



## Social Impact Management Framework Update

Stakeholder Engagement Plan and Grievance  
Redressal Mechanism: *Upper Trishuli-1*  
*Hydropower Project, Nepal*



**Draft Report**

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## CONTENTS

1	INTRODUCTION	1
1.1	CONTEXT OF THE SEP AND GRM	1
1.2	AIMS AND OBJECTIVES OF THE SEP AND GRM	2
1.3	PRINCIPLES OF STAKEHOLDER ENGAGEMENT AND GRIEVANCE REDRESSAL	3
1.4	APPLICABILITY OF THE SEP-GRM	4
1.5	STRUCTURE OF THE SEP AND GRM	4
2	PROJECT UNDERSTANDING	5
2.1	PROJECT BACKGROUND	5
2.2	AREA OF INFLUENCE OF THE PROJECT	5
3	APPLICABLE REFERENCE FRAMEWORK	8
3.1	APPLICABLE NATIONAL REGULATIONS	8
3.1.1	<i>Convention (No. 169) Concerning Indigenous and Tribal Peoples in Independent Countries</i>	8
3.1.2	<i>Operational Manual of Environmental Social Impact Assessment for Sub Projects Financed under the Additional Financing of the Power Development Project by the Nepal Electricity Authority</i>	8
3.2	WBG PERFORMANCE STANDARDS	10
3.2.1	<i>Performance Standard 1: Assessment and Management of Environmental and Social Risks and Impacts</i>	10
3.2.2	<i>Performance Standard 5: Land Acquisition and Involuntary Resettlement</i>	10
3.2.3	<i>Performance Standard 7: Indigenous People</i>	11
3.3	ASIAN DEVELOPMENT BANK'S POLICIES	11
3.3.1	<i>Public Communications Policy (2011)</i>	11
3.4	ASIAN INFRASTRUCTURE INVESTMENT BANK'S ENVIRONMENTAL AND SOCIAL STANDARDS	12
4	REVIEW OF ENGAGEMENT ACTIVITIES UNDERTAKEN SO FAR	14
4.1	CONSULTATIONS AS PART OF LAND TAKE PROCESS	14
4.2	ENGAGEMENT UNDERTAKEN AS PART OF THE ESIA PROCESS	15
4.3	ENGAGEMENTS UNDERTAKEN DURING THE LRP FORMATION PROCESS - 2015	16
4.4	APPOINTMENT OF COMMUNITY LIAISON OFFICER	18
4.5	ENGAGEMENT UNDERTAKEN BY NWEDC WITH PAFs	18
4.6	ENGAGEMENT UNDERTAKEN AS PART OF THE GAP ASSESSMENT PROCESS - 2016	19
4.7	ENGAGEMENT UNDERTAKEN AS PART OF THE LALRP FORMULATION IN 2017	22
4.7.1	<i>Key Feedback Received During Stakeholder Consultations</i>	23
4.7.2	<i>NGO/CSO Feedback/Perception for the project</i>	26
4.8	COMMUNITY PERCEPTION AND FEEDBACK	28
5	STAKEHOLDER IDENTIFICATION AND ANALYSIS	29
5.1	STAKEHOLDER IDENTIFICATION AND CATEGORIZATION	29

5.2	STAKEHOLDER MAPPING	29
6	PROPOSED STAKEHOLDER ENGAGEMENT ACTIVITIES	34
6.1	PROPOSED ENGAGEMENT ACTIVITIES	34
6.2	METHODS OF ENGAGEMENT	38
7	DISCLOSURE AND PARTICIPATION PLAN	39
7.1	DISCLOSURE MECHANISM	39
7.1.1	<i>Key Aspects to be Covered in Disclosure</i>	39
7.1.2	<i>Process for Disclosure of Information</i>	40
8	GRIEVANCE REDRESSAL MECHANISM	42
8.1	GRIEVANCE DEFINITION AND CATEGORIES	42
8.2	INTERNAL GRIEVANCE MECHANISM	43
8.2.1	<i>Publicizing and Disclosure of the GRM</i>	45
8.2.2	<i>Receiving and Recording Grievances</i>	45
8.2.3	<i>Maintaining a Grievance Register</i>	46
8.2.4	<i>Acknowledgement of Grievance</i>	46
8.2.5	<i>Resolution and Closure</i>	46
8.2.6	<i>Update of Records</i>	47
8.3	EXTERNAL GRIEVANCE MECHANISM	47
8.3.1	<i>Publicizing and Disclosure of the GRM</i>	49
8.3.2	<i>Receiving and Recording Grievances</i>	49
8.3.3	<i>Maintaining a Grievance Register</i>	50
8.3.4	<i>Acknowledgment of Grievance</i>	50
8.3.5	<i>Site Inspection and Resolution</i>	51
8.3.6	<i>Resolution, Escalation, and Closure</i>	51
8.3.7	<i>Update of Records</i>	52
9	IMPLEMENTATION ROLES AND RESPONSIBILITIES	53
9.1	MANPOWER	53
9.1.1	<i>Internal Resources</i>	53
9.1.2	<i>External Resources</i>	54
9.2	TRAINING REQUIREMENTS	54
9.3	FINANCIAL RESOURCES	55
9.4	DOCUMENTATION, MONITORING AND REPORTING PROCESS	55
9.5	DOCUMENTATION OF THE SEP-GRM IMPLEMENTATION	55
9.6	MONITORING OF THE SEP-GRM IMPLEMENTATION	56
9.7	REPORTING OF THE SEP-GRM	56

#### LIST OF TABLES

Table 2.1	Change in Administrative Structure for the Project's AoI	6
Table 4.1	Stakeholder Consultations Undertaken Prior to the Earthquake	16

Table 4.2	Gap Assessment Stakeholder Consultations Undertaken Post-Earthquake	20
Table 4.3	Stakeholder Engagement as part of the LALRP Process	22
Table 5.1	Stakeholder Group Categorisation	29
Table 5.2	Stakeholder Significance and Engagement Requirement	30
Table 5.3	Stakeholder Mapping	31
Table 6.1	Proposed Stakeholder Engagement Activities	35
Table 8.1	Classification and Categorisation of External Grievances	51
Table 9.1	Format for Recording Engagement Activities	55

## ***LIST OF FIGURES***

Figure 2.1	Project Location	5
Figure 2.2	Project Layout Against the Revised Administrative Structure	7
Figure 4.1	Engagement Undertaken as Part of the LRP Process	16
Figure 4.2	Stakeholder Engagement Activities Undertaken as Part of LALRP	22
Figure 8.1	Schematic Representation of the Internal Grievance Redressal Process	44
Figure 8.2	Grievance Recording Form	45
Figure 8.3	External Stakeholder Grievance Redressal Mechanism Schematic Representation	48
Figure 8.4	Grievance Recording Form	49
Figure 9.1	Organization Structure of the ESMC	53

## ***ACRONYMS AND ABBREVIATIONS***

ADB	Asian Development Bank
AIIB	Asian Infrastructure Investment Bank
AoI	Area of Influence
CDO	Chief District Officer
CLO	Community Liaison Officer
EIA	Environmental Impact Assessment
ESIA	Environmental and Social Impact Assessment
ESS	Environmental and Social Standards
FGD	focus group discussions
FPIC	Free Prior Informed Consent
GRM	Grievance Redressal Mechanism
IFC	International Finance Corporation
INGO	international nongovernmental organization
LALRP	Land Acquisition and Livelihoods Restoration Plan
LRP	Livelihood Restoration Plan
NGO	nongovernmental organization
NPR	Nepalese Rupee
NRA	National Reconstruction Authority
NWEDC	Nepal Water and Energy Development Company
PAF	Project Affected Family

PDA	Project Development Agreement
Project	Upper Trishuli-1 Hydro Power Project
PS	Performance Standard
SEP	Stakeholder Engagement Plan
SIMF	Social Impact Management Framework
VDC	Village Development Committee
WBG-	World Bank Group

This document presents the updated Stakeholder Engagement Plan (SEP) and Grievance Redressal Mechanism (GRM) for the proposed Upper Trishuli-1 Hydro Power Project (the Project), to be constructed by the Nepal Water and Energy Development Company (NWEDC). This document has been prepared as part of a larger Social Impact Management Framework (SIMF), with the aim of guiding the stakeholder consultation and grievance redressal processes across the life of the Project and during the implementation of the management plans formulated as part of the Environmental and Social Impact Assessment (ESIA) and SIMF.

The main purpose of this plan is to allow the stakeholder engagement to be undertaken in a systematic manner that will allow the various stakeholder groups to express their individual views and opinions, and the Project to appropriately respond to them. The plan is aimed at enabling active meaningful engagement with the stakeholder groups by identifying different mechanisms for the participation of stakeholder groups, especially vulnerable groups.

## 1.1

### CONTEXT OF THE SEP AND GRM

The Project is being developed as a 216 megawatt green field run-of-the-river project located in the upper part of the Trishuli watershed, approximately 50 kilometres north of Kathmandu. The project area of influence [AoI] is located in the former Haku, Ramche, and Dhunche Village Development Committees (VDCs), Rasuwa District in the Central Development Region of Nepal, (the Project's AoI currently includes four out of the five Gaonpalikas). In March 2012, the International Finance Corporation (IFC) Infra-Ventures signed a Joint Development Agreement 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. The Project Development Agreement (PDA) with the Government of Nepal was signed on 29<sup>th</sup> December 2016.

As part of this Project and in keeping with the applicable reference framework, a number of environmental and social assessments were performed and management plans were developed. These plans included a SEP and a GRM that formed part of a Livelihood Restoration Plan (LRP) prepared in 2015. The community engagement undertaken as part of the LRP development, indicated that although the local people reportedly feel the Project is a positive and they are keen to work with the Project proponent, there were concerns voiced in regard to the pending compensation for structures, impacts of the Project on the forest cover, land availability, pollution, and social and cultural problems in the area.

Based on the SEP and GRM requirements, the Project initiated further stakeholder engagement activities. However, in April 2015, Nepal was struck

by a severe earthquake that resulted in the suspension of the engagement activities, and focus shifted to relief and rehabilitation of the communities displaced by the earthquake. While the SEP focused primarily on the Project Affected Families (PAFs), the focus in the post-earthquake scenario shifted towards the local community in the Project area.

The 2015 earthquake also resulted in changes in the Project baseline. These changes included residences, asset ownership, livelihood profile, financial status of the Project, and stakeholder expectations from the Project. Due to these changes, the impact assessments, management plans, and 2015 LRP needed to be updated.

This SEP and GRM were prepared taking into account the changes caused by the earthquake, to provide a mechanism for engagement and grievance redressal for the duration of the Project life cycle.

## 1.2

### *AIMS AND OBJECTIVES OF THE SEP AND GRM*

The IFC Stakeholder Engagement Handbook defines stakeholder engagement as “a means of describing a broader, more inclusive, and continuous process between a company and those potentially impacted that encompasses a range of activities and approaches and spans the entire life of a project.” The specific objectives of the SEP are:

- Identification and analysis of the stakeholder groups and their profiles, interests, issues/impacts and concerns relevant to the Project;
- Identification of specific measures to allow meaningful engagement with the different stakeholder groups in a manner that is transparent and accessible and using culturally appropriate communication methods with a specific focus on vulnerable groups;
- Allow for a relationship to be built with the various stakeholders of the Project based on mutual respect and trust;
- Facilitate adequate and timely dissemination of information to the stakeholder groups in a culturally appropriate manner;
- Provide systems for prior disclosure/dissemination of information and consultation, including seeking inputs from affected persons, incorporation of inputs, as applicable, and providing feedback to affected persons/groups on whether and how the input has been incorporated;
- Providing mechanisms for feedback and dispute resolution; and
- Providing a mechanism for documentation of the activities undertaken and the reporting and monitoring of the same.

Grievance redressal is one of the most critical components of effective stakeholder engagement. The IFC Good Practice Note on Addressing Grievances from Project Affected Communities (2009) defines a grievance as “a concern or complaint raised by an individual or a group within communities affected by company operations. Both concerns and complaints



can result from either real or perceived impacts of a company's operations, and may be filed in the same manner and handled with the same procedure." The purpose of a GRM is to provide a forum to the internal and external stakeholders to voice their concerns, queries and issues with the Project. Such a mechanism would provide the stakeholders with one Project personnel or one channel through which their queries will be channelled as well as ensure timely responses to each query. The specific objectives of the GRM are as follows:

- To allow stakeholders the opportunity to raise comments/concerns;
- To structure and manage the handling of comments, responses and grievances, and allow monitoring of the effectiveness of the mechanism; and
- To ensure that comments, responses, and grievances are handled in a fair and transparent manner, in line with the applicable reference framework.

### 1.3

#### *PRINCIPLES OF STAKEHOLDER ENGAGEMENT AND GRIEVANCE REDRESSAL*

The stakeholder engagement and grievance redressal process for the Project will be based on the following principles:

- **Transparency and fairness:** The process for grievance resolution shall be transparent, in harmony with the local culture, and in the appropriate language. It should explicitly assure potential users that the mechanism will not impede their access to other judicial or administrative remedies.
- **Accessibility and cultural appropriateness:** Every member of the community or groups should have access to the grievance procedure. Any individual or group that is directly or indirectly affected by the Project's and its contractors' activities, as well as those who may have an interest in the Project or the ability to influence its outcome, either positively or negatively, can raise a grievance. To allow all stakeholders to have access to the mechanism, the grievance redressal procedure will be made available in the local languages of Nepali and Tamang and any other language preferred by the community.
- **Meaningful Information:** As part of the engagement process, meaningful information should be disclosed to the stakeholders to allow for active and informed engagement.
- **Openness and communication regularity:** There are multiple channels available for individuals and groups to choose their preferred method of lodging grievances.
- **Channels of communication** are kept open throughout the process of addressing each grievance, and up to 3 months after the situation has been resolved.



- **Written records:** All grievances are registered on a Grievance Form, as discussed in Section 8.2.2, and tracked through to resolution.
- **Dialogue and site visits:** All grievances are considered to warrant discussions with the complainant and a site visit, if required, to gain a first-hand understanding of the nature of the concern. The purpose of the visit is to verify the validity and severity of the grievance.
- **Timely resolution:** The Project aims to resolve all grievances within 3 weeks preferably.
- **Incorporation of feedback:** The feedback received to-date from the engagement and grievance redressal process shall be incorporated into the Project and program design, and the same shall be reported back to the stakeholder.

#### 1.4 *APPLICABILITY OF THE SEP-GRM*

The SEP-GRM applies to the entire Upper Trishuli-1 Project, including any new acquisitions such as offices, camps, research and development, and associated facilities. This document is applicable to the entire life cycle of the Project with a specific focus on the implementation of the SIMF and other management plans. The SEP is a part of the larger SIMF and is to be considered as a living document, to be updated regularly based on the emerging needs and patterns for engagement with the various stakeholders.

#### 1.5 *STRUCTURE OF THE SEP AND GRM*

The remaining sections of the SEP and GRM are structured as follows:

Section 2	Brief Project understanding
Section 3	The applicable reference framework governing the SEP and GRM
Section 4	Brief review of the engagement activities undertaken thus far by the Project
Section 5	Description of the key stakeholder groups and their relative influence and impact levels
Section 6	Proposed stakeholder engagement activities
Section 7	Description of the Project's information disclosure process
Section 8	GRM for the Project
Section 9	Implementation Roles and Responsibilities, process of documentation, monitoring, and reporting

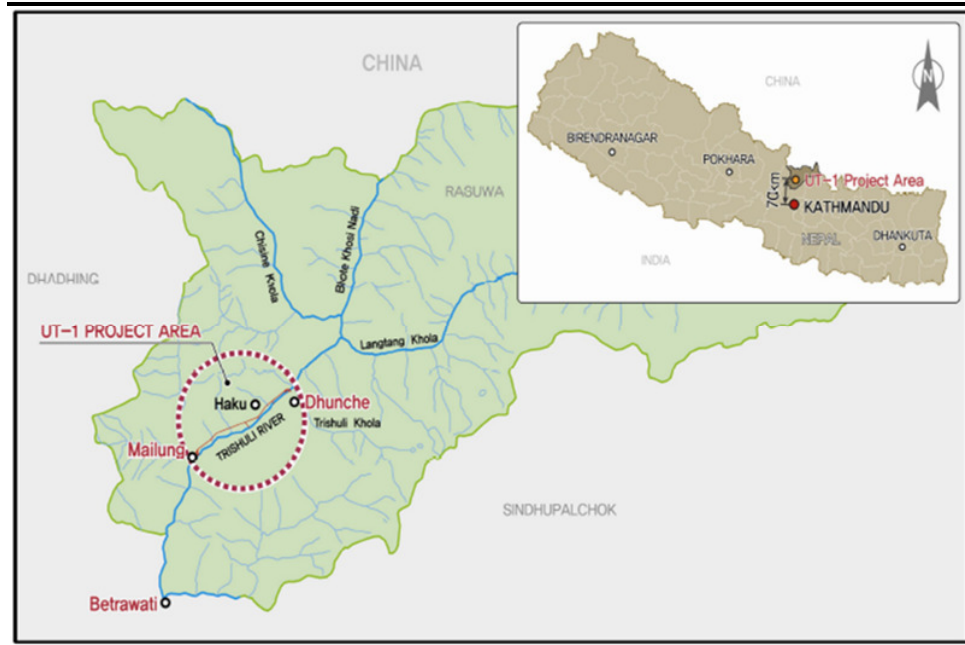
This section provides a brief description of the Project, Project background, and the AoI. This information is important for the purpose of identifying the key stakeholders for the Project, since most of the stakeholder interactions are expected to be concentrated in the Project AoI.

## 2.1

### PROJECT BACKGROUND

The Project is a 216 megawatt green field runoff- river hydropower facility to be located in the upper part of the Trishuli watershed, in the Rasuwa District in central Nepal, 50 kilometres northeast of Kathmandu, with the geographical coordinates longitude between 85°12'40"E and 85°18'03"E, and latitude between 28°04'27.50"N and 28°07'42"N (see *Figure 2.1*).

**Figure 2.1** Project Location



Source: Upper Trishuli-1 Detailed Project Report

## 2.2

### AREA OF INFLUENCE OF THE PROJECT

The Project footprint is spread across three former VDCs: Haku, Dhunche, and Ramche. Land acquisition for the Project is from eight villages (Haku Besi, Sanu Haku, Thullu Haku, Gogone, Tiru, Thanku, Mailung, and Phoolbari) from the Haku VDC. A total of 107.79 hectares of land are required for the Project. LRP provides an understanding of the land take process till date for the Project.

The introduction of the new Nepalese Constitution in 2015 was accompanied by a change in the administrative structure of the country (see *Figure 2.2*) in

keeping with this, the following wards and *Gaunpalika/ Gaupalika* are now included in the Project footprint (Table 2.1). The figure shows the Project layout in reference to both the former administrative structure and the new administrative structure.

**Table 2.1** *Change in Administrative Structure for the Project's AoI*

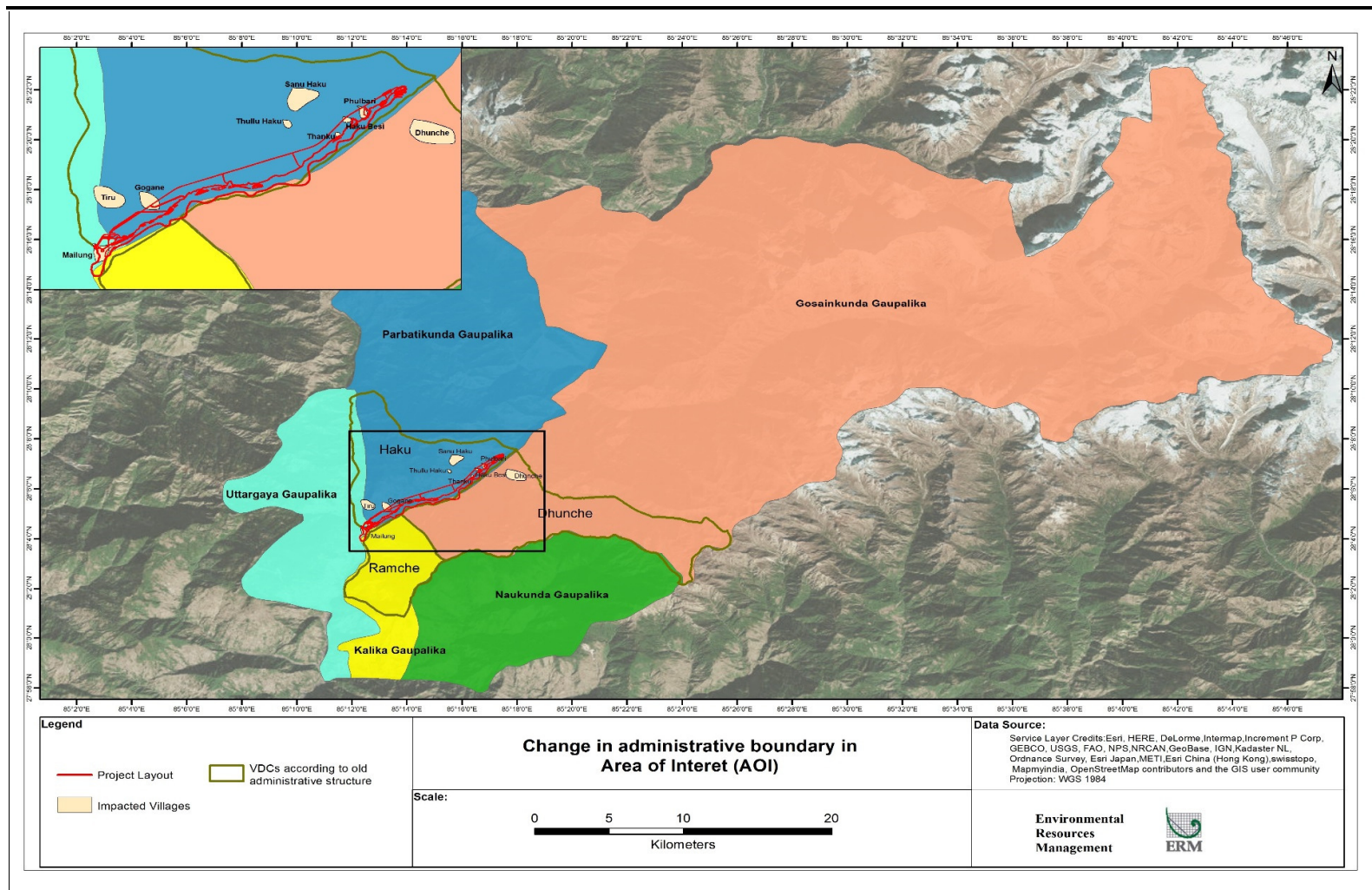
Impacted Village	Old Administrative Structure	New Administrative Structure
Haku Besi, Sanu Haku and Thullu Haku	Haku Ward number 3	Parvati Kunda Ward number 1 & 2
Gogone and Tiru	Haku Ward Number 8&9	Uttar Gaya Ward number 1
Mailung	Dadagaon Ward number 9	Uttar Gaya Ward number 1
Thanku	Haku Ward number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

Source: NWEDC

Under the previous administrative structure, the Rasuwa district was comprised of 18 VDCs, each with nine wards. However, under the new administrative structure, there are five Gaunpalikas in the Rasuwa district. Thus, while the Project footprint was previously directly affecting 3 of the 18 VDCs, it is now affecting four of the five Gaunpalikas in the Rasuwa district. Furthermore, the reorganisation of the wards within the 18 VDCs has been done in such a manner that even if the wards fall under one VDC, they may not fall under a single Gaunpalika. This results in an increase in the population within the Gaunpalikas within the Project footprint.

The AoI for this SEP and GRM is comprised of the directly affected villages and VDCs, and areas of indirect Project impacts on ecosystem services, upon which there is livelihood dependence, and associated facilities that have a land impact. The AoI as determined by the ESIA covers the three former VDCs of Haku, Dhunche, and Ramche. Certain Project benefits will be at the district and Gaunpalika level (such as the Benefit Sharing Plans); however, they are outside the scope of this Plan. Please refer to the ESIA, LRP and the Indigenous People's Development Plan for a detailed description of the Project's AoI.

Figure 2.2 Project Layout Against the Revised Administrative Structure



This section describes the requirements of the applicable reference framework for stakeholder engagement and grievance redressal, which include the following:

- Applicable national regulations;
- Applicable World Bank Group (WBG) Performance Standards (PSs);
- Asian Development Bank (ADB) Safeguards; and
- Asian Infrastructure Investment Bank's (AIIB) Environmental and Social Standards..

While this section discusses the specific requirements for public consultations and disclosure, details of the applicable reference framework for the Project are provided in the Land Acquisition and Livelihoods Restoration Plan (LALRP) for the Project.

### 3.1 APPLICABLE NATIONAL REGULATIONS

#### 3.1.1 *Convention (No. 169) Concerning Indigenous and Tribal Peoples in Independent Countries*

Article 7 of the Convention provides rights to indigenous and tribal people to decide their own priorities for the development process. However, for the national development plans and programs, it mandates engagement with indigenous and tribal people during the formulation of the plans and programs.

#### 3.1.2 *Operational Manual of Environmental Social Impact Assessment for Sub Projects Financed under the Additional Financing of the Power Development Project by the Nepal Electricity Authority*

This manual, formulated by the Nepal Electricity Authority, presents a summary of the processes, guidelines, and principles for the preparation of Environmental Impact Assessments (EIAs) for activities supported under the Nepal Power Development Project and the additional financing of the Nepal Power Development Project. In addition, the legislation has provisions for conducting EIAs for transmission and distribution lines.

While this manual is not directly applicable to the Project in question, it is being used as a guidance tool to understand the consultation and public disclosure requirements. This is important due to the fact that Nepal does not have any regulations outlining the consultation process for hydropower projects.

This manual highlights the importance of integrating the public consultation and information dissemination process across project, while identifying and accounting for vulnerable groups to ensure their participation in the process. The manual identifies public consultations and participation for the various stakeholder groups as a vital component in EIA studies, especially for hydropower projects, which according to World Bank Guidelines are categorised as Category A projects. The public participation process involves the following:

- Information dissemination, which informs stakeholders of project activities, potential impacts, and mitigation measures through the life of the project.
- Consultations, which allow the stakeholders to express their views on issues relating to the project. However, the project proponent is not required to take such views into account in the decision-making process.
- Participation, which requires shared involvement and responsibilities, and decision-making by agreed upon processes such as mediation and consensus building.

This manual requires a public hearing with the stakeholders at the local and district levels, to allow for the discussion of the EIA prepared for the project. As part of this public hearing, the project proponent is required to disclose all the information contained in the draft EIA report, while allowing for relevant comments and suggestions to be received and incorporated into the final EIA.

The manual requires the formulation of a stakeholder involvement plan before work on the EIA begins, and identifies numerous techniques to encourage stakeholder participation:

- Public hearings;
- Participation in advisory panels;
- Open house discussions;
- Interviews with stakeholder representatives;
- Questionnaires across a sample of local stakeholders; and
- Participatory appraisal techniques based on group inquiries and analysis.

The manual requires all consultations with PAFs to be documented. Furthermore, the manual requires the Resettlement Action Plan to include the following details:

- Identification of key stakeholders;
- Institutional mechanism for consultation and participation;
- Key issues raised during consultations;

- Follow-up steps after consultations;
- Proposed consultation process; and
- Information disclosure.

## 3.2 **WBG PERFORMANCE STANDARDS**

### 3.2.1 ***Performance Standard 1: Assessment and Management of Environmental and Social Risks and Impacts***

This PS recognizes stakeholder engagement as an ongoing process that involves the elements of stakeholder analysis and planning, disclosure of information, consultation and participation through the life of the project, a grievance mechanism, and ongoing reporting to the affected communities. For this, the PS requires the formulation of a Stakeholder Engagement Framework/Plan that will identify the relevant stakeholders and the engagement process. The engagement process for the project needs to include and allow for the participation of both directly impacted and indirectly impacted stakeholders and needs to be free of external manipulation and coercion.

The PS identifies relevant information to be disclosed during the engagement process throughout the life of the project:

- The purpose, nature, and scale of the project;
- The duration of the proposed project activities;
- Any risks and potential impacts on the community and the relevant mitigation measures;
- The proposed stakeholder engagement process;
- Grievance mechanism.

### 3.2.2 ***Performance Standard 5: Land Acquisition and Involuntary Resettlement***

This PS requires the project to engage with the affected communities, including disclosing relevant information and ensuring participation of stakeholders through the various stages of project life, including planning, implementation, monitoring, and evaluation of compensation, livelihood restoration activities, and resettlement. It also requires the consultation process to ensure the participation of women, and the recording of their perspectives, and the protection of their interests in the planning of the project and resettlement activities.



### 3.2.3 *Performance Standard 7: Indigenous People*

This PS identifies the need to include Indigenous People in the engagement process in a culturally appropriate manner, in keeping with the requirements of PS 1.

## 3.3 *ASIAN DEVELOPMENT BANK'S POLICIES*

### 3.3.1 *Public Communications Policy (2011)*

ADB's *Public Communications Policy (2011)* sets out disclosure requirements for various ADB activities, including Safeguard Requirements. Safeguard Requirement 2: Involuntary Resettlement (Appendix 2 of the Safeguard Policy Statement) and Safeguard Requirement 3: Indigenous Peoples (Appendix 3 of the Safeguard Policy Statement), set 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/ Initial Environmental Examination;
  - Updated EIA/Initial Environmental Examination and corrective action plan;
  - Environmental Monitoring Reports;
  - Resettlement Plan; and
  - Indigenous Peoples Plan.
- 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.

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;
- 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;

<sup>1</sup> AIIB's Environmental and Social Framework: <https://www.aiib.org/en/policies-strategies/framework-agreements/environmental-social-framework.html>

- 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.

This section describes the engagement activities undertaken so far as part of the Project, during the land procurement process, the environmental and social assessment process, and as part of the earthquake relief work. Stakeholders for this SEP and GRM were identified based on this prior engagement. Engagement activities undertaken to-date were critical for identifying stakeholders and formulating the SEP for the remaining life of the Project.

#### 4.1 CONSULTATIONS AS PART OF LAND TAKE PROCESS

The land identification and survey for the Project's powerhouse was undertaken in 2009-2010. The survey was followed by public meetings in Mailung and Gogone and meetings at Haku Besi in September and October 2012.

A few of the meetings were conducted at an individual household level. However, to complete the required number of meetings, most were conducted at the VDC level. As part of these meetings, the mutually acceptable rates for land compensation were identified.

These meetings, undertaken with land owners and other community representatives, provided Project information, the Project land requirements (including the community forest land), and the proposed entitlements in lieu of the same.

These meetings were followed by a public hearing, held in March 2013, after the completion of the pre-earthquake 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 consultations, the land owners had initially demanded a compensation rate of Nepalese Rupees (NPR) 10 lakh per ropani, which was subsequently negotiated to NPR 5 lakh per ropani.

There were certain cases where there were issues pertaining to clarity on land ownership. For issues pertaining land ownership, the Project provided the details to the District Administration Office for resolution. Their intervention facilitated the establishment of land ownership and enabled rightful compensation to the appropriate land owners after ratification of the rates through the Compensation Fixation Committee. The Project's land take (tenancy rights transfer) was undertaken on the basis of negotiated settlements with the tenancy right holders.

The first negotiation for private land rates took place in Mailung. Per the records made available, two formal meetings were conducted over Guthi land. NWEDC representatives and Haku Besi villagers (Ward nos. 7 & 3) met on 19

January 2013 to agree on rates and terms of transfer of the tenancy rights. Subsequently, a meeting was held at the NWEDC head office in Nakshal, Kathmandu. Guthi land tenants of Haku Besi and the NWEDC attended the meeting (16 villagers were present).

Subsequent to the meetings and the agreed rates, the monetised value of the tenancy rights was transferred to the accounts of the former tenants.

## 4.2

### *ENGAGEMENT UNDERTAKEN AS PART OF THE ESIA PROCESS*

The key engagement activities undertaken as part of the impact assessment process pertain to public meetings, consultations, and surveys as discussed below:

- **Public Meetings, 2012:** In September and October, public meetings with various local stakeholders (including land owners and community representatives), were held in Mailung, Haku Besi, and Gogone. As part of the meetings, information regarding the Project was disclosed, including the capacity of the Project, the location of key facilities, and the land requirements, including community forest land, and potential benefits to the community in terms of compensation, employment, and training. The compensation rates for the land to be procured were also discussed.
- **Public Meetings, 2013:** Consultations and negotiations with land owners were carried out in February once the measurements of private land required were complete. A public hearing was held in March after the completion of the EIA study to provide a current description of the Project and to finalize the compensation amounts for the land purchase. Reportedly, during the public hearing, the community land owners were promised jobs, shares in the Project, training, as well as community benefits, such as development of a road and a school for the community. Land owners had earlier demanded a compensation rate of NPR 10 lakh per ropani; however this was negotiated down to NPR 5 lakh per ropani. As part of the meeting, the final compensation package was agreed upon with the community and documented with signed agreements. Apart from these consultations, meetings were also undertaken with the District Administration Office, Forest Department, and the Survey Department to finalize the compensation rates and the land procurement process.
- **Supplemental ESIA, 2014:** In addition to the public meetings, the Project also engaged with the community as part of the Supplemental ESIA process through consultations and household surveys of the land owners and the local community. The purpose of these consultations and surveys was to develop a socioeconomic baseline of the Project area, to predict potential impacts on the community due to Project activities, and to document the community's perception of the Project and its activities.

In addition to the consultations undertaken during the EIA and Cumulative ESIA process, consultations were also undertaken as part of the LRP process. The LRP involved consultations with the key stakeholder groups identified through the engagements carried out during the land procurement and impact assessment processes.

**Figure 4.1** *Engagement Undertaken as Part of the LRP Process*



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 and utilization of the compensation; and
- The possible livelihood restoration activities that can be introduced.

Table 4.1 provides a list of the consultations undertaken and their purpose.

**Table 4.1** *Stakeholder Consultations Undertaken Prior to the Earthquake*

S. No	Stakeholder Group	Village/ VDC	Date	Number of Participants	Purpose
1	Community Forestry User Group	Mailung	18-11-2014	2	Understand the working of the CFUGS, the impact of the Project on the Guthi land, and the compensation paid
2	Jan Sarokar Samiti	Mailung	11-01-2015	2	Develop an understanding of the Jan Sarokar Samiti for the Project

S. No	Stakeholder Group	Village/ VDC	Date	Number of Participants	Purpose
3	Community Forestry User Group	Haku Besi	13-1-2015	22	Develop an understanding of the working of the CFUGS, the impact of the Project on the Guthi land, and the compensation paid
4	Tamangs	Haku Besi	12-01-2015	18	Understand the socioeconomic profile of the indigenous group, their relationship with other communities, the impacts, and expectations from the Project
5	Women	Haku Besi	13-01-2015	11	Understand the socioeconomic status of women, their understanding and expectations of the Project, and its potential impacts
6	Tamangs	Haku Besi	13-01-2015	4	Understand the socioeconomic profile of the indigenous group, their relationship with other communities, the impacts, and expectations from the Project
7	Youth	Haku Besi	14-01-2015	16	Understand the perception of the stakeholder group in regards to the Project and their expectations and the changing socioeconomic profile of the villages
8	Women	Mailung	10-02-2015	3	Understand the socioeconomic status of women, their understanding and expectations of the Project, and its potential impacts
9	Women	Mailung	11-02-2015	2	Understand the socioeconomic status of women, their understanding and expectations of the Project, and its potential impacts
10	Forest Department	Mailung	12-02-2015	1	Understand the community forest diversion related permission, on ground implementation, and other community forest related issues
11	Fishing Group	Karakchapul	12-02-2015	3	Understand the nature of the fishing activities in the area and the potential impacts of the Project and the possible mitigation/compensation measures that can be put in place
12	Community Forest User Group	Mailung	12-02-2015	1	Understand the working of the CFUGS, the impact of the Project on the Guthi land, and the compensation paid



S. No	Stakeholder Group	Village/ VDC	Date	Number of Participants	Purpose
13	Assistant Chief District Officer	Dhunche	12-02-2015	1	Understand the land acquisition process in the district and the role of the government, and the policy towards the hydropower projects
14	Senior Agriculture Development Officer	Dhunche	12-02-2015	3	Understand agricultural activities in the district, the government programs and schemes being implemented, and the identification of potential programs/activities that can be undertaken in collaboration with the project proponents
15	Mapi Department	Dhunche	13-02-2015	1	Understand the land survey process for the private purchase
16	Malpot Department	Dhunche	13-02-2015	1	Understand the role of the department in the land survey and transaction

#### 4.4

#### *APPOINTMENT OF COMMUNITY LIAISON OFFICER*

The SEP-GRM prepared in 2015 suggested hiring Community Liaison Officers (CLOs) to carry out the engagement activities with the PAFs. The Project hired two CLOs in 2015, which are stationed at Dhunche, one of which is a member of a PAF. These CLOs serve as the local point of contact between the Project and the PAFs and play an important role in the implementation of the stakeholder engagement process and the LALRP.

#### 4.5

#### *ENGAGEMENT UNDERTAKEN BY NWEDC WITH PAFs*

As described in Section 1.1, Nepal was struck by a 7.8 to 8.1 magnitude earthquake (known as the Gorkha Earthquake) on 25 April 2015. The Rasuwa District, where the Project is located, was one of the worst affected areas. The earthquake damaged more than 80 percent of the houses in the Project footprint area (three VDCs accounting for about 500 households), resulting in more than 200 deaths in the area (43 at the Project site). The access road to the Project site was also damaged.

As a stakeholder in the region, the Project proactively engaged with the local community to provide relief and rehabilitation support to the earthquake-affected communities. As part of this engagement exercise, and in partnership with the local government and community-based organizations, the Project undertook immediate interventions post-earthquake and long-term interventions in the form of relief activities. NWEDC's immediate interventions included providing evacuation support and relief to the stranded local community, as well as:

- Aid in search and rescue operations in Mailung, Gogone, Tiru, and Haku VDCs, through which they rescued approximately 67 injured locals via helicopters;
- Immediate relief in the form of food, tarpaulin sheets, blankets, toilet pans, and utensils;
- Distribution of Corrugated Galvanised Iron (CGI) Sheets (1555.73 tonnes) and bamboo (eight 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 1,452 litres of cooking oil);
- Medical health camps and medicine support;
- Distribution of warm clothes to school children in the Haku VDC;
- Drinking water, water tanks, and pipes; and
- Contribution of \$50,000 USD as support for relief and rehabilitation of quake victims to the Nepali Ambassador in Seoul by Korea South East Power Co. Ltd.

This relief support was focused on the villages of Mailung, Gogone, and Tiru, which were more severely impacted. Relief support priority was given to the elderly, disabled, and injured people. As part of these relief activities, no differentiation was made between the Project-affected households and the local community in the VDCs.

#### 4.6

#### ***ENGAGEMENT UNDERTAKEN AS PART OF THE GAP ASSESSMENT PROCESS - 2016***

In 2016, ERM was recruited to undertake an Environmental and Social (E&S) gap analysis and status assessment of the Project and the AoI, in the post-earthquake scenario. One of the key activities undertaken as part of this assessment were consultations with internal and external stakeholders (see Table 4.2).

**Table 4.2** *Gap Assessment Stakeholder Consultations Undertaken Post-Earthquake*

S. No	Stakeholder Group	Location	Date	Key Issues
1.	NWEDC	Kathmandu	3 and 4 April 2016	<ul style="list-style-type: none"> <li>• Additional studies being undertaken by NWEDC post-earthquake</li> <li>• Possible Project design changes resultant from the earthquake and otherwise</li> <li>• Status of Environmental and Social Management System for the Project, existing proposed organisational structure for implementation of the Environmental and Social Management Plan and Health and Safety (HSE) plan for the Project</li> <li>• Additional baseline studies being presently undertaken;</li> <li>• Status and understanding of the various relief activities being undertaken by the Project in IDP camps</li> </ul>
2.	Local Community	Mailung	5 April 2016	<ul style="list-style-type: none"> <li>• Understanding of the impacts from the earthquake</li> <li>• Status and understanding of the various relief activities being undertaken by the Project, nongovernmental organizations (NGOs), and government in IDP camps</li> <li>• Change in socioeconomic baseline in the area post-earthquake, in terms of social structure, livelihoods, and access to infrastructure and services</li> <li>• Key concerns of the local community in the post-earthquake scenario</li> <li>• Key expectations of the community from the Project and the government</li> </ul>
3.	Local Community, in IDP Camp,	Naubise	5 April 2016	
4.	Local Community, in IDP Camp	Bogetitar	6 April 2016	
5.	Land Owners in IDP Camps	Across IDP camps	6 April 2016	
6.	Local Community, in IDP Camp	Farm Camp	7 April 2016	
7.	Local Community, in IDP Camp	Kebutol	7 April 2016	
8.	Local Community, in IDP Camp	Pradhikaran	7 April 2016	<ul style="list-style-type: none"> <li>• Understanding of the proposed design changes in keeping with the health and safety, and environmental, and social concerns, as well as from a risk perspective</li> </ul>
9.	Saman (Design Engineers)	Dhunche	6 April 2016	
10.	Agriculture Department	Dhunche	7 April 2016	<ul style="list-style-type: none"> <li>• Status and understanding of the relief work and support being provided by the department to the affected communities</li> <li>• Discussion on the possibility of involving the department in the implementation of the mitigation measures to be identified as part of the gap assessment</li> </ul>

S. No	Stakeholder Group	Location	Date	Key Issues
11.	Assistant Chief District Officer	Dhunche	7 April 2016	<ul style="list-style-type: none"> <li>• A discussion on the relief work being undertaken in the district</li> <li>• A discussion on the possibility of the affected communities returning to their villages, in keeping with the health and safety concerns</li> <li>• An understanding of the government's position and plans on the resettlement of the affected communities and the possible way forward</li> </ul>
12.	Forest Department	Dhunche	7 April 2016	<ul style="list-style-type: none"> <li>• The impact of the earthquake on the forest area, especially in terms of landslides</li> <li>• The impact from the earthquake in the Project area</li> <li>• The impact on biodiversity within the national park post the earthquake</li> </ul>
13.	Forest Ranger, Lantang National Park	Dhunche	8 April 2016	<ul style="list-style-type: none"> <li>• The impact of the earthquake on the forest habitat</li> <li>• Impact on biodiversity in the forest area post the earthquake</li> <li>• The measures to be taken by the department in view of the dewatering of a stretch of the river due to the Project</li> </ul>
14.	NGO, Samaritan Trust	Dhunche	7 April 2016	<ul style="list-style-type: none"> <li>• Status of the various relief activities being undertaken by the NGOs and government in IDP camps</li> <li>• Change in socioeconomic baseline in the area post the earthquake, in terms of social structure, livelihoods and access to infrastructure and services</li> <li>• Key concerns of the local community in the post-earthquake scenario</li> <li>• Key expectations of the community from the Project and the government</li> <li>• Future activities planned by NGOs in the IDP camps</li> <li>• Discussion on the possibility of the Project partnering with the NGOs in the implementation of the mitigation measures to be identified as part of the gap assessment</li> </ul>
15.	NGO Manekor	Dhunche	8 April 2016	
16.	NGO Karuna	Dhunche	8 April 2016	
17.	NGO Lali Guras Samudayak Development Chamber	Dhunche	8 April 2016	
18.	NGO Parivartan	Dhunche	8 April 2016	

As part of the LALRP formulation process in 2017, focus group discussions (FGDs) and key informant interviews were undertaken with certain key stakeholder groups. These discussions and interviews were aimed at supplementing and triangulating the information from the PAF survey and collecting additional qualitative data on certain key areas, such as NGO activity in the area, livelihood restoration mechanisms, etc.

**Figure 4.2** *Stakeholder Engagement Activities Undertaken as Part of LALRP*



Source: ERM site visit, 2017

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

**Table 4.3** *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 April 2017	Discussion on the activities of the organizations in the post-earthquake scenario, and the key learnings/take-aways
2.		LaCCos	12 April 2017	
3.		Lumanti	11 May 2017	
4.	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
5.		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
6.		Department of Urban Development & Building Construction	5 May 2017	Discussion on the overall reconstruction process and the designs approved by the government

S. No	Stakeholder Group	Group Representatives	Date	Summary of Consultations Undertaken
7.		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
8.		Veterinary Department	5 May 2017	
9.		Chief District Officer	12 April 2017	
10.		Cottage Industry Department	5 May 2017	
11.	Local Community/ PAFs	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>
12.		Women Group from Haku VDC	5 May 2017	
13.		Tamang Women Group from Satbise	1 May 2017	
14.		Mixed group in Nuabise	8 May 2017	
15.		Mixed group in Bogetitar	7 May 2017	
16.		Mixed Youth Group	29 April 2017	
17.		Mixed Group from Farm Camp	12 April 2017	
18.		Women Shop Owner in Nuabise	8 May 2017	
19.		Women Shop Owner in Nuabise	8 May 2017	
20.		Mixed Group in Khalde	13 April 2017	
21.		Key Informant Interview, local Politician in Nuabise	13 April 2017	
22.		Key Informant Interview, women returned after Foreign Employment	2 May 2017	
23.		Men Group in Mailung	14 April 2017	
24.		Men Group from Haku VDC	6 May 2017	

#### 4.7.1

#### *Key Feedback Received During Stakeholder Consultations*

Based on these consultations undertaken for the LALRP, the following are some of the key feedback or areas of concern:

- **Access to Relief Support**
  - One of the key feedbacks from the local community residing in IDP camps was the difference in access to relief support across the camps. It was reported that due to interventions of local political leaders, IDP camps such as Nuabise and Bogetitar received most of the relief support from numerous NGOs/international NGOs (INGOs). However, camps such as Satbise, with no strong political leader, did not receive any relief support from any NGO/INGO. Another reason

Satbise did not receive relief support was that while the residents of the IDP camps are from Rasuwa district, the camp is located in Nuwakot district. As there was a demarcation of NGOs/INGOs according to districts, Satbise did not receive support from NGOs operating in Rasuwa, which had the maximum concentration of NGOs. As a result, residents of the Nuabise and Bogetitar camps have received multiple trainings/relief support, while the residents of Satbise did not receive any.

- **Issues related to Housing**

- Local community representatives reported various issues associated with residing in IDP camps and the uncertainty associated with their residence. These issues included lack of space, health and sanitation issues, as well as the inability to establish a stable source of livelihood. According to community representatives, 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) due to the lack of space and uncertainty of the duration of stay in IDP camps.
- The community is mostly concerned about the housing issue and is uncertain of next steps. Although some of the community leaders are aware of the current developments, they have an expectation that the company will also do something about housing issue.

- **Key Learnings from Trainings Received**

- Another important feedback from the community was the reason for the failure of poultry farming for most households. According to the information made available, a number of households were provided with a basic poultry farming training and 200 chicks for starting their own farm. However, most of the households did not have an adequate understanding of the kind of diseases prevalent in poultry and the process of vaccination. As a result of this, most of the chicks died within the first few months. Very few households who had prior knowledge and experience were able to sustain their holdings. Furthermore, poultry farming requires a consistent supply of electricity, which is not always available in the IDP camps and villages. This also makes sustaining poultry farms in areas of residence difficult. According to the discussion with the women groups, most of the trainings provided to women were 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>2</sup> no market linkage was provided as part of the training. This resulted in most of the women, only using the skills obtained from the training sporadically, and for mostly for meeting household needs.

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<sup>2</sup> Pangi is a traditional woolen apron worn by Tamang women. This apron is also a symbol of the women's marital status.



- 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 reportedly 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 due to completion of the post-earthquake reconstruction activities. Also, the masonry training did not include working with cement and concrete, only with local material, which has limited their opportunity in urban areas.
- Another important feedback provided by the community was that many of the local community residents took trainings without fully understanding the skill and its 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.
- **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 reportedly 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 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.
- **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 sellers or tenants on Guthi land) reside in the Haku VDC and in other IDP camps, they do not participate in the meetings of Sarokar samiti. While they have lost the land, there is no preferential treatment for PAFs in getting the benefits in the Project.
- 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. It was mentioned that half of it was paid with NWEDC intervention, but a part of it is still pending. It was highlighted as a major concern that it will become a critical issue in the future, as the daily wage is one of the key sources of income for the family. Without a 7-day or 15-day payment cycle, it will become difficult for the PAFs to become engaged in the construction work.
- PAFs mostly responded that they do not see a major challenge with the influx of workers since there has been a good relationship with them in the past. They feel that the labourers will buy from the locals; however they are concerned that wage rates will be reduced because of the influx of the workers from outside.

#### 4.7.2 *NGO/CSO Feedback/Perception for the project*

In addition to the above mentioned feedback, received as part of the LRP process, The Lawyer's Association for Human Rights of Nepalese Indigenous Peoples has undertaken a study on the project and provided certain feedback on the project activities and impacts. This study is primarily based on the studies/ reports prepared for the project prior to 2015, and information made available by the local community during consultations undertaken by the organization's representatives. The following bullet points summarize the key observations made in the report:

- Engagement and Representation

- The engagement activities undertaken as part of the regulatory impact assessment and supplementary ESIA process have primarily been in Nepali language, while most local community speaks Tamang;
- The project has not undertaken adequate information disclosure for the project, to allow the community to understand the project activities and potential impacts. Also, no FPIC process has been undertaken for the project;
- The engagement activities undertaken for the project thus far (prior to 2015) did not allow for adequate participation of women or vulnerable Indigenous People PAFs;
- While coordination committees have been formed by the local community, the concerns raised by these have not been adequately addressed by the project. Furthermore, there are reports of the committees being politicized and dominated by certain groups, which did not allow for the voices of the vulnerable groups to be adequately heard;
- Land Acquisition, Impact and Compensation Process
  - There are reports of compensation not being paid by the project for impact on structures and standing crops/ trees/medicinal plants. Also, as part of the land take process, the PAFs were reported to not have been made aware of their rights and entitlements. This did not allow them to properly negotiate for their rights;
  - PAFs were provided assurances of receiving employment and houses by the project, however, these were not met;
  - No Land Acquisition and Livelihood Restoration Plan was formulated for the project. The project also did not provide any financial literacy training to the PAFs, to allow them to better manage the compensation amount received
  - The assessments reports for the project thus far (prior to 2015) did not identify the number of PAFs to be impacted by loss of community forests or due to project activities in the Gumchet settlement;
  - The assessments reports for the project thus far (prior to 2015) did not identify any compensation or mitigation measures for the project's impacts on natural resources, in terms of use of river for various purposes such as drinking, cattle grazing, bathing, washing, water mills, irrigation, fishing, recreation, cremation (Dalits);
- Earthquake Impacts and Relief Support
  - The PAFs are reportedly of the opinion that the impacts of the earthquake on the Project AoI were enhanced due to the project activities;
  - No follow up studies post-earthquake were undertaken by the project to assess damages or impacts and earthquake resilience;

- While the project provided relief support of reportedly \$400,000, the same was used without consulting with the PAFs. As a result, the money was used to buy provisions, instead of alternative land. It is reported that many PAFs refused to accept this support from the project.

The project aims to address most of these concerns/observations raised by the organization through the Summary ESIA and SIMF formulated for the project and the Free Prior Informed Consent (FPIC) process to be undertaken.

#### 4.8

#### *COMMUNITY PERCEPTION AND FEEDBACK*

Project engagement with the local community and external stakeholders has been characterised by regular communication and interaction with the relevant stakeholders. Through this engagement, the Project has attempted to ensure timely dissemination of relevant information to the stakeholders in terms of Project activities, potential impacts from the same and the mitigation measures proposed.

Wherever relevant, feedback and input has also been sought from the community in terms of their expectations and concerns, especially so in terms of the land take process and entitlements identified as part of the livelihood restoration process. This engagement has been undertaken in a keeping with the formal legal process through public hearings, as well as through consultations as part of the environmental and social assessment process since the Project inception. To the extent possible, this feedback and other input has been incorporated into the management plans and Project activities.

According to the information available, while the community and other stakeholders may have some concerns regarding the Project, the overall perception is positive. The community views the Project as a source of local development in the area, primarily through the construction of the access road and employment opportunity generation. The community is aware of the benefit-sharing requirements of the legal framework and is aware of other projects where the impacted districts and VDCs have been given access to benefits in the form of electrification, jobs, royalties, and shares. These relations were further strengthened by the earthquake relief and reconstruction efforts and linked social engagement efforts by the Project.

This understanding of the engagement activities already undertaken by the Project, the key feedback and concerns of the local community towards the Project has informed the following stakeholder identification and analysis process.

This section provides an analysis of the stakeholders identified for the Project based on the land procurement, impact assessment, and LRP process. The stakeholder analysis for this SEP identifies the individuals or groups that are likely to be impacted by Project activities and groups them based on the significance of the impact/influence. This information is then used to formulate the SEP and assess the manner in which the interests of the stakeholders should be addressed during the Project life cycle.

### 5.1 STAKEHOLDER IDENTIFICATION AND CATEGORIZATION

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”. Stakeholders who are likely to be directly impacted or have a direct impact on the Project activities are known as **Primary Stakeholders**, while those who are likely to have an indirect impact or are to be indirectly impacted are known as **Secondary Stakeholders**.

**Table 5.1 Stakeholder Group Categorisation**

Stakeholder Group	Primary Stakeholders	Secondary Stakeholders
Community	<ul style="list-style-type: none"> <li>Project Affected Families and People</li> <li>Vulnerable Groups</li> <li>Local Community in AoI</li> </ul>	<ul style="list-style-type: none"> <li>Local Community Leaders</li> </ul>
Institutional Stakeholders	<ul style="list-style-type: none"> <li>SIMF Implementation Partners and NGOs</li> </ul>	<ul style="list-style-type: none"> <li>Project Financing Agencies</li> <li>Gaon Palika/VDC Institutions</li> <li>Jan Sarokar Samiti</li> </ul>
Government Bodies	<ul style="list-style-type: none"> <li>Regulatory Authorities</li> </ul>	<ul style="list-style-type: none"> <li>District Administration</li> <li>Government Bodies working on Community Development Activities</li> </ul>
Other Groups	<ul style="list-style-type: none"> <li>Engineering, procurement, and construction contractors and sub-contractors</li> </ul>	<ul style="list-style-type: none"> <li>Local Political Groups</li> <li>Media</li> <li>NGOs/CSOs active in the area</li> </ul>

### 5.2 STAKEHOLDER MAPPING

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 categorised 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 5.2**      *Stakeholder Significance and Engagement Requirement*

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

Table 5.3 provides a brief profile of the various stakeholders identified, along with their key concerns in terms of the Project activities and their level of significance.

**Table 5.3 Stakeholder Mapping**

Stakeholder Group	Profile of the Stakeholder Group	Impact/Influence of the Project on this Stakeholder Group	Impact/Influence of the Stakeholder Group on the Project	Expectations and Concerns	Magnitude of Impact/ Influence	Stakeholder Significance
Primary Stakeholders						
Project Affected Families	<ul style="list-style-type: none"> <li>This stakeholder group comprises of the 142 PAFs identified as the households who are directly or indirectly impacted by the project land take process.</li> <li>These 142 PAFs are comprised of 604 individuals, known as Project Affected People.</li> <li>These PAFs are comprised of households from the villages of Gogone, Tiru, Mailung, Haku Besi, Thanku and Phoolbari in the Haku VDC.</li> </ul>	<ul style="list-style-type: none"> <li>This stakeholder group constitutes the most important stakeholder group as they have lost land to the Project, which was the primary source of their livelihood.</li> <li>The Project had compensated the PAFs with a rate of NPR 5 lakhs per ropani, but the sub-divisions in the family and earthquake has nullified the compensation amount received by some families.</li> <li>The Project can impact the PAFs by training them on the right skills and connecting them to livelihood opportunities / income generating activities in keeping with the various management plans formulated as part of the SIMF for the Project</li> </ul>	<ul style="list-style-type: none"> <li>This stakeholder group shall play a critical role in the formation of public opinion towards the Project and allowing for the smooth functioning of the Project.</li> <li>This stakeholder group may be used as local resources as construction labourers, masons, drivers, etc. during the construction phase of the Project.</li> <li>Members of these stakeholder groups can provide services/ goods required for the construction of the Project like truck services, petty contractors, suppliers of construction materials, etc.</li> <li>Using local resources/ services will also help the Project to fulfil the requirements stated in the PDA.</li> </ul>	<p>The members of the PAFs have high expectations from the Project in terms of opportunities for livelihood generation and community development. Some of the key expectations include:</p> <ul style="list-style-type: none"> <li>Timely disclosure of information regarding the Project in terms of details and timelines of implementation of plans formulated;</li> <li>Clarity on initiation of construction activities and on employment (permanent or contractual) opportunities with the Project;</li> <li>Timely payment for any work which includes labour involvement;</li> <li>Support in terms of market linkages for existing skill set and livelihood enhancement measures, as a part of the SIMF;</li> <li>Support in establishing business enterprises and their linkage with the Project for sale of goods/ services;</li> <li>Benefit sharing as per the PDA in terms of skill and employment, rural electrification, equity shares, infrastructural development; and</li> <li>Access to the GRM established for the Project.</li> </ul>	<p>Impact of Project on Stakeholder: Large</p> <p>Influence of Stakeholder on Project: Medium</p>	Urgent
Vulnerable Groups	<p>This stakeholder group comprises of those PAFs who may be disproportionately impacted by the Project due to their socio-cultural and economic status. it should be noted that there is a certain level of vulnerability associated with all the PAFs, due to their pre-earthquake socio-economic status and the impacts of the earthquake on shelter and livelihoods. However, within this larger group, there are those who are disproportionately impacted. This group is comprised of the following:</p> <ul style="list-style-type: none"> <li>Those without any potential source of income</li> <li>Those without any productive agricultural land</li> <li>Physically or mentally disabled</li> <li>Elderly couples/ single member households without support</li> <li>Single women headed households</li> </ul>	<ul style="list-style-type: none"> <li>The Project can positively impact this group by assigning priority to them for employment opportunities with the Project and during LRP implementation.</li> <li>It is expected that any intervention by the Project which is focused on them will result in an significant improvement in the living standards of this stakeholder group due to their present status</li> </ul>	<ul style="list-style-type: none"> <li>This stakeholder group cannot exert much influence on the Project, owing to its socioeconomic status</li> </ul>	<ul style="list-style-type: none"> <li>Apart from the expectations and concerns identified for the impacted PAFs, this stakeholder group's primary expectation pertains to preferential treatment in the implementation of SIMF.</li> <li>This preferential treatment may involve priority in suitable employment opportunities, skill based trainings followed by employment with Project (if unskilled or not appropriately skilled), provision of cash based support, wherever applicable, etc.</li> </ul>	<p>Impact of Project on Stakeholder: Large</p> <p>Influence of Stakeholder on Project: Low</p>	Moderate
Local Community in AoI	<ul style="list-style-type: none"> <li>This stakeholder group is comprised of the local population in the three VDCs touched by the Project boundaries, which is not expected to be directly impacted by the Project activities but may be impacted indirectly.</li> <li>The three VDCs are characterised by a total population of 1,646 households and 7,181 individuals.</li> </ul>	<ul style="list-style-type: none"> <li>This stakeholder group has been impacted by the Project in terms of the loss of common property resources and natural resources due to land take by the Project and by the development of the Project in the area.</li> <li>This stakeholder group may benefit during the construction phase of the Project, where they can get better business opportunities on account of influx of population (contractors and labourers); hence greater demand for their products/ services.</li> <li>This stakeholder group is expected to benefit from the implementation of the benefit sharing provisions of the SIMF.</li> <li>The stakeholder group may be adversely impacted by the Project in terms of community health and safety impacts of Project activities.</li> </ul>	<ul style="list-style-type: none"> <li>This stakeholder group shall play a critical role in the formation of public opinion towards the Project and allowing for the smooth functioning of the Project.</li> <li>This stakeholder group may be used as local resources as construction labourers, masons, drivers, etc. during the construction phase of the Project.</li> <li>Members of these stakeholder groups can provide services/ goods required for the construction of the Project like truck services, petty contractors, suppliers of construction materials, etc.</li> <li>Using local resources/ services will also help the Project to fulfil the requirements stated in the PDA.</li> </ul>	<p>The key expectations of the stakeholder group from the Project include:</p> <ul style="list-style-type: none"> <li>Completion of Project activities keeping in mind community health and safety.</li> <li>Adequate and timely communication of Project information, in terms of timelines of key activities and their potential impacts.</li> <li>Access to the GRM established for the Project.</li> <li>Benefit sharing as per the PDA in terms of skill and employment, rural electrification, equity shares, infrastructural development.</li> <li>Access to community development benefits, in keeping with the requirements of the applicable reference framework.</li> </ul>	<p>Impact of Project on Stakeholder: Large</p> <p>Influence of Stakeholder on Project: Medium</p>	Urgent



Stakeholder Group	Profile of the Stakeholder Group	Impact/Influence of the Project on this Stakeholder Group	Impact/Influence of the Stakeholder Group on the Project	Expectations and Concerns	Magnitude of Impact/ Influence	Stakeholder Significance
SIMF Implementation Partners and NGOs	<ul style="list-style-type: none"> <li>This stakeholder group is comprised of the NGOs and third-party livelihood restoration experts who will be engaged for implementing the plans formulated as part of the SIMF for the Project.</li> <li>This implementation partner will collaborate with other NGOs, which would be assisting with the various entitlements identified in the LALRP.</li> </ul>	<ul style="list-style-type: none"> <li>The project will provide sustained business opportunity to this group for a long period.</li> <li>Timely provision of information and resources by the project is critical for performance of this stakeholder group.</li> <li>Adequate planning and budget allocation will be imperative for the smooth implementation of the plans formulated, which in turn may have an impact on the community's perception of the NGO.</li> </ul>	<ul style="list-style-type: none"> <li>This stakeholder group is critical for the smooth functioning and timely implementation of the management plans formulated.</li> <li>The manner of functioning of this group on ground will influence the opinions of the local stakeholders about the project.</li> </ul>	<p>The key expectations of the stakeholder group from the project pertain to:</p> <ul style="list-style-type: none"> <li>Timely and complete provisioning of information pertaining to the LALRP, its objectives, components and implementation process.</li> <li>Timely provision of financial resources and support from NWEDC for the implementation of the management plans.</li> <li>Timely provision of information and update on the commencement of the construction activities and the implications on the management plan implementation.</li> </ul>	<p>Impact of Project on Stakeholder: Medium</p> <p>Influence of Stakeholder on Project: High</p>	Urgent
Regulatory Authorities	<ul style="list-style-type: none"> <li>This group is comprised of the regulatory authorities at the district and national level that are responsible for various permits and licenses pertaining to the project.</li> </ul>	<ul style="list-style-type: none"> <li>The impact of the Project on this stakeholder group will be negligible as it is one of the projects being implemented in the district and the country.</li> </ul>	<ul style="list-style-type: none"> <li>This stakeholder group is high in priority as this group provides the permits and licenses essential for the functioning of the project.</li> <li>This stakeholder group can result in Project shut down or stoppage for a few days and/ or penalties and fines being levied on the Project.</li> </ul>	<ul style="list-style-type: none"> <li>The main expectation of the Regulatory Authorities from the Project Proponents is abidance to all applicable guidelines, policies and laws.</li> </ul>	<p>Impact of Project on Stakeholder: Small</p> <p>Influence of Stakeholder on Project: High</p>	Moderate
EPC Contractors and other sub-contractors	<ul style="list-style-type: none"> <li>This stakeholder group comprises of the contractors involved in the project.</li> <li>The main EPC contractor for the project is Daelim Kyeryong Industrial Co Ltd.</li> <li>There are 7 main packages of contract being awarded</li> <li>The EPC contractors will in turn sub contract parts of the scope of work to local, national and international sub-contractors</li> </ul>	<ul style="list-style-type: none"> <li>The project provides a sustained business opportunity to this group in the area</li> <li>The project will thus provide an entry point into the district to the EPC contractors</li> </ul>	<ul style="list-style-type: none"> <li>This stakeholder group is critical for the smooth functioning and timely implementation of the project;</li> <li>This group may also play an important role in the formation of public opinion towards the project.</li> <li>This group will be a stakeholder in the implementation of the benefit sharing plans formulated for the project.</li> </ul>	<ul style="list-style-type: none"> <li>Clear communication in terms of tasks, roles and responsibilities and timelines for the project;</li> <li>Undertaking project activities in keeping with the contractual agreements and applicable regulations in place;</li> <li>Timely payment of dues; and</li> <li>Adequate provision for the health and safety of the personnel on the project.</li> </ul>	<p>Impact of Project on Stakeholder: Medium</p> <p>Influence of Stakeholder on Project: High</p>	Urgent
Secondary Stakeholders						
Local Community Leaders	<ul style="list-style-type: none"> <li>This stakeholder group is comprised of those individuals in the community who hold traditional or rational power.</li> </ul>	<ul style="list-style-type: none"> <li>The impacts of the project on this stakeholder group will be similar and comparable to that on the local community in the AoI.</li> </ul>	<ul style="list-style-type: none"> <li>This group thus has the ability to influence the perception of the community in regards to the project and its activities.</li> </ul>	<p>The main expectations and concerns of this stakeholder group from the project are as follows:</p> <ul style="list-style-type: none"> <li>Completion of project activities keeping in mind community health and safety;</li> <li>Adequate communication of project information, in terms of timelines of key activities and their potential impacts; and</li> <li>Access to the GRM established for the project.</li> </ul>	<p>Impact of Project on Stakeholder: Large</p> <p>Influence of Stakeholder on Project: Medium</p>	Urgent
Project Financing Agencies	<ul style="list-style-type: none"> <li>This stakeholder group is comprised of the financing agencies who are exploring an investment opportunity in the project.</li> <li>Together with the IFC, this project is likely to be eventually considered for financing by a group of financial institutions consisting of ADB, the Dutch Development Bank, the Export-Import Bank of Korea, the German Investment Corporation, Korean Development Bank, Proparco, and other lenders to be designated, as well as potential Guarantees from World Bank and MIGA.</li> </ul>	<ul style="list-style-type: none"> <li>The influence of the project on the stakeholder group will primarily pertain to the impact the project's performance will have on the agency's public opinion in the local area, country and international arena.</li> </ul>	<ul style="list-style-type: none"> <li>This stakeholder group's influence on the project will primarily pertain to the determination of the project's financial feasibility.</li> <li>In addition to the national rules and regulations, the project is required to comply with the internal standards of these financial institutions.</li> </ul>	<p>The main expectations and concerns of this stakeholder group from the project are as follows:</p> <ul style="list-style-type: none"> <li>Timely completion of the project activities; and</li> <li>Ensuring that the project is in compliance to the applicable reference framework, especially in terms of health and safety, environmental management, vulnerable groups; including women and Indigenous population and disclosure of information.</li> </ul>	<p>Impact of Project on Stakeholder: Large</p> <p>Influence of Stakeholder on Project: High</p>	Urgent
District Administration	<ul style="list-style-type: none"> <li>This stakeholder group is comprised of the government departments at district level, including land and revenue, forest department, horticulture, veterinary care, cottage industry, animal husbandry etc.</li> </ul>	<ul style="list-style-type: none"> <li>The influence of the project on the stakeholders pertains to the role the project will play in the support provided in the livelihood restoration of earthquake affected population in the area and in the district in general.</li> </ul>	<ul style="list-style-type: none"> <li>This stakeholder group will be critical for obtaining any clearances and permits required at the district level.</li> <li>This group will play a key role in the overall implementation of the project, especially in the planning and implementation of the management plans formulated, in the form of assistance for skill trainings, income generating activities, etc.</li> </ul>	<p>The key expectations of the stakeholder group from the project is as follows:</p> <ul style="list-style-type: none"> <li>Project's compliance to the regulatory requirements;</li> <li>Timely disclosure of information and provisioning of updates throughout the life of the project.</li> </ul>	<p>Impact of Project on Stakeholder: Small</p> <p>Influence of Stakeholder on Project: High</p>	Moderate
Gaunpalika/VDC Institutions	<ul style="list-style-type: none"> <li>This stakeholder group is comprised of institutions such as health and education at the VDC level, which</li> </ul>	<ul style="list-style-type: none"> <li>The project will bring developmental gains and employment opportunities in the area.</li> </ul>	<ul style="list-style-type: none"> <li>This stakeholder's influence on the project will pertain to their role in the</li> </ul>	<p>The key expectations of the stakeholder group from the project include:</p>	<p>Impact of Project on</p>	Minor

Stakeholder Group	Profile of the Stakeholder Group	Impact/Influence of the Project on this Stakeholder Group	Impact/Influence of the Stakeholder Group on the Project	Expectations and Concerns	Magnitude of Impact/ Influence	Stakeholder Significance
	is in the process of transition of to Gaunpalika level, as per the new administrative structure of Nepal.	<ul style="list-style-type: none"> <li>The project is also expected to play a critical role in the development of these institution capacities through its CSR activities and the implementation of the management plans formulated.</li> </ul>	implementation of the CSR activities identified and the management plans formulated.	<ul style="list-style-type: none"> <li>Timely disclosure of information pertaining to the project;</li> <li>Involvement in the formulation and implementation of the community development activities for the project; and</li> <li>Protection of the environment and the safety of the local community.</li> </ul>	Stakeholder: Medium  Influence of Stakeholder on Project: Low	
Jan Sarokar Samitis	<ul style="list-style-type: none"> <li>The Jan Sarokar Samiti is a committee especially formed for the project with representation of three affected VDCs, namely Dhunche, Haku, and Ramche during the initiation of land take process.</li> <li>The role of the committee has been limited after the finalisation of the land take process.</li> </ul>	<ul style="list-style-type: none"> <li>The impact of the project on the stakeholder group primarily pertains to the stakeholder group being formed for the sole purpose of facilitating the negotiation process for the land take of the project.</li> </ul>	<ul style="list-style-type: none"> <li>The impact of project on this stakeholder group is limited as the primary purpose of its formation has been completed.</li> <li>The stakeholder group will play a role in any future land take for the project in the area.</li> <li>This committee can also play a greater role if it is involved in the implementation of the management plans formulated.</li> </ul>	The key expectations of the stakeholder group from the project include: <ul style="list-style-type: none"> <li>Timely disclosure of information pertaining to the project; and</li> <li>Involvement in the formulation and implementation of the community development activities for the project.</li> </ul>	Impact of Project on Stakeholder: Medium  Influence of Stakeholder on Project: Medium	Moderate
Government Bodies working on Community Development Activities	<ul style="list-style-type: none"> <li>This stakeholder group includes those government bodies which are involved in undertaking community development activities such as the NRA, the cottage industry department, horticulture department, veterinary department, etc.</li> </ul>	<ul style="list-style-type: none"> <li>The impact of the project on this stakeholder group is expected to primarily pertain to the role the project will play in implementing community development activities in the area.</li> </ul>	<ul style="list-style-type: none"> <li>This stakeholder group, especially the NRA, will have an impact on the local community in the project area, the PAFs and subsequently on the functioning of project and implementation of the LALRP.</li> <li>This stakeholder group may also be involved in the implementation of the community development plans.</li> </ul>	The key expectations of the stakeholder group from the project include: <ul style="list-style-type: none"> <li>Timely disclosure of information pertaining to the project; and</li> <li>Involvement in the formulation and implementation of the community development activities for the project.</li> </ul>	Impact of Project on Stakeholder: Small  Influence of Stakeholder on Project: Medium	Minor
Local Political Groups	<ul style="list-style-type: none"> <li>This stakeholder group is comprised of the political parties and local politicians active in the region.</li> </ul>	<ul style="list-style-type: none"> <li>The impact of the project on the group is expected to be limited to that on the local community as a whole.</li> </ul>	These groups are very active in the area and are looked up to by the earthquake affected people and other people at large. <ul style="list-style-type: none"> <li>This stakeholder group may play an important role in the polarisation of public opinion towards a project.</li> </ul>	<ul style="list-style-type: none"> <li>Undertaking project activities in keeping with the applicable regulations in place;</li> <li>Adequate livelihood restoration and support for their respective groups/ settlements;</li> <li>Assistance in resettlement of the displaced community presently living in IDP camps; and</li> <li>Timely implementation of the management plans.</li> </ul>	Impact of Project on Stakeholder: Medium  Influence of Stakeholder on Project: Medium	Medium
Media	<ul style="list-style-type: none"> <li>This stakeholder group is comprised of the regional and national press (both print and audio-visual). This stakeholder group can play an extremely important role in the generation of awareness and public opinion towards the project.</li> </ul>	<ul style="list-style-type: none"> <li>The influence of the project on the stakeholder is likely to be extremely limited due to the nature of the project activities</li> </ul>	<ul style="list-style-type: none"> <li>The influence of the stakeholder group on the project is likely to pertain to the opinion formation amongst the local, national and potentially international stakeholders towards the project.</li> </ul>	<ul style="list-style-type: none"> <li>Provisioning of adequate community development measures by the project;</li> <li>Compliance to the regulatory requirements applicable to the project;</li> <li>Timely disclosure of information pertaining to the project; and</li> <li>Ensuring safety of the local community, workers and the environment.</li> </ul>	Impact of Project on Stakeholder: Small  Influence of Stakeholder on Project: High	Medium
NGOs/CSOs operating in the area	<ul style="list-style-type: none"> <li>This stakeholder group is comprised of regional, national and international Non-Governmental Organizations (NGOs) and civil Society Organizations (CSOs) operating in the sphere of human rights, indigenous people's development and community development</li> </ul>	<ul style="list-style-type: none"> <li>The influence of the project on the stakeholder is likely to be extremely limited due to the nature of the project activities</li> </ul>	<ul style="list-style-type: none"> <li>The influence of the stakeholder group on the project is likely to pertain to the opinion formation amongst the local, national and potentially international stakeholders towards the project.</li> </ul>	<ul style="list-style-type: none"> <li>Provisioning of adequate community development measures by the project;</li> <li>Compliance to the regulatory requirements and international best practices applicable to the project;</li> <li>Timely disclosure of information pertaining to the project; and</li> <li>Ensuring safety of the local community, workers and the environment.</li> </ul>	Impact of Project on Stakeholder: Small  Influence of Stakeholder on Project: High	Medium

## 6.1

*PROPOSED ENGAGEMENT ACTIVITIES*

In keeping with the applicable reference framework and the expectations of the stakeholders, the project will undertake regular engagement with the key stakeholder groups identified; through the life of the project.

The primary purpose of the ongoing engagement will be to allow for the stakeholders to participate in the decision making process for the project. In keeping with this, one of the key engagement mechanisms identified for the project is the FPIC process to be undertaken for the project and the grievance redressal mechanism (GRM) put in place for the project.

Based on the previous engagement activities and the profile of the stakeholders thus developed, certain engagement activities have been identified for the project going forward, as shown in *Table 6.1*. The primary objective of these engagement activities is to allow for the stakeholders to interact with the project and contribute towards the project planning and in an effective and culturally appropriate manner. While the table below and following sub-section identifies the key proposed engagement activities, in keeping with the present understanding, it is acknowledged that the engagement plan is a live document. These engagement activities proposed; their frequency; location and modus operandi will be updated as required, based on the monitoring process and feedback of the stakeholders; through the life of the project. furthermore, the following table and engagement plan will not limit the project from interacting with the stakeholders when required.

**Table 6.1**      **Proposed Stakeholder Engagement Activities**

Purpose of consultation	Stakeholder Groups	Method of Engagement	Frequency of Engagement	Proposed Location of Engagement
<b>Construction Phase</b>				
Information disclosure	<ul style="list-style-type: none"> <li>Project Affected Families and People</li> <li>Local Community in AoI</li> <li>Vulnerable Groups</li> <li>Local Community Leaders</li> <li>NGOs/CSOs</li> </ul>	Disclosure of SIMF and other plans put in place for the project	At the time of formulation and finalisation of plans and as part of FPIC	At VDC/ Gaon Palika Offices or in locations identified in consultation with the stakeholders
	<ul style="list-style-type: none"> <li>Gaon Palika/ VDC Institutions</li> <li>Project Affected Families and People</li> <li>Local Community in AoI</li> <li>Vulnerable Groups</li> <li>Local Community Leaders</li> </ul>	Provisioning of reports and updates in local language in keeping with reporting requirements of SIMF	In keeping with the reporting timelines identified as part of the SIMF	
	<ul style="list-style-type: none"> <li>Media</li> <li>NGOs/CSOs</li> </ul>	Broadcast of information in newspapers, on radio and local television	As and when required	Nuwakot and Rasuwa District
	<ul style="list-style-type: none"> <li>District Administration</li> <li>Project Financing Agencies</li> <li>Gaon Palika/ VDC Institutions</li> <li>Regulatory Authorities</li> </ul>	Reporting requirements in keeping with regulatory framework	At least annually or as and when required	In keeping with the regulatory procedures
	<ul style="list-style-type: none"> <li>Project Affected Families and People</li> <li>Local Community in AoI</li> <li>Vulnerable Groups</li> <li>Local Community Leaders</li> </ul>	Public meetings (through the construction phase, post FPIC)	At least annually or as and when required	At VDC/ Gaon Palika Offices or in locations identified in consultation with the stakeholders
	<ul style="list-style-type: none"> <li>Jan Sarokar Samiti</li> <li>Local Political Groups</li> </ul>	Meetings with Officials	as and when required	At Samiti/Party offices
	<ul style="list-style-type: none"> <li>EPC Contractors and Sub-contractors</li> </ul>	Disclosure of Labour Influx Management Plan and SIMF Plans	At the time of formulation and finalization of plans and followed by subsequent refreshers	At project site
		Regular Meetings/ Tool Box talks	At least weekly	At project site

Purpose of consultation	Stakeholder Groups	Method of Engagement	Frequency of Engagement	Proposed Location of Engagement
Monitoring of implementation of the SIMF Plans	<ul style="list-style-type: none"> <li>Project Affected Families and People</li> <li>Local Community in AoI</li> <li>Vulnerable Groups</li> <li>Local Community Leaders</li> </ul>	Focus Group Discussions	At least six monthly; through the construction phase	At VDC/ Gaon Palika Offices/community centres or in locations identified in consultation with the stakeholders
		Interviews with key informants	At least six monthly; through the construction phase	
		Questionnaires	At least annually through the construction phase	
		As part of the GRM process	Regularly through the construction phase	In keeping with GRM provisions
	<ul style="list-style-type: none"> <li>SIMF Implementation Partners and NGOs</li> </ul>	Regular Meetings	At least monthly through the SIMF implementation	At project site
	<ul style="list-style-type: none"> <li>Jan Sarokar Samiti</li> <li>NGOs/CSOs</li> </ul>	Meetings with Samiti Members	as and when required	Samiti Office
Monitoring of the project activities and regular engagement	<ul style="list-style-type: none"> <li>Project Affected Families and People</li> <li>Local Community in AoI Vulnerable Groups</li> <li>Vulnerable Groups</li> <li>Local Community Leaders</li> <li>NGOs/CSOs</li> </ul>	Open public meetings	Annually	At VDC/ Gaon Palika Offices/community centres or in locations identified in consultation with the stakeholders
		Focus Group Discussions	At least annually through the construction phase	
		As part of the GRM process	As and when required through the construction phase	In keeping with GRM provisions
Project Status Update	<ul style="list-style-type: none"> <li>District Administration</li> <li>Regulatory Authorities</li> </ul>	Meetings with Officials	as and when required through the construction phase	Administration Offices
<b>Operations &amp; Closure Phase</b>				
Information disclosure	<ul style="list-style-type: none"> <li>Gaon Palika/ VDC Institutions</li> <li>Project Affected Families and People</li> <li>Local Community in AoI</li> <li>Vulnerable Groups</li> <li>Local Community Leaders</li> </ul>	Provisioning of reports and updates in local language in keeping with reporting requirements of SIMF	In keeping with the reporting timelines identified as part of the SIMF	At VDC/ Gaon Palika Offices or in locations identified in consultation with the stakeholders
	<ul style="list-style-type: none"> <li>Media</li> <li>NGOs/CSOs</li> </ul>	Broadcast of information in newspapers, on radio and local television	As and when required through the operation and closure phase	Nuwakot and Rasuwa District
	<ul style="list-style-type: none"> <li>District Administration</li> <li>Project Financing Agencies</li> <li>Gaon Palika/ VDC Institutions</li> <li>Regulatory Authorities</li> </ul>	Reporting requirements in keeping with regulatory framework	At least annually or as and when required through the operation and closure phase	In keeping with the regulatory procedures

Purpose of consultation	Stakeholder Groups	Method of Engagement	Frequency of Engagement	Proposed Location of Engagement
	<ul style="list-style-type: none"> <li>Project Affected Families and People</li> <li>Local Community in AoI</li> <li>Vulnerable Groups</li> <li>Local Community Leaders</li> </ul>	Public meetings	At least annually or as and when required through the operation and closure phase	At VDC/ Gaon Palika Offices or in locations identified in consultation with the stakeholders
	<ul style="list-style-type: none"> <li>Jan Sarokar Samiti</li> <li>Local Political Groups</li> </ul>	Meetings with Officials	As and when required	At Samiti/Party offices
	<ul style="list-style-type: none"> <li>EPC Contractors and Sub Contractors</li> </ul>	Regular Meetings/ Tool Box talks	At least monthly	At project site
Monitoring of the project activities and regular engagement	<ul style="list-style-type: none"> <li>Project Affected Families and People</li> <li>Local Community in AoI Vulnerable Groups</li> <li>Vulnerable Groups</li> <li>Local Community Leaders</li> <li>NGOs/CSOs</li> </ul>	Open public meetings	Annually through the operation and closure phase	At VDC/ Gaon Palika Offices/community centres or in locations identified in consultation with the stakeholders
		Focus Group Discussions	At least annually through the operation and closure phase	
		As part of the GRM process	As and when required through the operation and closure phase	In keeping with GRM provisions
	<ul style="list-style-type: none"> <li>EPC Contractors and Sub Contractors</li> </ul>	As part of the GRM process	As and when required	In keeping with GRM provisions
Project Status Update	<ul style="list-style-type: none"> <li>District Administration</li> <li>Regulatory Authorities</li> </ul>	Meetings with Officials	As and when required through the operation and closure phase	Administration Offices
Monitoring of implementation of the SIMF Plans	<ul style="list-style-type: none"> <li>Project Affected Families and People</li> <li>Local Community in AoI</li> <li>Vulnerable Groups</li> <li>Local Community Leaders</li> </ul>	Focus Group Discussions	At least six monthly through the operation and closure phase	At VDC/ Gaon Palika Offices/community centres or in locations identified in consultation with the stakeholders
		Interviews with key informants	At least six monthly through the operation and closure phase	
		Questionnaires	At least annually through the operation and closure phase	
		As part of the GRM process	Regularly through the operation and closure phase	In keeping with GRM provisions
	<ul style="list-style-type: none"> <li>SIMF Implementation Partners and NGOs</li> </ul>	Regular Meetings	At least monthly through the operation and closure phase	At project site
	<ul style="list-style-type: none"> <li>Jan Sarokar Samiti</li> </ul>	Meetings with Samiti Members	As and when required through the operation and closure phase	Samiti Office

The methods of engagement incorporate individual profiles, concerns, and expectations of the groups. The need for different modes of engagement is primarily because the utilization of a common *modus operandi* for all the stakeholders and that too for the whole project duration may result in the failure of the engagement process to achieving its goals. The following methods have been identified for the purpose of this project:

- **Focus Group Discussions:** An FGD refers to a discussion carried out amongst a group of people (6 to 8) from a similar background/profile on a specific topic while being guided by a moderator. The primary purpose of such discussions is to gather insight into the thought process of the group in regards to a particular issue. Apart from FGDs, general discussions with either the community or individual representatives are also part of the engagement process. This method allows for the collective opinion of these groups to be captured and assessed. This method of consultation is imperative for the vulnerable groups because consultations with the entire community run the risk of the dominant group's views predominating. These discussions can be undertaken either at the villages of residence, the common VDCs/Gaon Palikas, the Project site office, or any other location agreed upon with the stakeholders. If a location apart from the villages of residence is chosen, care should be taken to ensure the comfort of the stakeholders (e.g. provide food) and the discussions should be timed to allow the representatives to reach their residences before dark.
- **Semi-structured and Structured Interviews and Questionnaires:** In semi-structured interviews and questionnaires, a pre-determined set of open questions or check points are used to gather information pertaining to specific themes or issues. Similar to the FGDs, these interviews can be undertaken either at the villages of residence of the stakeholders, the common VDCs, the project site office, or any other location agreed upon with the representatives.
- **Open Public Meetings:** These meetings and consultations not only form a part of certain regulatory requirements (such as public hearing) but also serve as useful tools for gathering information from larger groups. These meetings and consultations typically involve a notification (to publicise the matter to be consoled upon) and a consultation (a two way flow of information).
- **Information Disclosure:** This process is not only part of certain regulatory requirements but also a requirement of the partners in the project. The process of information disclosure can be undertaken in two manners, either voluntary disclosure or disclosure as part of the regulatory requirements. One of the key components of the disclosure process for the project will be the FPIC process as discussed in the IPDP. A detailed information disclosure plan is provided in the following section.

Information disclosure is an important activity not just as a form of engagement but for also enabling the other engagement activities to be undertaken in an informed and participatory manner. This section outlines the process to be followed for the disclosure and participation as part of the LRP implementation.

## 7.1

### *DISCLOSURE MECHANISM*

The process of information disclosure can be undertaken in two manners, either voluntary disclosure or disclosure as part of the regulatory requirements (EIA requirements, public hearing). While regulatory disclosure involves the provisioning of information as required by the authorities and agencies involved in the project, voluntary disclosure refers to the process of disclosing information to the various stakeholders in a voluntary manner.

This disclosure not only allows for trust to be built amongst the stakeholders through the sharing of information but also allow for more constructive participation in the other processes of consultation and resolution of grievances due to availability of accurate and timely information.

One of the most critical components of the disclosure process is the disclosure of the SIMF plans and provisions of the ESIA for the project, and receiving feedback from the stakeholders on the same. As a precautionary principle, the project also has to establish Free Prior Informed Consent (FPIC) from the Indigenous People's population in keeping with the requirements of IFC PS 7. However, as the IP population amongst the PAFs and in the Project AoI is comprised of more than 90% percent of the total population, one process of disclosure will be undertaken. This process of disclosure will be undertaken in keeping with the requirements of IFC PS 7. The IPDP for the project provides the detailed understanding of the process to be followed for the FPIC process. The following sections provide an understanding of the information disclosure process to be followed for the project in general.

### 7.1.1

#### *Key Aspects to be Covered in Disclosure*

As part of the information disclosure process, critical project information will be shared and feedback will be sought from the stakeholders on the same, including:

- The key project impacts identified;
- The details of the SIMF Plans formulated and the entitlements within the same;



- The summary of the ESIA update and the key impacts and mitigation measures identified in the same;
- The basis of the establishment of entitlements and the entitled groups identified;
- The implementation mechanism and schedule for the SIMF initiatives;
- The details of the compensation already paid to the community;
- The details of the additional compensation to be paid and the budget for the SIMF implementation;
- The monitoring process to be put in place for the SIMF plans; and
- The participation of the local stakeholders in the implementation and monitoring process of the SIMF Plans and other mitigation measures identified.

As part of the information disclosure, an attempt shall be made to disclose all relevant information (such as plans pertaining to the community development, local employment opportunities) to the target stakeholders as early as possible, so as to allow for trust to be built in the relations.

At the least the next steps in the plans of the project would be explained, with a clarification on which project/SIMF elements are fixed and which can be subject to change or be improved upon on the basis of the consultations and stakeholder inputs shall be disclosed.

### 7.1.2 *Process for Disclosure of Information*

The process of disclosure involves the provisioning of information in a timely and accessible manner to the various stakeholders in a project. For this purpose the key means of disclosing the information and allowing for a process of feedback and participation has been identified as making non-technical summaries of the SIMF plans and the reports formulated as part of Task 1 and 3 of the project and their monitoring reports, available in the form of pamphlets and reports at key locations and group meetings and discussions. The copies of the non-technical summaries identified will be made available in the local language at locations suitable to the community, such as at the CDO office, the Jan Sarokar Samiti office, at the VDC/IDP Camp level etc.

This information disclosure shall be undertaken in the local Nepali or Tamang Language. While most of the stakeholders are comfortable in interacting in the national language Nepali, certain groups of the Tamang community, such as those in the villages Tiru and Gogone, only speak the Tamang language. Furthermore, the literacy level amongst the community is generally low, with formal education only gaining importance with the present generation. In keeping with these aspects, it is essential to ensure that any disclosure undertaken is done in a manner that allows maximum stakeholders to

comprehend the information being shared and participate in the feedback process.

Some of the disclosure related activities proposed for the future are as follows:

- The meetings and discussions can be undertaken for the local community in the villages in and surrounding the project area and will be held at various levels, such as the district headquarters, VDCs, wards and IDP Camps as well. The venue and timings of the meetings and discussions will be finalized in consultation with the stakeholder groups
- In addition to these meetings being undertaken across the local community as a whole, specific meetings will be undertaken across critical stakeholder groups such as the vulnerable groups and PAFs. Through these meetings an attempt will be made to allow these groups to give their unique viewpoints and feedbacks for the project while ensuring that these groups are involved in the implementation, review and monitoring of the SIMF.
- The proceedings of these meetings and discussions will be properly documented, as minutes and in photographs and copies of the same will be shared with the stakeholders for their keeping.
- As a part of the disclosure, the stakeholder reports or the key public consultation findings or the grievance related records can also be made available on the NWEDC website and on a public notice board outside NWEDC office;

This method has been identified as the most suitable approach for information disclosure keeping in mind the literacy levels in the area. In order to ensure that the opinions of the sections of the community who don't have access to the reports are also taken into account, public consultations are recommended. These public consultations can be done on an annual basis or as and when the urgency of the situation warrants having such public consultations.

Also while undertaking the process of disclosure it is important that the project makes an attempt to refrain from creating false expectations. Also, when possible, an attempt shall be made to disclose actual numbers, even estimates, wherever available.

Grievance redressal is another critical component of effective stakeholder engagement. The purpose of GRM is to provide a forum to the internal and external stakeholders to voice their concerns, queries and issues with the project. Such a mechanism would provide the stakeholders with one project personnel or one channel through which their queries will be channelled and will ensure timely responses to each query. This will allow for trust to be built amongst the stakeholders and prevent the culmination of small issues into major community unrest. The GRM will be accessible and understandable for all stakeholders in the project and for the entire project life. The GRM will be communicated to all relevant stakeholders and will also be applicable for any contractor that will occupy and/or use land during the construction and operations phase.

*WBG standards require Grievance Mechanisms to provide a structured way of receiving and resolving grievances. Complaints should be addressed promptly using an understandable and transparent process that is culturally appropriate and readily acceptable to all segments of affected communities, and is at no cost and without retribution. The mechanism should be appropriate to the scale of impacts and risks presented by a project and beneficial for both the company and stakeholders. The mechanism must not impede access to other judicial or administrative remedies.*

This section contains the following:

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

### 8.1

#### GRIEVANCE DEFINITION AND CATEGORIES

As stated earlier, a grievance is a concern or complaint raised by an individual or a group within communities affected by company operations. Both concerns and complaints can result from either real or perceived impacts of a company's operations, and may be filed in the same manner and handled with the same procedure. Grievances may take the form of specific complaints for actual damages or injury, general concerns about project activities, incidents and impacts or perceived impacts. Based on the understanding of the project area and the stakeholders, an indicative list of the types of grievances have been identified for the project, as can be seen below:

- Internal Grievances: Grievances from Employees (including both direct and indirect employees, including local workers and migrant workers through contractors):

- Complaints pertaining to amount of wage, salary, other remuneration or benefits as per Company's Human Resource policy;
- Timely disbursement of remuneration;
- Gender discrimination;
- Issues related to workers organization.
- Labour Accommodation
- Health and Safety issues
- Extended working hours
- External Grievances
  - Entitlements identified as part of the SIMF and the implementation of the same;
  - damage of trees and property;
  - further losses to community forest;
  - issues related to transportation and traffic;
  - increase in environment pollution;
  - impact on community health;
  - disturbances to locals due to influx of migrant workers in the area;
  - Issues arising out of sharing of employment and business opportunity;
  - Concerns over the impact on local cultures and customs; and

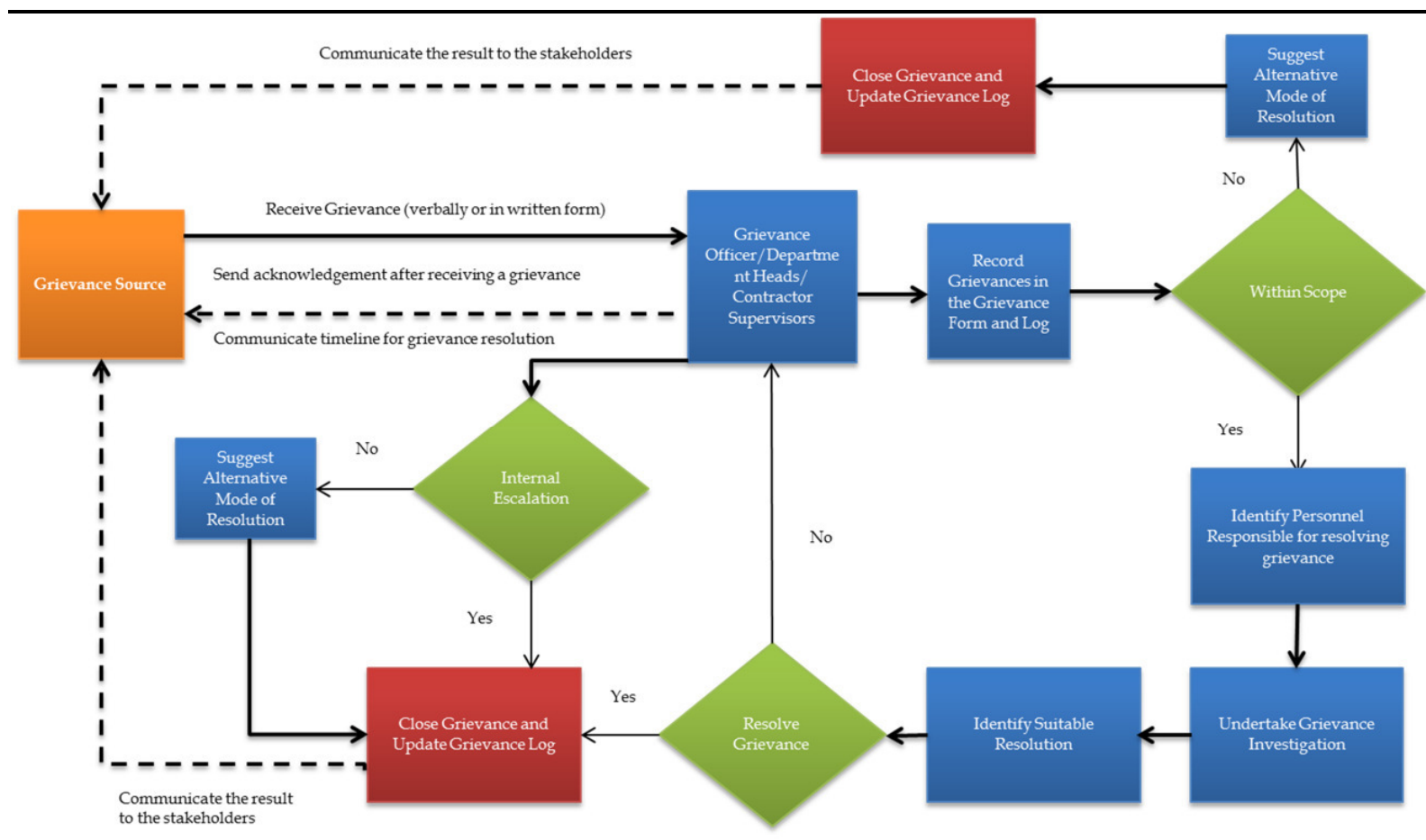
The list of grievances will be regularly updated as and when the new one arises.

## 8.2

### *INTERNAL GRIEVANCE MECHANISM*

The process to be followed for the redressal of the internal stakeholder grievances is summarized below.

Figure 8.1 Schematic Representation of the Internal Grievance Redressal Process



### 8.2.1 *Publicizing and Disclosure of the GRM*

The GRM will be disclosed to the stakeholders through written and verbal communication. The mediums to be used for this purpose are staff meetings, written communication and one-to-one meetings. Each worker and employee shall be made aware of the GRM in place at the time of joining, as part of the induction process. In addition to

### 8.2.2 *Receiving and Recording Grievances*

As part of the GRM, the grievances from the stakeholders or their representatives may be communicated verbally (in person to the respective supervisor or over a telephonic conversation) or in written form (in the form given below). All grievances communicated in any of these mediums shall be recognized and recorded by the supervisor as and when it is expressed.

**Figure 8.2** *Grievance Recording Form*

GRIEVANCE REGISTRATION	
Case No.:	Date :
Name :	
Department/ Contractor Name	
Phone no.	
Details of grievance:	
Name of person recording grievances (if applicable):	
Designation of recording person (if applicable):	
Proposed date of response to grievance:	
Signature of recording person (if applicable)	Signature of complainant
GRIEVANCE REDRESSAL RESPONSE	
Date of redresses:	
Decision of GO (give full details):	

The project will also put in place suggestion/ complaint boxes at strategic locations across the facility. These suggestion/complaint boxes will be opened at least every week. The employees and workers may drop their grievances in

these boxes as well in keeping with the format attached. In case of any worker or employee needs to file an anonymous complaint, s/he shall be allowed to do so by not filling the Name, department, signature and contact information.

### 8.2.3 *Maintaining a Grievance Register*

Each grievance thus received, shall be recorded in a grievance register. The format for the grievance register shall be as follows.

S. No	Date	Grievance Number	Name of Grievant	Department	Medium of Communication	Details of Grievance	Concerned Department	Name of Recording Person	Present Status	Remarks
1										
2										
3										
4										

This grievance register shall be updated at each stage of the grievance redressal. Once the grievance is recorded in the register, a preliminary analysis shall be undertaken by the grievance officer (preferably HR representative) to ensure that the grievance is within the scope of the GRM.

### 8.2.4 *Acknowledgement of Grievance*

Once the grievance is received, a grievance number shall be allocated and communicated to the grievant. This communication shall also serve as an acknowledgement of the grievance. In case the grievance is assessed to be out of the scope of the GRM, a communication towards the same shall be made to the grievant, and an alternative mode of redressal shall be suggested. As part of this acknowledgement a tentative timeline for the redressal of the grievances shall be identified, in keeping with the process below. This acknowledgement shall be provided on the same day as the grievance is received.

### 8.2.5 *Resolution and Closure*

#### *Allocation of Responsibility*

Once the grievance is received and recorded, based on the subject and issue, the Grievance Officer shall identify the department, contractor or personnel responsible for resolving the grievance.

#### *Grievance Investigation*

The Grievance Officer and concerned department shall then undertake an enquiry into the facts and figures relating to the grievance. This shall be aimed at establishing and analysing the cause of the grievance and subsequently identifying suitable mitigation measures for the same. The analysis of the cause will involve studying various aspects of the grievance such as the

employees past history, frequency of the occurrence, management practices, etc.

As part of this investigation, the grievance officer may also undertake confidential discussions with the concerned parties to develop a more detailed understanding of the issue at hand. The site investigation shall be completed in no more than 10 working days of receiving the grievance.

#### *Resolution, Escalation and Closure*

Based on the understanding thus developed, the grievance officer, in consultation with the concerned departments, shall identify a suitable resolution to the issue. This resolution shall be accordingly communicated to the grievant within 10 working days of completing the site investigation.

In case the issue is beyond the purview of the grievance officer, it should be escalated to the department head or Owner's Engineer (as appropriate). A communication regarding the same shall be provided to the grievant. The department head or CSE/OE shall in turn endeavour to resolve the grievance within 10 working days of the escalation.

In case the grievance remains unsettled, Department head or CSE/OE will forward the case to the PMO at Kathmandu for the settlement. The Unit Head shall endeavour to resolve the grievance within 10 working days.

If however the PMO is not able to identify an adequate resolution for the grievance, then an adequate response shall be given to the grievant along with a suggested alternative resolution to the grievance.

If at any stage, the grievant is not satisfied with the solution, s/he may choose to ask for an escalation of the grievance to the next level.

### **8.2.6**      *Update of Records*

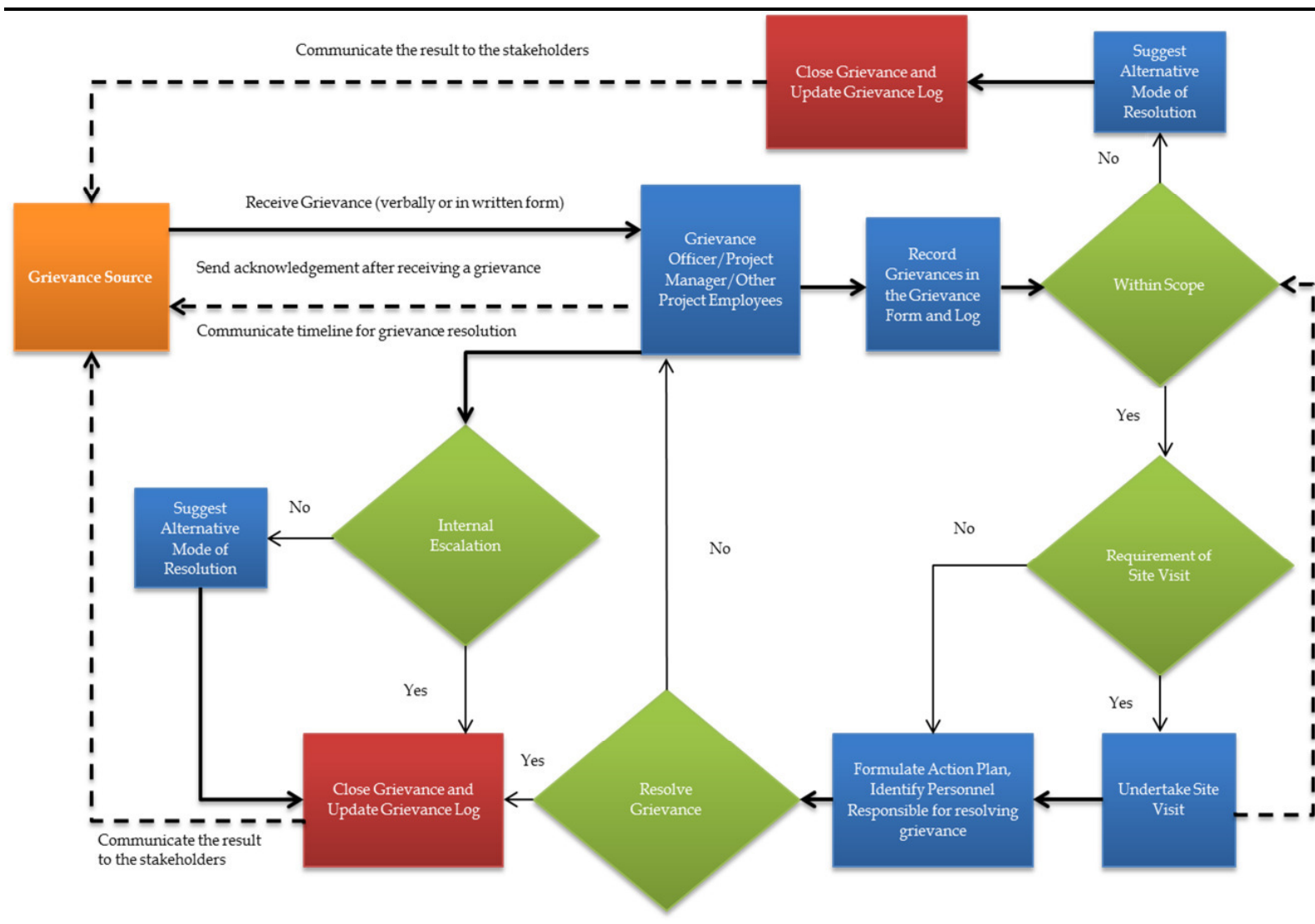
The records of the grievance register shall be updated every working week with the present status of the grievance. Once the grievance is resolved, and the same has been communicated to the grievant, the grievance shall be closed in the grievance register. The grievance register should also provide an understanding of the manner in which the grievance was resolved. These instances shall then serve as references for any future grievances of similar nature. In case of anonymous complaints, a summary of the grievance and resolution shall be posted on the notice boards and other relevant public places.

### **8.3**      *EXTERNAL GRIEVANCE MECHANISM*

The process to be followed for the redressal of the external stakeholder grievances is summarized below.



Figure 8.3 External Stakeholder Grievance Redressal Mechanism Schematic Representation



### 8.3.1 *Publicizing and Disclosure of the GRM*

The GRM will be disclosed to the stakeholders through written and verbal communication. The mediums to be used for this purpose are public meetings, group discussions, and provisioning of the GRM in the manner outlined in the previous section. The GRM disclosure will be done along with the disclosure of other management plans.

### 8.3.2 *Receiving and Recording Grievances*

As part of the GRM, the grievances from the stakeholder or their representatives may be communicated verbally (in person or over a telephonic conversation) or in written form (in the format given below) to the project representatives or to the GO directly. If the grievance is received directly by the GO or other project representatives, it will be recorded directly into the Grievance Form as soon as the personnel return to site. A sample grievance form is as follows.

*Figure 8.4 Grievance Recording Form*

GRIEVANCE REGISTRATION		
Case No.:	Date :	
Name :		
VDC/IDP Camp:	Tole/ Ward:	
Phone no.		
Details of grievance:		
Name of person recording grievances:		
Designation of recording person:		
Proposed date of response to grievance:		
Signature of recording person	Signature of complainant	
GRIEVANCE REDRESSAL RESPONSE		
Date of redresses:		
Decision of GO (give full details):		
Claimant accepts the outcome:	Accepted	Not accepted
Signature of claimant :		
Signature of GO:		

All project staff will be informed that they must pass all grievances, communications to the Grievance Officer (discussed in the following section) on site as soon as possible after they are received. Details of the person lodging the grievance shall be noted and passed along with the grievance. The Grievance Officer in turn will communicate all grievances to the Social Manager for the project.

For assisting the communication of grievances, a register will be maintained at the project office and camp, at which any individual/group can come have their complaint registered. Village leaders and government departments will also be advised to pass any complaints they receive to the site level community liaison officers.

### 8.3.3 *Maintaining a Grievance Register*

Each grievance thus received, shall be recorded in a grievance register. The format for the grievance register shall be as follows.

S. No	Date	Grievance number	Name of Grievant	VDC/Gaon Palika	Ward/Tole	Details of Grievance	Concerned Department	Name of Recording Person	Present Status	Remarks
1.										
2.										
3.										

This grievance register shall be updated at each stage of the grievance redressal. Once the grievance is recorded in the register, a preliminary analysis shall be undertaken by the social manager to ensure that the grievance is within the scope of the GRM.

### 8.3.4 *Acknowledgment of Grievance*

Upon the completion of the recording of the grievance, the stakeholder will be provided with an acknowledgment of the receipt, along with a summary of the grievance.

#### **Box 8.1** *Acknowledgement Receipt for Claimant*

---

This receipt is acknowledgement of grievance registration by \_\_\_\_\_, resident of village \_\_\_\_\_ on date \_\_\_\_\_. His case number is \_\_\_\_\_ and the date for response is \_\_\_\_\_.

**Full name & signature of recording person**

---

In case the grievance is assessed to be out of the scope of the GRM, a communication towards the same shall be made to the grievant, and an alternative mode of redressal shall be suggested.

### 8.3.5 *Site Inspection and Resolution*

For the purpose of verifying and resolving the grievances received, site inspection may not be required in all the cases. Depending upon the sensitivity of the issue, requirement of a site inspection will be identified.

A site inspection will be undertaken by the site level community liaison officers or the project member assigned by the Social Manager. The purpose of the site inspection will be to check the validity and severity of the grievance. For this purpose, the personnel may also undertake discussions with the concerned external stakeholder. The inspection will be undertaken within ten days of receiving the grievance. The assigned individual will then work with other relevant members of the Project team to investigate the problem and identify measures to resolve the grievance as appropriate. The personnel to be involved in the grievance resolution shall be dependent upon the nature of the grievance, as discussed in the table below.

**Table 8.1** *Classification and Categorisation of External Grievances*

S. No.	Nature of Grievance	Categorisation
1.	Compensation	Social manager, Environmental and Social Manager
2.	SIMF implementation related	
3.	Compensation on account of damage to community forest etc.	Project Management and EPC contractor, Social Manager, Environmental and Social Manager
4.	Environmental impact, Community health, culture and customs etc.	Project Management and EPC contractor, Social manager, Environmental and Social Manager
5.	Migrant worker related issues	EPC contractor, Social manager, Environmental and Social Manager

### 8.3.6 *Resolution, Escalation, and Closure*

Based on the understanding thus developed, the social manager, in consultation with the concerned departments, shall identify a suitable resolution to the issue. This could involve provision of information to clarify the situation, undertaking measures to remedy actual problems or compensate for any damage that has been caused either by financial compensation or compensation in-kind, and introduction of mitigation measures to prevent recurrence of the problem in the future. This resolution shall be accordingly communicated to the grievant within 10 working days of completing the site investigation.

In case the issue is beyond the purview of the social manager, it should be escalated to the ESST or ESMC Head (as appropriate). A communication regarding the same shall be provided to the grievant. The ESST or ESMC head shall in turn endeavour to resolve the grievance within 10 working days of the escalation.

In case the grievance remains unsettled, ESST or ESMC Head will forward the case to the NWEDC Corporate Team for the settlement. The Corporate Team shall endeavour to resolve the grievance within 10 working days.

If however the Corporate Team is not able to identify an adequate resolution for the grievance, then an adequate response shall be given to the grievant along with a suggested alternative resolution to the grievance.

If at any stage, the grievant is not satisfied with the solution, s/he may choose to ask for an escalation of the grievance to the next level. Where a grievance is found to be not a real problem a clear explanation will be provided to the complainant.

### **8.3.7      *Update of Records***

The records of the grievance register shall be updated every working week with the present status of the grievance. Once the grievance is resolved, and the same has been communicated to the grievant, the grievance shall be closed in the grievance register. The grievance register should also provide an understanding of the manner in which the grievance was resolved. These instances shall then serve as references for any future grievances of similar nature.

For the purpose of ensuring the proper and effective implementation of the SEP and GRM, the project will ensure that this engagement process is given as much importance as the other project activities and ensure the availability of the required resources. The following sub sections discuss both these resource requirements, manpower and financial in detail.

## 9.1 *MANPOWER*

In order to ensure the proper maintenance and functioning of the SEP and GRM, the project will make available human resources as required in the form of internal resources within the project as well as external resources such as NGOs or other third parties.

### 9.1.1 *Internal Resources*

The project will identify specific project personnel who are to manage the stakeholder engagement and grievance redressal process through the life of the project. These personnel will be part of the Environmental and Social Management Cell for the project. The following figure provides an understanding of the proposed structure of the ESMC.

**Figure 9.1** *Organization Structure of the ESMC*



While the project has already employed 2 site level community liaison officers, one of whom shall serve as the Grievance Officer for the project. One of these

liaison officers is a Tamang PAF for the project. In addition to this, the project will also identify any additional personnel which may be required for the effective implementation of the SEP and GRM. In case the existent resources at the project appear to be insufficient to meet the needs for the implementation of the SEP and GRM as outlined in the previous sections, the employment of personnel specifically for the purpose of the stakeholder engagement through the life of the project will be undertaken.

Furthermore, due to the fact that a number of contractors and external parties will be involved in the project at various stages of its development, it will be ensured that the contractors/third parties abide by the principles established as part of the SEP and GRM. Wherever possible, relevant conditions will be inserted into the contracts, including right to investigate reported incidents and 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.

#### *Role and Responsibilities of the Social Manager and Site Level Community Liaison Officers*

The Social Manager and Site Level community liaison officers will be responsible for the implementation of the SEP for the project and will report to the ESMC Head. These personnel will be responsible for ensuring the implementation of the SEP, including information disclosure and the documenting of the activities undertaken.

#### *Role and Responsibilities of the Grievance Officer*

A Grievance Officer will be appointed and will be responsible for coordinating day to day functioning and implementation of the GRM. The Grievance officer will report to the Environmental and Social Manager and Social Manager on a regular basis, as discussed subsequently.

### **9.1.2 External Resources**

In case the internal resources at the project appear to be insufficient, the project will also consider engaging a reputed third party in the form of the organization familiar with the region and are acceptable to the community. The NGO would then not only serve as a link between the company and the community but as a third party in the implementation of the SEP and GRM.

## **9.2 TRAINING REQUIREMENTS**

The project will, from time to time assess the adequacy and capacity of the ESMC team members in terms of their understanding of the SEP and GRM put in place for the project and the principles governing the same. Provisions for refresher trainings will be put in place.

### 9.3 FINANCIAL RESOURCES

The project will ensure that the budget formulated for the purpose of the stakeholder engagement process and grievance redressal is sufficient to meet the expenses of the same. In case of grievances requiring monetary compensation, the amount for the same will be provided through the dedicated escrow account set up for the project.

### 9.4 DOCUMENTATION, MONITORING AND REPORTING PROCESS

As has been discussed in the previous sections, the review and appraisal process in any project is an extremely important component for the smooth functioning and the avoidance of major risks within a project. This importance of the review process lies in the fact that it allows for the corrections of any oversight which may have been made during the initial stages of a project through mid-course corrections. This also serves as an important quality assurance mechanism.

The review process becomes all the more important when it is kept in mind that the SEP is a 'live document' or in other words a document which needs to be revised in a timely manner so as to make it comprehensive for any given period of time. This is so because of the fact that due to the life span of the project, it is difficult to properly identify and understand each stakeholder in the beginning of the project. The SEP thus requires regular reviews keeping in mind attributes such as the stakeholders, the engagement process for each stakeholder and the reporting time period for each.

### 9.5 DOCUMENTATION OF THE SEP-GRM IMPLEMENTATION

All stakeholder engagement activities as mentioned in the previous sections will be documented, in a standard engagement activities format, as can be seen below.

**Table 9.1** *Format for Recording Engagement Activities*

Date	Location	Stakeholder Group	Form of Engagement	Purpose of Engagement	Key findings/ conclusion	Reference to MoMs	Remarks
------	----------	-------------------	--------------------	-----------------------	--------------------------	-------------------	---------

In addition to this format, the key points of each engagement activities will be documented in the form of Minutes of Meetings (MoMs), which will be signed by the attendees of the activities. These MoMs will be referred to in the documentation format, as can be seen above. To the extent possible, photographic evidence will be maintained of the engagement activities undertaken. For the purpose of documenting the grievances received, the format as given in the *Error! Reference source not found.*



It is important to monitor stakeholder engagement to ensure that the consultation and disclosure efforts are effective, and in particular that the key stakeholders such as local communities have been meaningfully consulted through the process. The monitoring of the SEP implementation will be undertaken on a quarterly basis by the ESMC. Monitoring will include:

- Auditing the implementation of the SEP;
- Monitoring the formal and informal consultation activities conducted with the stakeholder groups;
- Monitoring the effectiveness of the engagement processes in managing impacts and expectations by:
  - Tracking feedback received from engagement activities
  - Recording and tracking commitments made to communities; and
  - Assessing the efficacy of the engagement activities in terms of the desired outcomes and the participation of the stakeholder groups

The Social Manager will also undertake quarterly reporting to the ESMC which would allow for the ESMC to adequately monitor the implementation of the SEP, as is discussed in the following section.

The initial years of Project construction and SIMF implementation will witness lot of flux in the profile of stakeholders identified and subsequently the nature of their stakes may change. Additionally, the concerns and grievances of the PAFs and other stakeholder may also be more on account of uncertain location of the PAFs, SIMF implementation, and other construction related issues. Thus, the performance of the SEP-GRM will be reviewed on a bi-annual basis during the initial years of SEP implementation. For the purpose of review, the quarterly reports will be considered for analysis and discussion. On the basis of these reports, a Stakeholder Engagement and Grievance Redressal Report will be prepared and disclosed biannually and annually, including a summary of issues raised by stakeholders, numbers and subjects of grievances, a summary of key actions taken to address the concerns, analysis of trends and plans for engagement in the next time period.

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