></p> <p>According to the consultations undertaken it is understood that there is an apparent inclination towards increasing livestock holdings, such as buffaloes, pigs, goats and poultry, for the increased income generation in the family.</p>	<p><b>Planning</b></p> <ul style="list-style-type: none"> <li>• For this entitlement, one of the key criteria to be kept in consideration is restricting the number of people being trained on the same skill/livestock. This would avoid saturation of the market for a product;</li> <li>• Furthermore, while identifying the eligible entities for these training, care should be taken to ensure that the eligible PAFs have access to ample space for the livestock holdings, resources to maintain the livestock holdings including medical expenses involved for vaccinations, electricity and water supply and that it would not result in a conflict within the community;</li> <li>• From the discussions with the local community, it was understood that while the community members did not mind livestock holdings of buffaloes and goats in the immediate vicinity of the residences, they were not too keen on the poultry and boar farming within the village. This was understood to be due to the foul odour from these farming;</li> <li>• The Project may also consider identifying common areas for maintaining all the livestock holdings generated for a village/ settlement on the outskirts of the residential area. These areas may be identified in consultation with the eligible entities and local community. However, it is possible that ample land for this purpose may not be readily available, and may have to be procured (purchased/ rented) for this purpose. The Project may facilitate these negotiations and provide seed capital for the same;</li> <li>• Furthermore, while planning for these trainings, those PAFs who already have certain knowledge shall be identified, as should those who have no understanding but wish to learn. The training sessions may thus be split into beginners level courses and more in depth advanced courses;</li> </ul>

Approx. Number of Entitled Entities	Lessons Learned from Past Experience & Objective	Key Steps
		<ul style="list-style-type: none"> <li>• A Plan of implementation shall be drawn for each type of livestock head. This implementation Plan shall include the number of training days in a batch and every month, the number of candidates per batch, the minimum eligibility requirements for each, the skills to be imparted during the training, etc.;</li> <li>• This Plan shall then be disclosed to the PAFs, in term of the necessary resources required, the eligibility criteria for the same and the time lines to be followed in the implementation of the intervention. This disclosure will be undertaken in keeping with the disclosure process identified in the SEP.</li> <li>• Based on the PAF's feedback, the implementation Plans shall be revised</li> <li>• Once the micro Plans are finalized, the implementation Plans for each type of training shall be updated and finalized with the final number of individuals per training;</li> </ul> <p><b>Implementation</b></p> <ul style="list-style-type: none"> <li>• Implementation of the trainings identified, in keeping with the ESTP put in place</li> <li>• To the extent possible, these trainings shall be undertaken in the local Nepali or Tamang language, and using local experiences or examples and material which is being used in the area;</li> <li>• In addition to the PAF specific trainings, the Project may also consider holding awareness workshops for the larger community with the District agriculture and livestock department for the livestock holding and enhancement programmes and practices, the means by which the productivity of an animal can be organically increased, the ideal species/hybrids of livestock to be maintained keeping in mind the local conditions etc.</li> <li>• The Project may also consider providing seed capital/ start up for the PAFs who successfully complete the trainings. This support may be in the form of providing chicks/sows/ calves/lambs or for providing loans for procuring the same. This support may be identified in consultation with the local community. From the discussion with the local community during the LALRP formulation, one of the supports identified was the purchase of a buffalo calf. According to the women consultation, the local community wanted the Project to provide them with one calf for every calf purchased by the community. This would allow each household to own at least two buffaloes. However, each PAF is understood to have a different ability and preference. The PAF specific preferences shall be identified at the Micro Plan finalization stage;</li> <li>• The Project may also consider tying up with the PAFs who successfully complete these trainings for procuring the produce, such as milk, meat and eggs for the Project camp and site office;</li> <li>• The Project shall provide veterinary support in the form of regular check-ups (at least 6 monthly) for the livestock holdings, to ensure the health and maintenance of the livestock holdings of the community. This veterinary support may also be extended to the local community as part of the Project's CSR activities;</li> </ul>

Approx. Number of Entitled Entities	Lessons Learned from Past Experience & Objective	Key Steps
		<ul style="list-style-type: none"> <li>For those PAFs interested in developing their livestock holdings as a business venture and not wanting to restrict themselves to selling to the Project, the Project shall provide training on business enterprise and seed capital as discussed subsequently,</li> </ul>
Training on Business enterprise and seed capital for starting business		
7 PAFs	<p>According to the consultations undertaken, 7 PAFs have shown an inclination in either undertaking business or receiving training on business enterprises. These PAFs are those who wish to undertake activities such as establishing a restaurant, hotel or small stores etc. from the discussion with the local community, there were a small proportion of households who were undertaking business activities in the pre-earthquake scenario. However, most of these PAFs, suffered significant financial losses due to the earthquake.</p> <p>In addition to this, as discussed earlier, there may be certain PAFs, who receive skill training and wish to convert the same into enterprise opportunities.</p>	<p><b>Planning</b></p> <ul style="list-style-type: none"> <li>This entitlement shall be implemented in keeping with the larger ESTP being formulated for the Project</li> <li>During the disclosure process and finalization of micro Plans, through consultations, specific business activities/ enterprises shall be identified for which training may be provided. Some of the opportunities identified during the LALRP formulation include restaurants, hotels and small inns, provision stores, serving as tourist guides or Sherpas, establishing and running heritage walks such as the Tamang trails etc.</li> <li>Some of the trainings to be provided, such as basic accounting and financial literacy or communication skills, may be common across enterprise preferences. While certain trainings may be specific to specific business Plans, such as housekeeping or cooking etc.</li> <li>Based on the trainings identified, develop specific implementation Plans for each training. This implementation Plan shall include details pertaining to total number of individuals to be covered, number of batches, number of training days in a batch and every month, the number of candidates per batch, the minimum eligibility requirements for each, the skills to be imparted during the training, etc.;</li> <li>Furthermore, while planning for these trainings, those PAFs who already have certain knowledge shall be identified, as should those who have no understanding but wish to learn. The training sessions may thus be split into beginners level courses and more in depth advanced courses;</li> <li>This Plan shall then be disclosed to the PAFs, in term of the necessary skill level required, the eligibility criteria for the same and the time lines to be followed in the implementation of the intervention. This disclosure will be undertaken in keeping with the disclosure process identified in the SEP.</li> <li>Based on the PAF's feedback, the implementation Plans shall be revised</li> <li>Once the micro Plans are finalized, the implementation Plans for each type of training shall be updated and finalized with the final number of individuals per training;</li> </ul> <p><b>Implementation</b></p> <ul style="list-style-type: none"> <li>To the extent possible, these trainings shall be undertaken in the local Nepali or Tamang language, and using local experiences or examples and material which is being used in the area;</li> <li>There are certain PAFs who are unable to converse in Nepali, Hindi and English. The Project may provide a basic language course for these households in at least one of these languages;</li> </ul>

Approx. Number of Entitled Entities	Lessons Learned from Past Experience & Objective	Key Steps
		<ul style="list-style-type: none"> <li>• The PAFs, who successfully complete the trainings, shall be given certificates of completion and letters of recommendation. These will be aimed at allowing the PAFs to utilize the skills gained for generating business;</li> <li>• The Project, in consultation, with the PAFs, may also assist in providing seed capital or market linkage support, as required by the PAFs;</li> <li>• The Project shall establish business relationships with the PAFs who successfully complete the training, in line with the requirements of Local Benefit Sharing Management Plan and Industrial Benefit Plan formulated for the Project</li> </ul>
<b>Support to Restore Agricultural Livelihoods</b>		
PAFs-154	those who return to their original villages and wish to continue agricultural activities will be provided training in agricultural productivity enhancement.	<p><b>Planning</b></p> <ul style="list-style-type: none"> <li>• It is assumed that at least one member from each family will continue agricultural activities</li> <li>• This entitlement shall be aimed at not only restoring livelihoods dependent upon agricultural practices but also allowing the PAFs to be self-sufficient in terms of producing food for their own sustenance</li> <li>• The biggest challenges in this support are as follows <ul style="list-style-type: none"> <li>○ The land in the local villages may be impacted by landslides, fissures and other debris from the earthquake and may thus be uncultivable presently</li> <li>○ Those who do not return to their original village are unlikely to have sufficient land available for continuing agricultural activities in their new residences</li> </ul> </li> <li>• In keeping with this, the following support options should be discussed with the PAFs <ul style="list-style-type: none"> <li>○ Providing support in terms of land clearance and making land cultivable;</li> <li>○ Providing agricultural productivity enhancement trainings</li> <li>○ Providing training in terms of vegetable gardening or cultivation in limited spaces</li> <li>○ Providing assistance in identifying potential agricultural land in new residences, for purchase by PAFs</li> </ul> </li> <li>• Based on the discussions with the PAFs, the interested PAFs should be sorted into different groups based on the desired intervention. A detailed implementation plan shall be prepared for the interventions</li> <li>• The implementation plan shall include the total number of individuals to be covered under each intervention, number of batches for the trainings, number of training days in a batch and every month, the number of candidates per batch, skills to be imparted etc.</li> <li>• This Plan shall then be disclosed to the PAFs, in term of the necessary resource required, the eligibility criteria for the same and the time lines to be followed in the implementation of the intervention. This disclosure will be undertaken in keeping with the disclosure process identified in the SEP.</li> <li>• Based on the PAF's feedback, the implementation Plans shall be revised</li> </ul>

Approx. Number of Entitled Entities	Lessons Learned from Past Experience & Objective	Key Steps
		<ul style="list-style-type: none"> <li>Once the micro Plans are finalized, the implementation Plans for each type of intervention shall be updated and finalized with the final number of individuals per intervention;</li> </ul> <p>Implementation</p> <ul style="list-style-type: none"> <li>To the extent possible, these trainings shall be undertaken in the villages or IDP camps where the PAFs are residing</li> <li>The project shall also set up a demonstration/ training area where the community can be given live demonstrations on some of the techniques being taught</li> <li>To the extent possible, these trainings shall be undertaken in the local Nepali or Tamang language, and using local experiences or examples and material which is being used in the area;</li> <li>In terms of providing support for clearing agricultural land, the project shall consider providing monetary support for hiring of equipment or labourers. The project may also consider making available certain project equipments or JCBs for clearing land parcels if feasible.</li> </ul>
Transition Support		
<p>Elderly- 7 PAPs Differently Abled- 5 PAPs</p>	<p>As stated earlier, there are certain PAPs, who due to age or physical/mental limitations may be unable to actively engage in livelihood generating activities. It is understood that these PAPs are completely dependent upon the economically active family members, which creates pressure on these earning members in terms of number of mouths to feed. This pressure has been accentuated since the earthquake, due to issues associated with livelihood generation activities.</p> <p>In order to reduce the financial pressure on the economically active members of the households and to provide certain level of autonomy and independence to the dependent PAPs, the Project shall provide a 2 transition</p>	<p>Planning</p> <ul style="list-style-type: none"> <li>As part of the LALRP formulation, 12 PAPs have been identified who may require transition support. As part of the Micro Plan finalization, these PAPs shall be verified, and the final number of eligible PAPs shall be identified;</li> <li>It should be clearly explained to the PAFs, that these PAPs are only eligible for this allowance till the time they are not engaged in any income generating activities.;</li> <li>It should also be clearly communicated to the PAFs that this entitlement is available to those PAPs who are identified under this category at the time of the cut-off. This is so because it is assumed that the other PAPs and PAFs will be enabled to restore their livelihoods based on the other entitlements;</li> <li>This allowance shall preferably be paid through cheques, in the name of the PAP. However, the access to banking facilities shall be assessed. If banking facilities are not readily accessible by most PAFs, the Project may consider paying the compensation in cash;</li> <li>the bank details of each PAP which will be used for receiving/encashing the cheques for cash compensation shall be collected and verified;</li> </ul> <p>Implementation</p> <ul style="list-style-type: none"> <li>In case of no bank accounts, and if desired by the PAP, provide assistance in setting up of bank accounts. This assistance may be in the form of helping the PAFs get in touch with Banks, understanding the procedures and Do's and Don'ts of maintaining bank accounts and completing the formalities for opening a bank account;</li> </ul>

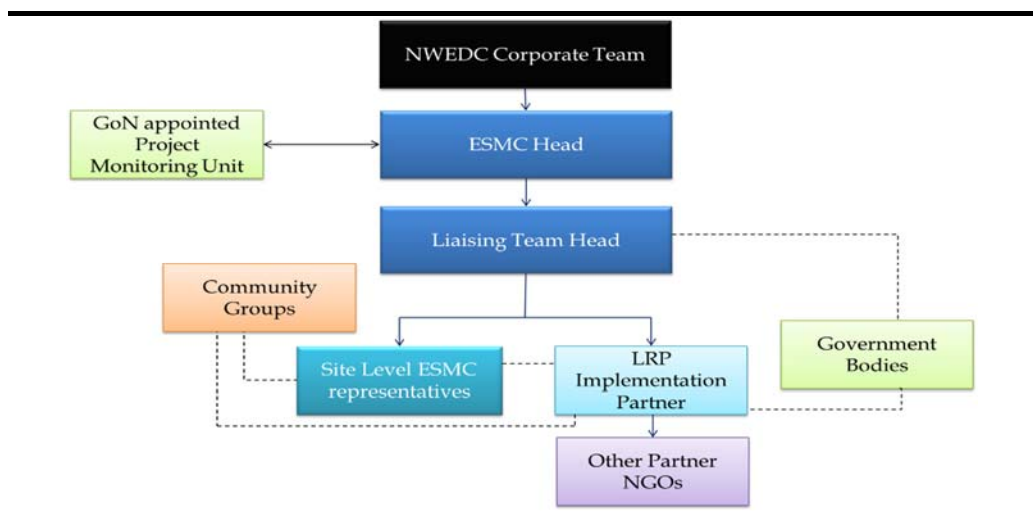
Approx. Number of Entitled Entities	Lessons Learned from Past Experience & Objective	Key Steps
	allowance to the elderly (60 years and above) and physically/mentally differently abled who cannot be engaged in livelihood generating activities. This allowance shall be provided for 2 years till the time the families supporting them are expected to restore their livelihoods and achieve stable incomes.	<ul style="list-style-type: none"> <li>• Conduct money management/financial literacy trainings, to enable the entitled entities to effectively manage the money received and to invest the same in asset;</li> <li>• This allowance shall be paid on a monthly basis.;</li> </ul>

As discussed previously, the implementation of the LALRP will be undertaken with the help of an implementation partner. This section provides an understanding of the overall implementation process for the LALRP. This section includes a discussion on the resource requirements and relation to the SIMF as a whole.

### 8.1 MANPOWER REQUIREMENTS

This section provides an understanding of the manpower requirements for the LALRP designed for the Project, keeping in context the Project development timelines and the existing and proposed management structure. The organization structure for LALRP implementation is depicted in the following figure.

**Figure 8.1 Reporting Structure for LALRP Implementation**



This institutional structure may be further strengthened or get extra support as required through the implementation of the LALRP.

#### 8.1.1 Internal Resources

As can be seen in the Figure 8.1, the overall responsibility for the implementation of the LALRP is with NWEDC. This process shall be led by the Environmental and Social Management cell (ESMC) that will be established in NWEDC. The Liaising team head will report to the ESMC head at NWEDC and will be supported by Community Liaison officers (CLOs) who will be primarily responsible for undertaking regular interaction and mobilisation activities with the community.

There are presently two CLOs engaged at the Project site, one of whom is a Tamang PAF. In addition to this the Project will recruit a female community mobilizer prior to implementation of LALRP. This team, in collaboration with the external parties, will be responsible for the implementation and monitoring of the LALRP.

### 8.1.2 *External Resources*

The internal LALRP implementation team will also consider involving external parties, in addition to the Implementation Partner, for the implementation of the LALRP. These external parties include relevant government departments, NGOs and civil society organizations, the *Jan Sarokar Samiti* and any other community organization identified during the course of the implementation of the LALRP. An implementation partner having expertise with the on ground implementation of R&R and enhancement projects shall be recruited for the day to day implementation of the LALRP, in keeping with the entitlement framework and principles identified. In addition to the implementation partner, NGOs/ INGOs may be identified for the implementation of specific components like training, skill building, financial literacy, livestock management, and boar farming. District departments will also be consulted and engaged for organising training for the PAFs. Some of the NGOs/INGOs and government departments identified as part of the LALRP formulation include:

- Manekor;
- LaCCoS
- Lumanti;
- Parivartan Nepal;
- ACF;
- Gharelu;
- Asia;
- Small and Cottage Industries Development Board;
- District Agriculture Department; and
- Government training centres

In addition to this, in keeping with the requirements of the ADB SPS, the project shall engage an independent advisory panel for the project, during the implementation stage of the LALRP. This advisory panel shall be engaged with the purpose of monitoring and ensuring that the LALRP implementation is undertaken in keeping with the applicable reference framework requirements.

### 8.1.3 *Roles and Responsibilities*

The roles and responsibilities of the key entities engaged in implementation of LALRP are outlined below.

### *Roles and Responsibilities of the Liaising Team Head*

- Identifying implementing partners/agencies for imparting training on specialised skills and other areas;
- Overseeing the implementation process and ensuring completion of milestones in line with the principles put in place and the pre-defined timelines;
- Coordinating with the ESMC Head and NWEDC corporate team for support required.
- Coordination with the EPC contractors for provision of employment opportunity during the construction stage;
- Review of the R&R options and updating based on further consultation with each of the PAFs;

### *Roles and Responsibilities of the Community Liaison Officers*

The Community Liaison Officer (CLO) will be responsible for the following:

- Coordination with the implementing partners/agencies for imparting training on specialised skills and other aspects of LALRP implementation;
- Based on the community needs already identified, prioritise the immediate requirements and support the community in meeting such development requirements proper selection of beneficiaries for different livelihood training components;
- Ensuring gender parity in targeted training programs for the PAFs;
- Looking for opportunities of direct employment of the members of the PAFs (both trained by the Project and other skilled people);
- Acting as the focal point for registering, documenting and coordinating with the Grievance Redressal Cell (Refer to Stakeholder Engagement Plan) for grievances registered by the community on LALRP implementation;

### *Roles and Responsibilities of the Implementation Partner*

The typical roles and responsibilities of an implementation partner are as listed below.

- Conducting one to one interaction with the PAFs, based on the entitlement matrix, in order to finalise the micro plans for implementation;
- Assessment of resources (financial and personnel for training), detailing out the process of implementation in terms of phases, number of people considered for each phase and other details and make the annual plans of implementation and a larger plan of implementation for a period of 5 years;
- Creation and update of a master database with complete information of each family along with micro plan;
- Identification of NGOs/ Government bodies to partner with, for the implementation of the LALRP;

- Coordinating with the District departments on trainings, schemes and other possible linkages for supporting the livelihood of the PAFs;
- Formulating and implementing detailed plans for implementation of each entitlement identified.

#### *GoN Project Monitoring Unit*

The Government of Nepal may delegate the management and administration of the PDA to a Project Monitoring Unit. This PMU may be responsible for monitoring the implementation of the LALRP, in keeping with the PDA requirements. The PMU shall not have rights that are in addition to the rights of GoN or a GoN instrumentality as contained in the PDA.

#### **8.1.4** *Training of Implementation Team*

Training of the LALRP implementation team and the external agencies identified for the implementation of the LALRP will be a crucial component of the process. Prior to the initiation of the LALRP implementation, a workshop shall be conducted of all parties involved. The purpose of this training shall be to provide all the agencies an understanding of the purpose of the LALRP, the principles governing it and the key components of the same.

The Project will also from time to time assess the adequacy and capacity of the LALRP implementation team members in terms of their understanding of the LALRP purposes, policies and principles as well as the implementation process, including the other Plans put in place for the Project as part of the SIMF. If required, refresher trainings will be provided on specific topics.

#### **8.1.5** *Coordination with EPC and Sub-Contractors*

Furthermore, due to the fact that a number of contractors will be involved in the Project at various stages of its development, it will be critical to ensure that the contractors abide by the principles established as part of the LALRP. Wherever possible, the contract agreements with contractors should be revised to insert conditions for employment of PAFs for suitable employment opportunities, and ensuring the health and safety of the workers. This includes the right of the ESMC to investigate reported incidents and levy penalties for non-compliance. Also it will be ensured that vetted and agreed Codes of Conduct are developed and shared with the relevant contractor employees.

8.2 IMPLEMENTATION SCHEDULE

Table 8.1 Tentative Implementation Schedule

Task	2017-18	2018-19				2019-20				2020-21				2021-22				2022-23		
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	
Disclosure and Finalization of LALRP																				
Disclosure of LALRP																				
Establishing Cut-off Date for LALRP																				
Preliminary Consultations with Local Community																				
FPIC Community Consultations																				
Agreement on LALRP																				
Finalization of LALRP																				
Development of Detailed Implementation Plan and Mobilization of Resources																				
Recruitment of Female Mobilization Officer																				
Identification of Implementation Partner																				
Identification of Partner NGOs																				
Training of Implementation Team																				
Detailed Need Assessment																				
Development of Micro Plan																				
Consent and Agreement of Micro Plan by PAFs																				
Finalization of Micro Plans																				
Development of Detailed Implementation Plan																				
Disclosure of detailed implementation Plan																				
Finalization of detailed Implementation Plan																				
Implementation of Mitigation Measures																				
Payment of pending compensation for structures																				
Resource Mapping for employment opportunities within Project																				
Payment of Compensation for Tree Loss																				
Provision of Employment (direct and contractual) in Project																				
Payment of Transition Allowance																				
Transition Allowance for Vulnerable groups																				
Livelihood and Skill Training																				
Training and Capacity Building of CFUGs																				
Reporting and Monitoring																				

Task	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Regular reporting by CLOs to Liaising Team Head						
Regular reporting by Liaising Team Head to ESMC Head						
Regular reporting by Implementation Partners to Liaison Team Head						
Internal Monitoring by Liaising Team Head						
External Monitoring by Independent Agency						
LALRP Completion Audit						

### 8.3 TENTATIVE BUDGET

**Table 8.2 Tentative Budget**

S.No	Expenditure Head	Expenditure Details (along with remarks)	Unit Cost (NR)	Number of Units	Total (NR)
1	FPIC and Disclosure Process				
		Disclosure of LALRP	50,000	2	1,00,000
		Consultations with local community	50,000	4	2,00,000
	Sub Total				3,00,000
2	General Implementation Costs				
	Mobilization of Implementation Team	Female Mobilization Officer (yearly basis)	6,00,000	2	12,00,000
		Implementation Partner	10,00,000	1	10,00,000
		Partner NGOs	10,00,000	1	10,00,000
		Training and Capacity Building of Implementation Team Members	50,000	4	2,00,000
	Need Assessment	Need Assessment for PAFs			1,50,000
		Resource Mapping for Employment Opportunities			1,50,000
	Micro Plan	Formulation of Micro Plan			3,00,000
		Consultations with PAFs on Micro Plans			2,00,000
	Implementation Plan	Formulation of Implementation Plan			1,00,000
		Disclosure of Implementation Plan			2,00,000
	Training and Capacity Building of CFUG members	Training and Capacity Building of CFUG members	10,000	288	28,80,000
	Sub Total				73,80,000
3	Allowances and Compensation Payment				
	Payment of Compensation	Pending Compensation for Structures			11,50,00,000
		Payment of Compensation for Trees			1,43,84,149

S.No	Expenditure Head	Expenditure Details (along with remarks)	Unit Cost (NR)	Number of Units	Total (NR)
	Allowances	Transition Allowance	8000 per month (6 months)	137	65,76,000
		Transition Allowance for Vulnerable groups	8000	12	2,30,4000
		Seed Capital	50,000	7	3,50,000
	<b>Sub Total</b>				<b>13,86,14,149</b>
4	<b>Livelihood and Skill Enhancement</b>				
	Livelihood and Skill Training	Technical Training	31,250	160	50,00,000
		Vocational Training	31,250	160	50,00,000
		Training on Livestock, Poultry and Boar Farming / Agricultural training	10,000	154	15,40,000
		Seed Capital for Livestock holding	25,000	150	37,50,000
		Training on Business Enterprise and Financial Literacy	5,000	75	3,75,000
		Seed Capital for Starting Business	65,000	75	48,75,000
	Monitoring and Reporting	Internal Monitoring			5,00,000
		External Monitoring			10,00,000
		Reporting Cost			5,00,000
	<b>Sub Total</b>				<b>2,25,40,000</b>
	<b>Total (1+2+3+4)</b>				<b>16,88,34,149</b>
	5% Contingency of the above				84,41,707
	<b>Grand Total (Total +Contingency)</b>				<b>17,72,75,856</b>

This section provides an understanding of the reporting and monitoring process to be set in place for the LALRP implementation of the UT-1 Project. The purpose of this will be to:

- document and track the implementation process;
- assess the compliance to the principles and policies identified previously;
- assessment against the key performance indicators (KPIs) identified previously; and
- Identify any challenges during the implementation of the LALRP as well as the potential corrective measures for the same.

### 9.1

#### REPORTING

The documentation and reporting will be important for assessing the progress of implementation of LALRP against pre-defined objectives and timelines and ensure effective and timely execution of the plan. The reporting for the LALRP implementation, shall be undertaken on a weekly, monthly, quarterly, half-yearly and annual basis, detailed implementation plans shall formulated for each entitlement, to allow for regular monitoring and reporting to be undertaken.

A format for the various types of reports shall be developed in keeping with the detailed implementation Plans formulated. This shall guide the implementation team on the type of information to be captured in the reports and ensure coherence in the type of information recorded and collated. The following table covers the details on frequency, type and content of reporting to be followed for the Project.

**Table 9.1** *Reporting types, frequency and details*

Type of Reporting	Reporting Frequency	Reporting Levels	Content
Internal Reporting	Weekly Reporting	<ul style="list-style-type: none"> <li>• CLOs to the Liaising Team Head.</li> </ul>	<ul style="list-style-type: none"> <li>• Compilation of the weekly activities undertaken along with a section to indicate any qualitative commentary on challenges and feedback received;</li> </ul>
Internal Reporting	Monthly Reporting	<ul style="list-style-type: none"> <li>• CLOs to the Liaising Team Head.</li> <li>• Liaising Team Head to ESMC Head;</li> </ul>	<ul style="list-style-type: none"> <li>• Details on numbers of people engaged with for training and employment, with outcomes;</li> <li>• Details on Government Departments/ NGOs liaised with and the outcome of the activity;</li> <li>• Activities undertaken at various ongoing trainings;</li> </ul>

Type of Reporting	Reporting Frequency	Reporting Levels	Content
			<ul style="list-style-type: none"> <li>Challenges faced due to community mobilization/ Implementation Agency / Resource Personnel, etc.</li> </ul>
Internal Reporting	Quarterly Reporting	<ul style="list-style-type: none"> <li>CLOs to the Liaising Team Head.</li> <li>Liaising Team Head to ESMC Head</li> </ul>	<ul style="list-style-type: none"> <li>Assessment of activities against the KPIs identified;</li> <li>Progress of work at various fronts: Trainings, Employment of PAFs, Status of Market Linkages to be established for vocational skills, etc.;</li> <li>Challenges and outcomes in the activities undertaken</li> </ul>
External Reporting	Half Yearly and Annually	<ul style="list-style-type: none"> <li>Implementation Partners to Liaising Team Head;</li> <li>Liaising Team Head to ESMC Head;</li> </ul>	<ul style="list-style-type: none"> <li>Progress on KPIs;</li> <li>Progress on Detailed Implementation Plan;</li> <li>Details on activities undertaken;</li> <li>Challenges faced;</li> <li>Discussion on modifications in the Plan, if necessary;</li> <li>Way Forward.</li> </ul>

## 9.2 MONITORING AND REVIEW

### 9.2.1 Internal Monitoring and Review

The internal monitoring will be undertaken by the Liaising Team Head in coordination with the CLOs and will involve both the process and output monitoring. Some of the typical KPIs to be monitored include the following.

**Table 9.2 KPIs to be monitored**

Category	Quantitative KPIs	Qualitative KPIs
Cash Compensation	<ul style="list-style-type: none"> <li>New Bank accounts opened;</li> <li>Money management trainings conducted;</li> <li>Number of PAFs provided complete cash compensation within agreed time frame</li> <li>Number of PAFs left to be compensated.</li> </ul>	<ul style="list-style-type: none"> <li>The ease of transfer in payment of compensation</li> <li>The use of the compensation amount by the PAFs</li> </ul>
Employment Opportunities	<ul style="list-style-type: none"> <li>number of PAFs employed in the Project on permanent and contractual basis;</li> <li>Number of days of wage labour provided through Project.</li> <li>Change in household income; in comparison to pre-Project scenario</li> </ul>	<ul style="list-style-type: none"> <li>Increase in secondary and tertiary employment levels in the Project area</li> </ul>
Training & Capacity Building and linkage to Project employment	<ul style="list-style-type: none"> <li>Number of People trained;</li> <li>Number of training days per year</li> <li>Number of trainings successfully completed</li> <li>Change in the skill levels of the PAFs</li> </ul>	<ul style="list-style-type: none"> <li>Change in employability &amp; enterprise initiatives amongst women in the area</li> </ul>

Category	Quantitative KPIs	Qualitative KPIs
or other avenues	<ul style="list-style-type: none"> <li>• Change in household income; in comparison to pre-Project and post- land purchase (for those who find</li> <li>• Change in number of families running businesses</li> <li>• Number of people trained and employed by the Project</li> <li>• Number of people trained and employed in the area</li> <li>• Number of people trained and finding suitable employed outside the Project area</li> </ul>	
Training on Livestock, poultry and boar farming followed by monetary and technical assistance for Livestock Rearing by the PAFs	<ul style="list-style-type: none"> <li>• Number of people opting for livestock</li> <li>• PAFs trained on improved practices;</li> <li>• Increase in livestock holdings (% of what was before);</li> <li>• Increase in income from milk and meat production;</li> <li>• Number of PAFs provided financial linkage, etc.</li> <li>• Increase in the household income; in comparison to pre-Project and post- land purchase.</li> </ul>	<ul style="list-style-type: none"> <li>• Increase of awareness in community about latest livestock rearing techniques;</li> <li>• Process followed for conducting training, location and duration of training etc.</li> </ul>
Training on Business enterprise and seed capital for starting business	<ul style="list-style-type: none"> <li>• Number of training conducted;</li> <li>• People trained on business enterprise;</li> <li>• Number of PAFs provided financial linkage, etc.;</li> <li>• Number of women supported;</li> <li>• Number of PAFs who have pursued businesses post training</li> </ul>	<ul style="list-style-type: none"> <li>• Process followed for conducting training, location and duration of training etc.</li> </ul>
Transition Allowance	<ul style="list-style-type: none"> <li>• People identified for the transition allowance</li> <li>• Bank accounts opened/ aligned with the allowance distribution activity;</li> <li>• Number of money management trainings conducted.</li> <li>• Increase in the household income in order to support families' expenses.</li> </ul>	<ul style="list-style-type: none"> <li>• Improvement in the social standing and societal engagement of the PAPs identified;</li> <li>• Improvement in confidence levels of the PAPs identified</li> </ul>
General	<ul style="list-style-type: none"> <li>• Change in security of tenure of those who lost primary residence in comparison to pre-land take scenario</li> </ul>	<ul style="list-style-type: none"> <li>• Increase in awareness in community about available opportunities not only locally but outside the village as well</li> <li>• Increase in skill levels</li> <li>• Increase in trust in the community towards the Project and the Project proponents</li> <li>• Number of women and people with enhanced vulnerability trained;</li> </ul>

This monitoring will be undertaken on a weekly and monthly basis. The findings of the internal monitoring will inform the strengthening of the

LALRP implementation and the corrective action identified in the internal monitoring will be included in the LALRP process.

The internal monitoring process will ensure the participation of the relevant stakeholder groups, comprising of PAFs, vulnerable groups, *Jan Sarokar Samiti* and the District authorities, to obtain their perceptions on the progress, process and impacts of the LALRP implementation.

## 9.2.2 *External Review and Completion Audit*

In addition to the internal monitoring process, the Project will also engage an independent agency to undertake external monitoring activities to provide an independent review of the LALRP implementation and to identify required corrective actions. The external monitoring is to include the following:

### *Half Yearly Monitoring*

Half yearly Monitoring will be conducted for the LALRP. This report will describe the conformance of the LALRP implementation process to the international standards. The report will also identify any outstanding actions that are required to be taken to achieve compliance to the policies and principles of the LALRP and describe further measures for the same.

Each report will comprise of the following (but will not be limited to):

- LRP objectives and their status
- Verification of qualitative and quantitative indicators for LALRP;
- Impacts on vulnerable groups;
- Linkages with other Project initiatives on employment, community development and social impact mitigation;
- Action required and timelines along with responsibilities.

This will be undertaken for the first two years on a regular basis. The requirements of such report will then be further shifted to an annual basis. However, this decision will be taken based on the progress made on the LALRP implementation in the first two years. based on these reports, the independent advisory panel will assess the project's compliance to the applicable reference framework and the requirement for any changes or alterations.

### *LRP Completion Audit*

An LALRP Completion Audit will allow the external agency to verify the Project's compliance to the applicable reference framework and the policies and principles committed to as part of the LALRP. It will assess the implementation of the plan.

The completion audit will have the following specific objectives:

- Verify the implementation of the Project's LALRP policy and principles;
- Evaluation of the impact of the compensation and R&R program measured through incomes and standards of living, with an emphasis on "status quo if not improvement" requirement;
- Assessment of the socio-economic status of the affected population;
- Identification of potential corrective actions necessary to mitigate any residual negative impacts of the program, if any, and to enhance its positive impacts.

Annex A

## Detailed Project Description

This Annexure provides a detailed discussion of the major project components for the UT-1 project. The Project concept is classic, with structures including temporary upstream and downstream cofferdams, diversion tunnels in the right bank, a gravity type concrete weir with three spillway gates, an intake, three underground de-sanding galleries, a long low-pressure tunnel to a surge tank, a vertical shaft to the short high pressure tunnel, a valve chamber, a 216 MW, underground powerhouse containing three vertical axis Francis generating units operating under a gross head of 350-m and associated equipment, a tailrace surge chamber-draft tube gallery and finally a short pressurized tailrace tunnel. Access to the powerhouse is by tunnel, with the control building and substation next to powerhouse. The total water conduit length is just over 10km. The project layout plan is depicted in *Figure 1.1*.

The intake site is located near the confluence of Bhotekoshi river at Dhunche and Haku VDC on the right bank of Trishuli river, about 70km directly north of Kathmandu. The Project consists of a 100.9 metre-wide diversion dam in a narrow gorge located 275 metres downstream of the confluence of the Trishuli with the Bhotekosi River. The direction of the valley is mostly south-west. The dam site can be viewed on Google Earth at 28-07-36.61N and 85-17-52.42E. Apart from the dam and spillway, all structures are located underground on the right bank of the river. The Pasang-Lhamu highway passes on the left bank of the river, and is the primary access route for the development.

### 1.1

#### DIVERSION WORK

River diversion works are required to safely divert the river flow during the construction period so that it will not cause any damage to the construction. The diversion works are divided into upstream and downstream cofferdams to cut off the river flow and direct it to a two line diversion tunnel to bypass construction activities. This design was selected taking into consideration the narrow river width, hydrologic conditions, cost, and worker safety. Overall cofferdam and diversion tunnel have been selected for Upper Trishuli-1 hydroelectric project considering narrow river width, hydrologic conditions, economy, and safety of workers.

**Table 1.1** *Feature of Diversion work*

Classification	Description
Diversion work type	Overall cofferdam + diversion tunnel(2 line)
Design flood	2 years frequency flood, 1,012.7 m <sup>3</sup> /s
Maximum water level	El. 1258.8 m

## 1.2

### WEIR

The weir is located in Trishuli River about 275 m downstream from the confluence of Trishuli and Bhotekosi River. The catchment area is 4,350.9 km<sup>2</sup>. The generation type of UT-1 HEP is a Run-of- River (RoR) type. The function of weir is to divert water to the powerhouse for 24 hours full time generation of power. The weir structure is planned as a concrete gravity dam type.

The weir has been designed for 5,000 frequency years and 2,000 frequency years with one gate out of operation. So the height becomes 32.0 m and length becomes 100.9 m so that water level does not exceed the crest level.

The spillway overflow is determined to safely release 200 years frequency flood of 2,554.8 m<sup>3</sup>/s. The spillway gate discharge has been designed to sustain for 5,000 frequency years to maintain El.1,255.0 m, and also it will not exceed El.1,259.0m for 2,000 frequency years with one gate out of operation. The spillway is determined as W 11.0 m × 3 nos. with radial gates (W 11.0 × H 16.5 × 3 nos.).

Also, overflows at the both side walls of the chute are not allowed during the maximum discharge. Stilling basin type dissipater is selected for the present study.

## 1.3

### INTAKE

The intake is the structure that connects water in the reservoir flows to headrace tunnel. The location of intake is right side from the main axis of weir, and in order to minimize the amount of sediment flow, it is located near the spillway. The type is selected as horizontal bell-mouth type since the drainage works well due to narrow gorge and it is easy for maintenance.

*Table 1.2 Main Features of Intake*

Classification	Description
Type	Horizontal Bell-mouth type
Sill elevation	El.1,247.0 m
Size	W 6.5 m × H 6.5 m × 2 Nos.
Length	39.1 m
Gate	Roller gate

## 1.4

### DESANDER

Because of the limited construction area and construction method due to slope, the desander is planned to be installed below the ground as a horizontal flushing type.

The particle size has been decided as 0.2 mm, and 3 chambers with 115.0 m of length, 10.0 m of width, and 24.03 m of height will be installed. The sediment

deposit in flushing channel will be flushed out while the desander operation is stopped by adding additional flushing water flow ( $6.0 \text{ m}^3/\text{s} \times 3$  flushing channel). It will take 3 hours each time and 7.75 days within a year. 3 flushing channels will be merged in flushing culvert and  $18.0 \text{ m}^3/\text{s}$  of discharge amount will be caused. It will go toward the downstream of Trishuli river and the size is decided as 3.4 m of width and 1.7 m of height.

## 1.5 *HEADRACE TUNNEL*

The headrace tunnel connects the intake, surge tank and vertical pressure tunnel, and is comparatively under low pressure. The tunnel alignment was designed straight or as a curve with a large radius considering its function, topography & geologic conditions, workability, structure locations, etc. The gradient of the waterway has been set below 2 % considering drainages, equipment movements and topographic conditions during excavation of the headrace.

The diameter derived is 6.5 m, and its excavation diameter is 7.21 m. Overall length is 9,714.901 m. Shotcrete lining was planned for rock type I, II, IIIa grades with favourable rock conditions to reduce construction cost, and concrete lining was planned for rock type IIIb, IV, V grades.

## 1.6 *SURGE TANK*

The headrace tunnel is a pressure type and as its length becomes longer, abnormal pressure rise or reject happens by surging and water hammer by the sudden start or stop during the turbine operation. A water tank called surge tank is installed in the headrace tunnel for fluent flow & absorption taking control of the load increment to ensure structural stability of headrace tunnel against the water hammer according to the pressure variations. The surge tank for this project is the restricted orifice with upper chamber type that has the same axis with vertical shaft and chamber locates in upper side.

## 1.7 *PRESSURE TUNNEL*

The pressure tunnel starting at the end of the headrace tunnel connects to the steel penstock tunnel. The diameter of the pressure tunnel is 6.5 m, and concrete lining was applied considering the inner & outer water pressure. The thickness of concrete lining is 500 mm. The vertical pressure tunnel's excavation & inner sections are all circular, and its length is 292.122 m.

The penstock is a high pressure tunnel installed near the powerhouse. It is double Y-branched type with the diameter transition section (4.8 ~ 2.8 m), and its length is 110.7 m.

## 1.8 POWERHOUSE

The underground powerhouse of the Project is situated approximately 348.0m below the ground. Power is generated from the potential energy created by the high head between the upstream and the downstream with the run of river scheme. The generator facilities are composed of 216 MW (72 MW × 3 units), and the size of the powerhouse was planned considering topography, geology, size of generator facilities, and space for maintenance.

## 1.9 TAILRACE TUNNEL & OUTLET

The tailrace tunnel design has been changed from the FS to minimize possible disturbance of the downstream flow and damages to the opposite slope as well as friction loss by changing the cross section of the tunnel. The construction can be carried out without building a cofferdam at the downstream by raising up the outlet elevation. The salient features are as follows.

**Table 1.3** *Salient Features of Tailrace Tunnel and Outlet*

	Parameter	Description
Tailrace tunnel	Form :	Concrete lining tunnel
	Diameter :	6.5 m (circular)
	Length	3 lines (L = 62.84 m), 1 line (L = 178.28 m)
Tailrace outlet	Type	Circular
	Sill elevation	EL. 910.0 m
	Size	D 6.5 m
	Length	29.0 m (Channel : 13.1 m)

## 1.10 QUARRY SITES

The Project will require approximately 120,000 cubic metres of aggregate material, for impervious core material, coarse and fine aggregates, riprap stone, and boulders, and approximately 60,000 cubic metres of sand. These materials will primarily be obtained from four quarry sites located in the Project area, although some of the material will be sourced from Project tunnelling and excavation. These quarry sites have been selected based on test pits, laboratory analysis, and an assessment of the volume and quality of aggregate available to meet overall Project demand. Refer to ESIA of this project for further details.

## 1.11 EXCAVATION AND DISPOSAL SITES

The Project will require the excavation of approximately 2.7 million cubic meters of material, the reuse and/or replacement of approximately 0.3 million cubic meters, and ultimately the disposal of approximately 2.4 million cubic meters. NWEDC has proposed 9 spoil disposal areas, as summarised below.

Vehicular access to the Project is from the public Betrawoti-Mailung-Syabrubesi Road (i.e. the road to China), via a public spur road, which was constructed by the nearby Mailung Hydropower Project, but is managed by the Rural Municipality. Nepal Water and Energy Development Company Limited (NWEDC) constructed a private bridge over Mailung Khola from the spur road to access their former construction camp and powerhouse site, but it was destroyed by the earthquake. NWEDC proposes a new access to the powerhouse site, downstream of the former bridge, which includes a new 39.6 m long by 4.3 m wide Bailey Bridge (a type of portable, pre-fabricated, truss bridge) across Mailung Khola. As part of the Project, NWEDC will construct an 11.84-kilometre-long/5.5-metre-wide private road from the Mailung Khola Bridge to the UT-1 dam site .

The Project will also take advantage of the newly constructed “Army Road,” which follows along the east bank of the Trishuli River and ultimately extends to China. There will be two points of access to the Project from the Army Road:

- Near the powerhouse – a short access road and temporary 51.8 m long by 4.3 m wide Bailey Bridge across the Trishuli River to access the Army Road as well as the Mailung Worker Camp; and
- Near the dam site and Haku Besi – a short access road and temporary 39.6 m long by 4.3 m wide Bailey Bridge across the Trishuli River that connects the Army Road with the NWEDC Access Road.



The Project will require construction of a 1184.5-metre-long single circuit 220 kV transmission line within a 30-metre-wide right-of-way (see Figure 2-4). The transmission line will require the construction of five new 35-metre-high steel lattice towers (i.e. AP-0, AP-1, AP-2, AP-3, and AP-4) from its take-off yard to the Tower AP-28 of Nepal Electricity Authority's (NEA) proposed Chilime-Trishuli 220-kilovolt double circuit transmission line. In accordance with Nepalese regulations, NWEDC will permanently acquire the land for the five towers (with each tower having a 13 metre by 13-metre concrete pad) and will lease the remaining right-of-way land from the government. The take-off yard will be built within the powerhouse boundary on land already procured by the Project. The transmission line will have a minimum ground clearance of 11 metres.

Construction of the transmission line will involve the following activities:

- Mark the right-of-way and clear all vegetation within the footprint of the tower base and for a distance of approximately two metres beyond the base to ground level;
- Excavate and stockpile soil for the legs of each tower;
- Lay the foundation of the tower; place the formwork, reinforcing bars, the embedded parts of the towers in the pits, overlaid by a concrete cement pad;
- Backfill and compact the foundation pits with stockpiled soil;
- Assemble and straighten prefabricated components of the lattice structure of each tower;
- String the transmission lines using a puller machine;
- Inspect all foundation work, tower erection, and stringing to ensure strict adherence to the technical requirements/specifications; and
- Place a sign to each tower warning of high voltage and anti-climbing devices on the tower.

Construction of the take-off yard will involve the following activities:

- Mark the boundary of the take-off yard and clear all vegetation to the ground level;
- Lay the foundation by pouring and curing the concrete;
- Install trenches to house electric and communication lines between the control house and equipment in the take-off yard;
- Install the electrical equipment and erect the ancillary buildings that house control equipment; and
- Inspect, place warning signage, and commission the take-off yard.

The use of government lands for the transmission line trigger the need for Nepal Water and Energy Development Company Limited (NWEDC) to prepare an Initial Environmental Evaluation (IEE) for review by the government. The Terms of Reference for the IEE was approved by the Ministry of Energy on 11 February 2018, but the alignment was subsequently changed for technical reasons. NWEDC has requested authorization from the

Ministry of Energy to proceed with the IEE based on the already approved Terms of Reference, but is awaiting that authorization. The IEE will be prepared to meet Ministry of Energy requirements, but will also be prepared to demonstrate compliance with lender requirements.

Annexure B

## Detailed Approach and Methodology for LALRP Formulation

This section describes the approach and methodology adopted for the LALRP Development. The methodology was based on a phased participatory approach, dependent upon qualitative and quantitative data collection.

As stated in *Section 5.1* of the LALRP, a number of environmental and social assessments have been undertaken for the project till date. One of the most important of these studies was the E&S gap assessment for UT-1 undertaken in June 2016, post the earthquake of April, 2015. The E&S gap assessment had suggested that firstly, the timing for LRP implementation was not correct and secondly, owing to changes on ground (loss of land, damage to house, internal displacement of the people from some of the villages etc.) the LRP will need to be updated.

The E&S gap assessment and subsequently the inception site visit for LALRP shaped and validated the methodology for data collection. This LALRP has been built on the information previously collected as part of the complimentary socio-economic baseline for the ESIA, gap assessment and scoping exercise post-earthquake and the previous LRP formulated in 2015. As a part of the current LALRP in 2017, 100 percent census survey of the identified PAFs, detailed stakeholder consultations ( PAFs, local community, NGOs/ INGOs, Government agencies etc.) formed the core of the methodology.

The following sections provide an understanding of the methodology followed for the development of the LALRP in further detail.

## **1.1** *INCEPTION AND SCOPING*

The inception phase activities were undertaken to build on the understanding of the Project and the changed socio economic context in the Project AoI, post-earthquake (April 2015). These changes can be attributed to a lot of factors including Government schemes, NGOs intervention, some villages becoming unsuitable for residing etc.. These in turn have resulted in changes and dynamic situation, one leading to another.

### **1.1.1** *Desk Based Review*

A desk based review of documents provided by NWEDC was conducted by the ERM team in order to build and enhance the understanding of the project. The documents reviewed in this process comprise of the following documents:

- Cadastral mapping and Land Acquisition Survey, 2011, by Jade Consult Pvt. Ltd.
- Complementary ESIA, 2014, by Nepal Environmental and Scientific Services Pvt. Ltd.

- Detailed Design Report, 2013 by Daelim Kyeryong
- Environmental Impact Assessment, 2011 by Jade Consult Pvt. Ltd.
- Post-Earthquake E&S gap analysis and status report, 2016;
- Pre Earthquake Stakeholder Engagement Plan and GRM, 2015;
- Pre-Earthquake Livelihood Restoration Plan (LRP), 2015;
- Project Development Agreement (PDA) signed with the Ministry of Energy on 29<sup>th</sup> December 2016.
- Records of Stakeholder consultations undertaken during preparation of LRP, 2015;

### 1.1.2 *Kick Off Meeting with NWEDC and IFC*

A kick off meeting was organized with NWEDC representatives in Kathmandu on 9<sup>th</sup> April 2017. The purpose of this meeting was to develop an understanding of the following:

- The present ground situation, in keeping with the relief activities being undertaken, community's adaptation to post earthquake setting, change in administrative organization, post the new Constitution being implemented in Nepal;
- The present information available on the Project Affected Families (PAFs), especially focused on their present residence;
- Adequacy of the proposed methodology for the assignment and the potential schedule for the same; and
- Understanding on how well the present situation and changing dynamics on the ground can all be assimilated to manage the livelihood impacts on the PAFs and also meet the Project development agreement (PDA) commitments in general.

In addition to this, the ERM team also had a discussion with an IFC representative on 10<sup>th</sup> April 2017. This discussion was primarily aimed at updating IFC on the understanding developed so far and the work plan going forward. IFC also provided a perception of their and other lender's expectations from this assignment.

### 1.1.3 *Site Reconnaissance*

The ERM team, accompanied by representatives of NWEDC and NESS undertook a site reconnaissance visit to Dhunche from 11<sup>th</sup>-14<sup>th</sup> April 2017.

**Figure 1.1** *Site Reconnaissance Visit*



Source: ERM site visit, 2017

This site reconnaissance was aimed at the following:

- Visit to the still existing IDP camps, including Farm Camp and Nuabesi;
- Visit to the location identified for resettlement of in Khalte;
- Discussions with the following stakeholders:
  - NGOs such as Manekor and Laccos;
  - The CDO;
  - Reconstruction Authority;
  - Local Leaders; and
  - Local Community in IDP camps and Mailung.

## 1.2 *PRIMARY DATA COLLECTION*

### 1.2.1 *Survey Tool Development*

On the basis of the understanding developed during the inception phase, the primary data collection was initiated. For this purpose, a PAF socio-economic survey tool was formulated (*Annex C*). This survey form was aimed at allowing for qualitative and quantitative data to be collected. The purpose of this survey was to allow for an understanding of the following:

- Present residential status of the PAFs;
- Impacts of the earthquake;
- Change in the lifestyle and expenditure, in comparison to the pre-earthquake scenario;
- Relief support received by the PAFs from various stakeholders;
- Asset ownership of the PAFs;
- Livelihood profile of the household members;
- Income levels of the PAFs;
- Present skill and training level of the PAFs;
- The contextual vulnerability of the PAFs,
- Key concerns of the PAFs in terms of their present living conditions; and
- Key expectations from the project.

In addition to this, the stakeholders to be covered as part of the Focus Group Discussions (FGDs) and Key Informant Interviews were identified. For each stakeholder group the key area of concern or focus was identified and the basic objectives of the discussion were put in place.

### 1.2.2 *Workshop with NESS Social Experts and Assessors*

ERM and NESS deployed a team of 8 personnel over the duration of the field work from 26<sup>th</sup> April 2017 to 8<sup>th</sup> May 2017. Prior to mobilization, a one day workshop was organized in Kathmandu on 26<sup>th</sup> April 2017. The purpose of this workshop was to introduce and familiarise the team with each other and to have a discussion on the field work methodology and survey tools developed. As part of this workshop, feedback was taken on the survey tools prepared based on their understanding of the local conditions, and changes were made accordingly.

### 1.2.3 *Field Testing*

The revised survey tools were then field tested in the Nuabesi IDP camp on 27<sup>th</sup> April 2017. The field test served as a critical activity that identified required modifications for the survey format and methodology for data collection. This was important primarily to capture the various existing livelihood strategies of the PAFs, challenges, livelihood options which have been successfully explored, options which have not given results. Based on the field test, the survey format was finalized. Once the survey tool was finalized, a data entry code was developed for enabling proper data entry.

### 1.2.4 *PAF Survey*

The PAF socio-economic surveys were initiated from 28<sup>th</sup> April 2017. The PAFs were identified based on the LRP formulated in 2015. However, as part of the survey process, an attempt was made to establish if any member of the original PAF, had since 2015, established a separate household. In such cases, the new households were treated as separate PAFs and covered individually (refer to *Section 4.3.1* of the LALRP for further details).

For the PAFs of Gogone, Mailung and Tiru, presently residing in IDP Camps such as Satbise, Nuabise, Khalte, Bogetitar and Batar, the surveys were undertaken in the IDP camps itself. To the extent possible, the surveys were undertaken in the existing household of the PAFs. For the PAFs of Haku Besi, Phoolbari and Thanku, the surveys were undertaken in Dhunche; this was also because of the fact that most of the PAFs had temporary settlement in Dhunche and were engaged in some sort of livelihood opportunity in and around Dhunche.

**Figure 1.2** *PAF Survey undertaken by ERM*



Source: ERM site visit, 2017

For the purpose of the surveys, representatives of the PAFs were provided with one week advanced information pertaining to the purpose and content of the survey through the CSR team of NWEDC. To the extent possible, an attempt was made to conduct the survey with the head of the household. In the absence of the head of the household (in case they were away either for long period of employment, farming, or for day long training, etc.) a responsible representative of the household was surveyed. In cases where no

representative of the PAF was available, an attempt was made to contact the head of the households and identify a suitable time and location for the survey. As a result of this, certain surveys were also conducted in Trishuli Bazaar, Betrawati and Shanti Bazaar, in keeping with the convenience of the PAFs. In case of absentee PAFs, or those residing in Kathmandu and other countries, an attempt was made to establish contact with them through mobile phones. Where this was not possible, a brief profile of the PAFs was sought from their family members or knowledgeable community members.

**Figure 1.3** *Sample Photo Documentation of Respondents*



Source: ERM site visit, 2017

For each PAF, the survey was concluded with a photo documentation of the respondent for record keeping purposes. The following table provides an understanding of the date of survey conclusion in each of the settlements covered.

**Table 1.1** *Date of Survey Completion in Each Major Settlement*

Settlement	Date of Completion
Shanti Bazaar	30 <sup>th</sup> April 2017
Satbise	1 <sup>st</sup> May 2017
Mailung	2 <sup>nd</sup> May 2017
Khalte	3 <sup>rd</sup> May 2017
Nuabesi	3 <sup>rd</sup> May 2017
Battar	3 <sup>rd</sup> May 2017
Dhunche	6 <sup>th</sup> May 2017

### 1.2.5 *Focus Group Discussions and Key Informant Interviews*

In addition to household surveys, FGDs and key informant interviews were undertaken with certain key stakeholder groups. These discussions and interviews were aimed at supplementing and triangulating the information made available during the PAF survey and also for collecting additional qualitative data on certain key areas, such as NGO activity in the area,

livelihood restoration mechanisms etc. The following stakeholder groups were covered as part of the discussions and interviews.

**Table 1.2 Stakeholder Engagement as part of the LALRP Process**

S. No	Stakeholder Group	Group Representatives	Date	Summary of Consultations Undertaken		
1.	NGOs active in the project area	Manekor	12 <sup>th</sup> April 2017	a discussion was undertaken on the activities of the organizations in the post-earthquake scenario, and the key learnings/ take aways from the same		
2.		LaCCos	12 <sup>th</sup> April 2017			
3.		Lumanti	11 <sup>th</sup> May 2017			
4.	Government Departments	National Reconstruction Authority (NRA)	13 <sup>th</sup> April 2017	A discussion on the role and purpose of the NRA, its key objectives, way forward and challenges being faced		
5.		Ministry of Federal Affairs and Local Development (MoFALD)	5 <sup>th</sup> May 2017	A discussion on the process of grant disbursement for house reconstruction and the role of MoFALD in the same		
6.		Department of Urban Development & Building Construction (DUDBC)	5 <sup>th</sup> May 2017	A discussion on the overall reconstruction process and the designs approved by the government		
7.		Land and Revenue Department	5 <sup>th</sup> May 2017	A discussion on the role and key objectives of the agencies and the possibility of associating with them for the LALRP process		
8.		Veterinary Department	5 <sup>th</sup> May 2017			
9.		Chief District Officer (CDO)	12 <sup>th</sup> April 2017			
10.		Cottage Industry Department	5 <sup>th</sup> May 2017			
11.		Local Community/ PAFs	Women group from Haku VDC		5 <sup>th</sup> May 2017	A discussion with the various stakeholder groups on the following aspects:  The impacts from the earthquake Present livelihood profile Role of the project in earthquake relief Present perception towards the project Present expectations from the project in terms of LALRP activities
12.			Women Group from Haku VDC		5 <sup>th</sup> May 2017	
13.			Tamang Women Group from Satbise		1 <sup>st</sup> May 2017	
14.	Mixed group in Nuabise		8 <sup>th</sup> May 2017			
15.	Mixed group in Bogetitar		7 <sup>th</sup> May 2017			
16.	Mixed Youth Group		29 <sup>th</sup> April 2017			
17.	Mixed Group from Farm Camp		12 <sup>th</sup> April 2017			
18.	Women Shop Owner in Nuabise		8 <sup>th</sup> May 2017			
19.	Women Shop Owner in Nuabise		8 <sup>th</sup> May 2017			
20.	Mixed Group in Khalde		13 <sup>th</sup> April 2017			
21.	Key Informant Interview, local Politician in Nuabise		13 <sup>th</sup> April 2017			

S. No	Stakeholder Group	Group Representatives	Date	Summary of Consultations Undertaken
22.		Key Informant Interview, women returned after Foreign Employment	2 <sup>nd</sup> May 2017	
23.		Men Group in Mailung	14 <sup>th</sup> April 2017	
24.		Men Group from Haku VDC	6 <sup>th</sup> May 2017	

*Annex G* provides the Minutes of these discussions undertaken.

**Figure 1.4** *Focus Group Discussions undertaken*



Source: ERM site visit, 2017

Most of the local community and PAFs discussions were undertaken with the available representatives in an opportunistic manner. Each group discussion comprised, on an average of 8-10 representatives.

For the discussions with the local NGOs and government agencies, appointments were sought in advance. Consultations with the Government agencies were undertaken both during the inception visit and in parallel with the HH surveys. This was crucial as a lot of information gaps were identified in consultation with the PAFs and the local community. Consultation with the Government departments especially DUBDC, NRA, CDO, Land & survey, and MOFALD helped get the correct status of the Government scheme particularly with respect to alternate housing, alternate land, and issues with respect to proposed resettlement sites, and especially Guthi land.

Status of Geological studies undertaken in District was also understood and preliminary observations from the geological report and expected outcomes from the final geological report (still under preparation) was also discussed. The entitlement of the housing grant and the existing delay or decision of non-distribution in case of erstwhile Haku VDC was also discussed. Discussion with other Government departments were undertaken to understand the potential livelihood options which can be extended to the PAFs in wake of the April 2015 earthquake.

Consultations were undertaken with some of the prominent local NGOs like Manekor, Laccos and Lumanti to understand their engagement with the

earthquake affected families especially in the context of skill building, training, and capacity building in context to livelihood restoration. The purpose was to understand the following:

- How were the livelihood restoration related trainings selected?
- How was the beneficiary selection undertaken?
- Where was training undertaken and what was the duration for trainings?
- How were the resource persons for various trainings identified?
- How was the linkage established with government departments?
- Whether individual interventions preferred or group related interventions and what was the experience with these trainings?
- Whether seed capital was provided and how was that managed?

### **1.3**                    *DATA ENTRY AND ANALYSIS*

Subsequent to the survey completion, the data was entered into an MS Excel format, based on the Data Entry Code. This data was then analysed, to formulate the socio-economic baseline of the PAFs (*Section 5*) and the identification of the livelihood restoration entitlements (*Section 9*). As part of this data analysis, any outliers or potentially inaccurate information was also identified and clarification was sought on the same, through telephonic conversations with the PAFs or key informants from the community.

#### **1.3.1**                *Data Quality Control*

At the end of each survey day, QA/QC of the survey formats was carried out along with a discussion with the surveyors. This QA/QC was aimed at not only identifying any missing information, but also to capture any anecdotal information made available by the PAFs, which may not necessarily get captured in the survey format.

### **1.4**                    *ASSET INVENTORISATION AND VALUATION (2015)*

In 2015, as part of the LRP development, ERM undertook the exercise of inventorisation of the affected assets on the land to be impacted by the project (assets including land, crop, trees, structures etc.), and checked the then present status of these assets on the ground, the status of compensation and pending issues related to asset compensation.

For the purpose of the asset inventorisation, wherever possible, ERM and the local team visited the land parcels to be impacted with the land owners. The purpose of this reconnaissance was to develop an understanding of the assets which existed prior to the land take, and their present status. In cases where the land parcels could not be accessed (in many cases they were inaccessible owing to the ongoing road construction or sheer remoteness of the terrain posing grave health and safety risk for the researchers) hand held camcorders were used to film the assets on the land. Wherever possible, accompanying photographs were taken of the land parcels and the assets on them.

The land owners participated in the land inventorisatio and took ownership of the process of identifying the assets by signing the inventory documents, in most instances. In cases where the land owners were unavailable for consultation, the representatives of the land owners were involved in the asset inventorisatio process, and the signatures of the same were taken on the inventory documents.

**Figure 1.5** *Asset Inventorisatio*



## 1.5 MARKET VALUATION (2015)

ERM undertook a market valuation for the land and the assets impacted as part of the project in 2015 as part the LRP development. For the purpose of the market valuation, ERM undertook consultations with various district level authorities including the land department, the forest department, *Jan Sarokar Samiti*<sup>1</sup> for the project, the agriculture department and the livestock/ animal husbandry department.

Through these consultations an effort was made to:

- develop an understanding of the official process of evaluating the identified assets;
- the market value of the assets on the land to be impacted by the project;
- the gaps in the existing compensation already paid; and
- the additional compensation or mitigation measures which can be put in place to mitigate the impacts and the process to be adopted for the same.

These consultations on market valuation also took cognisance of the fact that the discussions and negotiations on land had taken place almost 2 years back. Since then, compensations have been distributed, the construction work for infrastructure (like access road making the areas accessible for first time) has been initiated and certain compensation induced changes have manifested in the community.

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(1)<sup>1</sup> Jan Sarokar Samiti is primarily group of people (may be registered or non-registered entity) organised to discuss concerns, facilitate decision making, and providing a forum for external stakeholders too to share their concern. In the present context, the Jan Sarokar Samiti includes the representation of people from Haku, Dhunche, and Ramche VDC. However, it is understood that during the public meetings, the local community has demanded separate Samitis to be formed for the various VDCs. It thus, remains to be seen as to whether the present Jan Sarokar Samiti will be acceptable to the local community as a representative or will another representative body be formed for the purpose of the project.

This in turn has resulted in an alteration of the expectations of the various stakeholders, especially the affected HHs. As part of the interactions during the market evaluation and the previous interactions of the project, the key concerns of the PAFs and the local community were understood to be concern over the local employment opportunity, damage to the community forest reportedly ( outside the agreed area) and compensation over the associated assets over the land, especially the standing timber and in some instances compensation of the incomplete structures ( not considered for valuation and compensation earlier).

## 1.6

### *DEVELOPMENT OF DRAFT LALRP*

Based on the quantitative and qualitative data thus collected, the LALRP for the project was formulated, as is presented in this report. This LALRP has been formulated as part of a larger Social Impact Management Framework (SIMF). The SIMF formulated is aimed at providing an understanding of the following:

- A descriptive narrative of the social context for the project, including the environmental and social assessments undertaken thus far, and the engagement with the community through the project lifecycle. As part of this, a narrative description shall also be provided of the Project's role in the earthquake relief and reconstruction efforts, to provide a context to the existing relationship with the local community and PAFs,
- Historic (pre-earthquake) and updated social baseline of the people directly affected by the project and those indirectly affected or in the general project influence area,
- Potential adverse impacts on the socio-economic status of the PAFs and local community due to project activities as discussed in the ESIA report (Task 1), including impacts on livelihood, community health and safety and impacts due to labour influx;
- Overall framework designed to manage project social impacts and risks.

The framework is comprised of the following:

- An **LALRP**. The LALRP is aimed at restoring the livelihoods of the PAFs and closing any gaps identified the monetary compensation paid, against the applicable reference framework. This LALRP is focused on the PAFs identified, but has also identified certain broad level mitigation measures/ interventions for the larger community, in keeping with the earthquake context. These mitigation measures/ interventions may be implemented by NWEDC as part of their CSR activities or the Benefit sharing plans identified in the PDA. The LALRP shall verify/re-assess the following:
  - Socio-economic profile/status and any vulnerabilities arising from the earthquake;
  - Utilization of land/asset compensation and the current status (impact) on the assets created using the compensation amount;
  - Change if any, in the livelihood profiles;

- Change, if any in the options of resettlement and rehabilitations;
- Reaffirm the livelihood restoration preferences/options suggested prior to the earthquake and update choices/preferences;
- Demonstrate ICP and FPIC (as discussed in *IPDP*) undertaken for the project;
- Map (verify) skills/capacities to undertake/perform the suggested livelihood options/preferences;
- Reassess/confirm the delivery models for the livelihood maintenance/restoration/improvement programs;
- Update/reassess time and resource requirements for implementing the LALRP.
- Provide detailed monitoring and review mechanism, which shall identify monitoring indicators and processes, aimed at:
  - allowing for regular tracking of the LRP and the early identification of changes (if any) in the situation on the ground or the socio-economic profile and setting of the PAFs;
  - continuously assess the effectiveness of entitlements and mitigation measures identified;
  - establishing with a degree of certainty that the livelihoods of the PAFs have been successfully restored
- An updated **Stakeholder Engagement Plan (SEP) and Grievance Redressal Mechanism (GRM)** (prepared by ERM in 2015). The SEP shall provide an understanding of the following:
  - All pre-earthquake disclosure and consultation undertaken;
  - initial IEE consultation and surveys;
  - complementary social baseline-related discussions;
  - the public hearing;
  - the CSR engagement activities undertaken by project Sponsors on a day-to-day basis;
  - multiple lender consultations with villages/VDCs/NGOs;
  - ESSA consultations;
  - ERM engagement for the LALRP and Gap Assessment;
  - post-earthquake engagement; and
  - ongoing engagement by the two liaison officers;
  - It will also spell out how ongoing engagement will occur for key stakeholder groupings in future.

In addition to these plans, the SIMF also includes a **brief description and an annotated outline** of the following plans required under the PDA, namely:

- Nepal Industrial Benefit Plan,
- Nepal Employment and Skill Training Plan, and
- Local Benefit Sharing Plan, including Local Shares, and
- Supply Local Free Power for Rural Electrification.

As part of the LALRP, an individual PAF profile was formulated (*Annex E & F*). This profile was also used, to identify the entitlements for each individual households, against the general entitlements identified (*Section 9*).

Annexure C

Applicable Reference  
Framework for LRP Update,  
Upper Trishuli-1

This section provides an understanding of the regulatory requirements pertaining to the project, in terms of the national rules and regulations as well as the applicable requirements of the international standards applicable for the project.

This understanding of the local administrative structure and local laws and regulations is requirement for the context of the project, the impacts and the process associated with land procurement. While some of the laws and regulations, have direct relevance in the context of the project, others shape the complete administrative process surrounding the management of land including private, Guthi and community forest land etc.

## **1.1 NEPAL ADMINISTRATIVE STRUCTURE**

Nepal Administrative structure has evolved over a period of time, and there are multiple changes that have taken place, especially since the middle of the last century. Some changes may still happen as and when the new constitution is in place. For the purpose of this assessment, current understanding of the system is important.

The executive branch of government includes the President, the Prime Minister, the Council of Ministers or Cabinet, constitutional and statutory bodies, and the bureaucracy, comprising various personnel services, formed to carry out executive functions. The President, as head of state, does not perform day-to-day executive functions, but is a part of the executive branch. In practical terms, the Cabinet is the highest executive body with authority to issue directives to guide, control, and govern. Under Article 43 of the Interim Constitution, the Cabinet can make its own rules on the allocation and transaction of business, allowing it to set up and run the central secretariat. The Constitution also requires the Cabinet to perform executive functions in accordance with laws enacted by parliament. The Interim Constitution provides for a political system with an “impartial, efficient and fair” bureaucracy.

### **1.1.1 Ministry**

#### *Office of the Prime Minister and Council of Ministers*

There is an Office of the Prime Minister and Council of Ministers (OPMCM) headed by the Chief Secretary, of special class rank. The Chief Secretary serves as secretary to the Cabinet, head of the OPMCM, and coordinator of other secretaries. Primary responsibilities include providing leadership to the civil service, directing and supervising its performance, making the bureaucracy active, efficient and leading governance reforms.

### *Minister*

Ministers are political appointees who manage the responsibilities of their respective ministries. As custodian of the executive power flowing down from the Cabinet, a minister communicates policy directions, administrative orders and decisions to the bureaucracy. The bureaucracy formulates policies and plans to implement decisions and directives of the government or the minister through various central and field level administrative mechanisms. The bureaucracy also monitors and evaluates program implementation, and recommends policy to the minister.

### *The Secretary*

The secretary is a special class officer. Under the minister's direction, the secretary prepares and submits policy proposals for consideration by the Cabinet. The secretary is the administrative head of the ministry, its line agencies and field offices, and also supervises and monitors policy and program implementation. The secretary has both administrative and substantive (policy) responsibilities. The Good Governance (Management and Operation) Act 2007 (GGMOA) specifies administrative responsibilities, which broadly encompass day-to-day duties and functions. The substantive responsibilities include the technical and policy functions of the ministry as assigned by law or delegated by the minister.

## **1.1.2**

### *Departments*

Departments are the second layer in the government hierarchy and serve as line agencies. Unlike ministries, departments have specialized human resources and technical equipment. They develop detailed plans and programs and implement them (also through field offices) after approval. They assist the ministries in policy matters, bringing in their operational knowledge and implementation experience. Departments are generally headed by a director general – usually a first class officer – whose responsibilities include implementing approved programs and policies, supervising and coordinating field offices, developing technical skills, providing advice to the ministry and ensuring effective service delivery. In 2011, the government had 51 departments of three broad types:

- departments that use discrete skills and technology and maintain a host of specialties in human resources and equipment, such as the Department of Physical Planning under the Ministry of Physical Planning and Works, and the Survey Department under the Ministry of Land Reform and Management;
- (ii) departments engaged in technical operations, such as the Department of Food Technology and Quality Control under the Ministry of Agriculture and Cooperatives, and
- (iii) departments that exist primarily to coordinate field offices for implementing central level programs.

### 1.1.3 *Central offices*

Central offices are created for specific purposes and are placed directly under either the ministry or the department. They focus on specific central level functions or coordinate field offices. In 2011 there were 136 central level offices. The Office of the Financial Controller is an example.

### 1.1.4 *Field level organizations*

The GGMOA has organized the administrative system into central and field level units.

The field units focus on service delivery and are present in all five development regions, 14 zones and 75 districts and sub-districts. Further reorganization is likely, as there have been demands that the districts be redrawn, because the existing boundaries laid down five decades ago no longer match local realities. Changes will also be needed to conform to the new federal structure. Regional offices, directorates of ministries, and agencies were established to implement a regional approach to public administration and development. The chief of the Regional Administration Office (RAO) is a central government representative of the rank of secretary. There are regional offices in each of all five regions. The RAO's duties range from administrative leadership during calamities like epidemics, famine, and natural disasters, to coordinating district level offices, maintaining law and order, supervising the district administration offices, combating delays and corruption, promoting efficient service delivery, and settling inter-district disputes. In practice, the Regional Administrator's coordination with regional offices of sectoral ministries is largely ineffective because of unclear jurisdictions, accountability structures and lines of authority. For this reason, secretaries do not like being posted as permanent regional administrators, and most of these units end up being run by 'acting' officials of lower rank defeating the purpose of the role they are expected to play. Some ministries and departments also have regional offices, though not necessarily in all regions. The army, the police, central intelligence, health, drinking water, higher secondary education, the Public Service Commission (PSC), Radio Nepal, irrigation, forests, postal system, agriculture, livestock, veterinary, telecommunications, electricity, revenue investigation, and food and quality control have regional presence, many at the regional headquarters.

#### *Zonal offices*

Zonal offices function as intermediaries between the regional and district offices. During the Panchayat period, these offices were important politically, but most of them were dismantled after 1990, when multi-party democracy was established. Only a few zonal units remain. These include zonal offices of the PSC, police, hospitals, post offices, etc., and they provide sectoral services and also supervise district offices.

### *District offices*

District offices are the key administrative field units. The chief district officer (CDO) heads the District Administration Office (DAO) as representative of the central government. The DAO's roles and functions are specified by the Local Administration Act 1971 (amended 2002) and its functions under the Ministry of Home Affairs (MoHA). The Regional Administrator is the immediate supervisor of the CDO. The main tasks of the DAO are to provide security to government offices and the public, maintain law and order, and also provide some general services

- Issue of citizenship certificates;
- Issue of passports;
- Registration of associations;
- Registration of newspapers and journals;
- Child adoption;
- Certification of orphans; and
- Certification of kinship.

The CDO is also responsible for coordinating all district level offices. Almost all public service agencies and some regulatory agencies have offices in all 75 districts. In 2011, Nepal had 1,622 district level offices.

- Each district has a local development officer (LDO) – the district level officer of the Ministry of Local Development (MoLD) – as the secretary to the elected DDC. The LDO is responsible for local development programs supported by the central government as well as those funded and managed by the DDC. The DDC's functions are mandated by the Local Self-Governance Act 1999 (LSGA) and Rules.
- All 75 districts include the 240 electoral constituencies (for national election), 927 Ilakas (areas created for the DDC election), 3,915 village development units and 58 municipalities.
- A staff member from regular civil service functions as the government representative, and as secretary of the different local bodies:
  - village development secretary (normally of assistant level) at the VDC;
  - executive officer at the municipality; and
  - LDO at the DDC.
- There are nine wards in each VDC. Wards are demarcated on the basis of population.
- A municipality can have more than nine wards. The municipal wards provide 11 types of services, such as agriculture, drinking water, irrigation, healthcare, law and order, and certification. Besides permanent offices, the government can create offices for specific projects and functions. Such offices are often set up for pursuing specific goals, or when existing administrative arrangements are unsuitable for a task at hand.

## 1.2

### *LAND: ADMINISTRATIVE STRUCTURE*

The Ministry of Land Reform and Management has the following functions as mentioned in the work division regulation, B.S 2064 of the Government of Nepal:

- Management of Guthi Corporation and Trust land;
- Implementing Land reform programmes;
- Implementation, monitoring and evaluation of the policies, plans and programmes;
- Land administration and Revenue collection;
- National and International issues related to land;
- Establish and maintenance of Geodetic control networks, production of topographic maps, aerial survey and Geo-informations;
- Human resource development through professional trainings in land survey and mapping and land management; and
- Administration and management of human resources within the ministry.

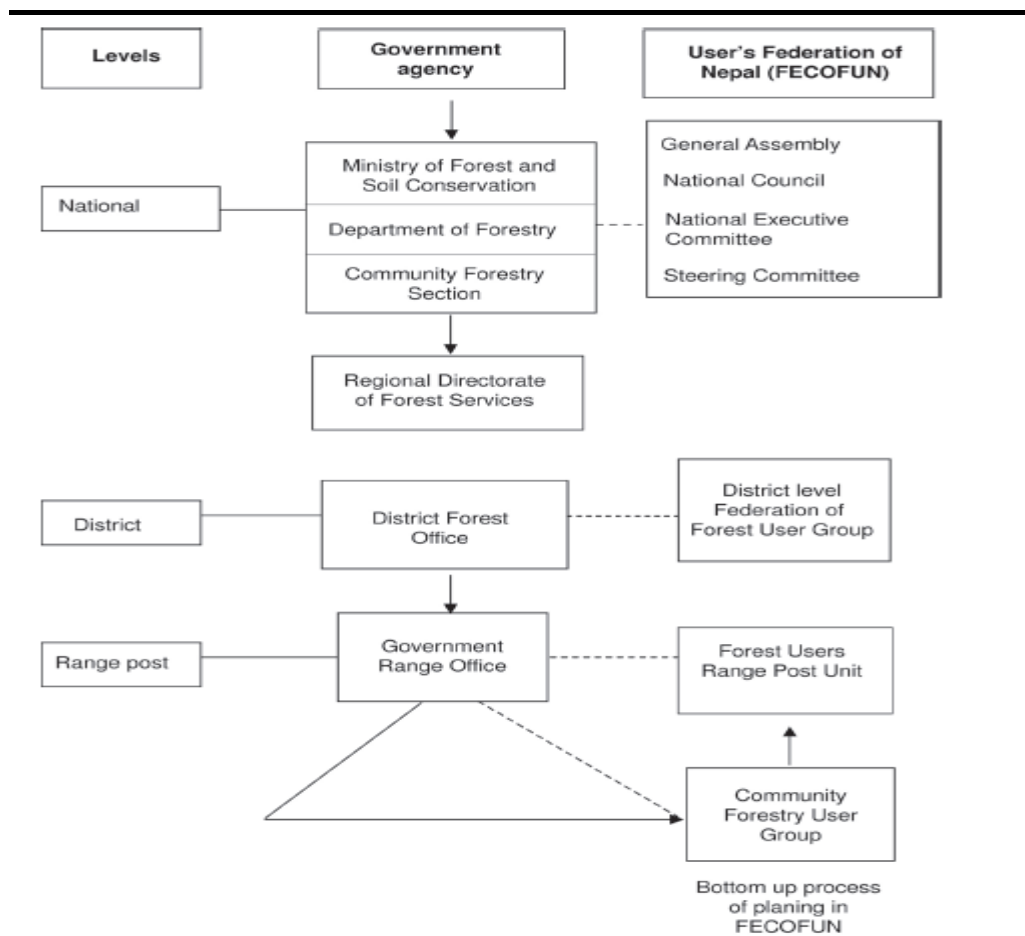
The Land Revenue Office (LRO) at District level is responsible for land administration and registration of all types land in Nepal. The Survey Office prepares land records through cadastral mapping. The three major types of formal and informal land ownership in practice are i) registered private land, ii) public land and iii) unregistered (but cadastral mapped) government land (ailani).

## 1.3

### *COMMUNITY FOREST: ADMINISTRATIVE STRUCTURE*

Primary actors in the implementation of community forestry are the national, regional, district and range-post levels of the Department of Forests and community groups (forest user groups). These groups have established their own network, the Federation of Community Forestry Users of Nepal (FECOFUN) at national, regional, district and range-post levels

Figure 1.1 Organizational structure of Ministry of Forestry and FECOFUN



Source: [http://www.cifor.org/publications/pdf\\_files/events/documentations/yogyakarta/papers/chapter%205%20dahal.pdf](http://www.cifor.org/publications/pdf_files/events/documentations/yogyakarta/papers/chapter%205%20dahal.pdf)

The Department of Forests was established in 1942 with the primary role of protection and management of the national forests. At present, there are 5 Regional Forest Directorates (responsible for coordinating, planning and monitoring district forestry programmes), 74 district forest offices (responsible for planning implementation at the district level), 92 Ilakas (subdistricts) forest offices and 698 range posts.

After the adoption of the community forestry concept, the government forestry personnel gradually shifted their role from policing and control to extension work and facilitating.

## 1.4 NATIONAL REGULATIONS

### 1.4.1 The Constitution of Nepal, 2072 BS (2015)

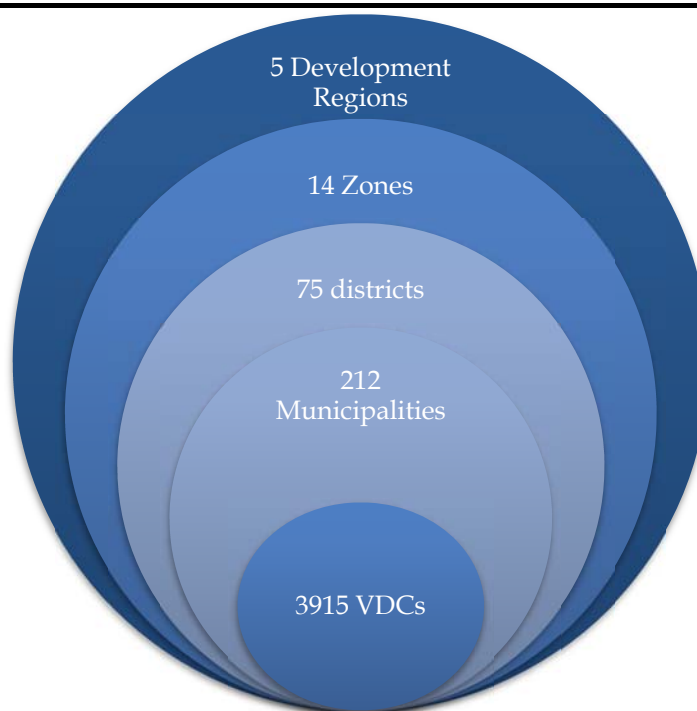
The present Constitution of Nepal came into effect on 20<sup>th</sup> September 2015. This Constitution replaced the interim Constitution of 2007. The key relevant provisions of the Constitution are:

- Grants every citizen the right to acquire, own, sell and otherwise dispose of property;
- State shall make arrangements for the protection of sustainable use of and the equitable distribution of benefits derived from the flora and fauna and biological diversity
- Calls for the elimination of feudalism and prohibits forced labour and the exploitation of people on the basis of custom, tradition, or usage;
- Article 25(1) establishes the right to property for every citizen of Nepal, whereby every citizen is entitled to earn, use, sell and exercise their right to property under existing laws.
- Article 25(2) states that except for public interest, the state will not requisition, acquire or otherwise create any encumbrances on property of a person.
- Article 25(3) states that when the state acquires or establishes its right over private property, the state will compensate for loss of property and the basis and procedure for such compensation will be specified under relevant laws

### *The Changed Administrative Structure*

A new local level administrative structure is being formed in Nepal, which has been decided by the cabinet, in line with the 2015 constitution. This new structure was adopted on 10<sup>th</sup> March, 2017<sup>1</sup>, and elections were underway in the month of May for the *Gaon Palikas*. The old and new administrative structures are depicted in *Figure 1.2* and *Figure 1.3* respectively.

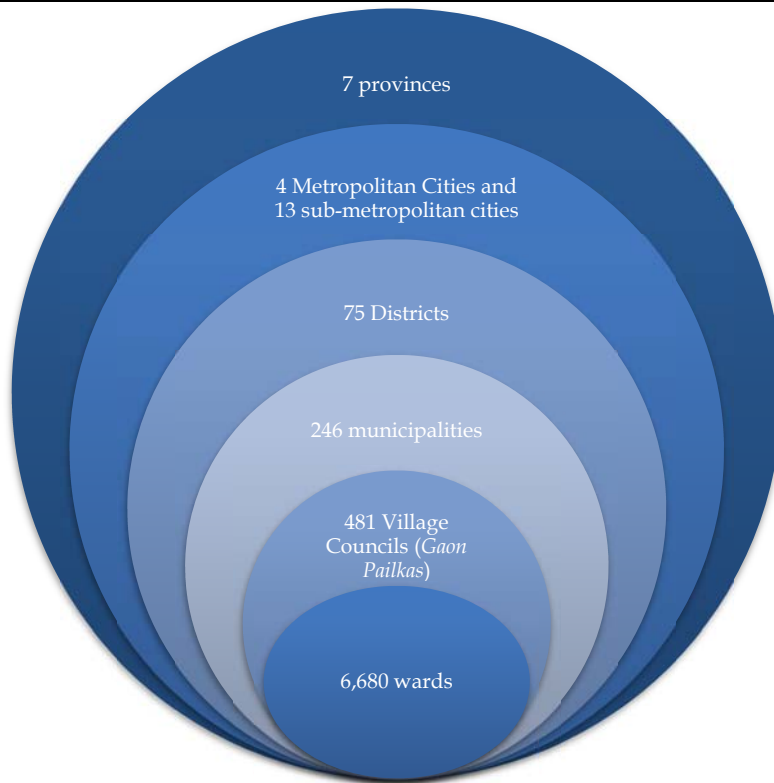
*Figure 1.2* **Old Administrative Structure of Nepal**



*Figure 1.3* **New Administrative Structure of Nepal**

Source: <http://www.mofald.gov.np/en/organizational-structure>

(1) <https://thehimalayantimes.com/nepal/new-local-level-structure-comes-effect-today/>

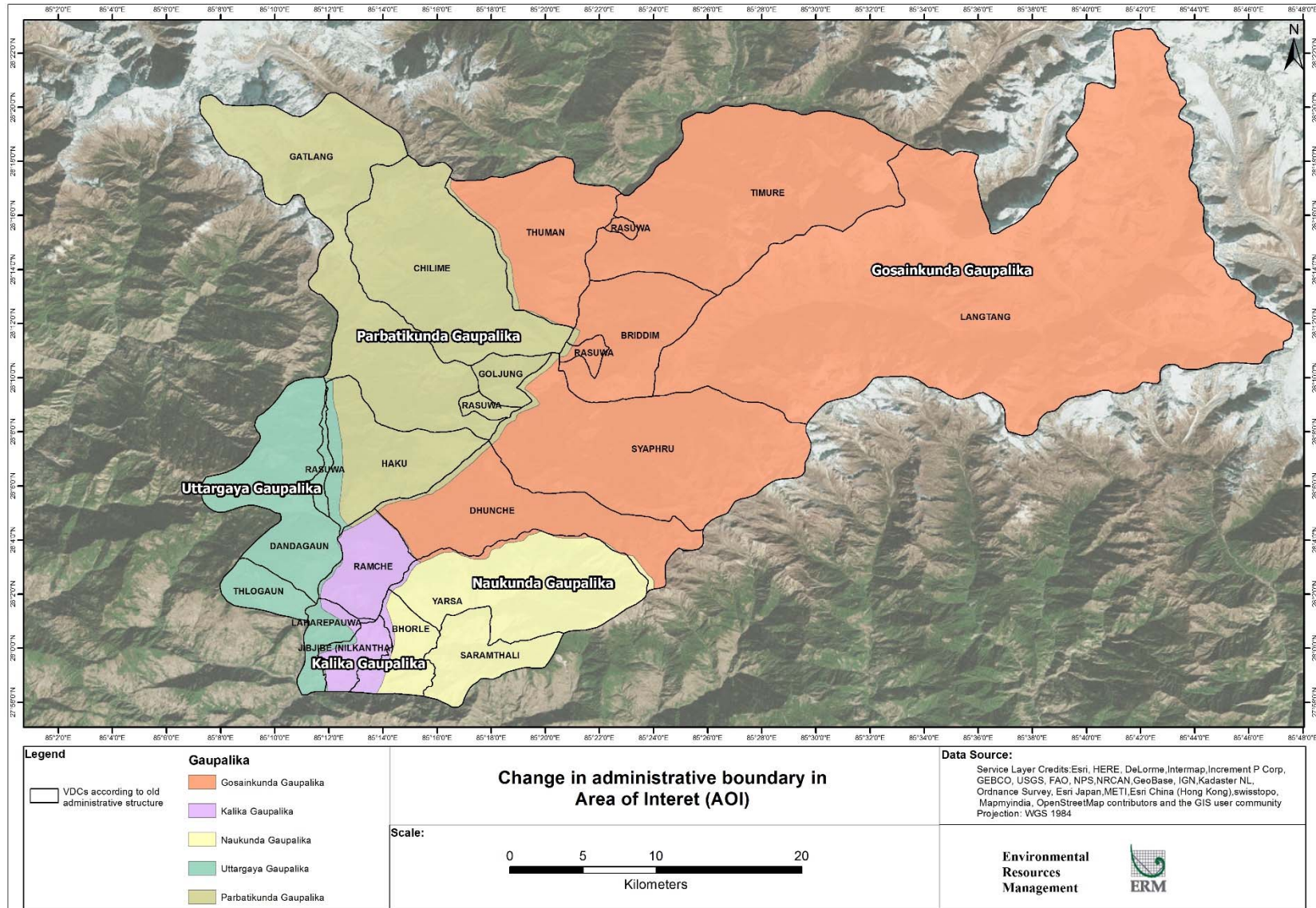


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Source: <http://kathmandupost.ekantipur.com/news/2017-03-11/new-local-level-units-come-into-existence.html>

In keeping with this, the following figure provides an understanding of the manner in which the administrative structure of Rasuwa District has changed.

Figure 1.4 Changed Administrative Structure in Rasuwa District



The key changes from the new administrative structure, which are relevant for the livelihood restoration and benefit sharing process, are as follows:

- This new structuring is primarily aimed at moving Nepal toward a federal structure. In keeping with this, rural and urban municipalities have been defined as local governments. These local governments, at the province and local level will exercise legislative powers, as sub-national governments;
- For this, many of the existing laws shall have to be repealed or aligned and amended while more than one hundred new laws shall have to be legislated by the federal government to meet the constitutional requirements. These laws will pertain to
  - provision for coordination mechanisms across different tiers of government,
  - changes in size, purpose and composition of public organizations
  - Provision for additional constitutional bodies and their purpose;
  - Provisions for exclusive and concurrent revenue assignments at all three tiers of government

Though the exact scope of the changes in the laws and legal provisions is presently not known;

- The main purpose of the Gaonpalikas resembles the erstwhile Village Development Committees (VDCs), but they have more rights on collection of royalty and taxes;. This will in turn have an impact on the provisions of benefit sharing and community based initiatives of the project;
- The Gaonpalikas will also have a larger annual budget in comparison to the VDCs. This will thus impact the level of projects or interventions undertaken by the government at the Gaonpalika level and their interface with the provisions identified as part of the SIMF for the project;
- Though the constitution does not recognize "District" as a different tier of sub-national government, its existence is allowed to continue. It remains to be decided and seen whether the existing organizational arrangements at district level would be completely eliminated or remain in new forms as extension of provincial government or a kind of federation or integrator or supervisory agency of local government units at district level;
- There is also an apprehension of competing interests in sharing many of the powers and resources from the federal government to sub-national governments simultaneously. This may also result in a lack of clarity in terms of the agencies and levels of government to be involved in the implementation of the SIMF for the project This will also require re-orientation in spirit of the constitutional provisions, with coordinating mechanism, so that the efforts towards creating institutional arrangements through administrative restructuring would not be affected.

#### 1.4.2

#### *Land Acquisition Act, 2034 BS (1977 AD)*

Land Acquisition Act, 2034 BS<sup>1</sup> (1977 AD) is the core legal provision to guide the land acquisition and resettlement activities in Nepal. The Act empowers the Government to acquire land for development purposes, by paying compensation to the landowner. Some of the key features of the Act are as follows:

- The Act empowers the government to acquire any land required for public purpose or for operation of any government institution initiated development project by giving compensation pursuant to the Act (Section 3 and 4). As per the prevailing government rules, the compensation to be provided for land acquisition should generally be in cash as per current market value. However, there is also a provision under Clause 14 of the Land Acquisition Act 2034 BS (1977 AD) to compensate land by land provided government land is available in the area.
- After the initial decision of the government to acquire land, the process of acquisition and compensation includes (a) initial procedures, (b) a preliminary investigation process, (c) acquisition notification, (d) compensation notification, and (e) appeal procedures.
- The public notification process is undertaken by the Executing Agency (EA) and includes the dissemination of information about purpose of acquisition, the land plots and area of land to be affected by the project.
- For the purpose of identifying the compensation amount, a Compensation Fixation Committee (CFC) is formed under the chairmanship of the Chief District Officer (CDO) of the district. The CFC is formed to undertake the actual verification of land to be acquired, review and fix compensation rate, identify the rightful owner(s), disburse the compensation, and provide necessary administrative support for addressing associated issues. However, formally the implementation process of CFC begins once GON grants formal approval for the land acquisition. This approval is based on the establishment of the public purpose of the land acquisition. Public purpose has been defined as the activity undertaken in the interest of or for the benefit or use of the general public, or functions to be undertaken by Government of Nepal and the term also included the following:
  - Project approved by Government of Nepal.
  - Project undertaken by local bodies in different levels.
- The Act also envisages the possibility of two separate rates of compensation, distinguishing between families who lose all their land and those who lose only some part of their landholdings. In determining the compensation, the Committee must consider the loss incurred by persons due to acquisition of land, shifting of residence or place of business to another place. If the land has to be acquired for institutions other than the VDCs and institutions fully owned by the government, the Committee has to consider the following while fixing the compensation amount:

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<sup>1</sup> The years given outside of the bracket represent the year in keeping with the Hindu calendar followed in Nepal. This calendar is known as the Bikram Sambat Calendar. Throughout this report, the BS year will be given along with the accompanying year in keeping with the English Calendar in bracket.

- Price of land prevailing at the time of notification of land acquisition;
- Price of standing crops and structures, and
- Damage incurred by being compelled to shift the Affected Population residence or place of business in consequence of the acquisition of land.
  - Compensation to be paid for (a) damages caused as a result of investigations during the preliminary process, (b) land and property permanently acquired (including standing crops, trees and houses); and
  - Compensation to be paid in cash (lump sum), although landowners who have lost the entire landholdings may require for land replacement.
- However, under the Section 14 of the Act it is stated that, the Government may allot land to land losers from the land it possess such as *ailani*<sup>1</sup> land, or Government-owned any other land, in case land for land is decided as a part of the entitlements

Though the land was mostly bought through private purchase, some of the provisions of the act were partially used by the District administration in the interest of the Project.

#### 1.4.3 *Land Acquisition, Resettlement and Rehabilitation Policy for Infrastructure Development Projects, 2071 BS (2015 AD)*

The key objective of this policy is to avoid or at least minimize displacement and where not possible to provide adequate compensation and rehabilitation assistance to affected persons.

- The policy puts in place provisions for undertaking early screenings and assessment of potential impacts from the project activities and the formulation of adequate mitigation plans for the same;
- The policy requires for adequate engagement and information disclosure to be undertaken as part of the project, including an appropriate grievance redressal mechanism;
- The policy puts in place a process for land acquisition project classification, based on the region of the project and the number of families displaced (economically and physically). As part of this, land acquisition through use of eminent domain is the least preferred approach;
- This policy puts in place processes for land valuation and identifying provisions for relocation and social inclusion

Key features of the policy (relevant to the LALRP) are as follows:

- Social mobilization income restoration and life skill program: Project affected persons should be given necessary training for development of life skills, income generating schemes, savings and credit schemes so that

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<sup>1</sup> Barren unregistered land

PAFs can take up self-employment projects at the resettlement zone.

Preference should be given to women;

- Vulnerable groups such as Janajati/Adivasi, Dalits, landless, women, especially women-headed households, differently-abled, poverty groups and senior citizens are entitled to special benefit and assistance packages in addition to compensation and resettlement;

According to the project classification criteria, the UT-1 project is categorised as a High Risk Project. This policy shall guide the identification of mitigation measures for the project and formulation of management plans for the implementation of the same.

#### **1.4.4 *The Land Revenue or Malpot Aien (Land Administration and Revenue) Act 2034 BS (1977)***

This is the main Act to carry out land administration including maintenance and updating records, collection of land revenue and settlement of the disputes after completion of survey and handing over of the records to Land Revenue Office by the Survey Parties. It authorizes the Land Revenue Offices to registration, ownership transfer and deed transfer of land. This Act also authorizes the Land Revenue Offices to transfer ownership and deeds of individual land, if any person applied for the ownership transfer of his/or land with mutual understanding for public use with recommendation of relevant committee.

#### **1.4.5 *The Land (Measurement and Inspection) Act, 2020 BS (1962, as amended)***

This act sets out the classification of land and requirements for land survey and registration. The aim of the Land Measurement Act, 1962, was to measure and classify land resources to improve the land use system. This act therefore did not focus on protection of tenancy rights, but accepted that long term possession of land – 15 years without dispute – would ensure ownership right (This Act classified lands in four types in terms of quality – Abal, Doyam, Sim and Char, respectively. Many landowners had transferred the excess lands to industries, farms and businesses to prevent losing the surplus as per the provisions in the Act. Most of these lands are left fallow since several years.

#### **1.4.6 *The Land Administration Act 2020 BS (1963)***

The Land Administration act establishes district-level land administration offices and sets procedures for maintaining land registration records.

#### **1.4.7 *The Agriculture (New Arrangements) Act, 2020 BS (1963)***

This act restates earlier legislation abolishing intermediaries and landlord systems of tenure.

#### 1.4.8

#### *The Land Act 2021 BS (1964) and Amended till date*

The 1964 Land Act, as amended, requires the state to recognize the rights of registered tenants on land. The state must compensate the landowner and registered tenant for any land expropriation, dividing the compensation equally between them. This act serves the following purposes:

- abolishes the system of intermediaries collecting taxes from tenants by transferring control over taxation to District Land Revenue Offices and Village Development Committees (VDCs);
- transfers land managed by the state into private land (raikar);
- imposes ceilings on agricultural land;
- limits rent to a maximum of 50% of gross annual production of main crop;
- requires tenant certification, i.e., registration;
- institutes a compulsory savings program; and
- establishes a Commission on Land Use Regulation to address consolidation and fragmentation of land and incentivize farm cooperatives.

#### 1.4.9

#### *The Guthi Corporation Act, 2033 BS (1976 AD) Second Amendment in 1993 AD*

Guthi lands refer to the land and property donated by the government or the state and individuals for social and religious benefits. The term Guthi indicates an 'organization based on caste or kinship, or occasionally on geographical proximity, which insures the continued observance of social and religious customs and ceremonies of the community'. Guthi lands were exempt from tax and not to be reclaimed for private use by the donors. Generally, only the income derived from the property should be used; while the property including land remains intact, i.e. cannot be sold.

#### *Box 1.1*

#### *Understanding of Guthi Land*

Guthi word was derived from Sanskrit term Gosthi - meaning a society or association. The system was there before unification of Kathmandu to Nepal. Its origin and development can be traced to Newari customs in Kathmandu. For them, the system is an organic part of their social and cultural life. Guthi land covers about 2 % of the cultivated land of the country. For example, there is Sanaguthi, which is composed of members of the same caste or patrilineal group, which is responsible for conducting the funeral ceremonies involving its members. These may have some property including land for generating income, and this is certainly the Guthi. In general, Guthi is a system of keeping property to finance religious and charitable institutions.

The Guthi Sansthan Act 1976 has some provisions to convert Guthi (Rajguthi) land to Raikar by selling it. Changes were made to this effect in 1989 and 1993 enabling even the private Guthi to sell the land and keep its sales proceeding in the bank for interest income. But a court case in January 24, 2008 gave a verdict that no Guthi can be sold or transferred in any form. As the Guthi land cannot be sold or transferred now, its continuity will be maintained. However, exact modality of how this will be implemented is not clear. The district administrations allowed for the transfer of tenancy rights on Guthi land.

The act primarily deals with the management of the Sansthan, powers, duties etc. The applicability of this act for the project stems from the provision of the rent and tenancy rights associated with the Guthi land. Section 30 of the act mentions that, "Notwithstanding anything contained in Lands Act, 1964 and

other prevailing Nepal law, the tenancy right in a land cultivated on tenancy according to this Act may be sold and purchased.” Chapter 6 of the act mentions in detail the provisions relating to Tenants. Section 35 of the Act, mentions Registration of tenants on payments of fees.

There are 15.53 ha of Guthi land affected by the project for which these provisions have to be considered.

#### **1.4.10 Community Forest**

##### *Community Forest User Groups:*

The Decentralization Act 2039 BS (1982 AD) introduced the concept of community forest user groups (CFUGs). The **Master Plan for the Forestry Sector of 1988 and the Forest Act of 1993** formalized the concept and gave a legal basis for the groups to function as autonomous institutions in the management of forest resources. The following are some of the legal provisions that enabled forest user groups to build a strong institutional basis:

- The user group shall be an autonomous and corporate body having perpetual succession (Section 43(1)). It shall have a separate seal of its own (Section 43(2)). The user group shall have a separate fund of its own (Section 45(1)). The user group as a legal person may acquire, possess or transfer or otherwise manage movable and immovable property (Section 43(3)).
- The user group shall have to prepare a work plan for the community forest (Rule 28(1)).
- The user group shall collect, sell and distribute the forest products which are available pursuant to the work plan (Rule 32(1)).

After the enactment of the Forest Act of 1993, the formation of forest user groups began throughout the country. Under the Forest Act of 1993 and the Forest Regulation of 1995, forest user groups are allowed to find ways to achieve financial sustainability. This act requires that forest user groups spend a quarter of their income on forest management. However, many forest user groups spend most of their income on construction of local trails, school buildings, culverts and irrigation canals. Others are supporting livelihoods options for the rural poor and marginalized groups in their communities. All the forest user groups are voluntarily united under the umbrella of the Federation of Community Forestry Users of Nepal (FECOFUN) to ensure their rights are protected and not curtailed by the government.

The above mentioned Acts are important for the project as 76.67 ha (51.54 ha on permanent basis and 25.13 ha on temporary basis) of Community Forest and Government land is being diverted for the project. For this, the land take process is guided by these Acts and provisions.

#### 1.4.11 *Forest Product Collection and Sales Distribution Guidelines, 2000 (2057 BS)*

The guidelines clauses 3 to 10 have specified various procedure and formats for getting approval for vegetation clearance, delineation of lands for vegetation clearance, evaluation of wood volume etc. and government offices and officials responsible for the approval, delineation and evaluation. These provisions have a direct relevance to the development of the project and need compliance to these provisions.

#### 1.4.12 *Forest Act, 2049 and Guidelines of Use of Forestland for Other Purposes - 2063*

The use of forestland for project is subject to forest law and regulation and Guidelines of Use of Forestland for Other Purposes - 2063. As project infrastructure lies in different patches of forests and/or privately owned trees the Forest Act and the Forest Rules also become applicable. These projects need to comply with the provisions of forest law when it requires the use of forestland for construction. In case of government owned forestland to be acquired by any project for the purpose of public interest the process as outlined below will follow through the District Forest Office (DFO). In this case, the area to be acquired by the project will be in the ownership of the GoN, whereby GoN will grant permission for the utilization of the land for any specific purpose during the project timeline with agreed lease rates.

The principal steps in Govt./Forest land verification, decision and handover to the project proponent shall follow three broad steps.

- Preliminary Action on Land Verification and Approval from Cabinet
- Post Approval Discussions and Agreement
- Handover and Tree Cutting
  - Receipt of Tree Cutting Direction
  - Initiation of tree cutting, logging, stockpiling and transportation

**Table 1.1** *Principle Steps for Preliminary Action on Land Verification and Approval from Cabinet*

Step	Action	Responsibility	Time Required - Tentative	Remarks
1	Identifies the areas of Govt. land to be acquired and requests authorization from the concerned Ministry or Department to proceed with Govt. land possession "Bhogadhikar"	Project Proponent - representative of the proponent	Determined during feasibility study/ EIA	
2	Ministry/Department officially requests MoFSC to initiate preliminary action for land verification	MoFSC	0.5 month	
3	MoFSC officially requests DoF to initiate preliminary action for land verification	DoF	0.5 month	

Step	Action	Responsibility	Time Required - Tentative	Remarks
4	DoF officially request the respective District Forest Offices to initiate preliminary action for land verification and reporting	District Forest Office	0.5 months	
5	District Forest Office initiates process for land verification – Field visits for identification, demarcation and assessment of forest resources to be felled	District Forest Office, CFUGs and Project Proponent	2 months	Depends on the nature of land area to be verified
6	Documentation of forest resources, mapping and reporting	District Forest Office	1 month	
7	District Forest Office officially intimates DoF regarding the assessment of land resources <ul style="list-style-type: none"> <li>• Total land area of project components</li> <li>• Trees to be felled for required clearance to the project proponent</li> </ul>	District Forest Office	0.5 month	
8	DoF assessment of the file forwarded from DFO, decision and forwards to MoFSC	DoF	0.5 months	
9	MoFSC initiate preliminary action on the file, decision and forwards to Cabinet for final decision	MoFSC	1 month	
10	Required decision for land possession and removal of trees for the project – Intimates MoFSC of the decision	Cabinet of Ministers	1 month	

**Table 1.2** *Principle Steps for Post Approval Discussions and Agreement*

Step	Action	Responsibility	Time Required - Tentative	Remarks
1	MoFSC intimates DoF regarding the decision and instructs to initiate action	MoFSC	0.5 month	
2	DoF receives the decision and initiates preliminary action	DoF	0.5 month	
3	DoF intimates the project regarding the decision and forwards the preliminary draft of Agreement for further discussions	DoF	0.5 month	
4	Discussions on the draft of Agreement with DoF - several rounds of discussion to clarify the land related data	DoF, Project Proponent	2 month	
5	DoF invites for formal Agreement signing and finalization	DFO	0.5 month	
6	DoF notifies District Forest Office, Regional Forest Directorate regarding the Agreement on Possession of Land and removal of trees	DFO	0.5 month	

**Table 1.3 Principle Steps for Handover and Tree Cutting**

Step	Action	Responsibility	Time Required - Tentative	Remarks
1	Application to take preliminary action on land possession and tree cutting based on Forest Agreement	Project Proponent	0.5 months	
2	Assessment of proposal and action on land demarcation at site	DFO, Project Proponent	1.5 months	
3	Intimates project proponent on land demarcation	DFO	0.5 month	
4	Apply for receipt of tree cutting direction	Project Proponent	0.5 month	
5	Initiation of tree marking, tagging and inventory of forest resources <ul style="list-style-type: none"> <li>Tree tagging and inventory within the boundary of demarcated land in S.N. 2 and 3</li> </ul>	DFO, CFUGs, Project Proponent	2 months	Depending on the area of demarcated land
6	DFO requests Regional Forest Directorate (RFD) for final verification	DFO	0.5 month	
7	RFD team visit to site for final verification	RFD, DFO	0.5 month	
8	RFD intimates DFO for issuance of tree cutting direction	RFD, DFO	0.5 month	
9	Issuance of "Tree Cutting Direction" to Project Proponent	DFO	0.5 month	
10	Initiation of Tree Cutting and Land Clearance - As per agreement can be taken up by: <ul style="list-style-type: none"> <li>Project Proponent through finalization of contractor - Steps 11 - 14</li> <li>Entrusted to DFO for tree cutting and clearance - Steps 15 - 20</li> </ul>	Project Proponent		
11	Selection of appropriate contractor for tree felling, logging, stockpiling, transportation etc	Project Proponent	0.5 month	<b>Initiated through Project Proponent</b>
12	Formalization of contract with selective contractor for tree felling	Project Proponent, Contractor	0.5 month	
13	Initiation of tree felling, stockpiling, transportation etc	Contractor, CFUGs	2 months	
14	Monitoring of activities undertaken by Project Proponent	DFO	Within the activity in S.N. 12 and 13	
15	Application to initiate tree cutting by DFO	Project Proponent	0.5 month	<b>Initiated by District Forest Office in coordination with CFUGs</b>
16	Discussions with DFO for required fund deposition as per Forest land Possession and Removal of Trees agreement	Project Proponent, DFO	0.5 month	
17	Deposit the fund for tree felling in DFO account	Project Proponent	0.5 month	
18	Tender notice issuance	DFO	1 month	
19	Selection of contractor for tree cutting, stockpiling and transportation	DFO	0.5 month	

Step	Action	Responsibility	Time Required - Tentative	Remarks
20	Initiation of tree cutting, stockpiling and transportation	DFO, Contractor, CFUG	2 months	
21	Final Land Clearance and Use	Project Proponent		

#### 1.4.13

#### *Hydropower Development Policy, 2058 BS (2001 AD)*

Based on the experiences gained in the course of implementing the principles followed by the Hydropower Development Policy of 1992, emerging new concepts in the international market and their impacts, technological development, possibility of exporting electricity, and foreign investment and commitment on the environmental protection, the Hydropower Development Policy, 2001 was introduced with a view to make clear, transparent and investment -friendly hydropower development in Nepal. On the basis of this policy, a model Project Development Agreement was formulated by the Ministry of Energy, Government of Nepal in 2010. On the basis of this policy and PDA, a basket of benefits/provisions were identified for the purpose of benefit sharing with the local community in the project area. Some of the key provisions are as follows:

- Depending upon the capacity of the project, a maximum of 10% equity share of the project shall be allotted to the local community residing in the VDCs of the project site at the time of the initiation of the construction activities and the resettled and rehabilitated people;
- Rural electrification shall be encouraged in rural areas affected directly from the electricity generation project. According to the PDA, the company shall carry out electrification of households within a periphery of 500 meters from the power house site and dam site and shall provide 20 kWh of electricity per month for each family residing in the area. Royalty on electric energy consumed in such an area shall be exempted. Such exemption shall be given till the first 15 years of the commencement of commercial generation;
- Rural electrification fund shall be established for the development of micro-hydropower and rural electrification by pooling a certain percentage of the amount received as royalty;
- Provisions will be made for providing grant through Alternative Energy Promotion Centre(AEPC) to domestic private sector to generate and distribute electricity by building hydropower project of up to 100 kw at the rural level;
- Provision shall be made such that the local people can also be directly benefited from the operation of the hydropower generation project. Such provisions shall be included in the agreement to be made with the licensee;
- Downstream release shall be maintained, either 10% of the minimum mean monthly discharge or the quantity identified in the EIA study whichever is higher;
- Private sector shall be encourages to acquire the houses or land on its own;

- Rehabilitation and Resettlement shall be made for displaced families as specified by the government; and
- Royalty shall be shared as prescribed with the District Development Committee (DDCs) and will be spent in development and construction works

This policy is applicable for the project, as it is a Run of the River project. However, this policy will have to be amended in keeping with the changed administrative structure. Presently clarity is required on the manner in which the existing provisions for benefit sharing at VDC and district level will be interpreted at the Gaonpalika and District level.

#### **1.4.14 *Indigenous people: International Convention Ratified by Nepal***

*Convention (No. 169) Concerning Indigenous and Tribal Peoples in Independent Countries*

International Labour Organization (ILO) Convention 169 is directed at Government, and its implications for private sector are indirect. However, the convention is referred as a reference point by Indigenous People (IPs) and Civil Society Organizations. The Article 7 of the convention provides the right to indigenous people to decide their own priorities for the process of development. However, for the national development plans and programs, it mandates consultation with them in the formulation of the plans and programs. Article 12, 13, 14 and 15 safeguards rights of the indigenous people in the land and natural resources in territories traditionally occupied by them. In the event that the state retains the right of the natural resources in their territories, it mandates formulation of special provisions under the state legislation for participation in the decision making process and resettlement process with full compensation of the resulting loss or injury (Article 16). The Forest Act of 1993 and Forest Rules 1995 follow these principles enshrined in ILO C-169 through constituting Community Forest Users Groups and involving them in the decision making process of movable and immovable forest assets which may have implications on their way of life or livelihood practices.

This Convention has been ratified by Nepal in 1989. This Convention's provisions need to be kept in mind as more than 63.75% of the district's population and 93.6% of the Project AoI's population is comprised of the Indigenous group of Tamang. Furthermore, of the 38 Landowners impacted by the project, 37 are Tamang.

#### **1.5 *APPLICABLE STANDARDS OF INTERNATIONAL DEVELOPMENT FINANCE INSTITUTIONS***

The proposed Project, financing sources and financial support for the Project will be available from the multi-lateral financial, such as the World Bank (WB), The International Finance Corporation (IFC), the Asian Development

Bank (ADB) and European Investment Bank's Principles and Standards as well as from the export credit agencies of the countries where major pieces of equipment for the Project will be sourced. This support from the multi-lateral financial institutions/ export credit agencies also linked with the adherence of international best practices and environmental and social safeguard requirements of the lenders. The following subsections outline the key environmental and social requirements of the ADB,EIB and the IFC, applicable to the Project.

### 1.5.1 *ADB's Safeguard Policy Statement, 2009*

In July 2009, ADB's Board of Directors approved the new Safeguard Policy Statement (SPS) governing the environmental and social safeguards of ADB's operations. The SPS builds upon ADB's previous safeguard policies on the Environment, Involuntary Resettlement, and Indigenous Peoples, and brings them into one consolidated policy framework with enhanced consistency and coherence, and more comprehensively addresses environmental and social impacts and risks. The SPS also provides a platform for participation by affected people and other stakeholders in the project design and implementation.

The SPS applies to all ADB-financed and/or ADB-administered projects and their components, regardless of the source of financing, including investment projects funded by a loan; and/or a grant; and/or other means, such as equity and/or guarantees. ADB works with borrowers and clients to put into practice the requirements of SPS.

The SPS supersedes ADB's Involuntary Resettlement Policy (1995), Policy on Indigenous Peoples (1998), and Environment Policy (2002). In accordance with the SPS, these previous policies apply to all projects and tranches of multi-tranche financing facility projects that were reviewed by ADB's management before 20 January 2010.

The objectives of ADB's safeguards are to:

- avoid adverse impacts of projects on the environment and affected people, where possible;
- minimize, mitigate, and/or compensate for adverse project impacts on the environment and affected people when avoidance is not possible; and
- assist borrowers and clients to strengthen their safeguard systems and develop the capacity to manage environmental and social risks.

ADB's SPS sets out the policy objectives, scope and triggers, and principles for three key safeguard areas:

- Environmental safeguards;
- Involuntary Resettlement safeguards; and
- Indigenous Peoples safeguards.

To help borrowers and clients and their projects achieve the desired outcomes,

ADB adopts a set of specific safeguard requirements that borrowers and clients are required to meet in addressing environmental and social impacts and risks. These safeguard requirements are as follows:

- Safeguard Requirements 1: Environment (Appendix 1 of SPS);
- Safeguard Requirements 2: Involuntary Resettlement (Appendix 2 of SPS);
- Safeguard Requirements 3: Indigenous Peoples (Appendix 3 of SPS); and
- Safeguard Requirements 4: Special Requirements for Different Finance Modalities (Appendix 4 of SPS).

In addition, ADB does not finance activities on the prohibited investment activities list (Appendix 5 of SPS). Furthermore, ADB does not finance projects that do not comply with its safeguard policy statement, nor does it finance projects that do not comply with the host country's social and environmental laws and regulations, including those laws implementing host country obligations under international law.

### **1.5.2 ADB Public Communications Policy (2011)**

ADB's *Public Communications Policy (2011)* sets out disclosure requirements for various ADB activities, including safeguard requirement. Safeguard Requirements 2: Involuntary Resettlement (Appendix 2 of SPS); and Safeguard Requirements 3: Indigenous Peoples (Appendix 3 of SPS) sets out the need for meaningful consultation and information disclosure during project preparation and operation to the affected population and other key stakeholders. Key requirements include:

- Information Disclosure: The borrower/client will submit the following documents to ADB for disclosure on ADB's website as per the applicability with respect to the Project:
  - Draft EIA including draft EMP;
  - Final EIA/IEE;
  - Updated EIA/IEE and corrective active plan;
  - Environmental Monitoring Reports;
  - Resettlement Plan (RP); and
  - Indigenous Peoples Plan (IPP).
- Information disclosure to affected people or stakeholders: The borrower/client will provide relevant environmental information in a timely manner, in an accessible place and in a form and language(s) understandable to affected people and other stakeholders. For uneducated people, other suitable communication methods will be used.
- Consultation and Participation: The borrower/client will carry out meaningful consultation with affected people and other concerned stakeholders, including civil society, and facilitate their informed participation.

- Timing and Frequency for consultation and participation: Meaningful consultation begins early in the project preparation stage and is carried out on an ongoing basis throughout the project cycle,

### 1.5.3 *ADB Social Protection Strategy 2001*

Social protection is a key step in ADB's battle to have Asia and the Pacific region "free of poverty." The Social Protection Strategy (SPS) spells out the scope of social protection and commitment of the ADB to develop priority interventions in five major elements including:

- Labour market policies and programs designed to generate employment, improve working conditions and promote the efficient operations;
- Social insurance programs to cushion the risks associated with unemployment, ill health, disability, work-related injury and old age;
- Social assistance and welfare service programs for the vulnerable groups with inadequate means of support, including single mothers, the homeless, or physically or mentally challenged people;
- Micro and area-based schemes to address vulnerability at the community level, including microinsurance, agricultural insurance, social funds and programs to manage natural disasters; and
- Child protection to ensure the healthy and productive development of children.

### 1.5.4 *ADB Operations Manual (OM) C3 Sector and Thematic Policies on Incorporation of Social Dimensions 2011*

All ADB operations have social dimensions that need to be taken into account from the country strategy formulation, programming, and project processing phases onward. The key social dimensions, supported by specific ADB policies or strategies, include:

- Participation;
- Gender and development;
- Social safeguards; and
- Management of social risks, especially among vulnerable groups.

As per the policy, ADB operations incorporate social dimensions to ensure the following social development outcomes, especially for the poor, vulnerable, and excluded groups:

- Policies and institutions that recognize and promote greater inclusiveness and equity in access to services, resources, and opportunities;
- Greater empowerment to participate in social, economic, and political life; and
- Greater sense of security and ability to manage risks.

In pursuing these social development outcomes, ADB

- Encourages consultation with and participation by stakeholders (including the government, executing and implementing agencies, clients and/or beneficiaries, people affected by ADB-supported projects); provides them with opportunities to engage in key stages of the country strategy formulation, programming, and project cycles; and actively seeks, where appropriate, the cooperation of nongovernment organizations and other civil society groups in formulating, designing, implementing, monitoring, and evaluating projects;
- Addresses gender considerations in relevant aspects of ADB operations, including macroeconomic, sector strategy, country strategy formulation, and programming work, and in key stages of the project cycle; and proposes strategies to promote social inclusion and gender equality and to empower women;
- Integrates social analysis in preparing country partnership strategies and regional strategies and programs; identifies potential social issues during project preparation to ensure that the project design maximizes social benefits and avoids or minimizes social risks, particularly for vulnerable and marginalized groups; and
- Ensures that project design and implementation arrangements include actions to enhance benefits and to monitor and evaluate the distribution of the benefits of the project, with performance targets and indicators for monitoring and evaluating benefits included in the design and monitoring framework of the project performance management system.

### 1.5.5 *ADB Gender Mainstreaming Guidelines 2012*

The projects of the Asian Development Bank (ADB) have four gender mainstreaming categories:

- Category I: gender equity as a theme (GEN);
- Category II: effective gender mainstreaming (EGM);
- Category III: some gender elements (SGE); and
- Category IV: no gender elements (NGE).

The Gender Mainstreaming Guidelines 2012 provides a detailed overview on the definition, requirements and application of the above gender mainstreaming categories.

### 1.5.6 *World Bank Group Performance Standard*

The Performance Standards (PS) (January 2012) established by WBG stipulates that the Project shall meet certain requirements throughout the life cycle of an investment by WBG or other relevant financial institution such as other DFIs (eg DEG, FMO) or commercial banks, which are signatory to the *Equator Principles, 2006*.

**Table 1.4 WBG Performance Standards**

Performance Standards	Specific Areas
Performance Standard 1:	Assessment and Management of Environmental and Social Risks and Impacts
Performance Standard 2	Labour and Working Conditions
Performance Standard 3	Resource Efficiency and Pollution Prevention
Performance Standard 4	Community Health, Safety and Security
Performance Standard 5	Land Acquisition and Involuntary Resettlement
Performance Standard 6	Biodiversity Conservation and Sustainable Management of Living Natural Resources
Performance Standard 7	Indigenous Peoples
Performance Standard 8	Cultural Heritage

*IFC Performance Standards, January 2012*

These PS and guidelines provide ways and means to identify impacts and affected stakeholders and lay down processes for management and mitigation of adverse impacts. A brief on the requirements as laid down in the performance standards is described in the following subsections.

Following sub-sections tries to provide the requirements of the specific PS, so as to set up the context for matching the requirements of these PS during the various stages of the life cycle of the Project.

*PS 1: Assessment and Management of Environmental and Social Risks and Impacts*

The PS 1 requires Social and Environmental Assessment and Management Systems for managing social and environmental performance throughout the life cycle of this Project and runs through all subsequent PSs. The main elements of PS 1 include:

- A Social and Environmental Assessment to understand the social and environmental impacts and risks;
- A Management Program for mitigating the impacts and minimizing the risks identified in the assessment;
- Establishing and ensuring organizational capacity and requisite trainings to the staff to implement the Management Programme;
- Engagement with the community to ensure free prior informed consultation (FPIC), community grievance redress constructive relationship all through the project life cycle; and
- Adequate monitoring and reporting systems to measure and report the effectiveness of the Management Programs.

The social and environmental performance is a continuous process to be initiated by the management and would involve communication between the organisation, its workers and local communities directly affected by the Project. The PS requires that Project proponent initiate regular assessment of the potential social and environmental risks and impacts and consistently tries to mitigate and manage strategy on an ongoing basis.

### *PS 2: Labour and Working Conditions*

The economic growth through employment creation and income generation is recognised and balanced protecting the basic rights of workers. PS 2 is guided by the various conventions of International Labour Organization (ILO) and outlines the minimum requirements of working conditions, protection to the workforce (including issues of child and forced labour) and ensuring occupational health and safety of both its 'employees' as well as 'non employees' working through contractors. The PS requires:

- Establishment of a sound worker-management relationship;
- Encouraging equal opportunity and fair treatment of workers;
- Promoting compliance with national labour and employment laws; and
- Promoting healthy and safe working conditions for workers.

PS 2 requires project proponents to conduct its activities in a manner consistent with the four core labour standards (child labour, forced labour, non-discrimination, and freedom of association and collective bargaining). In addition, PS 2 also addresses other areas such as working conditions and terms of employment, retrenchment, and occupational health and safety issues.

Some of these requirements refer to the applicable national law. Whereas national law establishes standards that are less stringent than those in PS 2, or are silent, the project proponent is expected to meet the requirements of PS 2.

### *PS 3: Resource Efficiency and Pollution Prevention*

PS 3 outlines the approach to pollution prevention and abatement in line with internationally disseminated technologies and practices with objectives to:

- a) avoid or minimize adverse impacts on human health and the environment by avoiding or minimizing pollution from activities; and
- b) promote the reduction of emissions that contribute to climate change.
- c) PS 3 requires a project to avoid, minimize, or reduce adverse impacts on human health and environment by adopting pollution preventive and control technologies throughout the Project life cycle.

PS 3 outlines a project approach to Pollution Prevention and Abatement (PPA) in line with internationally disseminated technologies and practices. It describes the measures to take into account the potential impact of emissions on the ambient conditions (such as ambient air quality) and seek to avoid or minimise these impacts within the context of the nature and significance of pollutants emitted.

### *PS 4: Community, Health, Safety and Security*

PS 4 concentrates on the responsibility that must be undertaken by the client to avoid or minimize the risks and impacts to the community's health, safety

and security that may arise from project activities. PS 4 requires a project to evaluate risks and impacts to the health and safety of the affected community during the Project life cycle and establish measures to avoid minimize and reduce risks and impacts from the Project.

PS 4 recognises that project activities, equipment, and infrastructure often bring benefits to communities including employment, services, and opportunities for economic development. However, projects can also increase the potential for community exposure to risks and impacts arising from equipment accidents, structural failures, and releases of hazardous materials. The performance standard details out project proponents responsibility to avoid or minimise the possible risks and impacts to community health, safety and security that may arise from project activities.

#### *PS 5: Land Acquisition and Involuntary Resettlement*

The objectives of this PS are to:

- Avoid or at least minimize the involuntary resettlement wherever feasible by exploring alternative project designs;
- Mitigate adverse social and economic impacts from land acquisition or restrictions on affected persons' use of land by:
  - Providing compensation for loss of assets at replacement cost; and
  - Ensuring that resettlement activities are implemented with appropriate disclosure of information, consultation, and the informed participation of those affected.
- Improve or at least restore the livelihoods and standards of living of displaced persons; and
- Improve living conditions among displaced persons through provision of adequate housing with security of tenure at resettlement sites.

PS 5 require a project to consider various processes and systems to avoid / minimise social and economic impacts related to land acquisition and resettlement.

This PS applies to physical or economic displacement resulting from the following types of land transactions:

- Type I: Land rights for a private sector project acquired through expropriation or other compulsory procedures;
- Type II: Land rights for a private sector project acquired through negotiated settlements with property owners or those with legal rights to land, including customary or traditional rights recognised or recognisable under the laws of the country, if expropriation or other compulsory process would have resulted upon the failure of negotiation; and
- This PS does not apply to resettlement resulting from voluntary land transactions (ie market transactions in which the seller is not obliged to sell and the buyer cannot resort to expropriation or other compulsory procedures if negotiations fail). The impacts arising from such

transactions shall be dealt with as under PS1, though sometimes, when risks are identified, the project proponent may decide to adhere to PS 5 requirements even in willing buyer-seller cases.

#### PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources

PS 6 aims at protecting and conserving biodiversity, the variety of life in all its forms, including genetic, species and ecosystem diversity and its ability to change and evolve, is fundamental to sustainable development. The components of biodiversity, as defined in the Convention on Biological Diversity, include ecosystems and habitats, species and communities, and genes and genomes, all of which have social, economic, cultural and scientific importance. This PS addresses how clients can avoid or mitigate threats to biodiversity arising from their operations as well as incorporate sustainable management of renewable natural resources.

PS 6 recognises that protecting and conserving biodiversity – the variety of life in all its forms, including genetic, species and ecosystem diversity – and its ability to change and evolve, is fundamental to sustainable development. It reflects the objectives of the Convention on Biological Diversity to conserve biological diversity and promote use of renewable natural resources in a sustainable manner.

#### *PS 7: Indigenous Peoples*

PS 7 acknowledges the possibility of vulnerability of indigenous people owing to their culture, beliefs, institutions and living standards, and that it may further get compromised by one or other project activity throughout the life cycle of the project. The PS underlines the requirement of avoiding / minimizing adverse impacts on indigenous people in a project area, respecting the local culture and customs, fostering good relationship and ensuring that development benefits are provided to improve their standard of living and livelihoods.

PS 7 recognises that Indigenous Peoples, as social groups with identities that are distinct from dominant groups in national societies, are often among the most marginalised and vulnerable segments of the population. The term “indigenous people” is more clearly defined in the IFC Guidance Note for PS 7.

Objectives of PS 7 underscore the need to avoid adverse project impacts on Indigenous Peoples’ communities living in the project’s area of influence, or where avoidance is not feasible, to minimise, mitigate or compensate for such impacts through mechanisms that are tailored to their specific cultural characteristics and expressed needs of the Indigenous Peoples, in a manner commensurate with the scale of project risks and impacts.

## *PS 8: Cultural Heritage*

PS 8 aims to protect the irreplaceable cultural heritage and to guide clients on protecting cultural heritage in the course of their business operations. In addition, the requirements of this PS on a project's use of cultural heritage are based in part on standards set by the Convention on Biological Diversity.

PS 8 recognises the importance of cultural heritage with an objective to:

- Protect cultural heritage from the adverse impacts of project activities;
- Support its preservation; and
- Promote the equitable sharing of benefits from the use of cultural heritage in business activities.

The PS requires the project proponent to comply with relevant national law on the protection of cultural heritage, including national law implementing the host country's obligations under the Convention Concerning the Protection of the World Cultural and Natural Heritage and other relevant international law.

### **1.5.7**

#### ***Asian Infrastructure Investment Bank's Environmental and Social Standards***

The AIIB's Environmental and Social Framework aims to achieve environmentally and socially sustainable project outcomes by integrating good international practice in to all phases of a project, from the decision making to the preparation and implementation. Included in its framework<sup>1</sup> are:

- An Environmental and Social Policy, which sets forth mandatory environmental and social requirements for each Project.
- Environmental and Social Standards (ESSs), which set out more detailed mandatory environmental and social requirements relating to the following:
  - ESS 1: Environmental and Social Assessment and Management;
  - ESS 2: Involuntary Resettlement; and
  - ESS 3: Indigenous Peoples.
- An Environmental and Social Exclusion List (as an appendix to the Environmental and Social Policy) that provides an exclusion list of activities or items that will not be funded by the AIIB.

Together, the AIIB's Policy and Standards comprise an environmental and social management approach that is designed to:

- Support decision-making by AIIB;
- Provide a robust structure for managing operational and reputational risks of AIIB and its shareholders in relation to environmental and social risks and impacts in Projects;

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<sup>1</sup> AIIB's Environmental and Social Framework: <https://www.aiib.org/en/policies-strategies/framework-agreements/environmental-social-framework.html>

- Provide for environmental and social screening and categorization of Projects;
- Analyse potential environmental and social risks and impacts of projects;
- Identify actions to avoid, minimise, mitigate, offset, or compensate for environmental and social impacts of projects;
- Support integration of environmental and social management measures into projects;
- Specify environmental and social management provisions to be included in agreements governing projects;
- Provide a mechanism for public consultation and disclosure of information on environmental and social risks and impacts of projects;
- Provide for monitoring and supervision of environmental and social management measures under projects; and
- Facilitate development and dissemination of lessons learned from projects to improve environmental and social management practices.

## 1.6

### *PROJECT DEVELOPMENT AGREEMENT WITH MINISTRY OF ENERGY*

On 29th December 2016, the Project Development Agreement (PDA) for the Project was signed between the Ministry of Energy, Government of Nepal and NWEDC. Some of the key clauses of the agreement, pertaining to environmental and social aspects, are as follows (this is not an exhaustive list):

- The following Plans shall be prepared as part of the Project:
  - The Local Benefit Sharing Plan,
  - Employment and Skill Training Plan and
  - Industrial Benefits Plan
  - Land Acquisition and Livelihood Restoration Plan (LALRP);
- The Company shall ensure that its Nepal Employment and Skills Training Plan provides for appropriate training of suitable citizens of Nepal for Project-related opportunities;
- The Company shall comply with the Nepal Employment and Skills Training Plan, Nepal Industrial Benefits Plan and Local Benefit Sharing Plan and ensure that appropriate programmes are designed to assist suitable Nepali citizens, entities, and firms to meet the Project's requirements for goods and services;
- The Company shall conduct employee training programmes from time to time, including training in each of the skills used in the Project, including management training;
- **Prior to Commercial Operation Date**, the Company shall build the distribution network to supply such Local Free Power to each Eligible Household within the Free Electrification Area;
  - GON shall be responsible for the operation and maintenance of such distribution network at its sole cost.
  - GON and the Company shall jointly prepare a plan (the "Rural Electrification Plan"), based on a pre-feasibility study to be carried

out by GON and the Company (at the Company's sole cost) to assess the costs and scope of rural electrification.

- The Company shall implement the Rural Electrification Plan.
- **From and after commercial operation date**, the company shall supply at its own cost- 20 KWH of free power each month to each household within the free electrification area to up to 200% of the number of original Households;
- The company shall not impair the use of the river for drinking and cultural uses, existing irrigation, industrial and recreational uses. Where impaired, it should be mitigated

The Company shall (to the extent applicable) submit reports every six (6) months to GON for the first three (3) years of the Construction Period and every twelve (12) months thereafter, describing in detail:

- its employee training programmes,
- the implementation of such training programmes,
- The progress made towards meeting the objectives of using Nepali resources, training and development, the Nepal Employment and Skills Training Plan, Nepal Industrial Benefits Plan and Local Benefit Sharing Plan.

#### **Box 1.2**

#### ***Benefit Sharing in Hydro Electric Projects in Nepal***

Nepal has over the years institutionalised certain mechanisms to ensure that the benefits of dams and hydropower projects with the concerned districts and local authorities. One of the important mechanisms in this has been the disbursement of a share of royalties from the hydroelectric plants to the local governments. According to a ministerial decision in 2003, the amount of royalties to be shared was fixed on 12% for the local areas and 28% to all the districts in the district development committee which housed the project. The 2001 policy also specifies that 1% of the royalty shall be provided to the VDCs that are directly affected by the hydropower project, with the sole purpose of expanding the village electrification of these VDCs. Through this mechanism, the target beneficiaries are allowed to share a portion of the revenue from bulk electricity sales on an annual basis. The disbursement of the royalties is usually done through community development programs or through a community development fund.

One of the key examples of benefit sharing by allowing the local community to purchase shares in the project is the Bhotekoshi project in Sindhupalchowk district. The 45 MW project, started operations in 2001. After a number of protests, meetings and discussions with the local community, the project agreed to make available 6% of their shares to a company formed by the local community. In addition to this the project has also agreed to pay NR 2.25 million annually to the Tatopani and Phulpingkatti VDCs, which are directly affected by the project and a lump sum amount of NR 2.25 million to seven other VDCs who are indirectly impacted by the project.

An example of benefit sharing, through royalty sharing is the 60 MW run-of the river Khimti-I Hydropower Project, located in Dolakha and Ramechhap district. The project as part of its royalty sharing mechanism provides scholarships for 50 female students from the community schools, to enable them to continue their education. This scholarship is provided through an endowment fund, established by the project company, in collaboration with the Rotary Club of Kantipur. As part of this program, the company provides NR 1 million as a contribution, and a matching amount is provided by the Rotary Club. The fund provides scholarships, of approx. NR 1500 and 2000 per year to the 50 students. Apart from this, the project has invested in the provisioning of health services in the area. For this purpose, the project provided a project clinic

within the premises of the project office in Kirne and runs a dispensary at the intake site. The clinic is headed by a health assistant and seven health workers. The entire operating cost for the clinic and dispensary are borne by the company.

Similarly, the Kali Gandaki Hydroelectric Project, located in the Western Development Region of Nepal, in the Syangja District and its surrounding districts. The royalty for the project is divided proportionally across the four districts of Syangja, Gulmi, Palpa and Parbat. This amount is to be used for local development works in the regions. It is reported that 3000 households in 11 VDCs across the project area have benefited from a rural electrification program.

Another example is the 20 MW Chilime Hydropower Project, built on Chilime River in 2003. this project, increased the local community's equity ownership to 10%, from 5% after a court judgement. A basket fund of NR 2.5 million each year has been allotted for community development works through Clilime Jalabiddhut Upabhokta Sarokar Samiti in affected VDCs – Chilime, Syafrubensi and Goljung. The project has also contributed to health, education, infrastructure, drinking water and irrigation as well as construction of toilets and bathrooms at public gatherings and schools at Chilime village. The project has provided financial aid to Higher Secondary Schools and Primary Schools in the neighbouring villages for infrastructure development including provision of computers in these schools. The project is providing and promoting entrepreneurship development programs among the rural youth for taking up self-employment. It is providing trainings to the local people with an aim to develop skilled local manpower and give them employment opportunity. The project has been providing a platform for internship programs for students from different colleges. The project has facilitated new street lights for market areas in affected VDCs like Chilime, Goljung, Komin, Syafrubesi

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*Source:* IUCN and GTZ: Recognizing entitlements and sharing benefits: emerging trends in Nepal's Hydropower Terrain; United Nations Environment Programme, Dams and Development Project; Compendium on Relevant Practices: 2<sup>nd</sup> Stage, World Bank, A Guide for Local Benefit Sharing in Hydropower Projects. [http://www.myrepublica.com/portal/index.php?action=news\\_details&news\\_id=89255](http://www.myrepublica.com/portal/index.php?action=news_details&news_id=89255), Shrestha, P; Lord, A; Mukherji, A; Shrestha, RK; Yadav, L; Rai, N (2016) Benefit sharing and sustainable hydropower: Lessons from Nepal. ICIMOD Research Report 2016/2. Kathmandu: Nepal, URL: [http://lib.icimod.org/record/32026/files/icimodResearchReport2016\\_2.pdf](http://lib.icimod.org/record/32026/files/icimodResearchReport2016_2.pdf) accessed on 12th June 2017.

Annexure D

## Livelihood Entitlement Matrix for PAFs, Upper Trishuli -1

**Points to be considered for the the details in the matrix below:**

- The blue highlights mark separate PAFs;
- HH Code is designated based on the original village of the PAF, where
  1. PHO - Phool Bari;
  2. THA - Thanku;
  3. HAK - Haku Besi;
  4. GOG – Gogone;
  5. MAI – Mailung.
- Tailoring is not a full time profession for women, who have reported it. The women undertake assignment for not more than 7 days in a month which provides some ancillary income;
- Support for Business Enterprises has been identified as a Livelihood Entitlement to be given for PAF; however, the kind of business enterprise to be set up should be evaluated at the time of finalisation of Microplans with PAFs.
- The possible business enterprises can be grocery stores, tea shops, homestays, restaurants, etc. as deemed necessary keeping in mind the commencement of construction phase of the project and influx of population.

**Table .1 Entitlement Matrix for PAFs**

HH Code	Present Location	Vulnerability	Present Occupation	Additional Cash Compensation	Transition Support	Vulnerability	Direct Employment	Contractual	Wage Based Work	Agricultura Support	Poultry Training	Boar Farming	Goat Farming	Driver/Mechanic Training	Masonry Training	Electrician / Plumbing Training	Cooking Training	Computer Training	Tailoring / Sewing/Knitting	Seed Capital for Business Enterprise	Remarks	
PHO-01	Dhunche	None	Labourer; supported by rent income	Yes			Yes		Yes	Yes												
PHO-02	Shiva Mandir-Dhunche	None	Construction labourer	Yes	Yes		Yes			Yes								Yes				



HH Code	Present Location	Vulnerability	Present Occupation	Additional Cash Compensation	Transition Support	Vulnerability	Direct Employment	Contractual	Wage Based Work	Agricultura Support	Poultry Training	Boar Farming	Goat Farming	Driver/Mechanic Training	Masonry Training	Electrician / Plumbing Training	Cooking Training	Computer Training	Tailoring / Sewing/Knitting	Seed Capital for Business Enterprise	Remarks	
PHO-13	Kebutol	None	Construction labourer		Yes					Yes			Yes									
PHO-14	Kebutol	None	Construction labourer		Yes		Yes			Yes	Yes											
PHO-15	Kebutol	None	Trekking guide but not working due to illness		Yes		Yes			Yes										Yes	HoH has worked security guard in Malaysia	
PHO-16	Kebutol	None	Construction labourer		Yes					Yes		Yes						Yes				
PHO-17	Karagar Toll - Dhunche	None	Security Guard		Yes		Yes			Yes			Yes									Employment as security guard preferred
PHO-18	Kebutol	None	Sharecropping; Animal Husbandry		Yes					Yes		Yes								Yes		
PHO-19	Dhunche	None	Security Guard	Yes	Yes					Yes	Yes			Yes								
PHO-20	Dhunche	None	Owns Welding workshop		Yes					Yes				Yes						Yes		
PHO-21	Kathmandu	None	Construction Labourer							Yes												Not surveyed
PHO-22	Pradhikaran Camp		Construction Labourer	Yes	Yes		Yes		Yes	Yes						Yes						
PHO-23	Phool Bari	None	Construction Labourer		Yes		Yes			Yes					Yes	Yes						Masonry or Electrician Training
THA-01	Thade	Old Age	None	Yes	Yes		Yes			Yes				Yes								Tailoring Training for daughter in law

HH Code	Present Location	Vulnerability	Present Occupation	Additional Cash Compensation	Transition Support	Vulnerability Based	Direct Employment	Contractual	Wage Based Work	Agricultura Support	Poultry Training	Boar Farming	Goat Farming	Driver/Mechanic Training	Masonry Training	Electrician / Plumbing Training	Cooking Training	Computer Training	Tailoring / Sewing/Knitting	Seed Capital for Business Enterprise	Remarks	
																						also suggested by PAF
THA-02	Thade	Old Age	None		Yes		Yes			Yes										Yes		
THA-03	Thade	None	Driver		Yes					Yes	Yes											
THA-04	Thade	None	Blacksmith		Yes					Yes					Yes					Yes		
THA-05	Thade	None	Driver		Yes		Yes			Yes		Yes										Employment as Driver preferred
THA-06	Thade	None	Construction Labourer				Yes	Yes	Yes	Yes												
THA-07	Thade	None	Construction Labourer/Welder		Yes		Yes			Yes										Yes		Security Guard job preferred by Gore and driver Job desired for son
HAK-01	Pradhikaran Camp	Women Headed Household; Bhuchiring Tamang is Dead	Construction Labourer (2 <sup>nd</sup> Wife)		Yes					Yes	Yes							Yes				Entitlements need to be verified with the first wife as she was not surveyed
HAK-02	Dhunche and Haku Besi	None	Agriculture		Yes					Yes	Yes		Yes									
HAK-03	Ghumti - Dhunche	None	Truck Owner		Yes		Yes			Yes									Yes			

HH Code	Present Location	Vulnerability	Present Occupation	Additional Cash Compensation	Transition Support	Vulnerability Decision	Direct Employment	Contractual	Wage Based Work	Agricultura Support	Poultry Training	Boar Farming	Goat Farming	Driver/Mechanic Training	Masonry Training	Electrician / Plumbing Training	Cooking Training	Computer Training	Tailoring / Sewing/Knitting	Seed Capital for Business Enterprise	Remarks	
HAK-04	Dhunche and Haku Besi	None	Petty Contractor and Politician				Yes		Yes	Yes												
HAK-05	Dhunche	None	Stone Breaking and Tea Shop		Yes					Yes										Yes		
HAK-06	Dhunche	None	Construction Labourer and Agriculture	Yes					Yes	Yes												
HAK-07	Haku Besi	None	No occupation. Dependent on sons and daughters	Yes	Yes				Yes	Yes	Yes											
HAK-08	Dhunche	None	Sale of Poultry and Political Leader		Yes		Yes			Yes	Yes											
HAK-09	Kathmandu	None	Real Estate Agent							Yes												Not Surveyed
HAK-10	Dhunche	Partial Disability of HoH, Aged members in the family and single person earning	Meat Shop	Yes	Yes					Yes	Yes							Yes				

HH Code	Present Location	Vulnerability	Present Occupation	Additional Cash Compensation	Transition Support	Vulnerability Decision	Direct Employment	Contractual	Wage Based Work	Agricultura Support	Poultry Training	Boar Farming	Goat Farming	Driver/Mechanic Training	Masonry Training	Electrician / Plumbing Training	Cooking Training	Computer Training	Tailoring / Sewing/Knitting	Seed Capital for Business Enterprise	Remarks	
HAK-11	Kebutol	None	Wage Labour		Yes			Yes		Yes	Yes											
HAK-12	Kathmandu	None	Driver							Yes												Not Surveyed
HAK-13	Dhunche	None	Stone breaking and agriculture in sharecropping		Yes					Yes	Yes								Yes			
HAK-14	Haku Besi	None	Construction Labourer and Agriculture		Yes					Yes				Yes			Yes					
HAK-15	Dhunche	None	Liaison Officer - UT-1		Yes					Yes							Yes					
HAK-16	Dhunche	None	Employed in private company		Yes					Yes						Yes			Yes			
HAK-17	Pradhikaran Camp	None	Construction Labourer	Yes			Yes			Yes												HoH has worked as a security guard in Dubai and Malaysia
HAK-18	Haku Besi	None	Tour guide	Yes			Yes	Yes		Yes												Can speak Englis
HAK-19	Dhunche	None	Stone Breaking and Sharecropping		Yes					Yes	Yes				Yes							
HAK-20	Kebutol	None	Driver		Yes		Yes			Yes									Yes			
HAK-21	Thade	None	Foreign Employment		Yes					Yes					Yes				Yes			Training suggested for

HH Code	Present Location	Vulnerability	Present Occupation	Additional Cash Compensation	Transition Support	Vulnerability Baseline	Direct Employment	Contractual	Wage Based Work	Agricultura Support	Poultry Training	Boar Farming	Goat Farming	Driver/Mechanic Training	Masonry Training	Electrician / Plumbing Training	Cooking Training	Computer Training	Tailoring / Sewing/Knitting	Seed Capital for Business Enterprise	Remarks	
																						HoH by PAF but he stays in Qatar. Confirm during implementation
HAK-22	Dhunche and Haku Besi	None	Wage Labour		Yes				Yes	Yes					Yes							
HAK-23	Haku Besi	None	Wage Labour and Agriculture		Yes					Yes	Yes			Yes								Has 10 poultry already
HAK-24	Kebutol		Construction Labourer	Yes			Yes		Yes	Yes												
HAK-25	Kathmandu		Not Known							Yes												Not surveyed
HAK-26	Dhunche	None	None	Yes	Yes		Yes			Yes	Yes											HoH also suggested Masonry/ electrician training for son
HAK-27	Dhunche	None	Works in a metal workshop in Gosai Kunda;		Yes		Yes			Yes			Yes									
GOG-01	Nuabesi	None	Construction Labourer	Yes	Yes		Yes			Yes								Yes				Masonry Training for HoH also preferred
GOG-02	Nuabesi	None	Construction Labourer		Yes					Yes								Yes	Yes			



HH Code	Present Location	Vulnerability	Present Occupation	Additional Cash Compensation	Transition Support	Vulnerability Basis	Direct Employment	Contractual	Wage Based Work	Agricultura Support	Poultry Training	Boar Farming	Goat Farming	Driver/Mechanic Training	Masonry Training	Electrician / Plumbing Training	Cooking Training	Computer Training	Tailoring / Sewing/Knitting	Seed Capital for Business Enterprise	Remarks
GOG-15	Khalde	None	Foreign Employment		Yes					Yes									Yes		
GOG-16	Migrated	Not known	Not known							Yes											Not surveyed
GOG-17	Bogetitar	Old Age	Old Age Pension and supported by sons	Yes		Yes				Yes											
GOG-18	Bogetitar	None	Electrician - Petty Contractor		Yes					Yes						Yes			Yes		
GOG-19	Bogetitar	None	Wage Labour		Yes					Yes						Yes			Yes		Employment with UT-1 is also desired after training by HoH
GOG-20	Bogetitar	None	Mason		Yes					Yes				Yes			Yes				
GOG-21	Batar	None	Wage Labour (Semi skilled carpenter, welder and mason)		Yes					Yes					Yes				Yes		
GOG-22	Bogetitar	None	Construction labourer		Yes					Yes				Yes				Yes			Seed capital for setting business enterprise is also desired by the PAF
GOG-23	Bogetitar	None	Construction labourer		Yes		Yes			Yes								Yes			

HH Code	Present Location	Vulnerability	Present Occupation	Additional Cash Compensation	Transition Support	Vulnerability Decision	Direct Employment	Contractual	Wage Based Work	Agricultura Support	Poultry Training	Boar Farming	Goat Farming	Driver/Mechanic Training	Masonry Training	Electrician / Plumbing Training	Cooking Training	Computer Training	Tailoring / Sewing/Knitting	Seed Capital for Business Enterprise	Remarks	
GOG-24	Bogetitar	None	Electrician		Yes			Yes		Yes						Yes						
GOG-25	Tiru	Could not be surveyed								Yes												Could not be surveyed
GOG-26	Batar	None	Construction labourer		Yes					Yes									Yes			
GOG-27	Tiru and Batar	None	Construction labourer and Agriculture		Yes		Yes			Yes								Yes				
GOG-28	Tiru	disabled	None; Supported by sons		Yes					Yes	Yes											
GOG-29	Kathmandu (HoH); Bogetitar (family)	None	Contractor		Yes				Yes	Yes								Yes				
GOG-30	Dhunche	None	Wage Labour		Yes		Yes			Yes							Yes					
GOG-31	Bogetitar	None	Foreign Employment		Yes		Yes			Yes									Yes			The HoH presently stays in Malaysia. Confirm location and preference at the time of implementation
GOG-32	Battar	None	None; Supported by		Yes					Yes				Yes		Yes						

HH Code	Present Location	Vulnerability	Present Occupation	Additional Cash Compensation	Transition Support	Vulnerability Basis	Direct Employment	Contractual	Wage Based Work	Agricultura Support	Poultry Training	Boar Farming	Goat Farming	Driver/Mechanic Training	Masonry Training	Electrician / Plumbing Training	Cooking Training	Computer Training	Tailoring / Sewing/Knitting	Seed Capital for Business Enterprise	Remarks
			father/brothers																		
GOG-33	Satbesi	None	Construction labourer				Yes			Yes											
GOG-34	Bogetitar	None	Mason	Yes	Yes					Yes						Yes			Yes		
GOG-35	Kathmandu		Wage Labour							Yes											Not surveyed
GOG-36	India		Student							Yes											Not surveyed
GOG-37	Tiru		Agriculture							Yes											Not surveyed
GOG-38	Kathmandu		Monk							Yes											Not surveyed
GOG-39	Bogetitar	Disabled member in family	Basket weaving and agriculture	Yes	Yes	Yes	Yes			Yes					Yes						
GOG-40	Bogetitar	None	Wage Labour				Yes			Yes											
GOG-41	Tiru and Nuabesi	None	Agriculture		Yes		Yes			Yes								Yes			
GOG-42	Nuabesi	None	Mason		Yes					Yes				Yes					Yes		HoH expects support in obtaining Driving License
GOG-43	Nuabesi	None	Foreign Employment		Yes					Yes									Yes		
GOG-44	Nuabesi	None	Wage Labour		Yes		Yes			Yes						Yes					Tailoring Training also desired for Wife



HH Code	Present Location	Vulnerability	Present Occupation	Additional Cash Compensation	Transition Support	Vulnerability	Direct Employment	Contractual	Wage Based Work	Agricultura Support	Poultry Training	Boar Farming	Goat Farming	Driver/Mechanic Training	Masonry Training	Electrician / Plumbing Training	Cooking Training	Computer Training	Tailoring / Sewing/Knitting	Seed Capital for Business Enterprise	Remarks
MAI-08	Satbesi		Stone breaking and selling alcohol		Yes					Yes									Yes		
MAI-09	Mailung	None	Mason		Yes					Yes									Yes		
MAI-10	Shanti Bazaar and sometimes in Mailung near IDP Camp	Aged Lady supported by married daughter	Dependent on married daughter	Yes						Yes											
MAI-11	Gogone	None	Agriculture and support from sons							Yes											Not Surveyed
MAI-12	Nuabesi-Thimbure for work at the time of survey	None	Migrated to Kerong to work as Construction Labourers (HoH and wife)							Yes											Not surveyed
MAI-13	Nuabesi	None	Wage Labour		Yes		Yes			Yes									Yes		
MAI-14	Tiru	None	Cultivates land in Tiru							Yes											Not surveyed
MAI-15	Nuabesi	None	Mason		Yes				Yes	Yes									Yes		
MAI-16	Nuabesi	None	Construction labour		Yes		Yes			Yes	Yes										Employment as Security Guard

HH Code	Present Location	Vulnerability	Present Occupation	Additional Cash Compensation	Transition Support	Vulnerability Baseline	Direct Employment	Contractual	Wage Based Work	Agricultura Support	Poultry Training	Boar Farming	Goat Farming	Driver/Mechanic Training	Masonry Training	Electrician / Plumbing Training	Cooking Training	Computer Training	Tailoring / Sewing/Knitting	Seed Capital for Business Enterprise	Remarks
																					preferred by HoH
MAI-17	Bogetitar	None	Wage Labourer		Yes					Yes								Yes			
MAI-18	Trishuli Bazaar and Malaysia	None	Foreign employment							Yes											Not surveyed
MAI-19	Shanti Bazaar and Malaysia	None	Foreign employment		Yes					Yes									Yes		
MAI-20	Satbesi	None	Mason		Yes		Yes			Yes										Yes	
MAI-21	Shanti Bazaar	None	Petty Contractor	Yes				Yes		Yes											
MAI-22	Khalde	Widow living separately but supported by son	Supported by sons	Yes		Yes				Yes											
MAI-23	Khalde	Disabled HoH				Yes	Yes			Yes											
MAI-24	Khalde	None	Petty contractor		Yes		Yes			Yes								Yes			
MAI-25	Bogetitar	None	Construction Labourer	Yes	Yes					Yes					Yes	Yes			Yes		
MAI-26	Bogetitar	None	Mason		Yes		Yes			Yes									Yes		

HH Code	Present Location	Vulnerability	Present Occupation	Additional Cash Compensation	Transition Support	Vulnerability Disables	Direct Employment	Contractual	Wage Based Work	Agricultura Support	Poultry Training	Boar Farming	Goat Farming	Driver/Mechanic Training	Masonry Training	Electrician / Plumbing Training	Cooking Training	Computer Training	Tailoring / Sewing/Knitting	Seed Capital for Business Enterprise	Remarks
MAI-27	Bogetitar	None	Wage Labourer		Yes					Yes				Yes						Yes	
MAI-28	Bogetitar	None	Foreign employment		Yes					Yes									Yes		
MAI-29	Khalde	None	Foreign employment	Yes	Yes					Yes							Yes				
MAI-30	Khalde	None	Wage Labour		Yes				Yes	Yes					Yes						
MAI-31	Malaysia		Foreign Employment							Yes											Not surveyed
MAI-32	Bogetitar	None	Construction Labourer	Yes	Yes					Yes				Yes							
MAI-33	Bogetitar	None	Mason		Yes					Yes				Yes						Yes	
MAI-34	Bogetitar	Disabled HoH	Supported by Nephew and daughter who is studying in class 8th (working once a week)		Yes	Yes				Yes								Yes			
MAI-35	Satbesi	None	Mason		Yes				Yes	Yes	Yes										
MAI-36	Satbesi	None	Works for ACF, as local supervisor		Yes		Yes			Yes									Yes		
MAI-37	Nuabesi and Tiru	None	Agriculture (family members)	Yes	Yes					Yes								Yes	Yes		This is a big family; hence more



Annexure E

## Terms of Reference for Implementation Partner

This Annexure provides a template for the Terms of Reference for the Implementation Partner to be appointed for the LALRP. This ToR shall be finalized after the finalization of the LALRP, based on the review of the lenders and the feedback of the external stakeholders in the disclosure process.

## 1.1

### PROJECT UNDERSTANDING

The UT-1 Hydropower project is being developed by the Nepal Water and Energy Development Company (NWEDC) as a 216 Mega-watt (MW) green field run-of-the-river project located in the upper part of the Trishuli watershed, approximately 50 km north of Kathmandu. IFC Infra-Ventures has signed a Joint Development Agreement (JDA) with Korea South-East Power Co. Ltd, Daelim Industrial Co., Ltd, Kyeryong Construction Industrial Co. Ltd. and Jade Power Private Limited to develop the project in March 2012. The Project Development Agreement (PDA) with the Government of Nepal was signed on 29<sup>th</sup> December 2016.

A total of 99.79 ha of land are required for the project. Of this 96.16 ha, 26.15 ha is required on a temporary basis during the construction phase of the project. While the permanent land is primarily private land and *Swayambhuguthi*<sup>1</sup> land, the temporary land requirement for the project is mostly community forest and government land. The project has completed the land take process for the private land required for the project and its various associated facilities. Payment of compensation for privately held land and asset to the affected persons/ households was completed in 2015.

Once commissioned, the project will account for sizeable portion of Nepal's current installed capacity and will sell power under a long-term power purchase agreement (PPA) with Nepal Electricity Authority ("NEA"), the national utility company.

As stated earlier, a Livelihood Restoration Plan (LRP) was prepared by ERM in March 2015 for the project and was supposed to be implemented in to meet the requirements of the applicable national regulations, WBG Performance Standards (PS) 2012 and ADB Safeguard Policy Statement (SPS) 2009. The main objective of LRP was to enable restoration of livelihoods, and preferably

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<sup>1</sup> Swayambhuguthi land or the Trust land is the land that belongs to a Monastery at Swayambhu in Kathmandu. Guthi Tainathi land (Guthi owned land)" means a land which is not registered in the name of any person and in which the Guthi Corporation has exclusive right. "Guthi" means and includes a Guthi (trust) endowed by any philanthropist through relinquishment of his or her title to a movable or immovable property or any other income-yielding property or fund for the operation of any shrine (matha) or festival, worship or feast of any God, Goddess or for the construction, operation or maintenance of any temple, shrine (devasthal), rest house (dharmashala), shelter (pati), inn (pauwa), well, tank, road, bridge, pasture, garden, forest, library, school, reading hall, dispensary, treatment facility, house, building or institution for any religious or philanthropic purpose. Source: The Guthi Corporation Act, 2033 (1976).

improvement of livelihoods of the project affected families from pre-project levels.

It should be noted that at the time of the LRP formulation between 2014-15, the entire compensation amount as assessed by the government and NWEDC, had already been disbursed to the eligible PAFs. The PAFs reported that they had used this money to purchase alternative land, construct new houses, repair existing houses or invest in income generating activities/assets. The LRP was to compensate the loss of livelihoods of the PAFs through a number of livelihood programme options, in addition to what they had already received as compensation for their assets.

However, before the LRP could be implemented, the Project Area of Influence (Haku, Ramche and Dhunche VDC) suffered a major earthquake which resulted in significant impacts and internal displacement of a large number of people from local villages, including the PAFs from the villages falling in the project area of influence especially from Haku VDC. The 2015 earthquake also resulted in a change in the baseline of the project. This change has been in the form of the place of residence, asset ownership, livelihood profile, financial status of the project and expectations of the stakeholders from the project. Due to this, the need was identified of updating the impact assessments and management plans formulated for the project. In keeping with this a revised LALRP was formulated in keeping with the post-earthquake scenario. The Project is now looking to recruit an Independent Implementation Partner (IM) for assisting in the execution of the LALRP thus formulated.

## **1.2** *OBJECTIVE AND PURPOSE OF ASSIGNMENT*

The objective of the assignment is to implement the specific entitlements identified in the LALRP, in keeping with the livelihood restoration principles identified and the applicable reference framework. This plan is aimed at mitigating the impacts of economic displacement and at a minimum, restoring the livelihoods and living standards of the affected population to the pre-land procurement state.

## **1.3** *APPLICABLE REFERENCE FRAMEWORK*

The LALRP has to be implemented in keeping with the requirements of the following:

- Applicable National regulations;
- Applicable WBG Performance Standards;
- ADB Safeguard Policy Statement 2009; and
- European Investment Bank' Statement of Environmental and Social Principles and Standards, 2009

## 1.4 SCOPE OF ASSIGNMENT

The scope of work for the assignment is to implement the contents of the LALRP formulated, in keeping with the implementation plan presented in the LALRP. The specific tasks to be undertaken include the following:

### 1.4.1 *Undertake a Need Assessment Update of Socio Economic Baseline*

It is understood that due to the impacts of the earthquake, the socio-economic profile and residential status of the PAFs is in a state of flux and dynamism. In keeping with this, prior to the implementation of the LALRP, the IM shall undertake a detailed need assessment for the PAFs. This need assessment shall be to develop a detailed understanding of the present skill set and livelihood status of each PAF. This need assessment shall be undertaken based on structured surveys and focused interviews with each PAF.

On the basis of this need assessment the IM shall update the socio-economic baseline where required. In addition to this, the Entitlement Matrix formulated for the LALRP shall be updated, to incorporate the specific entitlements identified for the family.

### 1.4.2 *Formulation and Finalization of Micro Plans*

Based on Entitlement Matrix formulated as part of the LALRP and the need assessment undertaken, the IM shall formulate micro plans for each PAF.

This micro plan should provide an understanding of the following:

- Identification number of PAF (in keeping with that provided in the LALRP)
- Residence (original and present) details;
- Household level details;
- Details of Impacted Assets (along with layout and pictures wherever possible);
- Entitlements identified; and
- Timeline for implementation of the entitlements identified.

This micro plan shall be developed in consultation with each affected household to ensure that there is an understanding and agreements in terms of the following (but not be limited to):

- Impacted assets;
- Entitlements due as part of LRP;
- Eligible individuals;
- Compensation calculation;
- Schedule for disbursement of entitlements;
- Process of disbursement; including:
  - Preference of trainings; and
  - Preference for mode of payment for cash compensation.

For the purpose of identifying the entitlements, the PAF shall be provided with multiple options. The entitlements and means of disbursement shall then be finalized in consultation with the PAF. The IM shall execute a written agreement (in an informed manner) with the PAF that they understand and agree with the entitlements identified and the schedule for their disbursement. This agreement should be signed in the presence of the VDC leaders and representatives of the local government, if possible.

#### **1.4.3**      *Development and Maintenance of a Database*

These agreements shall be maintained in the LALRP database established for the project and the originals shall be submitted to NWEDC for record keeping. As part of this database, information for each PAF should be maintained in a separate file. This database shall be regularly updated and shall allow NWEDC to regularly monitor the progress of implementation of the entitlements.

#### **1.4.4**      *Formulation of Detailed Implementation Plan*

Prior to initiating the implementation of the LALRP or micro plans, the IM shall formulate a detailed implementation schedule. This implementation schedule shall put in place a timeline for each step of the implementation process as identified in the LALRP and agreed upon in the micro plan, with the aim of meeting the overall timelines identified in the LALRP. This schedule shall provide an understanding of the timelines for the complete implementation of each entitlement and shall include a schedule for each settlement/village/ VDC and a detailed schedule for day-to-day implementation. This implementation schedule shall be formulated in keeping with the overall implementation plan put in place for the LALRP.

The implementation schedule shall allow NWEDC to track and monitor the progress of the implementation of the LALRP, in keeping with the overall timelines established. The schedule formulated shall be dynamic in nature and shall allow for variation, due to externalities, to be absorbed. However, the overall schedule shall be adhered to, as any significant delay in the implementation process could result in financial and reputational risks for the project.

#### **1.4.5**      *Identification of Third Parties*

In addition to the implementation plan, the IM shall also identify other third party organizations/entities who may be involved in the implementation of the LALRP provisions. These third parties may include NGOs/INGOs/ Government organizations who are involved in skill development and livelihood restoration activities. These third parties organizations identified shall be those who have experience of undertaking work in the district, and preferably in the AoI and shall be those acceptable with the local community. The third parties shall be finalized and engaged by NWEDC.

#### **1.4.6** *Disclosure of Implementation Plans and Agreement with PAFs*

The implementation plan formulated shall be disclosed to the PAFs, in keeping with the provisions of the Stakeholder Engagement Plan for the project. As part of this implementation plan, the IM shall have a clear understanding of the requirement for manpower during the various phases of the LALRP implementation and the extent to which the same can be fulfilled locally in consultation with NWEDC. Consensus shall then be sought from the PAF on the overall implementation schedule and the same shall be finalized in keeping with the feedback received.

#### **1.4.7** *Implementation of the Livelihood Restoration Entitlements Identified*

In keeping with the detailed implementation plans and micro plans thus formulated, the IM shall implement the LALRP entitlements. The implementation of the entitlements shall be in keeping with the applicable reference framework, livelihood restoration principles and implementation process put in place as part of the LALRP.

While third party organizations may be involved in the implementation of specific entitlements, the IM shall be responsible for the overall implementation of the entitlements identified and the monitoring and coordination of the activities of the third party experts. The IM shall properly document each training and support provided and the engagement with the PAFs and submit the same on a regular basis to NWEDC in keeping with the reporting timelines identified in the LALRP.

#### **1.4.8** *Continued Engagement, Disclosure and Participation*

The IM shall be responsible for undertaking regular engagement with the PAFs and ensuring the implementation of the LALRP in a participatory manner. The engagement with the PAFs shall be undertaken in coordination with the Environmental and Social Management Cell (ESMC) in keeping with the requirements of the Stakeholder Engagement Plan for the project. In addition to this, the IM shall also be responsible for providing ongoing training and hand holding support to the PAFs. This support shall allow the PAFs to accrue maximum benefits from the projects.

### **1.5** *REQUIRED MANPOWER AND QUALIFICATION OF EXPERTS*

The IM should have following eligibility to undertake the implementation of LALRP:

- Should have previous work experience in the project district and preferably AoI and should be familiar with socio-economic and cultural setting of the project AoI;
- Minimum 5 years' experience of implementation of livelihood/skill enhancement programmes

- Minimum 5 experience of organizing skills, business and awareness training and post training support including employment and market linkage and business counselling
- Proven capability on beneficiary mobilization, group sensitization, awareness raising of beneficiaries, technical and business curriculum development by mobilizing pool of technical and business trainers
- Financial solvency to adequate manpower to undertake the assignment

#### **1.6** *MONITORING AND REPORTING REQUIREMENTS*

The reporting and monitoring of the implementation of the LALRP shall be undertaken in keeping with the process identified in the LALRP.

#### **1.7** *TIMELINE*

The implementation of the LALRP is to be undertaken over a course of five years, till the second quarter of 2022-2023 AD. After the completion of this timeline, a completion audit shall be undertaken to assess any remaining gaps in the restoration of livelihoods. If a need for extending livelihood restoration support is identified, the contract for the IM may be extended as required.

Annexure F

LRP Survey Tool - 2017,  
Upper Trishuli-1

NWEDC-Upper Trishuli-1  
Socio-economic Survey Questionnaire 2017

**Introduction**

**Instructions to the Project Company Staff:** Greet the respondent and please introduce yourself briefly to the respondent.

*We are surveyors from {NWEDC}. We are conducting a survey of people falling under the Upper Trishuli project. In order to understand the impact of the 2015 earthquake, we are undertaking a survey of the household that may get affected as a result of this project.*

*Based on the results of this survey, Livelihood restoration plan will be updated for the project. We will also try to understand the various losses that you have suffered because of the earthquake, and the options for restoring the living standard. There are no right or wrong answers. We only seek your responses and opinions regarding some of the issues. We assure that your personal details will be kept confidential. The interview might take 40 to 45 minutes. We seek your cooperation in this regard.*

May we proceed? .....Thank you!!!

**Part 1: Introduction**

<b>Respondent Details:</b>			
Name of the respondent			
Name of Head of Household			
Relationship of the respondent with the head of the household (in keeping with 2015 LRP)		Date: (DD/MM/YY)	
<b>Enumerator Details:</b>			
Name:		Signature:	
Date: (DD/MM/YY)			
<b>Quality check</b>			
Person doing quality check:		Signature	
Date: (DD/MM/YY)			
<b>Location Details:</b>			
Original Village and VDC (in keeping with 2015 :LRP)		Present Residence	
Phone Number			
Census Department ID Number:			
Identification Number (by survey)	...../...../		
Household Code from 2015 LRP			

**PART 2: IMPACT OF 2015 EARTHQUAKE AND RELIEF PROVIDED**

Q. N.	QUESTIONS	PLEASE TICK AS APPROPRIATE
1	Vulnerability Status (please tick as appropriate)	1. Disabled 2. old couple ( Above 60 years) without support 3. Landless or Lack of Productive Agricultural land 4. Lack of any potential source of income 5. Living in IDP camp 6. Single Women Headed Household

2.What were the impacts on the HH due to the 2015 earthquake		Yes	No	If yes, Details
a)	Complete Destruction of homestead	1	2	
b)	Partial destruction of homestead	1	2	
c)	Complete destruction of agricultural land	1	2	
d)	Partial destruction of agricultural land	1	2	
e)	Loss of livestock	1	2	
f)	Loss of other sources of income	1	2	
g)	Physical disability of family member	1	2	
h)	Death of a family member	1	2	
i)	Other (please specify)	1	2	

3	Have a discussion on the impact of the earthquake on the household? 1. Loss of property or assets 2. Physical injuries to household members 3. Damage to land (fissures in land etc.) and assets	
4	Are you presently using the impacted structure?	1. Yes (permanently)

		2. Yes (temporarily) 3. No
5	Are you presently using the land impacted by earthquake?	1. Yes 2. No
6	If yes or no, Provide Details	
7	Were you able to recover any salvageable material from the impacted structures?	1. Yes 2. NO

8. Please provide details in terms of the number of livestock impacted due to the earthquake

	Livestock Type	Total Number before Earthquake	Total number lost
a)	Poultry		
b)	Cattle		
c)	Goat/ Sheep		
d)	Boar/ Pig		

### PART 3: RESIDENCE AND FAMILY STRUCTURE

9	What is the present residence	1. Original village ( <b>goto Q 11</b> ) 2. IDP Camp 3. Other (please specify) ( <b>goto Q 11</b> )
10	If the answer is IDP Camps, do the members of the household have any concern in residing in the camp	
SN	Family Members	Key Concerns
a)	Men (25-59 years)	
b)	Women (25-59 years)	
c)	Elderly (above 60 years)	
d)	Youth (18-25 years)	
11	In the last 2 years, has any member of the household returned to the original homestead?	1. Yes (permanently) 2. Yes (only for agriculture) 3. No ( <b>goto Q 13</b> )
12	If the answer to the previous question is yes, then how many members of the family returned?	1. Complete family 2. part of the family (provide numbers)
13	How long they are gone and how many times in both years?	Number of Trips_____ Number of Days per Trip-----
14	Do you have the Lal Purza/ Tenancy Certificate (in case of guthi land) to claim the housing grant?	1. Yes ( <b>goto Q 16</b> ) 2. No
15	Please provide details ( E.g Lal purza is lost/ cannot trace it/ destroyed)	

16	Do you aim to return to original village permanently?	1. Yes 2. No ( <b>goto Q 18</b> )
17	If yes, Have a discussion on what are the present hindrances in returning to village permanently	
18	Will all the family members go back, or only a few?	1. All ( <b>goto Q 20</b> ) 2. Few
19	If only a few, Details	
20	Do any members of the household have any concerns in returning to the village permanently	
SN	Family Members	Key Concerns
a)	Men (25-59 years)	
b)	Women (25-59 years)	
c)	Elderly (above 60 years)	
d)	Youth (18-25 years)	
21	Do you have any other house/ residence in Nepal?	1. Yes (goto Q22) 2. No ( <b>goto Q 23</b> )
22	If Yes, provide details in terms of location, area, suitability for permanent habitation etc.	
23	Are you eligible for Housing grant (3 lakhs NRP) to be provided by the government?	1. Yes 2. No 3. Not Aware
24	Are you eligible for any resettlement housing to be provided by the Government?	1. Yes 2. No 3. Not Aware
25	Has anybody separated from family to start a new household after the earthquake?	1. Yes 2. No ( <b>goto Q 27</b> )
26	If yes, What was the reason for the separation	1. To get maximum benefit from relief activities 2. Due to need for livelihood 3. Other (please specify)
27	Have you purchased any additional land since the earthquake	1 Yes 2. No ( <b>goto Q 29</b> )
28	If yes, then please provide details	
SN	Additional land	Details
a)	Purpose of Land	1. Residence 2. Agriculture
b)	Size (ropani)	.....Ropani
c)	Location	
d)	Quality from pre earthquake	1. Same 2. Better 3. Worse
e)	Irrigation Status (for agricultural land)	1. Irrigated 2. Unirrigated

#### PART 4: INCOME AND EXPENDITURE AND LIVELIHOOD PROFILE

29	What are your key sources of expenditure (Nepali Rupee)		
SN	Expenditure Head	Prior to earthquake	Post earthquake
a)	LPG (in Rs or number of units) (monthly)		
b)	Fire wood (Monthly)		
c)	Education (Monthly)		
d)	Diesel/petrol (Monthly)		
e)	Transport (Monthly)		
f)	Telephone/mobile phone (Monthly)		
g)	Entertainment (Annually)		
h)	Healthcare/ Medical Expenditure(Annually)		
i)	Agriculture Input Investment (Seeds, Fertiliser, etc.)(Annually)		
j)	Maintenance (Annually)		
k)	Loan repayment(Annually)		
l)	Cultural/religious expenses (festivals/marriages)(Annually)		
m)	Ration (Monthly)		
n)	Rent (Monthly)		
o)	Other _____		

30	Please provide a livelihood profile of the household, against each member		
SN	Name of individual	Sources of Livelihood	Average Annual Income

Sources of Livelihood

1. Agriculture, 2.Fishing, 3.Electrician, 4.Carpenter, 5.Masonry, 6.Plumber, 7.Livestock Farming, 8.Private Employee, 9.Government Employee, 10. Remittance, 11.Driver, 12. Retired, 13. Student, 14. Stone Breaking, 15. Poultry Farming, 16. Boar Farming, 17. Unemployed, 18. Other

31	What is the total Household Income (including remittances etc.) in Nepali Rupee	
32	Are you facing any issues in finding a source of livelihood?	1. Yes 2. No ( <b>goto Q 33</b> )
33	If yes, provide details	
34	Do you have any savings which can be used in case of need?	1. Yes 2. No ( <b>goto Q 35</b> )

35	If yes, give an indicative value			
36	Of the total amount received for your family for UT-1 land procurement, what was your share?	..... Amount		
37	What did you use your share for?			
SN	Usage	Yes	No	Remarks
a)	Money still remaining in account	1	2	
b)	Used for earthquake relief	1	2	
c)	Used for buying provisions and food for family	1	2	
d)	Used for buying new house/ constructing new house (ask If it was damaged in earthquake)	1	2	
e)	Used for buying new land	1	2	
f)	Medical Expenses	1	2	
g)	Buying utility for Families	1	2	
h)	Payment of Debts	1	2	
i)	Family expenses such as marriage, education etc.	1	2	
j)	Other	1		

38. What kind of support have you received from the following stakeholders?

	Kind of Support	Government	UT-1 Project	NGOs	Other (please Specify)
a)	Land for temporary Housing	1	2	3	4.....
b)	Temporary Housing in IDP Camp	1	2	3	4.....
c)	Provisions for IDP Camp and Sustenance	1	2	3	4.....
d)	Livelihood Training / Support	1	2	3	4.....
e)	Support for House Reconstruction	1	2	3	4.....
f)	Cash Compensation	1	2	3	4.....
g)	Other (please Specify)	1	2	3	4.....

39. Please provide details of cash compensation/ support received in terms of the following

SN	Aspects	Details
a)	Amount Received	

b)	Purpose of Compensation	
c)	Number of Installments paid	
d)	Amount yet to be received	

40. Please provide details of livelihood training / received

SN	Name of Individual received training	Name of Organization giving Training	Type of Training	Number of Days	Certification (yes/ No)	What did you like about the training	What did you dislike about the training	Was the training useful in terms of developing livelihood
1					1 2			1 2
2					1 2			1 2
3					1 2			1 2
4					1 2			1 2
5					1 2			1 2

41	In case of Agriculture, provide details of nature of cultivation?	1. Cultivation on own land in original village 2. Cultivation own land in new purchased residence/ land 3. Cultivation on rented land 4. Cultivation based on share cropping 5. Vegetable farming		
42	If cultivating on land in original village. Do you wish to rent/purchased land in present residence or purchase land in new location?	1. Yes 2. No ( <b>goto Q 44</b> )		
43	If yes, what are the key issues you are facing in renting land/purchasing land?			
44	What was the use of the produce from your land (private and guthi)?	1. For self-consumption/ consumption by the family/ For storing food for the lean Season 2. For selling the produce in the local village ( among HH) 3. For selling the produce in the market 4. Other (please specify)		
If engaged in Fishing				
45	Fishing purpose	1. Personal Consumption	2. Sale	3. Recreation
46	Number of days/ months engaged in fishing per year	.....Days/.....Months		
47	Does any member of your household migrate out for work?	1. Yes 2. No ( <b>goto Q 50</b> )		
48	If yes, please provide details:			
SN	Name of individual	Type of work		Location
1				
3				
4				

49	Has the number of household members, migrating out for work, increased/ decreased since the earthquake	1. Increased ( <b>goto Q 52</b> ) 2. Same 3. Decreased ( <b>goto Q 52</b> )
50	Please provide reasons for the same	
51	Has anyone from the family who had earlier migrated out, come back post-earthquake?	1. Yes 2. No
52	If yes, provide details	
53	What is the total number of livestock presently owned by the household	
SN	Type of livestock	Number of livestock
a)	Poultry	
b)	Cattle / Bovine	
c)	3 Boar/ Pig	
54	Has this livestock holding increased or decreased since the earthquake. Please provide details	1. Increased ( <b>goto Q 57</b> ) 2. Decreased
55	If decreased, then what is the reason for the same and what challenges are you facing	1..... 2..... 3.....
56	If undertaking daily wage, then please answer the following questions	


SN	Name of Individual	Type of activity	Location	Distance from residence	Daily Income	Remark			
a)									
b)									
c)									
d)									
57	What are the changes you have witnessed in your living standard, from pre-earthquake and why (compare native village with IDP camp)		1..... 2..... 3.....						
58	What are your present expectations from the UT-1 project in terms of livelihood restoration								
	Present expectations			For Men Yes No		For Women Yes No		For Youth Yes No	
a)	Contract opportunity of business			1 2		1 2		1 2	
b)	Direct employment			1 2		1 2		1 2	
c)	Cash based support			1 2		1 2		1 2	
d)	Training with market linkage			1 2		1 2		1 2	
e)	Wage based work			1 2		1 2		1 2	
f)	Support/ seed capital for starting some sort of business based on existing skills			1 2		1 2		1 2	
g)	Other (please specify)			1 2		1 2		1 2	
59	If you have to consider skill/income generating training, then what type of training will you require?								
	Type of skill/income generating training			For Men Yes No		For Women Yes No		For Youth Yes No	
a)	Agriculture			1 2		1 2		1 2	
b)	Dairy			1 2		1 2		1 2	

c)	Poultry	1 2	1 2	1 2
d)	Piggery/ Boar Farming	1 2	1 2	1 2
e)	Business/ Enterprise	1 2	1 2	1 2
f)	Driving/ Mechanic	1 2	1 2	1 2
g)	Masonry/ Electrician/ Plumbing	1 2	1 2	1 2
h)	Other (please specify)	1 2	1 2	1 2
60	For the livelihood support identified, would you prefer a group level intervention or individual household intervention			
61	According to you, what will be the ideal duration of each training			
62	According to you, what is the ideal location for each training. How far will you be able to travel for the training			
63	What kind of support you will need to undertake the training			
64	Do the women in the household have any specific concerns regarding the livelihood support activities			
65	Do the men in the household have any specific concerns regarding the livelihood support activities			

Annexure G


Consultations undertaken by  
ERM during LALRP Update,  
Upper Trishuli-1

Meeting - I

<u>Basic details</u>	
<b>Location:</b> Dhunche	
<b>Project:</b> UT1- SIMF	
District: Rasuwa	
Date: 12 <sup>th</sup> April 2017	
<b>Purpose of the visit:</b> To develop an understanding of the NGOs activities in the area and the key learnings from the same	

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<u>Key points Discussed :</u>	
<ul style="list-style-type: none"> <li>• The NGO undertook livelihood capacity building and training activities in 6 VDCs in the district in 2016. In total approx. 20 trainings have been conducted, some of the key activities undertaken include: <ul style="list-style-type: none"> <li>○ Baking and cookery training- aimed at promoting tourism</li> <li>○ Sherpa training</li> <li>○ Provision for machines for spice grinding</li> <li>○ Development of foot trails, dumping pits etc.</li> <li>○ Seed distribution for mushrooms, herbs</li> <li>○ Training for ground apple cultivation</li> <li>○ Provisioning of farming equipments such as sprinklers, pipes etc.</li> <li>○ Coffee machines for community buildings</li> <li>○ First aid vet trainings</li> <li>○ Water mill repair and infrastructure support</li> <li>○ Tailoring training and provision of sewing machines</li> <li>○ Training on plumbing and electricity</li> </ul> </li> <li>• They established user committees for each training undertaken</li> <li>• They tied up with organizations such as Save the Children, UNDP, DFID, LWF</li> <li>• However, most of the funding is nearing completion</li> <li>• Each training was comprised of groups of 20 people each</li> <li>• The duration of the trainings was kept short, as if the trainings were too long then the locals did not stay to complete the trainings</li> <li>• The NGO provided accommodation for the duration of the training at the rate of NR 200</li> <li>• The NGO also provided for travel expenses. If the community members had to walk 1 hour then NR 100 a day was provided. If the training required bus travel, then the same was refunded</li> <li>• The some of the key learnings are as follows: <ul style="list-style-type: none"> <li>○ women groups were better to work with</li> <li>○ provision of electricity will be essential for the local community carrying forward most of the trainings received</li> <li>○ the community will also need seed capital (1-5 lakh NR) for kick starting any initiative</li> <li>○ ideally the seed capital shall be disbursed in 3 instalments</li> <li>○ user groups of 9-10 individuals should be formed for each activity</li> <li>○ at least one female should be in an executive position for each user group and of the 9 members, at least 4 should be women</li> </ul> </li> </ul>	
<u>Meeting Attended By :</u>	
1.	<b>ERM:</b> Manish Singh, Akshita Misra
2.	<b>NESS:</b> Madhav Bhatta
3.	<b>Stakeholder Group:</b> Manekor representative

<u>Basic details</u>	
<b>Location:</b> Dhunche	
<b>Project:</b> UT1- SIMF	
District: Rasuwa	
Date: 12 <sup>th</sup> April 2017	
<b>Purpose of the visit:</b> To develop an understanding of the NGOs activities in the area and the key learnings from the same	

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<u>Key points Discussed :</u>	
<ul style="list-style-type: none"> <li>• the key programs undertaken by the NGO include: <ul style="list-style-type: none"> <li>○ Livelihood Promotion Programme</li> <li>○ Local Governance Community Development Programme</li> <li>○ Sustainable Action for food security and resilience programme</li> </ul> </li> <li>• The NGO is primarily dependent upon USAID for funding</li> <li>• Their main communities of interest were those residing in Nuabesi, Bogetitar and Kalikastan</li> <li>• The NGO also distributed cheques worth 5,000 NR to the residents of the camps to allow them to purchase winter supplies</li> <li>• In addition to this, the government also provided NR 10,000 as support</li> <li>• The NGO also provided agricultural support. For Nuabesi and Bogetitar was put in banks and the interest from the same is being used for everyday purposes</li> <li>• In addition to this, the NGO is supporting in terms of water supply to schools in Sanu Haku, Haku Besi and Thullu Haku</li> <li>• The NGO also provided livelihood training for 15-20 years old, including tomato farming</li> <li>• The NGO also provided for a market place for vegetables and produce</li> <li>• Some of the trainings which should be considered include driving, electrician, mobile repair, mechanical training</li> </ul>	
<u>Meeting Attended By :</u>	
1.	<b>ERM:</b> Manish Singh, Akshita Misra
2.	<b>NESS:</b> Madhav Bhatta
3.	<b>Stakeholder Group:</b> LaCCoS

<u>Basic details</u>	
<b>Location:</b> Kathmandu	
<b>Project:</b> UT1- SIMF	
District: Kathmandu	
Date: 11 <sup>th</sup> May 2017	
<b>Purpose of the visit:</b> To develop an understanding of the role played by NGO- Lumanti in Rasuwa district post-earthquake.	

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<u>Key point of Discussions:</u>	
<ul style="list-style-type: none"> <li>• Lumanti has been operating in Rasuwa district for nearly 2 years, with their office in Laherepahua;</li> <li>• The key area of work of Lumanti is in Recovery and Reconstruction;</li> <li>• Lumanti has recently started working on the re-construction of Tamang trail in Rasuwa district and the areas also covers part of Haku VDC;</li> <li>• Lumanti runs a “Cash for work” programme in the area, such that locals are engaged in the construction activities in lieu of wages;</li> <li>• Lumanti has also worked in sanitation project in Bogetitar;</li> <li>• Lumanti personnel reported that there is a high political activity in the project area which sometimes hinders/ interferes with the NGO programmes;</li> <li>• The development project being carried out in the area have to be approved by the Social Welfare Council/ Education Departments at the district level;</li> <li>• Based on the proposal submitted, there is a District Project Advisory Committee (DPAC) meeting every month with an objective to track the progress of work done;</li> <li>• In the Rasuwa district, more than 30 cooperatives have been formed, which comprise of nearly 30,000-40,000 women;</li> <li>• Women focussed trainings on Mushroom Farming Beehive Farming, Cooking Trainings, etc. have been conducted in the district; however there is limited or no coverage of PAFs in these trainings;</li> <li>• The tailoring trainings given to women did not translate into gainful engagement because of the lack of quality in the product;</li> <li>• The area is quite widespread and has people staying in remote locations. The sporadic presence of skilled people and their working in isolation because of distance factor are the stumbling blocks for translation of these trainings into full time income generating activities;</li> <li>• Women should be considered for poultry farming, goat farming trainings, as they want to stay close to their house and this activity helps them manage work and house well;</li> <li>• Balaju Industrial Area in Kathmandu has various free of cost residential skill training programmes;</li> <li>• Balaju has defined parameters for selection of candidates for training. The trainings include masonry, electrician, plumbing, drivers, etc.</li> <li>• UN agencies have started recruiting women as drivers in Nepal.</li> </ul>	
<u>Meeting Attended By :</u>	
1.	<b>ERM:</b> Saumya Srivastava; Akshita Misra and Manish Singh
2.	<b>NESS:</b> NA
3.	<b>Key Informant:</b> Personnel from NGO Lumanti

<u>Basic details</u>	
<b>Location: Dhunche</b>	
<b>Project: UT1- SIMF</b>	
District: Rasuwa	
Date: 13 <sup>th</sup> April 2017	
<b>Purpose of the visit:</b> to understand the mandate and role of the NRA and the activities undertaken thus far	

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<u>Key points Discussed :</u>
<ul style="list-style-type: none"> <li>• The role of the NRA primarily pertains to coordination between the NGOs, government authorities and people in regards to earthquake relief and reconstruction work</li> <li>• The NRA has to approve the designs for the private and government houses being rebuild as part of the earthquake relief work through its urban development office. This office also provides sample designs. There are a total of 20 designs. Only if the designs are approved is the amount of reconstruction support released</li> <li>• In the earthquake prone area, the designs are 1 floor while on planes, it is double storeyed</li> <li>• The NRA undertakes regular meetings with NGOs and INGOs- at least three times in one year</li> <li>• In addition to this, 3 meetings have been undertaken with the District Coordination Committee</li> <li>• The NRA Rasuwa, is presently focused on 7 VDCs, namely, Saranthali, Ramche, Ratlam, Gonju, Vridhim, Dailung, Lahare Pahuwa</li> <li>• The NRA has three implementation units in Dhunche, namely, technical officer, urban development and building construction, and Earthquake Housing and Reconstruction Project. these require daily coordination by the NRA</li> <li>• Another role of the NRA is for grievance redressal</li> <li>• The geology report was finished one month ago and first went to the CDO for approval and then has come to this office to NRA for approval</li> <li>• There are 18 NGOs active in the area of which 6 will be involved in reconstruction, namely, Will Change, Lumanti, Nepal Red Cross, Batas Foundation, Dhurmus Santhali, and Manekor</li> <li>• The organizations Manekor and LaCCoS are involved in livelihood restoration</li> <li>• Each NGO has been given a specific area for intervention</li> <li>• Individual land owners don't come here but come through NGOs or political leader recommendations</li> <li>• Once the reconstruction is complete, each household has to get a certificate of completion from the government of Nepal</li> <li>• In the Haku VDC, 803 out of 820 households have been identified for support</li> <li>• The residents of gogone and tiru will also get replacement land</li> <li>• Those on Guthi land will get support if they have tenancy certificates, however, there is an issue of payment of taxes</li> <li>• The Ministry of Local Development prepared a report on the impact of the earthquake, 1-2 months after the earthquake</li> <li>• A land has been identified in Lahare Pahuwa for resettlement, however it is only 82 ropani and may not be enough</li> <li>• The NGOs Dhurmus Santhali and Kaduri foundation are undertaking the reconstruction activities.</li> <li>• The land levelling activities are almost complete</li> <li>• The households who will get houses in this area are not identified yet, however, vulnerable households will be given preference</li> <li>• There is a target to build 500 households</li> </ul>

- Once these houses are ready they will be handed over to the NRA for allocation and handed over to people along with titles for the land and house
- This process will be led by the DDC office, and be supported by the NRA
- This whole process will take approx. 1.5 years to complete
- 35 days before the certificates are issued, the NRA will have to issue a public notice

*Meeting Attended By :*

1. **ERM:** Manish Singh, Akshita Misra
2. **NESS:** Madhav Bhatta
3. **Stakeholder Group:** National Reconstruction Authority

Meeting - V

<u>Basic details</u>	
<b>Location: Dhunche</b>	
<b>Project: UT1- SIMF</b>	
District: Rasuwa	
Date: 5 <sup>th</sup> May 2017	
<b>Purpose of the visit:</b> A discussion on the process of grant disbursal for house reconstruction and the role of MoFALD in the same	

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<u>Key points Discussed :</u>	
<ul style="list-style-type: none"><li>• The Land and revenue department or the Malpot department has a role to play in the process of housing grant allocation and getting the grant for land purchase for those whose present residence has been declared as unsafe</li><li>• For the purpose of availing the grant, the following documents are required:<ul style="list-style-type: none"><li>○ Citizenship documentation</li><li>○ Bank account details</li><li>○ Lal purza</li><li>○ Photograph</li><li>○ Copy of agreement between gaonpalika and concerned person</li></ul></li><li>• The gaonpalika will have to send the recommendation with the documents</li><li>• The grant will be released into the bank account provided, based on the documentation verification</li></ul>	
<u>Meeting Attended By :</u>	
1.	<b>ERM:</b>
2.	<b>NESS:</b> Madhav Bhatta
3.	<b>Stakeholder Group: Ministry of Federal Affairs and Local Development (MoFALD)</b>

<u>Basic details</u>	
<b>Location:</b> Dhunche	
<b>Project:</b> UT1- SIMF	
District: Rasuwa	
Date: 5 <sup>th</sup> May 2017	
<b>Purpose of the visit:</b> A discussion on the role and key objectives of the agencies and the possibility of associating with them for the LALRP process	

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<u>Key points Discussed :</u>	
<ul style="list-style-type: none"> <li>• The total compensation amount to be paid for house reconstruction is 2.5 lakh NR</li> <li>• Of this 50,000 is paid as the first instalment, 1.5 lakh as second instalment, 75,000 as third instalment and 25,000 if the family constructs a toilet as well;</li> <li>• NRA had initially decided to pay the first instalment only to those whose land was identified as safe in the geological report</li> <li>• This grant can be availed by anyone having at least 2 anna land</li> <li>• For this, they need to approach the VDC representatives, or now the ward representatives in the gaonpalikas</li> <li>• For those areas whose land has been declared as unsafe, the government will purchase replacement land for this 2 lakh NR has been identified</li> <li>• This replacement land shall preferably be private land, depending upon the land owner being willing to sell.</li> <li>• The problem with government land allocation is that the conversion of the land use will have to be undertaken which is a lengthy process. Furthermore, for the government land allocation the central NRA will have to take a decision. While for the private land either the NRA or the CDO can approve</li> <li>• So either individuals can take 2 lakh and purchase land themselves, or the government will do it for them</li> <li>• The land purchase by the government will be done in groups of 10 families. A pilot test of this was done in Khalte</li> <li>• Extra land is being identified in Saubari, Pairibari and other locations as well</li> <li>• This land plot identified will also have to accommodate roads, drainage, water supply, electricity supply and places of worship</li> <li>• Once the final Geological report is out, compensation will be paid to the eligible families from Gogone and tiru as well</li> <li>• The same is the case with the Guthi land tenants, the compensation will be paid only once the geological report is released</li> </ul>	
<u>Meeting Attended By :</u>	
1.	<b>ERM:</b> Manish Singh
2.	<b>NESS:</b> Madhav Bhatta
3.	<b>Stakeholder Group:</b> Department of Urban Development & Building Construction (DUDBC)

Meeting - VII

<u>Basic details</u>	
<b>Location: Dhunche</b>	
<b>Project: UT1- SIMF</b>	
District: Rasuwa	
Date: 5 <sup>th</sup> May 2017	
<b>Purpose of the visit:</b> A discussion on the role and key objectives of the agencies and the possibility of associating with them for the LALRP process	

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<u>Key points Discussed :</u>	
	<ul style="list-style-type: none"><li>• The geological report is presently in draft stage. It identifies the villages of Gogone and Tiru as unfit for inhabitation</li><li>• The residents of these villages are thus not considered as eligible for housing grant</li><li>• In terms of the eligibility of the Guthi land, the issue is that most do not have tenancy certificates in their names.</li><li>• This is so because most have not paid taxes in a number of years and do not have the required documentation</li><li>• In acknowledgment of the issues faced in paying taxes, the government is allowing the tenants to apply for tenancy certificates once again. 97 applications have already come in</li><li>• For this certificate, a tax of 5000 NR has to be paid by the tenants</li><li>• In addition to this, there are also issues where the certificate is in the name of the forefathers and has not been transferred</li><li>• In such cases, the tenants need to bring a valid tenancy certificate as well as a documentation by the Gaonpalika representatives, acknowledging the relationship of the tenant with the certificate holder</li></ul>
<u>Meeting Attended By :</u>	
1.	<b>ERM:</b> Manish Singh
2.	<b>NESS:</b> Madhav Bhatta
3.	<b>Stakeholder Group:</b> Land and Revenue Department

Meeting - VIII

<u>Basic details</u>	
<b>Location: Dhunche</b>	
<b>Project: UT1- SIMF</b>	
District: Rasuwa	
Date: 5 <sup>th</sup> May 2017	
<b>Purpose of the visit:</b> A discussion on the role and key objectives of the agencies and the possibility of associating with them for the LALRP process	

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<u>Key points Discussed :</u>	
	<ul style="list-style-type: none"><li>• The veterinary department is already involved in various trainings and support mechanisms such as poultry farming, boar farming and livestock rearing.</li><li>• In addition to training the department also provides support for households in terms of providing sow pairs for boar farming and chicks for poultry farming</li><li>• The department is willing and keen to engage with the project and play a part in the LRP and ESTP process</li><li>• However, the department would appreciate a communication as early as possible, as the department's budgets for the trainings are sanctioned on an annual basis at the beginning of the year itself</li></ul>
<u>Meeting Attended By :</u>	
1.	<b>ERM:</b> Manish Singh
2.	<b>NESS:</b> Madhav Bhatta
3.	<b>Stakeholder Group:</b> Veterinary Department

Meeting - IX

<u>Basic details</u>	
<b>Location: Dhunche</b>	
<b>Project: UT1- SIMF</b>	
District: Rasuwa	
Date: 12 <sup>th</sup> April 2017	
<b>Purpose of the visit:</b> to develop an understanding of the status of geological assessment	

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<u>Key points Discussed :</u>	
	<ul style="list-style-type: none"><li>• According to the preliminary geology report, 90% of Haku Besi, Thullu Haku and Sanu Haku are safe for residence</li><li>• However, there may be some individual households who would have to move out. For these households, who have alternative house, support of NR 2 lakh will be provided. This is not final though</li><li>• The eligibility of Guthi land for this support is being assessed presently</li><li>• 90 individuals have submitted requests for converting Guthi land to private land. This is presently in process and a newspaper notification has been issued in this regard</li><li>• Once eligible, they will also receive the cash support</li><li>• Gogone and Tiru have been most affected by the earthquake</li><li>• Overall displacement has been recommended, though an assessment of each individual household is presently underway</li><li>• For these households, alternative land has been identified for rehabilitating the residents from these villages.</li><li>• However, for the residents to be eligible for this, they should not have any other land than that impacted by the earthquake</li></ul>
<u>Meeting Attended By :</u>	
1.	<b>ERM:</b> Manish Singh, Akshita Misra
2.	<b>NESS:</b> Madhav Bhatta
3.	<b>Stakeholder Group:</b> CDO

<u>Basic details</u>	
<b>Location:</b> Dhunche	
<b>Project:</b> UT1- SIMF	
District: Rasuwa	
Date: 5 <sup>th</sup> May 2017	
<b>Purpose of the visit:</b> A discussion on the role and key objectives of the agencies and the possibility of associating with them for the LALRP process	

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<u>Key points Discussed :</u>							
<ul style="list-style-type: none"> <li>There are numerous trainings provided by the department which are listed below</li> </ul>							
S.	Training Head	Target	Duration	Location	Women	Men	Total Trained
1	Daka making	10	03 months	Bhorle	10		10
2	Industrial Growth Programme						
2.1	Daka making	10	2 months	Danda gaon	12		12
2.2	Hosiery making	10	45 days	Danda Gaon	15		15
2.3	Hosiery making	10	45 days	Thullu Gaon	21		21
2.4	Daka making	10	2 months	Thullu Gaon	12		12
3	Advanced Entrepreneurship	20					
4	Shyama Making (conventional Enterprise growth programme)	10	45 days	Syaphru Bazaar	10		10
5	Shyama Making (capacity development and employment programme)	10	45 days	Syaphru Bazaar	15		15
6	Youth Entrepreneurship and Industrial Manpower Development Programme	20					
7	Entrepreneurship Development Training	20	10 days	Syaphru			0
8	Specific Training Programme for Earthquake Affected People	100					
8.1	Sewing and Tailoring		3 months	Bogetitar	12		12
8.2	Worker training		45 days	Jivjive	2	9	11
8.3	Mechanic		45 days	Bogetitar		22	22
8.4	House wiring		45 days	Thambuchet	3	14	17
8.5	Plumbing		45 days	Thambuchet		15	15
8.6	Worker training		45 days	Thullu Syaphru		15	15
8.7	Worker training		45 days	Ramche		10	10
9	Capacity Development	16					
9.1	Sewing and knitting training for prison inmates		3 months	Dhunche Prison		10	10

9.2	Sewing and knitting training		3 months	Dhunche office	11		11
9.3	Nepali handmade paper making		2 months	Bogetitar	8	2	10
9.4	Aaran Improvement and Remission Training		15 days	Kalikaasthan	5	5	10
9.5	Jacket making		45 days	Itpare	5	9	14
9.6	Bracelet and Necklace making		15 days	Ghaderi danda	9	1	10
<ul style="list-style-type: none"> <li>The trainings are usually one month long and extend from 11 am to 4 pm everyday. Daily allowance was paid to all attending</li> </ul>							
<i>Meeting Attended By :</i>							
1.	<b>ERM:</b> Manish Singh						
2.	<b>NESS:</b> Madhav Bhatta						
3.	<b>Stakeholder Group:</b> Cottage Industry Department						

<u>Basic details</u>	
<b>Location:</b> Dhunche	
<b>Project:</b> UT1- SIMF	
District: Rasuwa	
Date: 5 <sup>th</sup> May 2017	
<b>Purpose of the visit:</b> to develop an understanding of the living standards of the community and any specific issues faced by women	

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<u>Key points Discussed :</u>	
<ul style="list-style-type: none"> <li>• There has been a significant change in the community profile in the post-earthquake scenario</li> <li>• Earlier, women were only involved in household chores and taking care of their farms</li> <li>• Now atleast one woman from each household is involved in income generation through stone breaking</li> <li>• Only one person from the group got training for sewing</li> <li>• The trainings desired by the women include the following:             <ul style="list-style-type: none"> <li>○ Tailoring, sewing and knitting</li> <li>○ Poultry farming</li> <li>○ Livestock (buffalo) farming</li> <li>○ Boar farming</li> </ul> </li> <li>• The women suggested the following additional support for the trainings identified;             <ul style="list-style-type: none"> <li>○ Sewing: formulation of self help groups, appointment of one woman as an accountant, helping with procurement of at least one shop near the road for selling the produce, and cash assistance for paying the rent the first few months it takes to stabilize the business</li> <li>○ Buffalo Farming: assistance in procuring a pair of buffaloes by bearing half the cost, help build the veterinary services already present in the village, set up an arrangement for procuring milk from the village for the project camps and offices;</li> <li>○ Assistance in setting up a cooperative, but only for sale of milk</li> </ul> </li> </ul>	
<u>Meeting Attended By :</u>	
1.	<b>ERM:</b> Akshita Misra, Saumya Srivastava, Manish Singh
2.	<b>NESS:</b> Sadhuram, Prakash
3.	<b>Stakeholder Group:</b> Women from Haku VDC

<u>Basic details</u>	
<b>Location:</b> Dhunche	
<b>Project:</b> UT1- SIMF	
District: Rasuwa	
Date: 05-05-2017	
<b>Purpose of the visit:</b> To understand the Livelihood and Social Impact of the Project and earthquake from women's perspective	

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<u>Key points Discussed :</u>	
The summary of the discussions is provided below :	
<p><b>Community Profile:</b> The attendees were women from the Haku VDC from wards Phool Bari, Thulo Haku and Thanku, who were living in Kebutol, Farm Camp and Dhunche after earthquake. The PAFs comprise of Tamang community which has been living in and around Dhunche after earthquake.</p>	
<p><b>Livelihood Profile of women before earthquake:</b></p> <ul style="list-style-type: none"> <li>• Sustenance based livelihoods were largely practiced by families prior to earthquake and the role of women was limited to agriculture, livestock and poultry farming</li> <li>• The women were skilled at making alcohol from excess grains and used to sell the same (nearly 20% households);</li> <li>• There was practically no exposure to handicrafts, tailoring, knitting etc. and such things were bought from market.</li> </ul>	
<p><b>Livelihood Profile of women after earthquake:</b></p> <ul style="list-style-type: none"> <li>• The women started engaging in labour work 5-6 months after earthquake when the aid from Government and NGOs started diminishing;</li> <li>• The women undertaken less effort and skill intensive jobs like stone breaking and unskilled construction labour;</li> <li>• The women work from 8:00 am to 5 pm earning 400-500 NPR. The women undertake labour work for 5-10 days in a month, in order to balance household responsibilities and work;</li> <li>• Certain women have been trained on tailoring and knitting skills by NGOs which has ably trained them to manage the needs of the household, but the women have not been able to utilise the skills on a commercial level;</li> <li>• The women have started undertaking cultivation, either on sharecropping basis near Dhunche, or in their original villages after 6-7 months from earthquake, in case of those PAFs whose land was cultivable.</li> </ul>	
<u>Meeting Attended By :</u>	
1.	<b>ERM:</b> Manish Singh, Saumya Srivastava
2.	<b>NESS:</b> Madhav Bhattraï, Prakash, Ramesh
3.	<b>Stakeholder Group:</b> Women from Haku VDC

Meeting - XIII

<u>Basic details</u>	
<b>Location:</b> Satbise	
<b>Project:</b> UT1- SIMF	
District: Nuwakot	
Date: 1 <sup>st</sup> May 2017	
<b>Purpose of the visit:</b> to develop an understanding of the living standards of the community and any specific issues faced by women	


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<u>Key points Discussed :</u>	
<ul style="list-style-type: none"> <li>• The locals are primarily from Gogone and Tiru</li> <li>• Immediately after the earthquake, the community had stayed in Dadagaon for one night, after which they moved to Satbise. All the residents in the Satbise camp are Tamang population</li> <li>• There was no specific support from the Tamang community or any specific relief support given because they were Tamang. One Lama from Bhutan had however given support in terms of basic provisions</li> <li>• They chose to stay here as there is a Buddhist Stupa in the immediate vicinity</li> <li>• Some of the major issues faced by the population in the camp are as follows:               <ul style="list-style-type: none"> <li>○ Temperature, it is too hot in comparison to Gogone and Tiru</li> <li>○ They have to pay rent, as the IDP camp is based on private land</li> <li>○ They have had to discontinue farm based livelihoods. The elders are forced to undertake stone breaking activities</li> <li>○ Expenses have increased, apart from rent, basic provisions are more expensive.</li> <li>○ Also, earlier, education and literacy in the community was not very important as the livelihoods were farm based, however now everyone needs education. The fees of schools and hostels is also high</li> <li>○ The overall space available has also decreased, now the community cannot maintain livestock or vegetable gardens</li> <li>○ There has also been a discontinuation of some basic traditions of the Tamang community. For instance, earlier, it was traditional for men to elope with a woman, and they would be recognized as married after a period of 4 years. however, now the marriages are done first, in keeping with the Hindu tradition</li> <li>○ Another change that has occurred in the Tamang community is the change in marriage ages, from 12-13 years to 17-18 years of age</li> <li>○ Another positive is that alcohol consumption has gone down</li> <li>○ This camp is very small so did not attract much NGO support</li> <li>○ Also there was an issue of the community belonging to Rasuwa district, while the camp was located in the Nuwakot district. This was primarily because the NGOs were given specific areas for working</li> <li>○ Furthermore, some politicians from Bogetitar and Nuabesi, were involved in the beneficiary identification process. This resulted in Satbise not receiving any support in terms of earthquake relief from NGOs</li> </ul> </li> <li>• Crime rate is almost non-existent in the camp as almost everyone is related to each other</li> <li>• The community would prefer education and tuition support for youth, masonry and electrician training for men and Tamang dress making training and sewing training for women. The project should also assist the community in getting access to agricultural land for farming</li> </ul>	
<u>Meeting Attended By :</u>	
1.	<b>ERM:</b> Akshita Misra
2.	<b>NESS:</b> Sadhuram, Madhav Bhatta
3.	<b>Stakeholder Group:</b> Tamang Women

<u>Basic details</u>	
<b>Location:</b> Nuabesi	
<b>Project:</b> UT1- SIMF	
District: Nuwakot	
Date: 08-05-2017	
<b>Purpose of the visit:</b> To understand the Livelihood and Social Impact of the Project and earthquake on PAFs.	

<u>Key points Discussed :</u>
<p>The summary of the discussions is provided below :</p> <p><b>Community Profile:</b> The community in Nuabesi camp comprise of PAFs belonging to Tamang population, originally from Gogone, Tiru and Mailung. While there has not been much damage to the houses of PAFs from Mailung, but certain PAFs reported to be staying there in order to avail benefits of the relief activities.</p> <p><b>Place of residence:</b> The community members were accustomed to living in colder climate on the hills. However, their present place of residence has warmer climate, leading to diseases amongst people and death of livestock. The people originally from Tiru village want to go back to Tiru permanently (a few families have also started cultivation in Tiru), however the risky access to the village and the risk of landslides are major stumbling blocks. The PAFs from Gogone do not want to go back to their original village due to massive destruction caused due to earthquake in their village.</p> <p><b>Livelihood Profile:</b> The people mentioned that earlier agriculture, livestock and poultry used to be the primary source of livelihood for most of the families but the scenario has changed after earthquake. The people reported that some PAFs have cultivable land remaining in original village but majority of the PAFs are not cultivating it because it takes 5 hours to reach Tiru from Nuabesi. There is lack of land availability for share cropping in Nuabesi and around.</p> <p>There is limited space for poultry farming in Nuabesi camp and hence only a few households engage in poultry. Piggery is a lucrative livelihood option but lack of space and general dislike of this activity leading to odour and diseases, by community poses limitations on the number of families practicing it. The goats, originally from colder areas (hills) do not survive in warm temperatures and thus a large number of PAFs are not undertaking goat farming. The above arguments explain the shift of livelihood sources of the PAFs in Nuabesi from land based to wage based livelihoods.</p> <p><b>Key Concerns:</b> While the people were working for road construction of project, there were persistent delays of 2-3 months in payment of wages. People are not sure if the delay in payment was because of NWEDC or local contractors. The people did not approach the NWEDC management as they were unsure about the right people to be approached for registering their concerns.</p> <p>Furthermore, the people engaged in the road construction activity for NWEDC reported that wages paid were lower than the general wage rates in the area. The labour camp prior to earthquake comprised of labour from other places, which got 600 NPR per day and hence the wages of locals engaged in the project were also normalised; whereas the generally prevalent wage rates at that time were 800-1000 NPR per day.</p>

<b>Key expectations from project:</b> The community mentioned the following expectations from project: <ul style="list-style-type: none"><li>• Making proper roads to Tiru</li><li>• Business opportunities during construction phase.</li></ul>	
<i>Meeting Attended By :</i>	
1.	<b>ERM:</b> Manish Singh, Akshita Misra, Saumya Srivastava
2.	<b>NESS:</b> Ramesh Kumar
3.	<b>Stakeholder Group:</b> Residents of Nuabesi IDP camp - Males and Females

<u>Basic details</u>	
<b>Location:</b> Bogetitar	
<b>Project:</b> UT1- SIMF	
District: Nuwakot	
Date: 07-05-2017	
<b>Purpose of the visit:</b> To understand the Livelihood and Social Impact of the Project and earthquake on PAFs.	

Key points Discussed :

The summary of discussion is provided below :

**Community Profile:** The attendees belonged to the villages of Gogone and Tiru and most of them have lost land and house in the earthquake of 2015. The PAFs comprise of Tamang community which has been living in Bogetitar after earthquake. The access to their original villages has been destroyed due to the earthquake and takes nearly 4-5 hours on an average. The trail is not fit for women, kids and elderly to travel.

**Place of residence:** The people, originally from Gogone and Tiru have been residing in Bogetitar camp for nearly 2 years. The community members seem to be strongly opinionated that blasting activity undertaken by the project augmented the extent of damage caused to their land and houses by the earthquake. Simultaneously, the community mentioned that there are certain benefits of shifting to Bogetitar, which are mentioned below.

- Proximity to market;
- Access to better school facilities;
- Exposure to a more organised/ urban life.

**Livelihood Profile:** The community reported that prior to earthquake, the people undertook subsistence agriculture and livestock and poultry farming. The major needs of the families were fulfilled within the village and the surplus grains were sold to the neighbouring families in lieu of other utilities.

However, in the new set up, there is no land available for cultivation and the sources of livelihood are wage based labour work. In this set up, majority of the provisions have to be bought from the market. Thus, there is an increase in the income of the household but that has not translated in improvement of living standard of the people as expenditure has also risen significantly.

**Future outlook:** The community reported that their interaction with the migrant labourers staying in the construction camp earlier was positive. There were healthy relations and the influx of labour had boosted sales in the area. In future as well, the community members are hopeful of better business opportunities, in light of influx of migrant labourers.

**Key Concerns:** The people of Bogetitar camp expressed their discontent on the membership of Jan Sarokar Samiti. It has been mentioned that the members of Jan Sarokar Samiti comprise of non PAFs and do not have any representation from the villages of Mailung, Tiru and Gogone. Furthermore, the members of Jan Sarokar Samiti conduct meetings without informing the PAFs and have reportedly got jobs and contract opportunities by UT-1.


Meeting Attended By :

1. **ERM:** Manish Singh, Akshita Misra, Saumya Srivastava
2. **NESS:** Ramesh Kumar
3. **Stakeholder Group:** Residents of Bogetitar IDP Camp - Males and Females

<u>Basic details</u>	
<b>Location:</b> Bogetitar	
<b>Project:</b> UT1- SIMF	
District: Rasuwa	
Date: 29 <sup>th</sup> April 2017	
<b>Purpose of the visit:</b> The impacts from the earthquake	

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<u>Key points Discussed :</u>	
<ul style="list-style-type: none"> <li>• The residents of the camp are mostly from the Gogone and Tiru villages</li> <li>• Cheku Lama is one of the political leaders of the community and has played an active role in the earthquake relief and rehabilitation activities</li> <li>• The community has access to the summary of the geological report finding and according to that Gogone and Tiru is not safe for habitation</li> <li>• The community is thus aware that they need to find an alternative resettlement location, as has been done for the residents of Naubise. The community is liaising with the government departments for the same</li> <li>• The community has received multiple trainings, primarily focused on masonry and tailoring</li> <li>• The trainings were not helpful to everyone as it was chosen in a hurried manner and were not of real interest to the recipients</li> <li>• Another issue faced in the trainings provided is the duration, which was small and only allowed for a basic level training to be provided</li> <li>• Furthermore, certain skills such as carpentry, though useful in terms of skill are not good for income generation, as the market is not there for the same</li> </ul>	
<u>Meeting Attended By :</u>	
1.	<b>ERM:</b> Manish Singh
2.	<b>NESS:</b> Ramesh
3.	<b>Stakeholder Group: Youth Group in Bogetitar</b>

<u>Basic details</u>	
<b>Location:</b> Farm Camp, Dhunche	
<b>Project:</b> UT1- SIMF	
District: Rasuwa	
Date: 12 <sup>th</sup> April 2017	
<b>Purpose of the visit:</b> To understand the Livelihood and Social Impact of the Project and earthquake on PAFs and local community	

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<u>Key points Discussed :</u>	
<ul style="list-style-type: none"> <li>• The Army constructed 32 rooms of 8X15 ft in the area one year ago along with 4 toilets and 4 bathrooms</li> <li>• Each room also has a solar panel which was given by the Army</li> <li>• For the time period, the Army is allowing the community to use the rooms till required by the Army</li> <li>• The construction was undertaken in June, but the rooms were allocated only in September, after the community complained to the CDO.</li> <li>• One room has been allocated to each family, so there are approx. 8-10 individuals per room;</li> <li>• However, only those families who were residing in the camp at the time were given rooms. Two families who were not present in the area at the time were not allocated rooms</li> <li>• Most of the families are from Haku, Thanku and Phoolbari. The families have been visiting their original villages regularly (at least 3 times in a year), and some are undertaking agriculture in the original villages. In some families, 1-2 family members remain in the original village while the others reside in the camp</li> <li>• Most of the houses in the original village were completely damaged. Those who return to the village reside in temporary sheds</li> <li>• INGOs are no longer active in the area, most have exited as their budgets got exhausted</li> <li>• It is the community's understanding that only those with Patta/tenancy certificates will get the NPR 3 lakh for house reconstruction</li> <li>• This was after the CEO of the reconstruction authority announced in March that even those with the tenancy certificate will get the reconstruction aid;</li> <li>• The government is presently undertaking an assessment of each house in the village to assess damage from earthquake and the degree of risk associated with residing in the houses again</li> <li>• The households have received the first instalment of 50,000 NR</li> <li>• However, some households do not have lal purza or tenancy certificate. Those households have been asked to return the advance amount paid</li> <li>• Most of the residents in the camp are engaged in stone breaking for income generation, with atleast 2-3 members of the family engaging in the activity</li> <li>• 4 families have also purchased hens and chickens, one widow was given 1 buffalo by the government</li> <li>• They want to keep livestock, however cannot keep them in the camp due to lack of space</li> <li>• They will stay here for a year or two, if they are given rights to the land then they will stay otherwise they will go back to the original village</li> <li>• The vulnerability in the family is in terms of elderly, women headed households, and physically handicapped</li> </ul>	
<u>Meeting Attended By :</u>	
1.	<b>ERM:</b> Manish Singh, Akshita Misra
2.	<b>NESS:</b> Madhav Bhatta
3.	<b>Stakeholder Group:</b> Local community in Farm Camp, Dhunche

<u>Basic details</u>	
<b>Location:</b> Nuabesi	
<b>Project:</b> UT1- SIMF	
District: Nuwakot	
Date: 7 <sup>th</sup> May 2017	
<b>Purpose of the visit:</b> To develop an understanding of the role played by NGOs in assisting women to set up business enterprises.	

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<u>Key points:</u>	
<p>A lady from Dandagaon, living near Nuabesi IDP camp has opened a small shop near in a small portion of her shelter, around one month back. The shop serves ready to eat local snacks. The lady has set up the shop on a rented land, which the family also uses for accommodation. The rent for the shop is NRS 500 and the material for the temporary camp has been provided by the NGO, ACF. The electricity is generated through solar panels installed in the shop, which has also been provided by ACF.</p> <p>The lady has studied till class 6 and is able to read, write and do basic calculations and hence no handholding was provided on this aspect. She started the shop with an initial investment of NRS 3000 for buying raw material and other ready to eat snacks supplies for 1 month. She earns NRS 250 to 300 per day by selling the snacks. The NGO ACF has supported 7-8 females in the area with infrastructure to set up similar small shops.</p>	
<u>Meeting Attended By :</u>	
1.	<b>ERM:</b> Saumya Srivastava
2.	<b>NESS:</b> Ramesh
3.	<b>Key Informant:</b> Women Entrepreneur from Nuabesi

Meeting - XIX

<u>Basic details</u>	
<b>Location: Nuabesi</b>	
<b>Project: UT1- SIMF</b>	
District: Nuwakot	
Date: 8 <sup>th</sup> May 2017	
<b>Purpose of the visit:</b> To develop an understanding of the role played by NGOs in assisting women to set up business enterprises.	

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<u>Key points Discussed :</u>	
<ul style="list-style-type: none"> <li>• Ujala Pandit, is a local from Naubesi area</li> <li>• She owned a poultry farm and shop prior to the earthquake in her village</li> <li>• Post the earthquake- she set up a Fasal shop and poultry farm in Naubise camp area</li> <li>• She has previous experience in running businesses</li> <li>• She now earns 2000-3000 per day</li> <li>• Her investment is 25000 every 10 days</li> <li>• Husband and wife run the shop together</li> <li>• The shop allows them to earn enough to keep 2 kids in boarding in Kathmandu</li> <li>• The shop also keeps fancy stuff- carom board, and imported stuff</li> <li>• She has around 300 chickens in the poultry farm</li> <li>• She has previous experience in poultry farming and understands issues such as vaccinations and diseases etc</li> <li>• She was one of the first to set up a shop in the area</li> <li>• She does not have competition in the area</li> <li>• She bought shares in Chilime- hasn't sold them- used them as collateral for loan for shop</li> </ul>	
<u>Meeting Attended By :</u>	
1.	<b>ERM:</b> Akshita Misra
2.	<b>NESS:</b> Ramesh
3.	<b>Stakeholder Group:</b> Women Entrepreneurs

<u>Basic details</u>	
<b>Location:</b> Khalte, Lahare Pahuwa	
<b>Project:</b> UT1- SIMF	
District: Nuwakot	
Date: 13 <sup>th</sup> April 2017	
<b>Purpose of the visit:</b> understanding the livelihood profile of the community and reconstruction activities	

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<u>Key points Discussed :</u>			
<ul style="list-style-type: none"> <li>This parcel of land has been identified for rehabilitating the families permanently displaced by the earthquake from the Haku VDC.</li> <li>4 months ago, 17 families from the Nuabesi camp came and started residing here</li> <li>These families came here because its government land, and they don't have to pay rent, as opposed to Nuabesi which is private land</li> <li>The families migrate to Kathmandu, trishuli and Batar for livelihood</li> <li>The families also moved here because levelling work was being undertaken earlier the land was un-habitable</li> <li>The Dhurmus Santhali foundation was chosen for the reconstruction of the houses on the land</li> <li>The standard design comprises of 2 bhk and 1 toilet</li> <li>The vulnerable households will be given priority</li> <li>However, this land is only 72 ropani, and approx. 6 annas will be required for each house,</li> <li>Since this land can only accommodate approx. 200 households, additional land will have to be identified as the total number of families to be rehabilitated is estimated at 500</li> <li>The community also wants a Buddhist temple and school to be built in the premises</li> <li>Since the land is close to the river, adequate flood protection and drainage will have to be planned</li> <li>Approx. 175 houses are to be reconstructed, of which 100 will be constructed by Kaduri and 75 will be made by Dhurmus Santhali</li> <li>There was a public meeting of the local community with the CDO, LDo and representatives of Kaduri and Dhurmus in March</li> <li>A total of 803 families are entitled for rehabilitation. However, this is based on a revision of the list of eligible entities. Initially only 753 individuals were identified. This list was disclosed, and then updated after one month</li> <li>For the purpose of this survey, a drone camera was used, the funds for which were provided by Japan</li> <li>This process was done almost a year ago</li> <li>Each lal purza will get one house</li> <li>Some families from Kalikastan have bought land in Battar, with financial assistance from Laccos</li> <li>The details of the trainings provided is as given below</li> </ul>			
Training	Number of People per Batch	Duration per batch	Support Provided to beneficiaries
Poultry Farming	No batch size limitation	7 days	<ul style="list-style-type: none"> <li>Accommodation</li> <li>Meals</li> </ul>
Vegetable Farming	No batch size limitation	7 days	

Driving	~20	21 days	<ul style="list-style-type: none"> <li>• Travel Allowance based on the following: <ul style="list-style-type: none"> <li>○ 1 hour of walking: NPR 100</li> <li>○ Bus travel: ticket refund</li> </ul> </li> </ul>
Plumbing	~20-25	390 hours/ 65 days	
Masonry	~25	7 days	
Electrician	~20	390 hours/ 65 days	
Daka Making	~20-25	390 hours/ 65 days	
<ul style="list-style-type: none"> <li>• The beneficiaries for the trainings were chosen by the VDC Committee</li> <li>• However, one major issue with all these trainings is that of market linkage</li> <li>• Driving is the most preferred training amongst the young men</li> <li>• Most of the agriculture is presently being undertaken on a share cropping basis, with the rice crop being cultivated on a 50:50 sharing basis. The cultivators get to keep the second crop grown</li> </ul>			
<i>Meeting Attended By :</i>			
1.	<b>ERM:</b> Manish Singh, Akshita Misra		
2.	<b>NESS:</b> Madhav Bhatta		
3.	<b>Stakeholder Group:</b> local community at Khalte		

<u>Basic details</u>	
<b>Location:</b> Nuabesi	
<b>Project:</b> UT1- SIMF	
District: Nuwakot	
Date: 13 <sup>th</sup> April 2017	
<b>Purpose of the visit:</b> to develop an understanding of the IDP camp and the local community dynamics in the same	


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<u>Key points Discussed :</u>	
<ul style="list-style-type: none"> <li>• The restructuring of the administrative structure in the country will result in stronger local administration, as the Gaonpalika's wards will be stronger than the VDCs in the erstwhile set up</li> <li>• However, how the new structure will be implemented is not completely clear right now</li> <li>• The project is looking to buy additional land and houses in Mailung</li> <li>• The land rates in Nuabesi have surged due to the OBOR project, which have resulted in land prices increasing to 50 lakh NR per ropani. It will also serve as the Gaonpalika centre</li> <li>• This area will thus become an important trade centre as the road will pass through it</li> <li>• Lumanti is one of the key NGOs active in the area</li> <li>• Lumanti provided construction labour training, poultry and 200 chicks and piggery training. For women, Lumanti provided vegetable farming training</li> <li>• However, these trainings were not very useful as it did not result in job creation. However, one factor to be noted was that not everyone wants to work, as they are not used to regular work</li> <li>• In terms of preferred trainings, electrician courses, driving and mechanical trainings will be best suited for the local community</li> <li>• Land has also been identified in Khalte for resettlement, this land was identified after repeated meetings with the PMO, NRA office, CDO, LDO and the cabinet</li> </ul>	
<u>Meeting Attended By :</u>	
1.	<b>ERM:</b> Manish Singh, Akshita Misra
2.	<b>NESS:</b> Madhav Bhatta
3.	<b>Stakeholder Group:</b> Key Informant Interview

<u>Basic details</u>	
<b>Location:</b> Nuabesi	
<b>Project:</b> UT1- SIMF	
District: Nuwakot	
Date: 3 <sup>rd</sup> May 2017	
<b>Purpose of the visit:</b> To develop an understanding on the prospects of foreign employment for women in the area	

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<u>Key points:</u>	
<p>The informant presently lives in Khalde with her 4 year old son, while her husband is working in a factory in Malaysia for nearly 2 years. Though her husband started at a salary equivalent to NRS 12000 in Malaysia, he has grown and is earning an amount equivalent to NRS 25000.</p> <p>Talking to the key informant, it was also revealed that the informant herself worked in Lebanon for four years from 2010 to 2014. She got married at the age of 13 years and went to work in Lebanon when she was 16 years old. The amount charged from her by the Manpower Solutions Company (agent) was NRS 60000 in 2010. In Lebanon, she worked as a beautician for 2 years and then found a job as a Nanny and worked there for 2 more years. Her lodging and food expenses were borne by the employer in Lebanon and she could save around 4 lac NRS in four years which she has used for meeting various needs in Nepal. She found the stay in Lebanon very enticing and is planning to go for the next phase of foreign employment when her husband returns back to Nepal, so that there is someone to take care of their son. There is an increasing number of females in the community, who are going for foreign employment opportunities, irrespective of their marital status.</p>	
<u>Meeting Attended By :</u>	
1.	<b>ERM:</b> Saumya Srivastava, Manish Singh
2.	<b>NESS:</b> Madhav Bhattarai

<u>Basic details</u>	
<b>Location:</b> Mailung	
<b>Project:</b> UT1- SIMF	
District: Rasuwa	
Date: 14 <sup>th</sup> April 2017	
<b>Purpose of the visit:</b> to develop an understanding of the previous instances of benefits sharing in the area and their willingness to sell their land to the project	

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<u>Key points Discussed :</u>	
<ul style="list-style-type: none"> <li>• The respondents lived in Nuabesi earlier, but have since the last few months moved back to Mailung, after the road repair work was started</li> <li>• Their land was first bought by the Mailung Hydro power project, the project returned for making houses for 4 families. This has since then been divided into 7 families. The UT-1 project now is looking to buy the houses and land</li> <li>• The negotiations are presently underway and DUBDC is undertaking surveys</li> <li>• The residents are willing to sell as the fear the risk of earthquakes and landslides</li> <li>• According to the information available, this land will be used for storage purposes</li> <li>• The residents will move to Nuabesi. Trishuli, Battar or Kathmandu, depending upon the compensation paid. The prevalent land rate in the Nuabesi are is 50-60 lakh per NR</li> <li>• In terms of compensation, the land owners want replacement land of similar value and employment in the project. the men can work as labourers or contractors, while women can work as housekeeping staff or in the kitchen. the land sellers should get priority in employment opportunities</li> <li>• The residents are primarily petty contractors for the road construction, but for the last few months the work has stopped</li> <li>• The community is aware that the PDA for the project has been signed, but don't know the details of the same. The PDA details will be disclosed at some point of time</li> <li>• In keeping with previous experience, the affected area residents should get double shares, while the district residents should get single shares</li> <li>• However, any resident who permanently leaves the district needs a migration certificate. If you have a migration certificate, you are not eligible for the benefit sharing mechanisms in place</li> <li>• Upper Tama Kosi and Chilime are good case studies for benefit sharing measures</li> <li>• Usually 10% of the shares in the project are made available at the district level</li> <li>• The rural electrification usually occurs within a 500m radius of key project structures such as the intake, tunnel, powerhouse, Headrace tunnel, Shaft, Desander, Desilting chamber etc. 20 units of electricity is provided within this area</li> </ul>	
<u>Meeting Attended By :</u>	
1.	<b>ERM:</b> Manish Singh, Akshita Misra
2.	<b>NESS:</b> Madhav Bhatta
3.	<b>Stakeholder Group:</b> Local residents in Mailung

<u>Basic details</u>	
<b>Location:</b> Dhunche	
<b>Project:</b> UT1- SIMF	
District: Rasuwa	
Date: 06-05-2017	
<b>Purpose of the visit:</b> To understand the Livelihood and Social Impact of the Project and earthquake on PAFs.	

<u>Key points Discussed :</u>
<p>The summary of the discussions is provided below :</p> <p><b>Community Profile:</b> The attendees belonged to the Haku Besi VDC from ward numbers 3 and 7 which are Phool Bari and Thulo Haku. The PAFs comprise of Tamang community which has been living in and around Dhunche after earthquake. Dhunche and Haku Besi are on two different sides of the river Trishuli and the time taken to travel to one place from another takes 3 to 5 hours, depending on the age and fitness of the people and weather conditions. Haku VDC comprises of 9 wards, and their details are presented below.</p> <p>Ward 1 - Mesing;                      Ward 2 - Sanu Haku;                      Ward 3 - Phool Bari and Haku Besi;                      Ward 4, 5, 6 and 7 - Sanu Haku;                      Ward 8&amp;9 - Gogone.</p> <p>The people started searching for safe places to stay near Dhunche after earthquake and eventually found places to settle in camps or temporary shelter in Kebutol, Pradhikaran Camps, Farm Camps, etc. These camps were mostly set up on Government land and did not require them to pay rent. The fear of landslides in Haku kept them in Dhunche for 8-9 months, before they started visiting their original villages again.</p> <p><b>Place of residence:</b> The people have been residing in and around Dhunche for 2 years but gradually the land owners have started moving to their original place of residence. The general trend in the area presently establishes that the people want to spend time in Dhunche during monsoon season, due to the fear of landslides and stay in Haku Besi otherwise, where a significant number of PAFs have started cultivating their own land.</p> <p>It has been reported during the consultations that geo technical surveys are being conducted in all the villages and the decision on the final place of residence will be taken on that basis. The major roadblock in shifting back to Haku Besi and Phool Bari for PAFs is the lack of roads between the market (in Dhunche) and their villages.</p> <p>For the ongoing confusion on housing grant, it was reported that it will be given to only those families whose land will be marked safe based on the study results. It was also highlighted during the consultations that the grant amount proposed is NPR 3 lac, but is not sufficient for the construction of the house design approved to be eligible for the grant.</p> <p><b>Livelihood Practices:</b> People resumed cultivation in their original land holdings in Haku VDC around the end of 2015 and 2016 beginning, while staying near Dhunche only. However the extent of cultivation was less than the usual, before earthquake.</p> <p>There have been certain trainings identified by the local people, like masonry, carpentry, etc., which can help them in establishing steady sources of income during these changed circumstances. Haku Youth Society has been formed by the locals of the village staying in Dhunche to coordinate with NGOs in order to facilitate trainings for the locals. OM Nepal</p>

has been identified as an NGO which has reportedly agreed to provide training on masonry and carpentry to people such that a daily allowance of Rs 600 and a certificate will be provided to the trainees. The duration of the training has been identified to be 45 days and 30 people from each VDC are planned to be trained in this training programme to be conducted in consonance with OM Nepal.

*Meeting Attended By :*

1. **ERM:** Manish Singh, Akshita Misra, Saumya Srivastava
2. **NESS:** Sadhu Ram Khatri, Madhav Bhattra
3. **Stakeholder Group:** Men living near Dhunche in Pradhikaran Camp, Kebutol and Dhunche Bazaar

Meeting Government: Malpot Department

Basic details	
<b>Location: Mailung</b>	<b>Date: 13-02-2015</b>
<b>Project: LRP for Upper Trishuli-1</b>	<b>Time : 11:00 am -11:40 am</b>
<b>Purpose of the visit:</b> develop an understanding of the role of the department in the land survey and transaction	

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#### Key points Discussed :

- Malpot department keeps a record of the cadastral. Parcel wise records are mentioned by the malpot department. The primary purpose of the department is to look after:
  - Land registration;
  - Registration of sale and purchase.
- For the Guthi land, the Malpot department issues a tenancy certificate. The Earlier, the Guthi related records, were maintained in Form number 1,2,4 and were verified by the Mukhiya. However, this was primarily for the purpose of taxation.
- If the land acquisition for Guthi land happens, then in such a case 2/3<sup>rd</sup> portion of the total amount of compensation goes to Guthi Corporation and only 1/3<sup>rd</sup> goes to the tenant. However, if there is a transfer of tenancy right, the complete compensation can go to the erstwhile tenant. Usually the name and the tenancy certificate are required for transfer.
- The Private land includes the following details:
  - Parcel;
  - Area code;
  - District Code;
  - Land use:
    - Cultivable
    - Structure
    - Kharbari
    - Pokhari
    - Private Forest
  - Joint ownership;
  - If Tenant, then details;
  - Khet ( Irrigated paddy land)
    - Aval;
    - Dyam;
    - Sim;
    - Chahar
  - Pakho ( Maize)
    - Aval;
    - Dyam;
    - Sim;
    - Chahar
- The malpot department does not update the record by itself. The updation is based on the findings of the Mapi department.
- Most of the records are based on the Cadastral survey done 35 years back. It is only when the government supports or requires verification of the records for some projects (primarily for the purpose of the land provision for any project), then there is

an opportunity for revision or updation of the land details by the Mapi department.  
On the basis of the changed information provided by the Mapi department, then

*Meeting Attended by*

1. **ERM:** Manish Singh, Tufail Khan
2. **Stakeholder Group:** Local Government
3. **Stakeholder Representatives:** Malpot Department

Basic details	
<b>Location: Mailung</b>	<b>Date: 13-02-2015</b>
<b>Project: LRP for Upper Trishuli-1</b>	<b>Time : 10:10 am - 10: 45 am</b>
<b>Purpose of the visit:</b> Understanding the Land Survey process for the private purchase	
<b>People consulted</b>	

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Key points Discussed :
<p>The role of the mapi Department varies in case of land acquisition and private purchase of land.</p> <p><b>Land Acquisition</b></p> <ul style="list-style-type: none"> <li>• CDO gives the information. Survey Department falls under the Central Government which finally takes order from the Land reform and management Ministry.</li> <li>• E.g. In case of road, the road office gives the design option. The road department sends a letter to the             <ul style="list-style-type: none"> <li>○ Land Revenue office</li> <li>○ CDO office</li> <li>○ Survey office</li> <li>○ District Land Administration office</li> </ul> </li> <li>• Road surveyors traverse the proposed area and collect the following information details:             <ul style="list-style-type: none"> <li>○ House structures</li> <li>○ Private land</li> <li>○ Forest area</li> <li>○ Cultivated area</li> </ul> </li> <li>• The report is then submitted to the Chief District Officer. The CDO on the basis of that writes a letter to the Land revenue office which further communicates to Survey Department ( mapi Adhikari)</li> <li>• The Survey department then has to undertake the following process:             <ul style="list-style-type: none"> <li>○ Putting the Project layout, cadastral map ( land records) and the Traverse report and the Government land use map on the GIS platform</li> <li>○ On the basis of the above mentioned analysis identifies the various type of land that will be required for the project. It also identifies any serious issues associated with the land and the area required. It provides all this information to the CDO office.</li> </ul> </li> <li>• The CDO office, on the basis of the information provided by the Mapi Department, then issues a notice mentioning the land requirement for the project.</li> <li>• The following departments are then involved in the process:             <ul style="list-style-type: none"> <li>○ District technical office ( for structures);</li> <li>○ Agriculture office ( Crop)</li> <li>○ Forest office ( Tree)</li> <li>○ Community Forest ( Forest Department)</li> </ul> </li> <li>• The Compensation fixation committee is also constituted at this stage and usually all the above mentioned departments also remain a part of it.</li> </ul> <p><b>Private Purchase by Project</b></p>

- In this case the Project applies for land. The CDO, District office, Survey, Land record department are witness to the whole process and do not participate directly. If Forest land is involved, then Forest Department will have its own process to follow.
- For the private land purchase, cadastral map is provided to the project. Should there be a requirement for further support by the project, Survey department provides support on case to case basis.

### **Forest Land Types**

- The forest land may fall under the following categories:
  - River
  - Forest
  - Flood Plain
  - National park
  - Conservation area
  - Community Forest

### **Change in Land Ownership**

- For the change in land ownership, post the ground verification and review of records, the changes are supposed to be reflected in the cadastral map.

### **Right of Way**

The right of way (ROW) for the road is 30 mts i.e 15 mts from either side from the central line.

### *Meeting Attended by*

- |    |  |
|----|--|
| 1. | <b>ERM:</b> Manish Singh, Tufail Khan                                |
| 2. | <b>Stakeholder Group:</b> Local Government                           |
| 3. | <b>Stakeholder Representatives:</b> Mapi Department ( Survey office) |

<u>Basic details</u>	
<b>Location: Mailung</b>	<b>Date: 12-02-2015</b>
<b>Project: LRP for Upper Trishuli-1</b>	<b>Time : 8:55 am- 9:30 am</b>
<b>Purpose of the visit:</b> develop an understanding of the fishing practice in the community and its importance	

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<u>Key points Discussed :</u>
<ul style="list-style-type: none"> <li>○ The fishing exercise is undertaken by the community in groups, with only men engaging in fishing activities. There is no differentiation across social groups, with all the ethnic groups undertaking fishing.</li> <li>○ The fishing activities in the area are reported to be a recent phenomenon with the last generation beginning the exercise after migrating from Ramche.</li> <li>○ the community is aware that fishing activities in the river are illegal, the fishing activities play an important part during the 6 months when the agricultural produce is not sufficient for sustenance. The income from the sale of fish is then used to purchase the basic necessities and ration for the household.</li> <li>○ However, the community reported the fishing exercise to be expendable, with the families being willing to switch to keeping poultry, pigs and buffaloes for meeting their income requirements in case fishing is no longer an option.</li> <li>○ the main months for fishing are February, March, April, May, September and October. Of these, the months of February, March and September are reported to be the months with the highest catches due to the ideal water flow and temperatures.</li> <li>○ The local community reportedly usually avoids undertaking fishing during the monsoons months of July and August due to the flooding in the river, which makes fishing activities dangerous during that time.</li> <li>○ the communities undertake fishing trips every week or so during the fishing seasons. These trips usually last 2-3 days and the group camps in the numerous caves along the river at night. The fishes are then stored in bamboo pitcher shaped baskets called “phurlongs” and are dried and smoked for preservation.</li> <li>○ While the groups also engage in sale of fresh fish that is dependent upon the proximity of the settlement / consumer. The market rate for smoked fish was reported to be 2500 NPR/ Kg while that for fresh fish is 500 NPR /kg. the catch per trip is reported to range from 5-25 kg dependent upon the month and the flow of the river. This amounts to an annual income of 20-25000 NPR.</li> <li>○ The community uses a number of techniques to catch the fish, dependent upon the month and the flow of the river</li> <li>○ The process of using a Dharia, is usually used in the months of September – October, and is comprised of placing a basket between two rocks overnight, which then catches the fish that pass through the rocks. This technique is primarily used in the months when the water levels are high.</li> <li>○ Another technique used during this time is the Balchi, or fishing rods with hooks, which is primarily used during the months of August and September.</li> <li>○ Apart from this, an important technique of fish catching is the use of the Mahajaal, or fish nets, which is used in the months of January to March. For this technique, the fisherman tie large nets horizontally against the river flow on large rocks, at 15-20 locations along a 2-3 km stretch of the river. These nets are then left overnight and harvested the early next day, with the fish getting caught in the net. Another form of net used for the purpose of fishing is the Hanejaal, which is the net with iron balls at the edges. This technique is primarily used in the winters in the months of November and December, when the river water levels begin to</li> </ul>

recede. The community usually uses only one technique at a time, depending upon the river flow and the water levels.

*Meeting Attended By :*

1. **ERM:** Akshita Misra, Manish Singh
2. **Stakeholder Group:** Fishing group

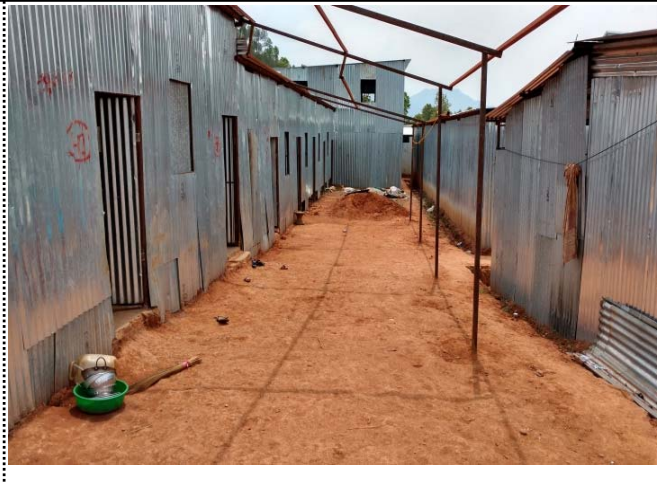
Annex H

## Photo-documentation

# Photo-documentation



*Photo 1: Nuabesi IDP Camp*



*Photo 2: Batar IDP Camp*



*Photo 3: Satbesi IDP Camp*



*Photo 4: Farm Camp- Dhunche*



*Photo 5: Khalde IDP Camp*



*Photo 6: Bogetitar IDP Camp*

**Project:** Social Impact Management Framework- Upper Trishuli - 1

**Client:** NWEDC

**ERM India Private Limited**

Building 10, 4<sup>th</sup> Floor,  
Tower A, DLF Cyber City  
Gurgaon - 122 002, India  
Board: +91- 0124 4170300  
Fax: + 91-0124 - 4170301



# Photo-documentation



*Photo 7: small cultivation at IDP Camp, Naubesi*



*Photo 8: Sanitation Facilities at IDP Camp, Bogetitar*



*Photo 9: Water Facilities in Bogetitar IDP Camp*



*Photo 10: IDP Camp Kebutol*



*Photo 11: IDP Camp Kebutol*



*Photo 12: IDP Camp Pradhikaran*

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# Photo-documentation



*Photo 13: Stone Breaking activities in Dhunche*



*Photo 14: Poultry Farming at Nuabesi*



*Photo 15: Goat Farming undertaken in limited space in Nuabesi IDP Camp*



*Photo 16: Weaving Training in progress at the Small and Cottage Industries Board - Dhunche*



*Photo 17: Homestay started by the earthquake affected population, with support from NGOs*



*Photo 18: Landslides near Gogone village as captured in 2017*

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**Client:** NWEDC

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# Photo-documentation



*Photo 19: Consultations with new land owners in Mailung*



*Photo 20: Consultations at Manekor*



*Photo 21: PAF Survey in Bogetitar*



*Photo 22: Local Community Consultation at Farm Camp*



*Photo 23: Group Discussion with Women Group in Dhunche*



*Photo 24: PAF Survey in Dhunche*

**Project:** Social Impact Management Framework- Upper Trishuli - 1

**Client:** NWEDC

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# Photo-documentation



*Photo 25: Resettlement Site identified in Khalte*



*Photo 26: Land Clearance activities being undertaken at Khalte site*



*Photo 27: Proximity of Khalte Site to Trishuli river bank*



*Photo 28: Temporary Accomodation at Khalte Camp*



*Photo 29: ID Cards issued to earthquake impacted families by DDRC immediately post earthquake*



*Photo 30: Second ID Card issued by Central Statistics Department*

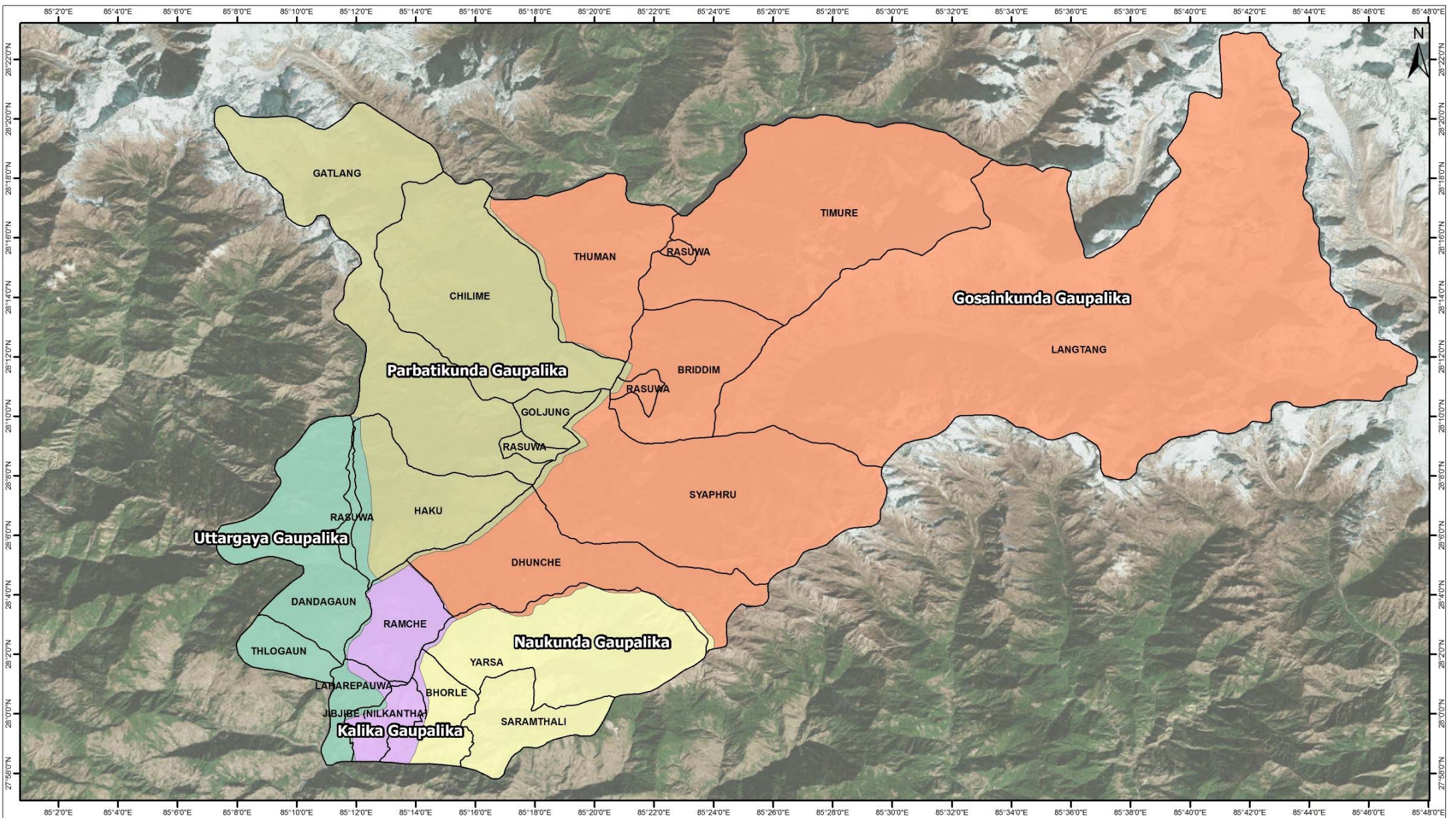
**Project:** Social Impact Management Framework- Upper Trishuli - 1

**Client:** NWEDC

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**Legend**

VDCs according to old administrative structure

**Gaupalika**

- Gosainkunda Gaupalika
- Kalika Gaupalika
- Naukunda Gaupalika
- Uttargaya Gaupalika
- Parbatikunda Gaupalika

**Change in administrative boundary in Area of Interet (AOI)**

**Scale:**


0 5 10 20

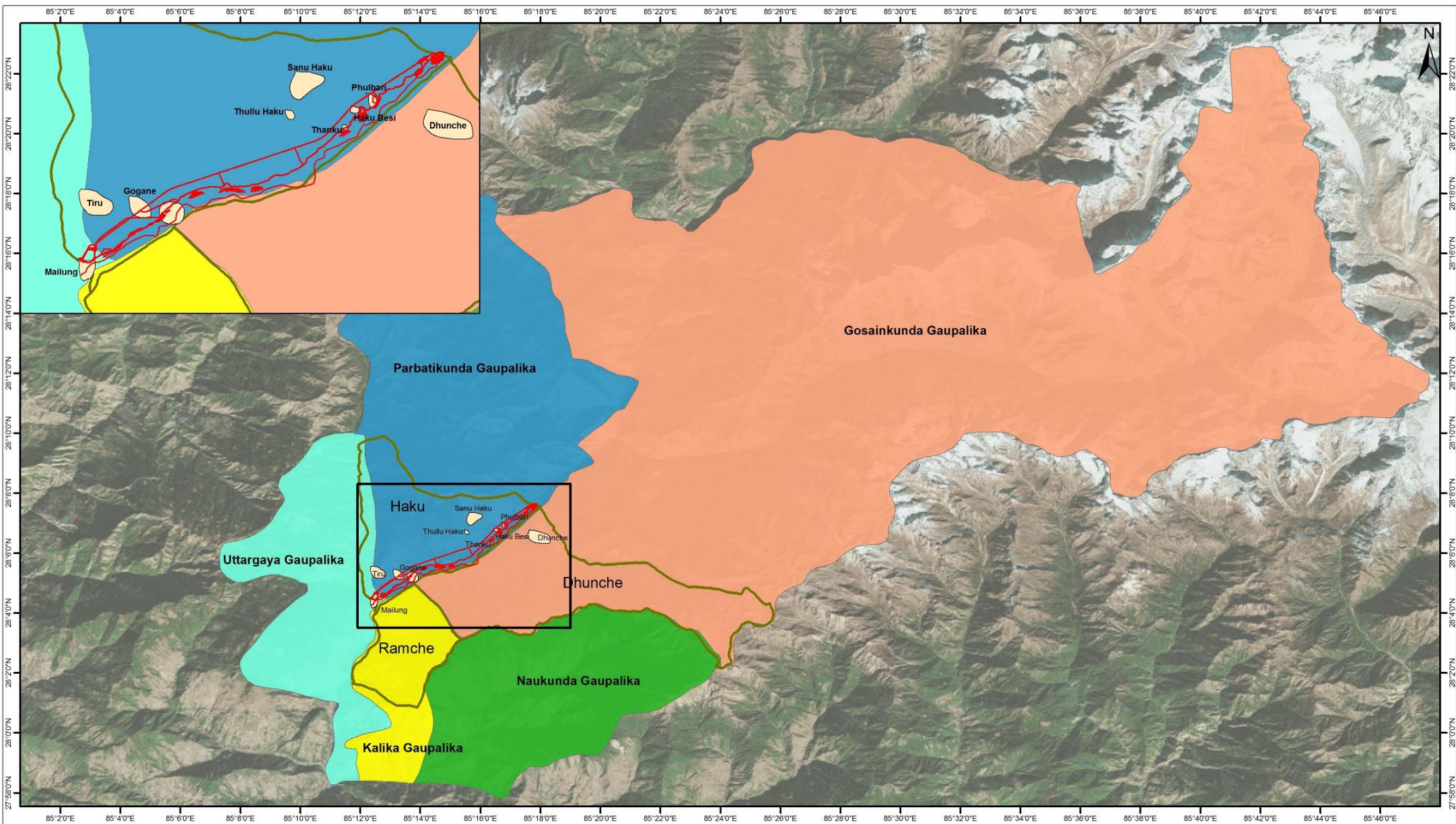
Kilometers

**Data Source:**

Service Layer Credits: Esri, HERE, DeLorme, Intermap, Increment P Corp, GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, OpenStreetMap contributors and the GIS user community  
Projection: WGS 1984

**Environmental Resources Management**





**Legend**

- Project Layout
- VDCs according to old administrative structure
- Impacted Villages

**Change in administrative boundary in Area of Interet (AOI)**

**Scale:**


0      5      10      20

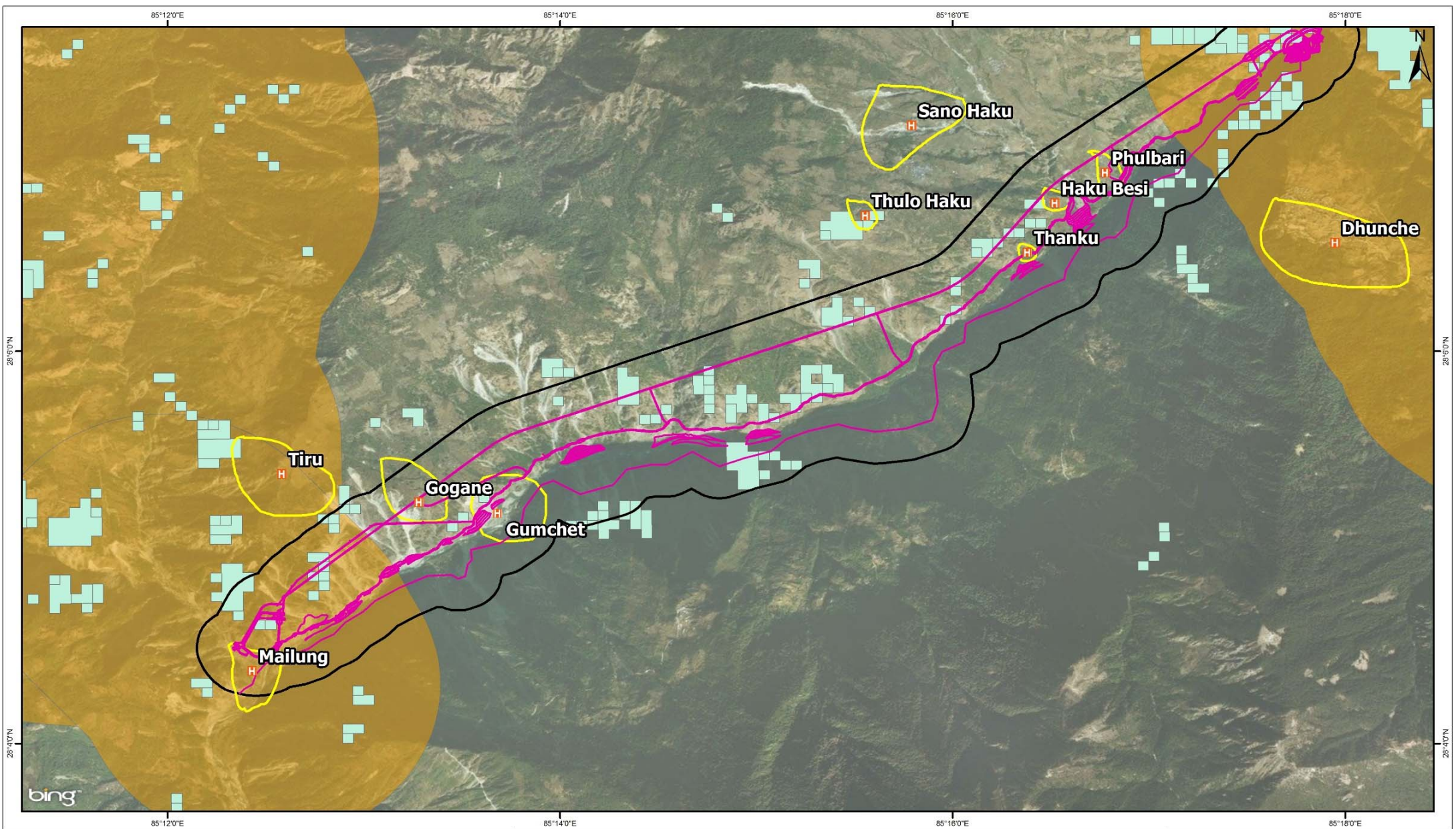
Kilometers

**Data Source:**

Service Layer Credits: Esri, HERE, DeLorme, Intermap, Increment P Corp, GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, OpenStreetMap contributors and the GIS user community  
 Projection: WGS 1984

**Environmental Resources Management**





**Legend**

- Approximate Settlement
- Existing Landslides
- Project Layout
- Potential Hazard Areas
- 300m Buffer around Project Layout

### Recorded Landslides and Risk areas in Project Vicinity

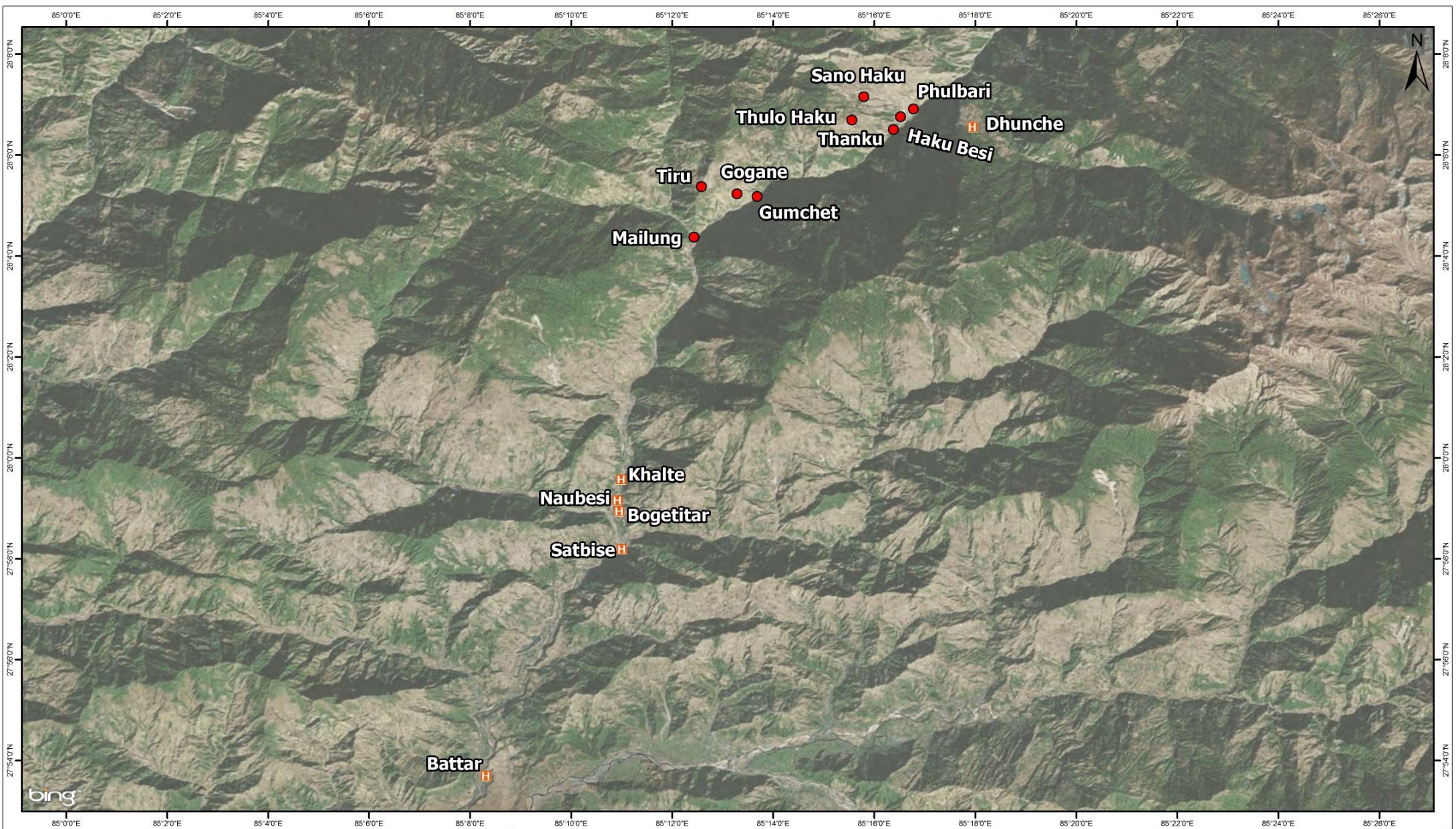
Scale:

Kilometers

Data Source:

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© 2017 Microsoft Corporation  
Projection: WGS\_984\_UTM\_Zone\_45N

**Environmental Resources Management**



**Legend**

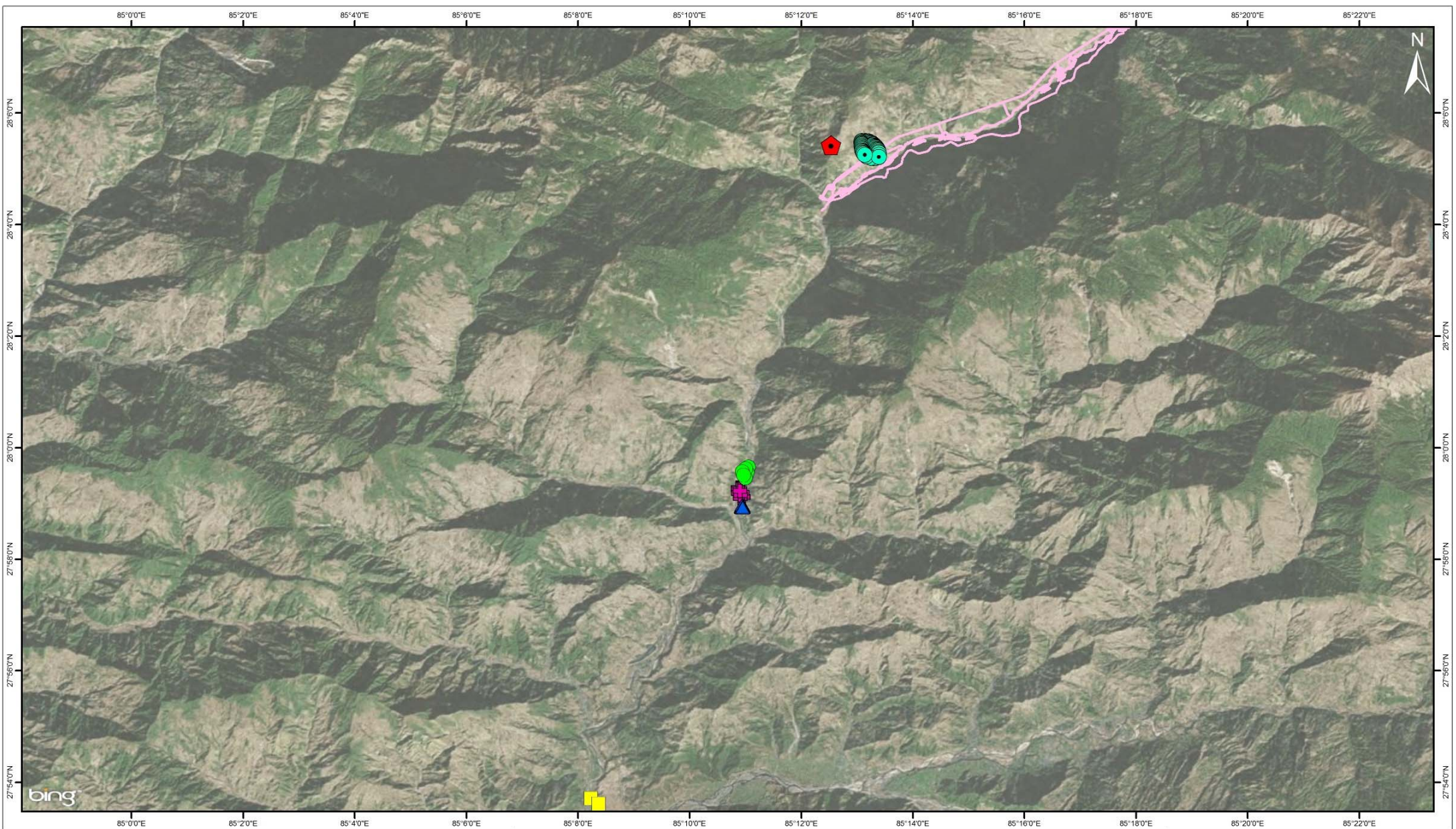
- Original Settlements
- ⊞ Settlements Post Earthquake

**Geographical Spread of PAFs- Pre Earthquake and Post Earthquake**

**Scale:**

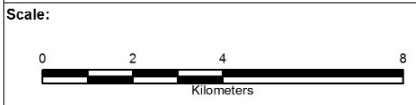
**Data Source:**  
 Service Layer Credits: © Harris Corp, Earthstar  
 Geographics LLC Earthstar Geographics SIO  
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 Projection: WGS\_984\_UTM\_Zone\_45N

**Environmental Resources Management**



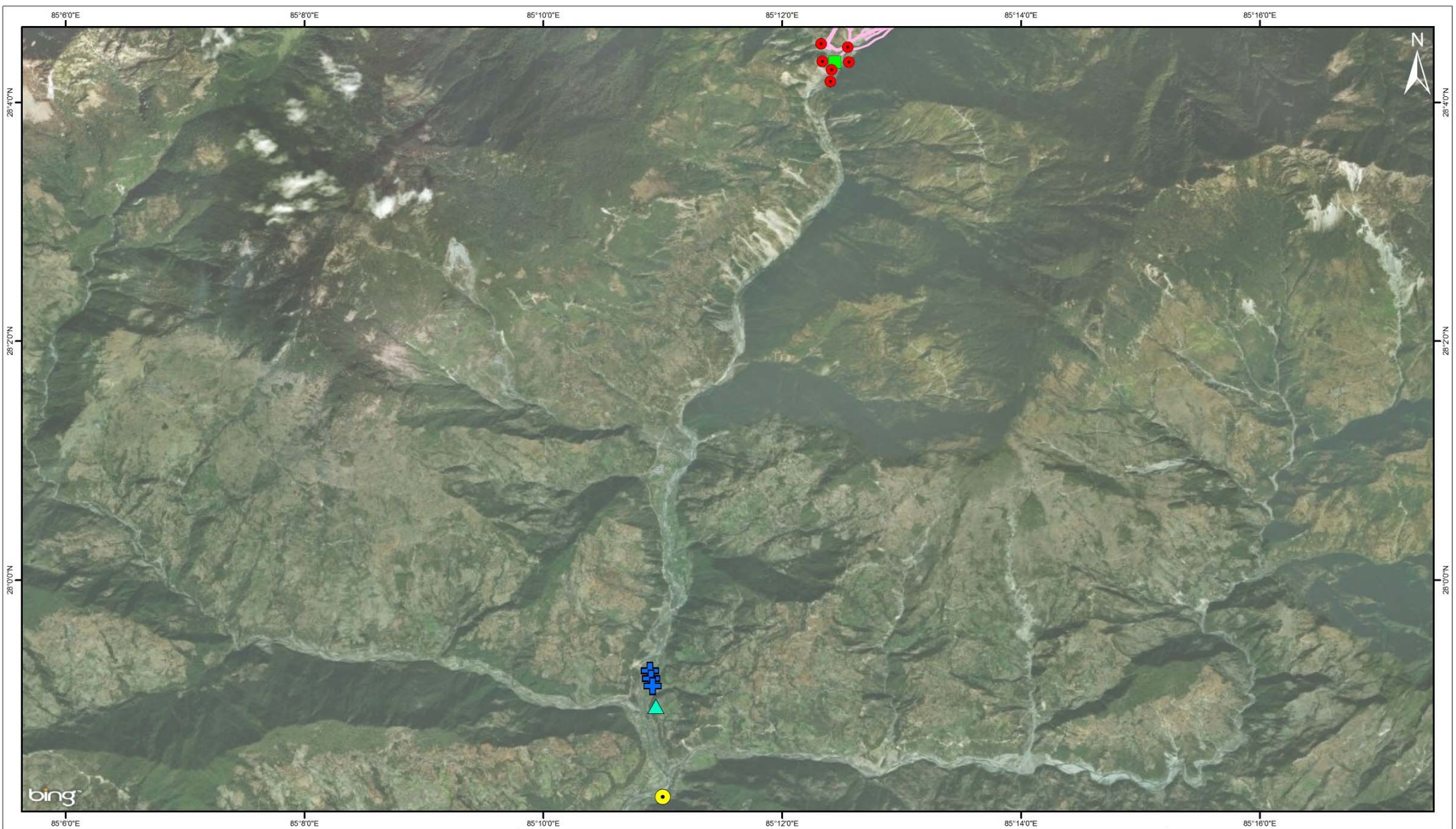
- Legend**
- Initial Settlements in Gogone (41)
  - Settlements Relocated to Battar (2)
  - ▲ Settlements Relocated to Bogetitar (20)
  - Settlements Relocated to Khalte (6)
  - + Settlements Relocated to Naubesi (9)
  - ⬠ Settlements Relocated to Tiru (1)
  - Project Layout

### Dispersal of PAFs from Gogone to IDP Camps



Data Source:  
 Service Layer Credits: © Harris Corp, Earthstar Geographics LLC Earthstar Geographics SIO  
 © 2017 Microsoft Corporation  
 Projection: WGS\_984\_UTM\_Zone\_45N

**Environmental Resources Management**



- Legend**
- Initial Settlements in Mailung (6)
  - + Settlements Relocated to Naubesi (3)
  - ▲ Settlements Relocated to Bogetitar (1)
  - Settlements Relocated to Satbise (1)
  - Settlements Relocated to Mailung (1)
  - Project Layout

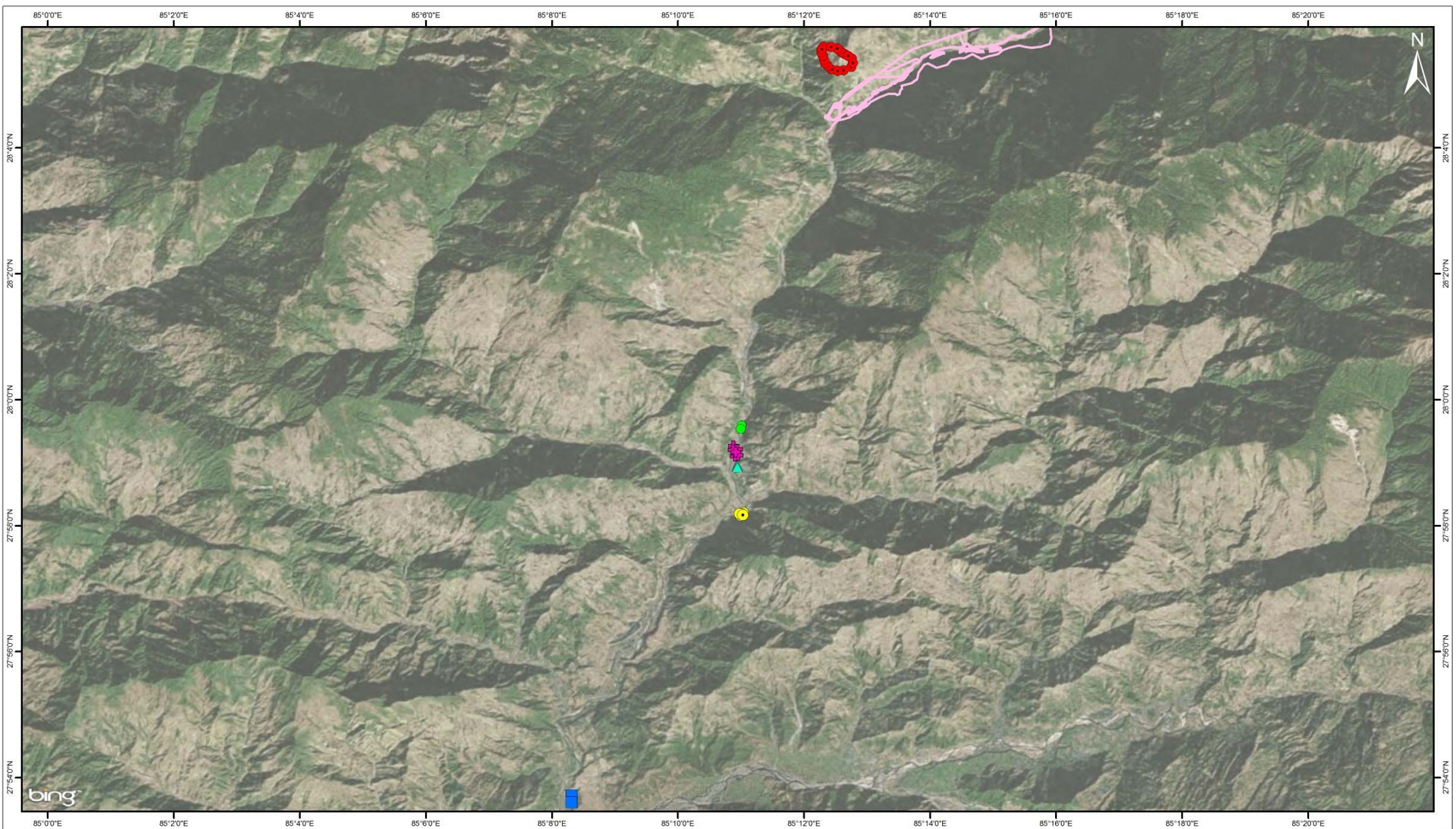
### Dispersal of PAFs from Mailung to IDP Camps

**Scale:**

**Data Source:**

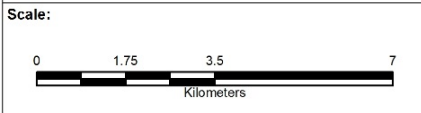
Service Layer Credits: © Harris Corp, Earthstar Geographics LLC Earthstar Geographics SIO  
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 Projection: WGS\_984\_UTM\_Zone\_45N

**Environmental Resources Management**

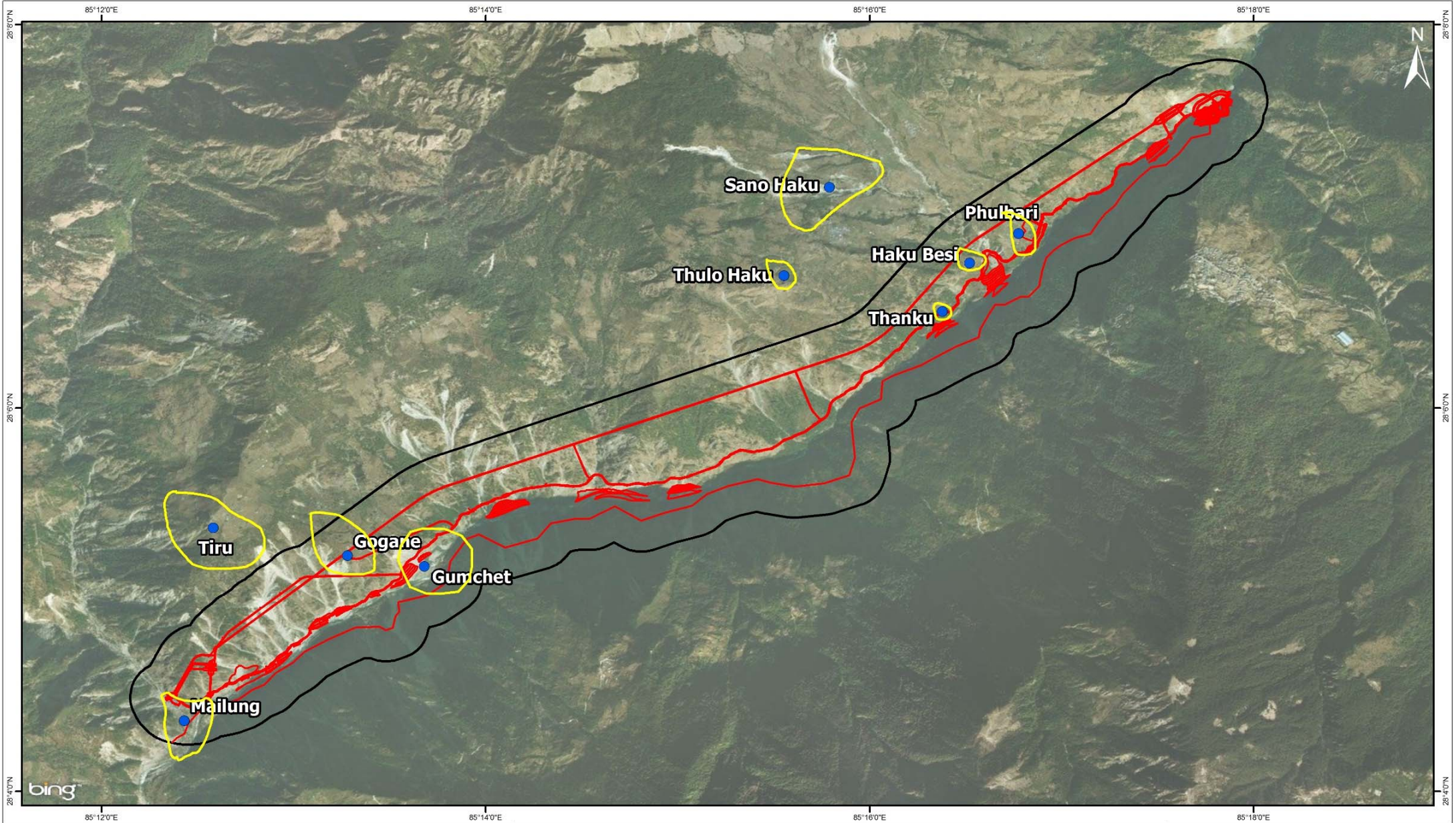


- Legend**
- Initial Settlements in Tiru (19)
  - Settlements Relocated to Battar (2)
  - ▲ Settlements Relocated to Bogetitar (2)
  - Settlements Relocated to Khalte (2)
  - Settlements Relocated to Naubesi (6)
  - Settlements Relocated to Satbise (5)
  - Project Layout

### Dispersal of PAFs from Tiru to IDP Camps



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**Legend**

- Settlement
- Project Layout
- 300m Buffer

**Settlements in Vicinity of Project Footprint**

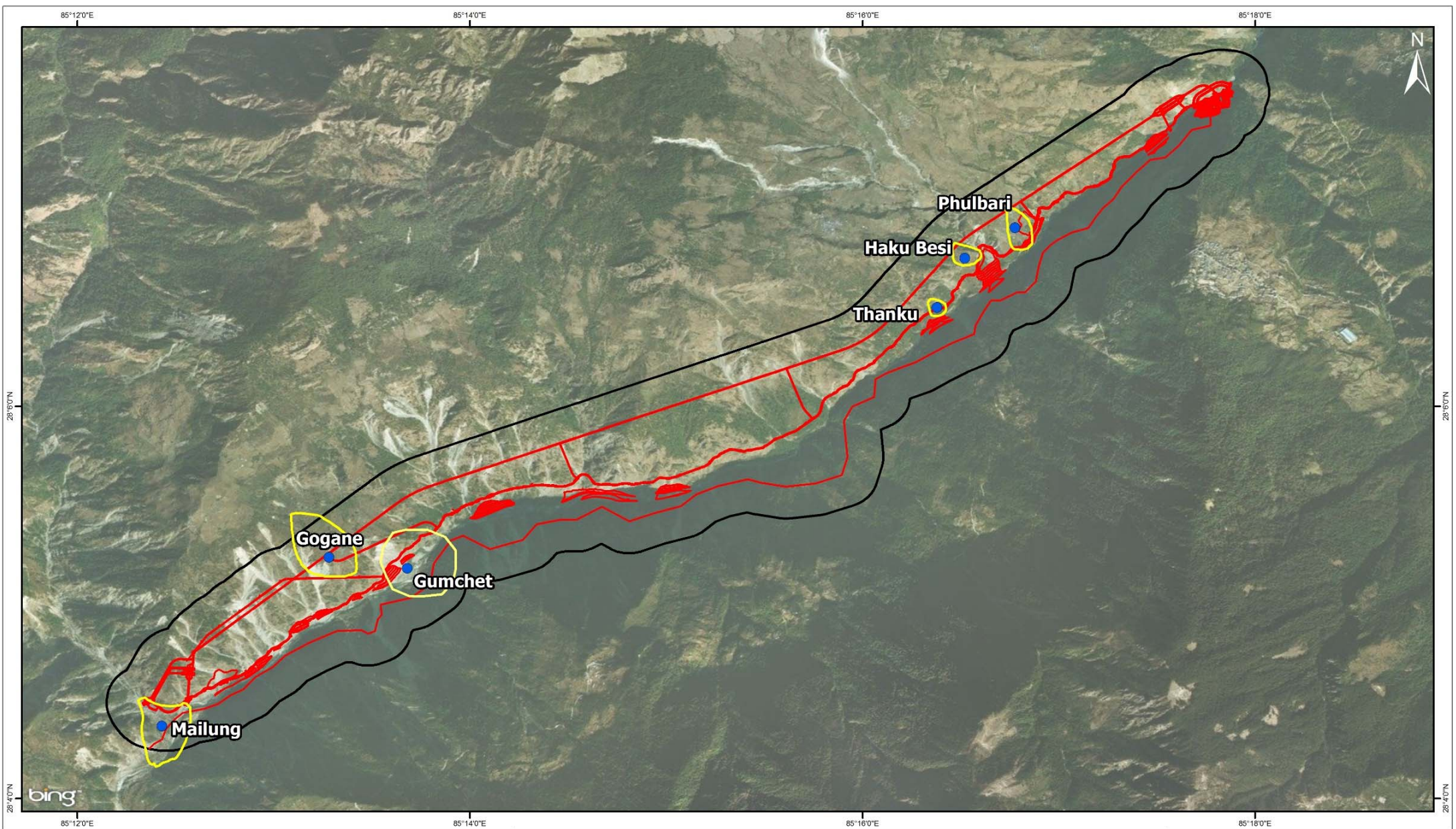
**Scale:**

Kilometers

**Data Source:**

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**Environmental Resources Management**



**Legend**

- Project Layout
- 300m buffer around Project Layout
- Settlements within 300m of Project Layout

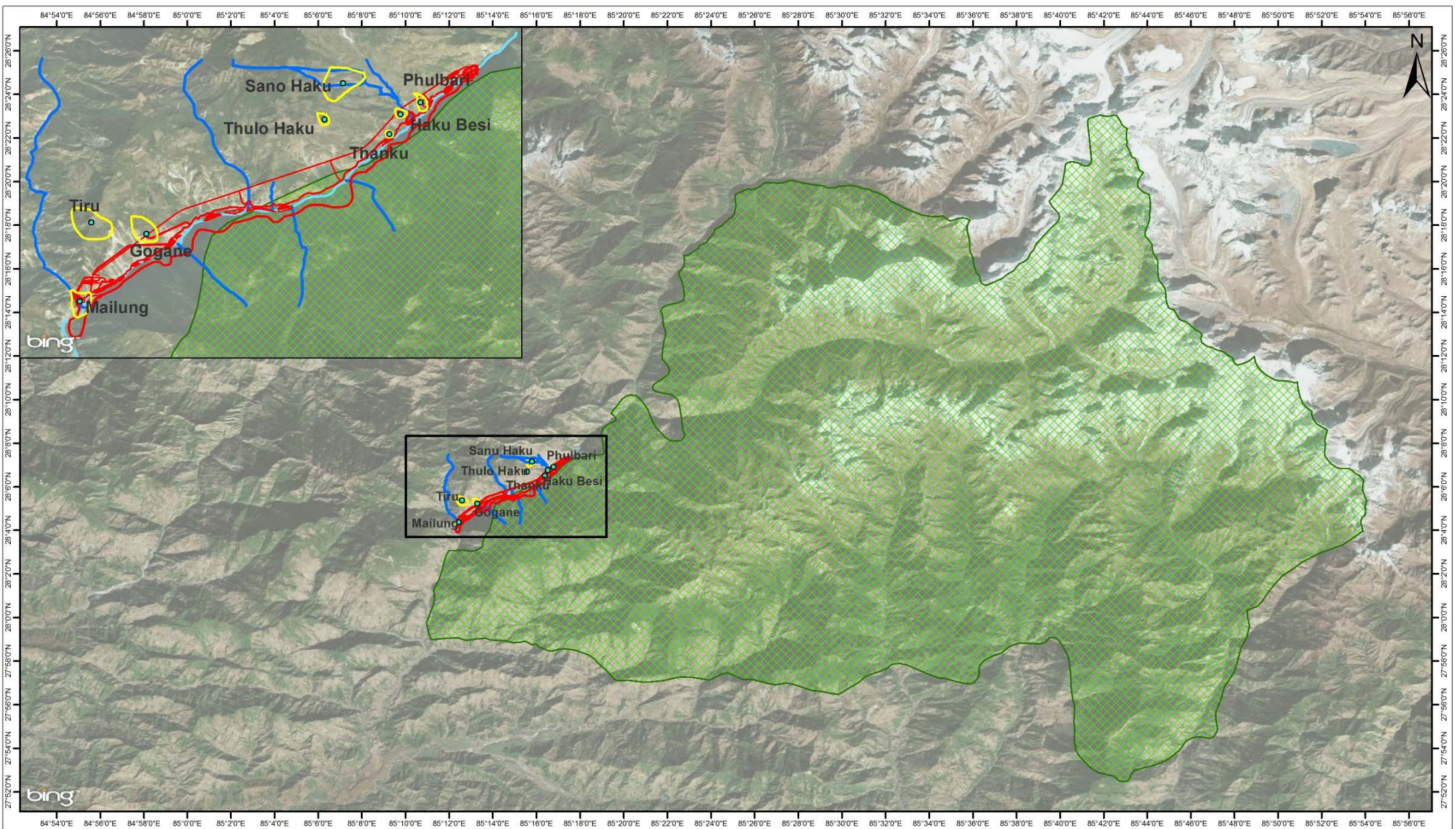
**Settlements within 300m of Project Footprint**

Scale: 

Data Source:  
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 Projection: WGS\_984\_UTM\_Zone\_45N

**Environmental Resources Management**





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**Legend**

- Settlement
- Project Layout
- Streams
- Langtang National Park
- Trishuli River

**Ecological Sensitivity Map**

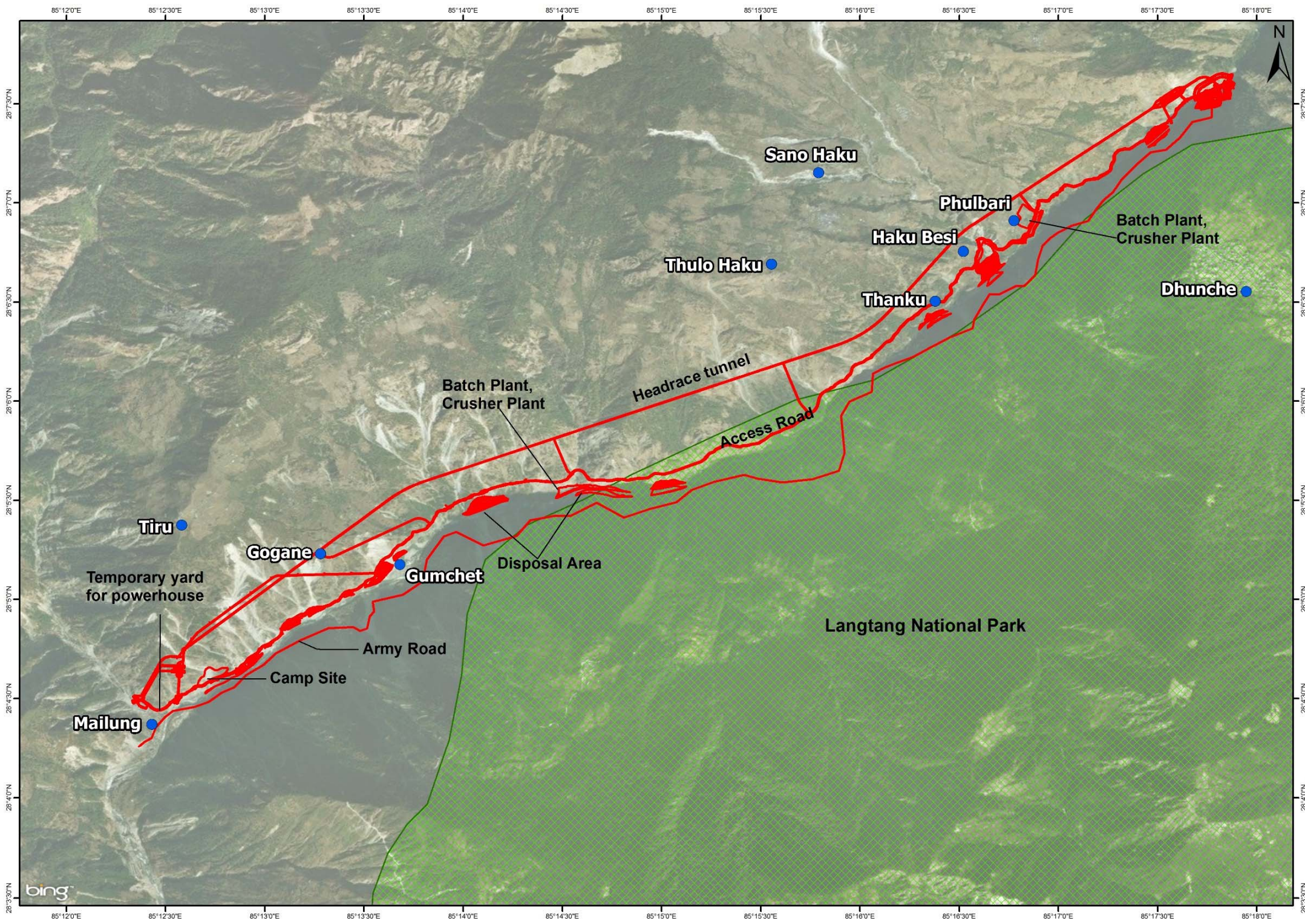
Scale:

0      5      10      20  
Kilometers

Data Source:

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**Environmental  
Resources  
Management**



85°12'0"E 85°12'30"E 85°13'0"E 85°13'30"E 85°14'0"E 85°14'30"E 85°15'0"E 85°15'30"E 85°16'0"E 85°16'30"E 85°17'0"E 85°17'30"E 85°18'0"E

28°7'30"N  
28°7'0"N  
28°6'30"N  
28°6'0"N  
28°5'30"N  
28°5'0"N  
28°4'30"N  
28°4'0"N  
28°3'30"N

28°7'30"N  
28°7'0"N  
28°6'30"N  
28°6'0"N  
28°5'30"N  
28°5'0"N  
28°4'30"N  
28°4'0"N  
28°3'30"N



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#### ERM India Private Limited

Building 10, 4th Floor  
Tower A, DLF Cyber City  
Gurgaon - 122 002, NCR , India  
Tel: 91 124 417 0300  
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#### Regional Office - West

801, 8th Floor, Windfall,  
Sahar Plaza, J B Nagar, Andheri (East),  
Mumbai - 400 059  
Tel: +91 22 42107373  
Fax: 91- 022- 4210 7474

#### Regional Office - West

201, "637" Building,  
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Gujarat, India  
Tel: +91 79 66214300  
Fax: +91 79 66214301

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