

**{Translation}**

**Responses to the Questions by the Examiners for the Guidelines**

**June 10, 2024**

**Financial Cooperation Implementation Department,  
Japan International Cooperation Agency**

**The Project for Improvement of Water Supply in Pokhara  
in Nepal**

**Investigation based on the Objection Procedures under the Guidelines for  
Environmental and Social Considerations**

**Regarding the information requested by the Examiners, we would like to respond as follows:**

**1. Policies and systems as the Operational Departments for the general information on social considerations**

Question:

- (A)** The Guidelines for Environmental and Social Considerations (2010 edition) (the “JICA Guidelines”) state that Information Disclosure (Section 2.1), Consultation with Local Stakeholders (Section 2.4), Concerns for the Social Environment and Human Rights (Section 2.5), and comply with the laws or standards of host countries (Section 2.6: Laws, Regulations and Standards of Reference) will be discussed and agreed upon with the project proponents, and support will be provided as necessary. What policy and system has JICA used in addressing these issues? Also, how has JICA monitored these issues?

(Response)

As a Category B project, the policy was to conduct appropriate surveys in accordance with the JICA Guidelines and to confirm through discussions with the host country. During the preparatory survey, environmental and social considerations specialists were deployed to support the Nepali executing agency, and they conducted surveys that include identifying potential land acquisition sites, consulting with the local stakeholders, taking into consideration the social environment and human rights, and checking the host country’s laws, regulations, and standards. Then, they discussed and confirms the results with the executing agency. During the implementation stage, monitoring was carried out using monitoring reports submitted by the executing agency based on the items to monitor agreed upon by both parties. The items implemented by these activities were as follows:

- Regarding Information Disclosure (Section 2.1), it was agreed that the final study report (excluding bidding-related information) based on the EIA survey by the executing agency would be made public in the preparatory survey. The report was published in English on JICA's website, and the results of the environmental review are available in Japanese.
- Consultations with the local stakeholders (Section 2.4) were conducted during the preparatory survey and EIA survey as follows:
  - 【Support provided to the executing agency in the preparatory survey】
    - Stakeholder meeting: Held on August 19, 2015. An overview of the project, including the need for land acquisition, was explained to key organizations in Pokhara.
    - Residents' meeting (Grit Chamber/ Sedimentation Tank site): held on September 9, 2015. Residents participated.
    - Residents' meeting (planned water treatment plant construction site): Held on September 10th and 11th, 2015. Residents participated.
  - 【Meeting carried out in the EIA survey by the executing agency】
    - Public hearing (Hemja): Held on October 9, 2015. Residents participated. (Meeting summaries are attached to the EIA report.)
    - Public hearing (Jhijhirka): Held on October 10, 2015. Residents participated. (Meeting summaries are attached to the EIA report.)
    - Public hearing (Puranchour): Held on October 12, 2015. Residents participated. (Meeting summaries are attached to the EIA report.)
    - Public hearing (Puranchour): Held on March 18, 2016. Residents participated. (Meeting summaries are attached to the EIA report.)
- Regarding Concern about Social Environment and Human Rights (Section 2.5), the preparatory survey was conducted with prior knowledge of the country's diverse caste system. Although an ethnic minority called Sarki lives in part of the construction site, it was confirmed that they are not an ethnic minority that requires special consideration because they live with the same lifestyle and customs as the surrounding people. In addition, it was confirmed that one family had to be relocated due to land acquisition. However, the countermeasure was formulated after confirming and obtaining the consent with the family.
- Regarding the Laws, Regulations and Standards of Reference (Section 2.6), the differences between the JICA Guidelines and Nepali law regarding resident relocation were confirmed during the preparatory survey, and the implementation policy for this

project was organized. (See Section 1.3.2.2<sup>1</sup> (Legal Framework for Land Acquisition and Involuntary Resettlement, (2) Comparison of JICA Guidelines and Nepali Laws) of the Preparatory Survey Report.).

- Regarding monitoring, in accordance with Section 3.2.2 of the JICA Guidelines (Monitoring and its confirmation by JICA), it was agreed with the executing agency in the preparatory survey that matters with material environmental impact will be monitored. In addition, the monitoring results are confirmed through the Project Monitoring Reports (PMRs) periodically submitted by the executing agency to JICA.

Question:

**(B) How has JICA established a system to fill the gap between the environmental and social considerations in Nepal and the JICA Guidelines, and how is the status of implementation until now**

(Response)

- There is no specific system to complement for the gap. However, the preparatory survey analyzed the gap between the JICA Guidelines and the host country's laws regarding land acquisition and resident relocation, and considered measures to ensure compliance with the JICA Guidelines in this project (See Table 1.3.14<sup>2</sup> in the Preparatory Survey Report.). Based on the results of this study, an agreement was reached on the measures to be taken in this project.

## **2. JICA's Explanation to the Requesters' Allegations**

Question:

**(A) Section 2.4 (Consultation with Local Stakeholders) and Appendix 1, Section 5 (Social Acceptability)**

**<Summary of the Requesters' Allegations>**

- The Requesters had requested the construction of motorable roads and bridges in meetings with the local residents, and NWSC had made several promises to construct them. The local residents had provided their farmland for the project and expected the provision of necessary infrastructure for market access in return, but the necessary infrastructure had never been provided.
- It was claimed that NWSC was proceeding with the project without consulting the local residents.

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<sup>1</sup> Section 2.2.3.2.2 in the Japanese version of the Preparatory Survey Report.

<sup>2</sup> Table 2.2.18 in the Japanese version of the Preparatory Survey Report.

<Request for JICA's confirmations>

- Minutes of public consultations held at the time of preparing the EIA and agreeing to the EEP (Any records of public consultations other than those in the Preparatory Survey Report and the EIA appendix).

(Response)

- The details of the public consultation which JICA recognized are only those contained in the Preparatory Survey Report and in the Appendix of the EIA Report. We could not find any other available information even after we checked whether there were any other records of meetings and correspondences between the residents and NWSC within JICA.

- EEP agreement process and the role of the EEP in relation to this project

(Response)

- Although the outline and budget of the EEP (Environment Enhancement Program) are described in Section 9. ENVIRONMENTAL ENHANCEMENT in the EIA report, there is no description of the agreement process with the residents regarding each activity. In addition, we checked within JICA, including JICA Nepal Office, but the agreement process was not confirmed.
- JICA periodically checks the results of monitoring by the NWSC regarding important environmental impact items (Environmental Impact and Mitigation). JICA has not been able to monitor the EEP because it was not included in the items to monitor agreed upon with the counterparty, but JICA assume that the NWSC has been responsible for this matter up until now.
- With regard to the EEP consensus-building process, what was the role that JICA Nepal Office and the Operational Departments of JICA required to play based on the JICA Guidelines, and how is its implementation status.

(Response)

- Based on the "Environmental and social considerations" in 1.3 (Definition) of the JICA Guidelines, an environmental and social consideration survey was conducted regarding the impacts of this project on the nature and society, and mitigation measures (including avoidance, minimization, reduction, mitigation, and compensation) were formulated. However, the EEP is not included in the environmental management plan or monitoring plan agreed with the executing agency.
- The response of JICA Nepal Office and the Operational Departments of JICA for the gap between the Land Acquisition Act (1977) of Nepal and the JICA Guidelines, which was identified in the preparatory survey. (General idea based on the JICA Guidelines and required measures in this project)

(Response)

- It is necessary to comply with both the host country's domestic laws and the JICA Guidelines. JICA compared and analyzed the gap between the local domestic laws and the JICA Guidelines in the preparatory survey, and the measures to fill in the gap were agreed with the executing agency to satisfy the JICA Guidelines. Under this project, necessary analysis was conducted as in the JICA Guidelines, and an agreement was reached with the executing agency on the necessary measures.
- Regarding the compensation for land acquisition for this project, although it was confirmed there were differences on the compensation of the standards under the JICA Guidelines and those and the local laws, the Land Evaluation Committee was organized to determine the amount. During the study, it was confirmed that if the landowners are dissatisfied with the amount presented by the Land Evaluation Committee or have complaints about the land acquisition in general, they can appeal to the grievance process.

Question:

**(B) Section 2.1 (Information Disclosure), Items 1, 2, 3, 5, and 6**

**<Summary of the Requesters' Allegations>**

- The Requesters requested that JICA Nepal Office send the EIA to the local residents (September 2019).

**<Request for JICA's confirmations>**

- Emails and minutes of the correspondence of JICA Nepal Office and the Operational Departments at that time regarding the response to the above request of the local stakeholders. If these are not available, provide specific dates and times of correspondence, correspondents, and contents of correspondence.

(Response)

- In response to the request by the local stakeholders, JICA Nepal Office shared the information with the consultant and requested to NWSC for necessary response. We have made an inquiry to JICA Nepal Office regarding the related emails and minutes from that time, but they had already been deleted for information management purposes.
- Method of publishing the EIA as required by the Nepali legal system at the time of its preparation.

(Response)

- The EIA for this project was prepared under the Environment Protection Act (1997) (EPA), which provides that the government will take measures to make a copy of the EIA report publicly available, but it does not provide specific details on how the report will be made

public. The public hearing was conducted and the contents of the EIA was explained.

- Status of disclosure of the EIA and other information that need to be made during the environmental reviews (Section 3.2.1(2)2 of the JICA Guidelines)

(Response)

- The EIA and other documents have not been officially received from the Nepali government as materials to be made public. Necessary procedures for their disclosure will be undertaken upon confirmation with the Nepali government.
- The required role of JICA Nepal Office and the Operational Departments under the JICA Guidelines with respect to the disclosure of the EIA, and the status of their implementation.

(Response)

- The Operational Departments are required to confirm with the Nepali government whether the EIA is available and whether it can be made public, and once get approval, then JICA follows the disclosure procedures. The final survey report based on the contents of the EIA survey conducted by the executing agency has been published in English on JICA's website upon agreement with the Nepali government.

Question:

**(C) Appendix 1: Environmental and Social Considerations Required for Projects, Section 7 (Involuntary Resettlement), Paragraphs 1, 2 and 3**

**<Summary of the Requesters' Allegations>**

- The resettled residents offered their land at a price lower than the prevailing market price.
- irrigation water leakage from the pipelines and the discharge of pebbles and gravel into the farmland have reduced agricultural yields.
- Due to the gravel, crops have been damaged.

**<Request for JICA's confirmation>**

- Actual payment of compensation for land acquisition and monitoring report.

(Response)

- The actual payment of compensation for land acquisition is not included in the items to be reported to JICA, thus no report has been received from the Nepali government. On the other hand, the existence of complaints and the status of their response are to be reported on the monitoring reports, and PMRs are received.
- The monitoring report states that, after construction began following site clearance by the Nepali government, one land provider who had already received compensation complained about the amount of compensation, and the land provider filed a lawsuit.

However, in September 2021, the court ruled that the amount of compensation was appropriate.

- The allegations of the Requesters had not been reported in the monitoring report.

- Assistance other than compensation payments for land acquisition, and assistance for low-income groups (availability of assistance programs other than the EEP).

(Response)

- Land providers, including the low-income groups, are given priority employment for construction of the project.

- Whether there is monitoring and data to understand the impacts of the project on the farmland and agricultural yields.

(Response)

- Since the project utilizes existing water intake facilities and will not affect water intake volume, the impacts on farmland and agricultural yields are not being monitored.

- The economic situation of affected residents based on the environmental monitoring reports submitted to JICA.

(Response)

- 51 residents were employed through this project, and a resident survey showed that their income had increased compared to their pre-project income. (Project Monitoring Report, June 2022)

- The role that JICA Nepal Office and the Operational Departments were required to play under the JICA Guidelines with respect to the land acquisition, and the status of their implementation.

(Response)

- JICA's role is to analyze the JICA Guidelines and the land acquisition system of the Nepali government, and consider measures to comply with the JICA Guidelines as well as, based on the results of this analysis, to agree with the executing agency on measures to be taken in the project. In the implementation stage, JICA confirms that the land acquisition is being carried out as planned, and during construction, JICA uses monitoring reports to check for any grievances.

Question:

**(D) Appendix 1: Environmental and Social Considerations Required for Intended Projects, Section 8 (Monitoring), Paragraphs 1, 3 and 4**

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### <Summary of the Requesters' Allegations>

- From 2019 to 2021, the local stakeholders have repeatedly requested JICA Nepal office to follow up the requests regarding (i) road improvement, (ii) employment of resident local people during construction, (iii) drinking water supply after construction, and (iv) bridge construction.

### <Request for JICA's confirmation>

- The response of JICA Nepal Office and the Operational Departments to the above requests.

#### (Response)

- In response to the requests from 2019 to 2021, JICA Nepal Office continuously requested NWSC and the project consultant to address the requests from the local stakeholders.
  - JICA Nepal Office also informed to the local stakeholders to contact NWSC and other relevant authorities directly.
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- Provide environmental monitoring reported from NWSC to the Credit Risk Analysis and Environmental Review Department of JICA (other than the PMRs that have already been provided).

#### (Response)

- NWSC does not submit the environmental monitoring reports to the Credit Risk Analysis and Environmental Review Department of JICA, but has attached them to the Project Monitoring Reports (PMRs) for the construction period and have submitted them to JICA.

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