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Opinion on the Investigation Report of  
the Examiner for the JICA Guidelines for Environmental and Social  
Considerations  
on the Project for the Improvement of Water Supply in Pokhara

**1. Background**

“The Project for the Improvement of Water Supply in Pokhara” (hereinafter referred to as “the project”) which is based on the Grant Agreement (hereinafter referred to as the “G/A”) signed in March 2017, aims to improve water supply service in Pokhara Sub-Metropolitan city and to increase revenue of Nepal Water Supply Corporation Pokhara (hereinafter referred to as “NWSC”) Branch by/through construction of water treatment facilities, improvement of distribution systems including reservoirs thereby contributing to improvement of livelihood of residents in Pokhara Sub-Metropolitan City.

In this project, JICA has made efforts to take environmental and social considerations into account in accordance with the “Japan International Cooperation Agency (JICA) Guidelines for Environmental and Social Considerations (April 2010)” (hereinafter referred to as the “Guidelines”), by conducting a survey including identification of candidate sites for land acquisition, and discussions with local stakeholders, consideration of social environment and human rights, and confirmation of laws and standards in the host country government (hereinafter referred to as “the Project Proponents”). Also, based on the monitoring items agreed upon with the executing agency, JICA has been monitoring them with reports submitted

by the executing agency to ensure environmental and social considerations are satisfied.

On February 13, 2024, requesters submitted the request to the Examiner for the Guidelines (hereinafter referred to as “the Examiners”) regarding the Project (hereinafter referred to as “the Request”). In response to the Request, the Examiners conducted a preliminary investigation (February 21 - May 31, 2024) and an investigation (June 10 - September 30, 2024). During this period, the division in charge (hereinafter referred to as “the Operational Departments”) explained to the Examiners about its recognition of and response to the points raised in the Request (Refer to “The Operational Department report to the Examiners” for detailed information).

On September 30, 2024, the Examiners submitted the Investigation Report of the Project to the President of JICA. According to the Investigation Report, the Examiners concluded as “it cannot be said that there was non-compliance by JICA with the Guidelines” and made recommendations to JICA based on the principles of the Guidelines.

## **2. Future initiatives of the Operational Department**

Based on the Examiners' recommendations, the Operational Department will respond in accordance with the following policies.

### **1) Information disclosure**

#### **Recommendations:**

In this project, effort shall be made on the following items for “promoting efforts to facilitate proactive information disclosure”.

- To make efforts to actively support information disclosure by the Project Proponents, and to disclosure such information itself on a timely and appropriate manner without delay, in accordance with the Guidelines.
- To make efforts to disclose environmental permit certifications and the RAP promptly and to the extent possible after consultation with the Project Proponents.
- To make Efforts to disclose monitoring results in a timely and appropriate manner without delay.

- To make efforts to encourage the NWSC (the executing agency) to promptly disclose the monitoring results.

In response to this recommendation, JICA will continue to encourage the Project Proponents to proactively disclose information on environmental and social considerations. In addition, efforts will be made to disclose environmental permit certifications and RAP in a timely and appropriate manner without delay, based on submissions from the Project Proponents. Regarding the disclosure of monitoring results, while JICA has already disclosed the relevant information, efforts will be made to disclose information in a timely and appropriate manner without delay. JICA will also request NWSC to take necessary actions regarding the timely disclosure of monitoring results.

## 2) Consultation with the Local Stakeholders and Social Acceptability

### Recommendations:

Effort shall be made on the following items by the time of the ex-post evaluation of this project.

- To make efforts to confirm whether or not NWSC is carefully conducting consultations with the local stakeholders whose means of livelihood have been affected by the provision of their plots of land and to support NWSC's consultations as necessary.

Since 2019, NWSC has held multiple consultations with local stakeholders of the project, and NWSC has taken the initiative to implement a part of road improvements requested by the residents. JICA will continue to monitor the status of consultations between NWSC and residents whose means of livelihood have been affected by the provision of their plots of land for under the project and facilitate NWSC to take appropriate responses if necessary.

## 3) Land Acquisition

- To make effort to verify, based on the documents of the Project Proponents, whether compensation was actually provided at full replacement cost since Appendix 1, Section 7 (Involuntary Resettlement), paragraph 2 of the Guidelines states that "Prior compensation, at full replacement cost, must be provided as much as possible."

- To make efforts to ensure that the environmental and social considerations are duly implemented based on the documents agreed upon between JICA and the Project Proponents.

In this project, JICA and the executing agency agreed that compensations would be calculated at full replacement cost. Although JICA understands that the Project Proponents would have been providing necessary compensations based on the agreement, efforts will be made to confirm with the Project Proponents whether the compensations were actually provided at full replacement cost as much as possible in accordance with the guideline.

Based on the recommendation, JICA will make continuous efforts to ensure the implementation of the environmental and social considerations agreed upon between the Project Proponents and JICA.