

Regulating and Monitoring Capacity Building for
Environmental Impact Assessment (EIA) of
Hydropower Project in Nepal

**A Guide to Streamlining of
Environmental Impact Assessment
Approval Process**



Government of Nepal
Ministry of Environment, Science and Technology
With the assistance of
Royal Norwegian Government
and technical assistance of
Norwegian Directorate for Nature Management
Kathmandu, Nepal
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Peface



The environment assessment is a decision-aiding tool and integrates environmental aspects into development planning and administration. It is considered as one of the powerful planning and management tools to address the project associated impacts.

Nepal has started using this tool in 1980s and expanded its usage by enunciating policies and enforcing laws. The legal regime on the environment requires the proponents to have approval of the environment assessment reports of the prescribed proposals before implementation. However, proponents are facing difficulties in preparing quality reports due to inadequate knowledge and information on legal requirements and on approval process of such reports. The Ministry helps to improve the quality of the environmental impact assessment (EIA) report and adopts fast track decision-making process to facilitate for timely implementation of the project in an environment-friendly manner.

In order to mainstream EIA process in hydroelectricity development, the Royal Norwegian Government provided financial assistance and the Directorate for Nature Management (DN) provided technical inputs to develop this guide. It is expected that this guide will provide the users an opportunity to understand the approval process of EIA and relevant reports.

I would like to take this opportunity to thank the Royal Norwegian Government for funding the project on *Regulating and Monitoring Capacity Building for EIA of hydropower projects in Nepal*. I would like to appreciate the contribution of DN for providing technical assistance to prepare this guide. The Ministry acknowledges the contribution of the School of Environmental Management and Sustainable Management (SchEMS) in particular Dr. Ram B. Khadka, Dean and Mr. Suman Piya, IT Officer for drafting this document. The Ministry also acknowledges the contribution of Mr. Surendra Shrestha and Dr. Ananda Raj Joshi for providing relevant materials, and for reviewing the draft guide from the part of SchEMS.

I would also like to thank the contribution of Mr. Vinod Jnawali, Joint-Secretary, Mr. Manohar Khanal, Under-Secretary and Ms. Neera Pradhan of the then Ministry of Population and Environment and Mr. Reider Hindrum, Long-Term Advisor of the Project for their inputs in preparing this guide. Finally, I would also like to thank Mr. Batu Krishna Uprety, Environment Officer and Chief of Environment Assessment Section of this Ministry in bringing this document in the present form.

(Bal Krishna Prasai)
Secretary

September 2006

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Abbreviations

CBO	Community-based Organization
DDC	District Development Committee
DoED	Department of Electricity Development
EIA	Environmental Impact Assessment
EPA	Environment Protection Act
EPR	Environment Protection Rules
HMG/N	His Majesty's Government of Nepal (then)
IEE	Initial Environmental Examination
INGO	International Non-Governmental Organization
IUCN	The World Conservation Union
MFSC	Ministry of Forests and Soil Conservation
MoEST	Ministry of Environment, Science and Technology
MOPE	Ministry of Population and Environment (then)
MOWR	Ministry of Water Resources
NEA	Nepal Electricity Authority
NEPAP	Nepal Environmental Policy and Action Plan
NGO	Non-governmental Organization
NPC	National Planning Commission
SDAN	Sustainable Development Agenda for Nepal
SEA	Strategic Environmental Assessment
TOR	Terms of Reference
UNESCO	United Nation Educational, Scientific and Cultural Organization
VDC	Village Development Committee
WECS	Water and Energy Commission Secretariat

Introduction

For more than three decades, various initiatives have been taken to integrate environmental aspects in the development policy, plan and programme for sound and sustainable use of natural resources. Among the various initiatives, Environmental Impact Assessment (EIA) has become globally accepted planning and management tool available for moving into the realm of sustainability. The outcome of an EIA study provides valuable management action-oriented activities for sustainable management of resources. Agenda 21, the operational document on environment and sustainable management for the twenty first century, has also especially emphasized on the adoption of EIA as one of the key instruments to achieve sustainable economic development.

In Nepal, the Sixth Plan (1980-1985), for the first time in the planning history of the country, integrated the environmental aspects in economic planning. EIA as a policy was elaborated in the Seventh Plan (1985-1990). Within a span of two decades, from early 1985 to 2005, Nepal experienced considerable evolutionary change in the field of institutionalization of EIA. At present an integration of EIA in development projects has become legally binding as a result of the enforcement of the Environmental Protection Act (EPA), 1996, and the Environmental Protection Rules (EPR), 1997 (amendment, 1999).

In spite of these efforts, there are issues relating to the fast and systematic approval of EIA documents. Therefore, the present study was designed with the objectives of:

- Reviewing the existing approval process of EIA report;
- Identifying the issues, gaps and constraints; and
- Recommending fast track approval process and implementing the project with sound and sustainable way.

Integration of Environmental Aspects in Development Planning and Legislation

2.1 Integration of Environmental Components in Policies and Plans

In the early 1980's, Nepal has taken initiative to integrate environmental aspects in the national policy and development plan. It was during the Sixth Plan (1980-1985) period the government, for the first time, established the Environmental Impact Study Project to develop policy, legislation and regulation, evaluate the impacts of development projects and promote environmental awareness. It is the Seventh Plan (1985-1990), which urged to carry out EIA for all major development projects related to tourism, water resources, transportation, urbanization, agriculture, forest etc. (NPC, 1985). Although the policy emphasized to undertake EIA, the achievements were not satisfactory due to the lack of coordination amongst the related sectors, inadequate trained manpower as well as poor budget allocation for the environment activities

During the nineties, the Eighth Plan (1992-1997) has made the ice-breaking job in introducing the EIA system as an integral part of long-term development policies and programmes (Table 1).

The Plan stressed the importance of conducting EIA prior to the implementation of development projects, preparation of EIA guidelines and study of impacts of large scale development projects upon the environment (NPC, 1992). Number of EIA guidelines of various sectors was prepared prior to the enactment of the EPA, 1996 and EPR, 1997 with a view to integrate environmental dimension into the development projects and programmes (Box 1).

The National EIA Guidelines and separate EIA Guidelines for Forestry and Industry sectors were endorsed by the then His Majesty's Government of Nepal in 1993 and 1995 respectively.

Box 1

EIA Guidelines
<p>Approved</p> <ul style="list-style-type: none"> ● National EIA Guidelines, 1993 ● EIA guidelines for Forestry sector, 1995 ● EIA guidelines for Industry Sector, 1995 <p>Draft</p> <ul style="list-style-type: none"> ● EIA guidelines for Water Resources Sector, 1996 ● EIA guidelines for Road Sector, 1996 ● EIA guidelines for Mining Sector, 1995 ● EIA guidelines for Urban Development Sector, 1995 ● EIA guidelines for Tourism Sector, 1996 ● EIA guidelines for Landfill Sites (1995)

The guidelines contain followings components:

- Methods for screening of the projects requiring an application of Environmental Assessment. Scoping, impact identification and prediction, report review, monitoring and evaluation and impact auditing;
- Methods for ensuring public participation during the preparation of the EIA report, including the need for clear documentation of the impact mitigation measures in the EIA report;
- Provisions for identifying socio-economic-cultural, biological and physical impacts and prescription of mitigation measures to avoid, eliminate and/or minimize adverse effects and to augment beneficial impacts resulting from the project implementation; and
- Emphasis on the adoption of monitoring, evaluation and environmental auditing frameworks in the EIA report.

Table 1: Policies, Programmes and Achievements in EIA Implementing System

National Development plans	Policies	Programmes	Achievements
Sixth Plan (1980-1985)	<ul style="list-style-type: none"> • Consideration of environmental aspects in the formulation of large infrastructure development projects • Study to minimize adverse impacts on the environment from development projects and conduct training on environmental conservation 	Implementation of Environmental Impact Study Project <ol style="list-style-type: none"> 1. Prepare national environment conservation policy; 2. Draft necessary legislation 3. Evaluate the impact due to development activities 4. Conduct study about the environmental impacts of development projects 5. Launch training related to environmental conservation 	<ul style="list-style-type: none"> • National Environment Conservation Policy and State of the Environment drafted • Environmental Impact studies of some implemented Projects conducted • Seminars and Workshops organised
Seventh Plan (1985-1990)	<ul style="list-style-type: none"> • Development projects will be executed only after proper assessment and evaluation of environment 	<ol style="list-style-type: none"> 1. Prepare sectoral EIA guidelines 2. Give priority to carry out EIA during feasibility study of mega development projects 	Some EIA studies carried out
Eighth Plan (1992-1997)	<ul style="list-style-type: none"> • Strengthening of planning cells of the Ministry. • Integrating Programme to minimize the adverse impacts of physical and industrial activities 	<ol style="list-style-type: none"> 1. Prepare sectoral guidelines 2. Conduct EIA study of mega-development Projects 3. Follow up programme to check the integration of mitigation on programme 	National EIA Guidelines, 1993 and separate EIA Guidelines for Forestry and Industry Sectors, 1995 approved EIA training organised
Ninth Plan (1997-2002)	<ul style="list-style-type: none"> • Promotion of participatory EIA; • Incorporation of EIA into economic plans and development activities right from local level; • Consolidation of line agencies according to legalized 	<ol style="list-style-type: none"> 1. Conduct EIA training 2. Revise EIA Guidelines 	EPA, 1996 and EPR Rules, 1997 entered into force Several trainings on EIA conducted EIA reports prepared and approved
Tenth Plan (2002-2007)	<ul style="list-style-type: none"> • Conduction of Strategic Environment Assessment 	<ol style="list-style-type: none"> 1. Promote environmental monitoring 2. Conduct Strategic Environmental Assessment 	60 EIA reports approved by August 2006 Fast track decision-making on EIA

The Water and Energy Commission Secretariat (WECS) has prepared three separate guidelines on:

- Initial Environmental Assessment;
- Environmental Monitoring; and
- Environmental Auditing of Water and Energy projects.

Similarly, the Department of Electricity Development in collaboration with United States Agency for International Development and International Resources Group has prepared manuals to facilitate the preparation of EIA reports of hydropower projects. They are:

- Manual for Preparing Scoping Document for Environmental Impact Assessment (EIA) of Hydropower Projects;
- Manual for Preparing Terms of Reference (TOR) for EIA of Hydropower Projects, with notes on EIA Report Preparation;
- Manual for Public Involvement in the EIA Process of Hydropower Projects;
- Manual for preparing Environmental Management Plan (EMP) for Hydropower Projects; and
- Manual Developing and Reviewing Water Quality Monitoring Plans for Hydropower Projects.

The contents of the guidelines have covered important aspects of environment. Besides national and sectoral EIA guidelines, the major achievements made during the period of the Eighth Plan are as follow:

1. Implementation of the National Conservation Strategy;
2. Endorsement of Nepal Environmental Policy and Action Plan by the Environment Protection Council;
3. Establishment of the then Ministry of Population and Environment; and
4. Enactment of environmental protection legislation.

The noteworthy achievement of the Ninth Plan (1997-2002) are undertaking of capacity building for EIA, institutional strengthening and legal provision, initiation of integration of environmental aspects in the periodic plans of District Development Committees (DDCs), and formulation of Sustainable Development Agenda for Nepal ((SDAN).

The current Tenth Plan (2002-2007) is directed towards the proper management of environment and utilization of natural resources to make the development sustainable. The policies to implement the Sustainable Development Agenda for Nepal (SDAN), undertake EIA monitoring and evaluation of approved development projects on regular basis and conduction of Strategic Environment Assessment (SEA), establishment of Environmental Management and Promotion Centre as technical environmental wing of the environment ministry, and effective operation of the Environmental Protection Fund for collecting pollution control fees and other charges (NPC, 2002). Besides, there are policies related to improvement of existing Act and Regulation to make environment programmes more effective, promotion of subsidy to local authorities for environment protection activities, encourage scientists, technicians and researchers to promote environment-friendly technologies and approaches and also to encourage women groups to contribute to environmental protection by awarding them. Establishment and strengthening of environmental information system and data bank and tie-up of environmental education with the formal and non-formal education programme are also equally important policy statements.

On the basis of aforesaid strategies and policies, the current Tenth Plan has also included following priority areas that will be given due attention during the plan period:

- Institutional reform and improvement in the environment sector;
- Assessment of environmental impact of the programmes and projects;
- Preservation of natural and cultural heritage; and
- Implementation of conventions relating to environment.

It is clear from the policy statements and priority areas that the importance of EIA has been well recognized. Also, it is to be noted that the number of projects that are appraised for the EIA has been made as one of the indicators of sector achievement. Therefore, the EIA process is the important component of environment management sector. The sector performance depends largely upon the efficient process and procedure of the EIA system in particular.

Besides the national level policies, sectoral policies have also emphasized on the need for environmental management, including the adoption of EIA process. The Water Resource Development Policy (1992), and other sectoral policies have given thrust for the integration of environmental aspects into development programmes and projects. In order to identify priority environmental management activities for sustainable development, Nepal Environmental Policy and Action Plan (NEPAP), 1993 has identified the existing environmental problems, constraints and recommended future program including strengthening of EIA system (EPC, 1993).

The conservation and development strategies i.e. National Conservation Strategy (then HMG and IUCN, 1988), Water Resource Strategy (WECS, 2002), Nepal Biodiversity Strategy (MFSC, 2002) have also integrated EIA as one of the important components for sustainable development and management of natural resources. The Water Resources Development Policy, 2001 also promotes the integration of environmental aspects during the development of water resource sector (MOWR, 2001). The policy urges to ensure minimum of 10% discharge or more as recommended by the EIA study during the construction and operation of hydropower projects, and encourages the private developers to acquire necessary land for the project by themselves. However, the government would assist to acquire the land at their cost if required. In case of government or public land, the government would provide such land on lease for project duration. In respect of resettlement of displaced population caused by the execution of the project, the developer himself has to undertake responsibility of implementing such programmes in line with the government directives. The government would assist in such resettlement programmes as well.

2.2 Integration of Environment Components in Legislation

In Nepal, the legal framework for EIA of development projects was created only in 1997, when Environmental Protection Act (EPA), 1996 was enacted and has formulated Environment Protection Rules (EPR) in 1997 (LBMC, 2000). However, before the enactment of environmental law, there were also other acts which contain environmental aspect, for example, the Aquatic Animal Protection Act, 1961 and Land Acquisition Act, 1977. Some of the notable Acts which promote environmental management are:

- Ancient Monument Protection Act, 1956
- National Parks and Wildlife Conservation Act, 1973
- Water Resources Act, 1992
- Electricity Act, 1992
- Forest Act, 1993
- Local Self-Governance Act, 1999

EPA, 1996 and EPR, 1996 provides details on projects requiring Initial Environmental Examination (IEE) and EIA and report preparation and approval process.

EIA Approval Process in Practice

3.1 Legislative Provisions

Sections 3, 4, 5 and 6 of the Environmental Protection Act, 1997 have explicitly mentioned the need for undertaking Initial Environmental Examination (IEE) or Environmental Impact Assessment (EIA) for prescribed projects as well as the process of approving IEE and EIA reports. The proponent is required to carry out the IEE and/or EIA of the prescribed project before its implementation. Section 4 prohibits implementation of the project without taking approval of the Concerned Body or ministry. Section 5 has made it obligatory that the proponent has to submit the IEE or EIA report of the proposed project for implementation to the Concerned Body (ministry related to the proposal) or ministry (Ministry of Environment, Science and Technology, MoEST). Section 6 of the Act has authorized the Concerned Body to approve the IEE report after examination of the report and if it is satisfied that the project will not bring any significant adverse environmental impact. In case of EIA report, the Concerned Body has to send the EIA and its associated reports along with its comment to MoEST for approval. The concerned body, while examining the IEE report of the project, if it finds it necessary to carry out an EIA, if shall order the proponent to undertake EIA study of that project and such report shall have to be approved by MoEST.

After receiving EIA report from the proponent through the Concerned Body, MoEST will publish a public notice for comments and suggestions. Section 6 has authorized MoEST to constitute a committee comprising of experts of related sectors and representatives of concerned agencies for experts' opinion on the EIA and its associated reports. Section 6 has authorized MoEST to approve the EIA report with and without conditions, if it is satisfied that the proposed project will create no significant adverse environmental impact. Section 24 empowers the government to formulate necessary rules on environmental assessment.

The government has brought out the EPR in 1997 and has amended first in 1999 by using the authority vested by the EPA, 1996. The Rules 3 to 7 and 10 to 14 deal with IEE and EIA report approval aspects.

With the enforcement of EPR, 1997 (with the first amendment in 1999) major projects require to carry out IEE and/or EIA study and need to get approval either from the Concerned Body or from MoEST. The EPR, 1997 has made it mandatory that prescribed projects shall undergo screening as per Schedules 1 and 2 of EPR, 1997.

For IEE, the format for TOR should follow as prescribed in Schedule 3 of EPR 1997, while the project requiring EIA will have to undertake scoping and TOR preparation before the preparation of EIA report. TOR for EIA should be prepared in the format as mentioned in Schedule 4 of EPR, 1997. It shall also include an Environmental Management Plan (EMP) including environmental auditing in addition as that of IEE report.

In EPR 1997, provisions are made to involve the local people as well as stakeholders in the EIA process. The noteworthy components of the EIA study process are, among others, public hearing, EMP and environment monitoring.

3.1.1 Public Notice

The EIA process starts with the publication of public notice for scoping after getting permission of survey license for hydropower projects. The purpose of public notice is to inform the stakeholders particularly of the project influence area about the project. The proponent has to publish a 15 day public notice in Nepali in the national daily newspaper. The copies of the public notice should also be pasted at the offices of the concerned VDCs of the project area for providing local people an

opportunity to offer their comments and suggestions. The notice calls upon the concerned parties, project affected people, and in broader sense stakeholders to offer suggestions and concerns about natural systems, cultural practices, social systems, economic and human activities and interrelationships of environmental components.

3.1.2 Stakeholders and Local level Interaction Meeting

The proponent shall circulate general notice requesting local level stakeholders for participation in the scoping meeting. Generally in such meeting, chairman of VDCs including of wards, mayor of municipalities, school teachers, health sector people, NGOs, CBOs, officials of government offices and concerned institutions are invited.

3.1.3 Public Hearing

The public hearing is one of the important parts of the EIA process, which takes place before finalizing the EIA report. It is necessary to get the public reaction on the EIA report. The proponent has to arrange this meeting at project affected VDCs. The stakeholders including the general public are to be invited through public notice and other means. The appropriate comments are to be incorporated in the final report. The proof of public hearing and issues raised should be annexed in the EIA report.

3.2 Role of Institutions and Stakeholders in the EIA Process

Number of governmental as well as non-governmental organizations, reviewers, proponents, consultants and experts, and general public are involved in EIA activities. The nodal organization directly involved in the EIA approval process such as Ministry of MoEST, concerned ministry and department are equally involved in review process.

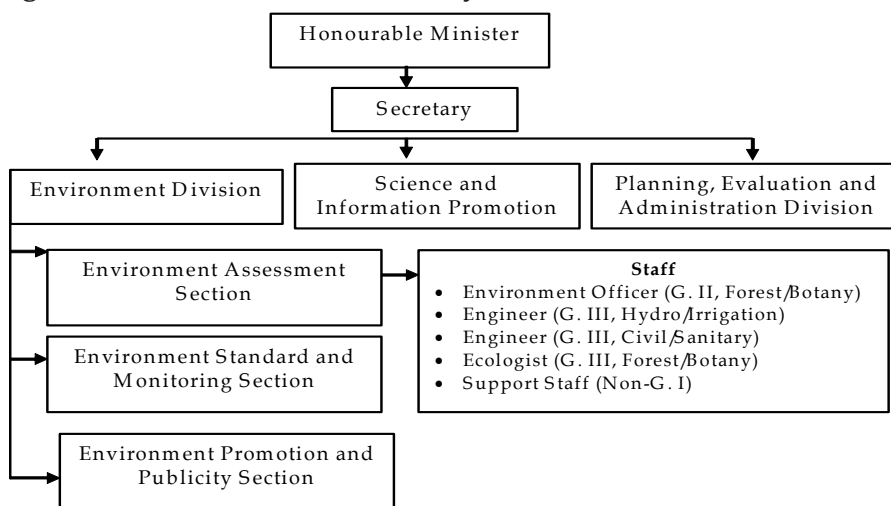
Ministry of Environment, Science and Technology

MoEST is the apex body at the government level for the approval of EIA and its associated reports. Among its three divisions (Science and Information Technology Promotion Division, Planning, Evaluation and Administration Division, and Environment Division), the Environment Division is involved in EIA report approval process. The organizational chart of the MoEST is given in Figure 1. Environment Assessment Section of the Environment Division looks after reviewing and forwarding for approval of EIA and associated reports.

Ministries and Departments

The role of the concerned ministries and departments is equally important in the process of EIA approval. The ministry concerned with the proposal should forward EIA and its associated reports (scoping document and TOR) with its comments and suggestions. It means, the proponent should not submit such report directly to MoEST for approval. The concerned ministry is empowered to approve the IEE report. The role of concerned department is to assist the ministry in this task.

Figure 1: Organizational Structure of Ministry of Environment, Science and Technology



Committee for the Review of EIA Report

As per Section 6 (Sub-section 4) of EPA, 1996, MoEST may form a committee comprising also of experts of the concerned agencies to render opinions and suggestions on EIA report. The Ministry forms such committee on case-by-case basis and it is named as EIA Report Suggestion Committee. Its composition is given in Box 2.

Box 2

EIA Report Suggestion Committee		
1. Joint-Secretary, Environment Division, MoEST		Chairman
2. Representative of the concerned ministry		Member
3. Expert or representative of the association (Maximum 3)		Member
4. Representatives from government organization and/or NGOs (Maximum 3)		Member
5. Under-Secretary (Law), MoEST		Member
6. Under-Secretary, EA Section, MoEST		Member-Secretary
		Total Number 10

Note: The meeting will also be attended by the Proponent and others as invited.

The role of EIA Report Suggestion Committee and its members (reviewers) is to provide inputs on technical aspects of the EIA report to MoEST. MoEST has practised to collect the inputs of the Committee and use it during the decision-making process. The Committee members are drawn from various institutions and expert groups as well as from professional associations and users federations. Generally, biologist, socio-economist, physical scientist including engineer are included in the review committee. The role of these reviewers is to examine the EIA document critically from different aspects, particularly the physical, biological, socio-economic and cultural aspects. Reviewers have to make the comments and suggestions on the document in the respective subject matters in a professional manner. So, the reviewers are selected carefully to represent the major aspects of the environment with due consideration on their experiences and professionalism. The Ministry has also initiated in maintaining the roster of EA experts, professionals and practitioners.

Proponents

The role of proponent of the project/proposal is to prepare environment-friendly project and submit the final report by incorporating the comments and suggestions received from various institutions, organizations, DDC, VDCs, Municipalities, NGOs, social organizations and the general public, particularly of affected areas. The proponent has to present the scoping document, TOR and the final EIA report in the meetings of the EIA Report Suggestion Committee, and refine such reports if necessary. If the government issues decision for refinement of the report, it should incorporate the suggestions of the committee, Concerned Body and other suggestions as per the decision, and re-submit for necessary decision. It has to convince the government and the project affected people and organizations that the project is environmentally sound and ensures the conservation of the environment.

Consultants and Consultancy Firms

The role of consultants and consultancy firms is to prepare the high quality EIA related documents of the proposed project for the proponent. They might function as the technical arm of the proponent. Its role is to prepare the reports on behalf of the proponent, and provide necessary additional inputs to the proponent.

Other Stakeholders

The important stakeholders are the local bodies such as DDCs, VDCs, and Municipalities and the civil society. Their role is to see the overall impact and benefits of the proposed projects to people and areas. They should inform about the project to the people and community of the area concerned and motivate to participate in the public hearing and other meetings as well. They can guide and help the proponents and/or investors to develop environment-friendly projects as well as in implementation of the project.

People

People at different levels also play important role by cooperating the proponent to develop environment-friendly project. They can act as pressure group as well as they can provide suggestions to minimise the adverse environmental impacts that project may generate.

3.3 Existing EIA Approval Process

The IEE and EIA and their associated reports are approved by the Concerned Body (concerned ministry related to the proposal) and MoEST respectively. The concerned Ministry will give approval in case of IEE and its TOR, while MoEST provides the approval for EIA report including scoping and TOR.

3.3.1 IEE Report Approval Process

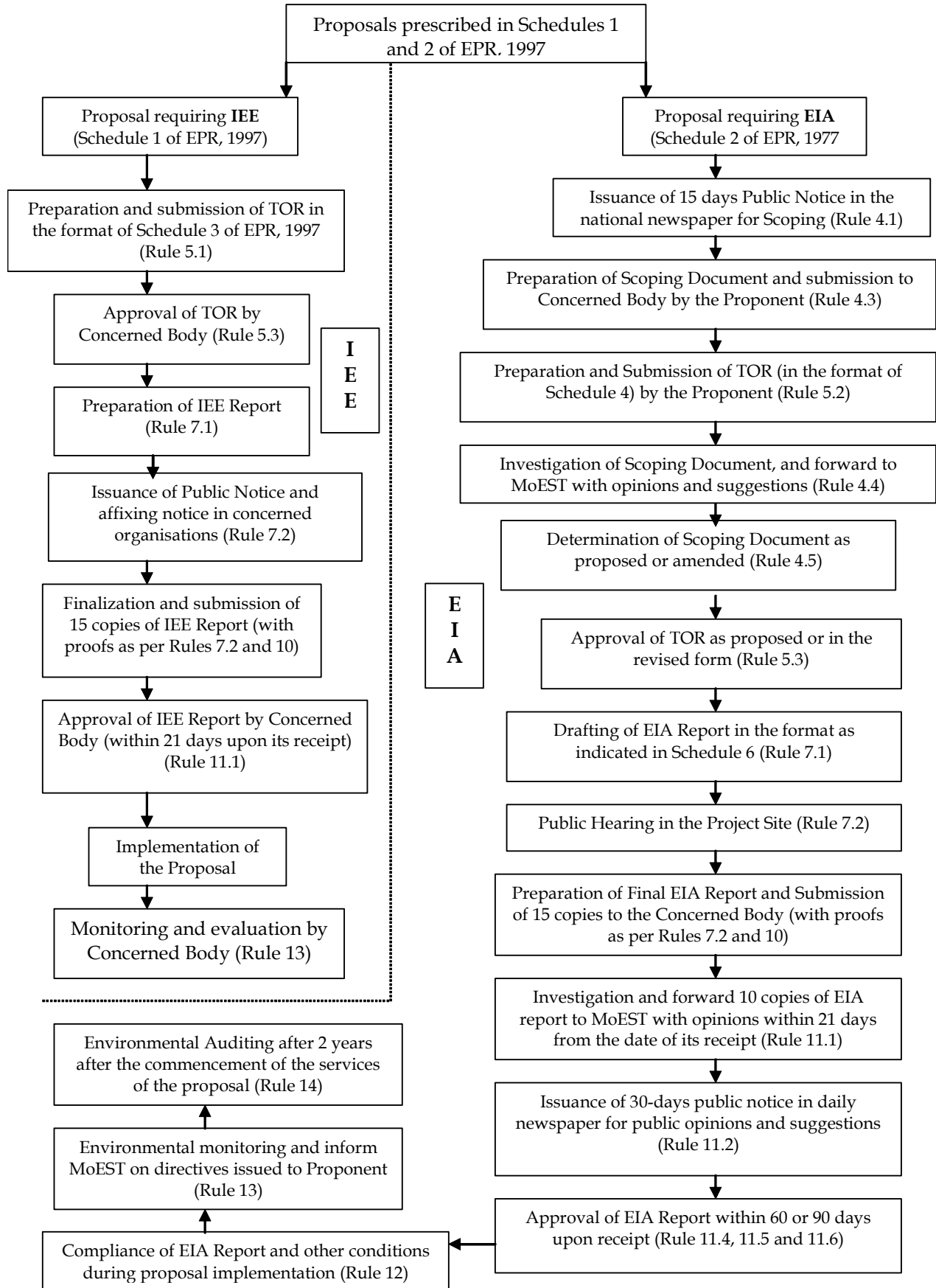
As mentioned above, the authority of approving the IEE report lies with the concerned ministry. In case of water resource project, the Department of Electricity Development is responsible to process the IEE and EIA and their associated reports submitted by the proponent for necessary approval. Upon receipt of the reports, the Department examines them and forwards the IEE and EIA reports to MOWR. As a matter of fact, it acts as first line of reviewer. The concerned section of MOWR will process report for necessary approval in case of IEE and its TOR.

The IEE Report Approval Process is as follows:

- The Proponent should prepare TOR for IEE in the format of Schedule 3 of EPR, 1997 and submit to the concerned Ministry through the Department.
- The concerned division/section of the Department will examine the document and submit to decision-making level in the department. On behalf of the Department, the Director General, in general, gives the decision on the report submitted. The Director General, if satisfied with the submitted document will make decision to forward it to the Ministry for necessary approval. If it is not satisfied, it might be sent back to the proponent for refinement and resubmission incorporating the comments and suggestions issued by the Department.
- Similarly, in the Ministry, the concerned division/section will process the document. It will be submitted to the decision-making level for final decision. If the ministry thinks that the document needs to be revised, it will send back to the proponent for resubmission incorporating the comments. If it is approved, it will be communicated to the proponent through the concerned Department.
- The proponent will conduct IEE study as soon as it receives the approval letter for TOR from the Ministry. The proponent shall prepare the IEE report in the format of Schedule 5 by complying with the provisions of the EPR, 1997 in particular the Rules 7 and 10. The IEE document should be submitted to the Ministry through the Department.
- The concerned division/section of the Department will first process the IEE document and then submits to the decision-making level for decision. If the decision is in its favour, it will be sent to Ministry for approval. If the report requires refinement, it will be sent back to the proponent for revision.
- In the Ministry, the concerned division/section will process the IEE report first and then it will be forwarded to the decision-making level for necessary decision. It is to be noted that the Ministry can also send the report back to proponent for revision and refinement. If it approves the document, the decision will be communicated to the proponent through the concerned department.
- In accordance with the provision of the EPA, 1996 and EPR, 1997 the proponent should implement the proposal only after the approval of the IEE report, if the proposal requires IEE level of study. If the proposal requiring IEE is implemented before the approval of the IEE report, Section 18 of the EPA, 1996 will be attracted.

The approval process is given in Figure 2.

Figure 2: Approval Process of Environment Assessment Report in Nepal



3.3.2 EIA Report Approval Process

Approval of scoping document is the first step of decision-making in the EIA process. Scoping study is required to develop the scope of works for EIA study. The scoping is generally undertaken after getting the survey license of the project.

The EIA report approval process can broadly be divided into two categories;

- Process relating to approval of scoping and TOR for conducting EIA study; and
- Process relating to preparation of EIA study report.

In hydropower projects, DOED and MOWR are involved. A brief in approval process given below (also see Figure 2):

- The responsibility for the preparation of scoping document and TOR lies with the proponent for carrying out EIA study related to the project. Fifteen day notice should be published in the national daily newspaper to inform the affected people of the proposed project areas and stakeholders to solicit their concerns and suggestion. The proponent prepares the said document either by himself or by hiring the consultant.
- Scoping Document should be prepared on the basis of brief field study and keeping in mind the public comments and suggestions received. The purpose of scoping, among others, is to identify and prioritise important environment related issues that need to be addressed during the EIA study. The proponent should prepare the TOR in the format as prescribed in Schedule 4 of the EPR, 1997.
- After preparation of the Scoping Document and TOR, the proponent will submit it to MoEST through the concerned ministry. The Scoping Document and TOR might be approved at the same time if both of them are sent at once.
- The department might send back the Scoping Document and TOR to the proponent for improvement or it might also forward to the ministry with its comments.
- Similarly, the concerned ministry might send back the Scoping Document and TOR, to the proponent with its comments for necessary improvement through the concerned department. If the concerned Ministry is satisfied, it will forward them with its comments and suggestions, if any, to MOEST for approval.
- The EIA approval process in MOEST begins as soon as it receives the said documents from the ministry. It will constitute EIA Report Suggestion Committee under the chairmanship of Joint-Secretary and Chief of the Environment Division (see box 2). In general, MoEST organises a meeting of the Committee to seek its opinions and suggestions on the documents. Meetings of the Committee are held as per necessity and in the meeting the proponent is to present the highlights of the Scoping Document and TOR.
- After receiving the comments and suggestions on the Scoping Document and TOR from the Committee, the Environment Assessment (EA) Section forwards with its additional suggestions, if any, for necessary decision. The EA Section and Environment Division are involved in the decision-making process. The Legal Section will also be involved in decision-making process as and when necessary.
- The decision on Scoping Document and TOR will be communicated to the proponent through the concerned Ministry. MoEST is empowered to approve the Scoping Document and TOR as proposed or in the revised form (see Rules 4.5 and 5.3). In case, these documents require improvement, MoEST will send it back with its comments to the proponent for refinement and resubmission.

Process relating to the approval of the EIA study report is as follows:

- The EIA study will start soon after receiving the approved TOR. The proponent shall prepare the EIA report taking into consideration the aspects included in Schedule 6 of EPR, 1997. The draft EIA report shall be presented to the public hearing meeting to collect comments and suggestions. The public hearing should be conducted at the project site. The report should be finalized taking note of opinions, concerns and suggestions of the participants of the public hearing programme and others.

- The proponent should collect recommendation letter from all the concerned VDCs and/or Municipalities.
- The final EIA report should be submitted to MoEST along with the proofs of public hearing and recommendation letters, i.e., as per Rules 7.2 and 10 through the concerned Ministry and the Department. The Department will review the report in the spirit of the approved Scoping Document and TOR and will forward it to the concerned ministry. Similarly the ministry will process the report and if satisfied it will forward to MoEST. In case of inadequacies in the report, the concerned department as well as ministry can send it back to the proponent for resubmission with improvement.
- The approval process in MoEST begins as soon as it receives the EIA report form the concerned ministry along with comments and suggestions. The MoEST shall make the final EIA report public by publishing a 30-days public notice in the national daily newspaper to solicit comments and suggestions if the legal provisions are complied with and EIA report is prepared based on the approved TOR.
- MoEST, in general, organises the meetings of the EIA Report Suggestion Committee, as necessary, to collect comments and suggestions. The proponent will present the highlights of the EIA report in the meeting(s) of the Committee which will provide suggestions and comments on the report.
- Based on the comments and suggestions of the Committee, and public notice, the EA Section of MoEST will process for decision. The Legal Section of the Ministry is also involved in decision-making process as and when necessary.
- MoEST shall grant the approval for the implementation of the proposal by approving the EIA report within 60 or 90 days upon its receipt. MoEST might approve the EIA report with or without conditions or send it back to the proponent for necessary improvement.
- In accordance with the provision of the EPA, 1996 and EPR, 1997 the proponent should implement the proposal only after the approval of the EIA report. If the proposal requiring EIA is implemented before the approval of the EIA report, Section 18 of the EPA, 1996 shall be attracted.

The approval process is given in Figure 2.

3.3.3 Status of Approval of EIA Report

As of August 2006, MoEST has approved EIA report of about 60 proposals, It includes the reports approved by the then MOPE and includes the period after the enforcement of EPA, 1996 and the EPR, 1997 in June 1997. The number of Scoping and TOR approved for EIA study has reached to about 30 additional projects.

3.3.4 Approval Time for EIA and its Associated Reports

Regarding the time frame of approving the Scoping Document, TOR and EIA reports, MoEST has followed its Citizen Charter and provisions of EPA, 1996 and EPR, 1997. MOEST issues decision on EIA report within the period of 60 to 90 days from the date of Report received. The Citizen Charter has also mentioned the necessary documents for processing the request made by the proponent. These documents include proofs of public hearing and recommendation letters of VDCs/ Municipalities. To facilitate the decision-making process, additional 10 copies of the Scoping Document and TOR are required for the members of the EIA Report Suggestion Committee. In case of EIA report, additional 15 to 20 copies are required to send the major institutions as per the public notice, and for the members of the EIA Report Suggestion Committee. However, the number of copies depends upon the nature of the proposal and its implementation area. In linear projects and project activities to be implemented in scattered areas, more copies of EIA report might be required to send them for public review.

Upon the receipt of the Scoping Document and TOR, the MoEST reviews them from both technical and legal perspectives. If the document complies with the legal provisions and technical aspects can be easily improved, it could constitute the EIA Report Suggestion Committee and hold meeting to the earliest possible. However, the proponent has equal responsibility to facilitate the holding of

meeting as it should send necessary copies of reports and should be ready to present the document in the meeting. Based on the comments and suggestions of the Committee, the Ministry will process for decision-making. Although the legal regime on environment assessment does not specify the time for the approval of the Scoping Document and TOR, the Ministry had made every effort for early decision and communicate the decision to the proponent.

EPR, 1997 has specified the time limit for approval of IEE and EIA reports. MoEST should approve the EIA report within 60 days in normal condition and additional 30 days in special situation. Thus, the maximum time period allocated for making decision of the EIA report is 90 days in total.

The time taken in approving the EIA report varies from 31 days upon its receipt in MoEST to 3 years and in rare cases. About 35 percent of the EIA reports are approved within the time as prescribed in the EPR, 1997, i.e. within 90 days. The approval of EIA and its associated reports (Scoping Document and TOR) has been delayed due to a number of reasons as also mentioned in Chapter 4 of this guide.

Major Issues and Constraints

The major issues involved in the EIA process, particularly in the approval of the Scoping Document, TOR and EIA report, are as follows:

1. Non-compliance on the submission of the 15-days public notice of national daily newspaper in the Scoping Document;
2. Lack of priority issues for EIA study in the Scoping Document;
3. Differences on data and requirements as mentioned in the licence and Scoping Document and/or TOR or EIA report;
4. Non-inclusion of comments and suggestions of the EIA Report Suggestion Committee and stakeholders even in the re-submitted document for approval;
5. Non-compliance of TOR with the Schedule 4 of EPR, 1994 and inadequate inclusion of scope of works;
6. Non-compliance with Rule 7.2 (public hearing) and Rule 10 (recommendation letters) of the EPR, 1997;
7. Non-clarity of aspects to be included in Scoping Document, TOR and EIA report;
8. Limited manpower and logistic constraints;
9. Inadequate capacity building and awareness about EIA process at levels of report preparers and reviewers including poor knowledge on IEE and/or among the stakeholders;
10. Submission of low quality report; and
11. Inadequate procedural documents on IEE and/or EIA on report preparation and review process.

4.1 Delay on Approval of EIA Reports

Although EPA, 1996 and EPR, 1997 have made some provisions regarding the time-frame for the approval of the EIA reports, the approved number of Scoping documents, TORs and EIA reports has taken more time than actually required. The reasons, which directly and indirectly contributed to make the approval process delay are enumerated above. The bottlenecks are non-compliance with the legal provisions in particular and technical aspects in general. The waiting time for comments of public for Scoping Documents and TOR and holding public hearing meetings at project site as well as getting recommendation letter(s) are also observed bottlenecks in some cases (Box 3). The actual process and practice of EIA and the time taken at each stage of process and the roles of different stakeholders are presented as a case in Annex 1.

4.2 Limited Manpower

The delay at the concerned department and ministry as well as in MoEST is because of limited manpower and logistic support (Box 4). EIA study involves number of activities and requires expertise of different disciplines. But in most of the government offices, there is lack of multidisciplinary manpower. Where the manpower is available, they might need orientation and training. Institutions involved in review and approval process have hardly a post for economist and sociologist.

Resource is another constraint. The logistic to carry out the task is hardly sufficient in most of the institutions.

Delay of Approval of EIA Report

In addition to aspects included above, number of projects requiring EIA and submitted for approval was found to be delayed due to the reasons stated below:

- The proponents are very much dependent upon consultants and consulting firms. Although the consultants might submit the reports in or before due date, because of their limited knowledge and experience in conducting EIA reports are seldom found up to the standard quality.
- The reports prepared by the consultants lack quality due to various reasons such as low bidding, which inhibits them to hire experts needed for the work.
- The contents of Scoping Document are not clear cut.
- The comments on the documents from the concerned Department and Ministry and from the MOEST take sufficient time. As per the information provided by the consultant for this document, NEA has to wait about 5 months to receive comments on IEE report of Saptari, Siraha, Bhojpur, Terathum, Illam, Sunsari, Udayapur and Khotang districts Rural Electrification Scheme from the Department of Electricity Development. Each organization has to make comment on the documents submitted by the proponent. The incorporation of comments at each level's organization has also contributed to make the process delay.
- Lapse of project study license period is another reason of delay in processing. EIA of Upper Modi "A" HEP can be cited as an example in this case. Its license was valid up to the period of B.S. 2057/9/20. EIA report was submitted to MOEST only on B.S. 2058/9/23. So, license was to be renewed for making it legally acceptable.
- The project is required to get recommendation from all the concerned VDCs/Municipalities (where the proposal will be implemented). Getting recommendation of each VDC/Municipality, particularly of hills and remote districts is a difficult task in most cases. Similar is the case for holding public hearing meetings in the project area.
- There are projects, which were delayed because attraction of the National Parks and Wildlife Conservation Act, 1973 and proposal being proposed for implementation in the World Heritage Site.
- The proponent has taken sufficient time to revise and resubmit the documents after receiving comments and suggestions for reports improvement.

4.3 Poor knowledge about IEE and EIA Process among the Stakeholders

Awareness relating to the EIA process is crucial for the preparation of EIA and successful implementation of the environment protection measures (benefit enhancement and adverse impacts mitigation measures) for sustainable management of the resources. At present, essential knowledge regarding EIA process among the stakeholders is limited. Therefore, emphasis should be given to launch information dissemination and public awareness programmes.

4.4 Low Quality Documents

Most of the EIA documents are low in quality (Box 4). It is due to unspecific, unclear and generic TOR given for IEE and/or EIA and inadequate capacity of consultants and concerned agency to integrate essential components in the documents. Moreover, another cause may be the lack of following the existing guidelines for the preparation of EIA report. There are also limited knowledge relating to required information, methods and techniques for impact identification, prediction and evaluation and also selection of environment protection measures and monitoring parameters which are the ingredients of good quality EIA reports.

Views and Opinions of Stakeholders Related to the Approval of EIA Report of Hydropower Project

The stakeholders can be grouped into: **a) proponent/developers, b) regulatory & monitoring authorities, and c) other stakeholders.** The developers include Government of Nepal, Nepal Electricity Authority (NEA) and Independent Power Producers (IPP). The regulatory and monitoring agencies are DOED, MOWR, MoEST, and other concerned agencies such as the Ministry of Forests and Soil Conservation, if the project will be implemented in the forest areas. The other stakeholders include affected people and I/NGOs and CBOs. These stakeholders' views carry special significance.

Interviews and meetings were arranged with stakeholders particularly government organizations, proponents, consultants and experts with the objective of getting their views and suggestions on the basis on their experience to develop the present process of EIA approval as more effective and efficient.

1.Ministry and Department: At the government level, interview was taken with the officials including high level officials of the Ministries and Departments. The target group of interview programme was the persons attached with the EIA works and involved in EIA/IEE approval process. MoEST, MOWR and DOED were chosen for interview as this project focused on hydropower sector.

The limited manpower, low quality report, missing of necessary documents, which are to be attached along with the EIA report, have been pointed out as the main reasons for delay in approval. The opinion is that the proponent and the consultant in particular are not serious in the job. Because of mandatory public hearing on EIA report at the concerned VDC was realized a very difficult task in the present context, but they are helpless until the change is made in the regulation.

2. Proponent, Consultants and Experts: The proponents, consultants and experts are the main actors of conducting studies and preparing EIA/IEE reports. Among them it is the proponents who suffer most, in case of delay in approval. So, interview was arranged with them as well to get their feed back. The list of interviewees is attached in Annex 3.

Proponents are of the opinion that generally delay occurred due to lengthy bureaucratic process. It may be due to shortage of working hands. The deputed officers are hardly well versed in all the subject matters of EIA and the engineer looking after the biological and sociological aspect of the EIA/IEE cannot get the proper insight. The concerned Ministry and Department have to hire the expert if needed as with the case of MoEST where EIA Report Suggestion Committee is formed and experts are drawn. Another reaction particularly of the consultant is that guideline for Scoping Document is in most cases unclear.

The consultant has also agreed that there is unhealthy competition and because of low bid they were unable to carry out detailed investigations required for producing quality reports.

4.5 Inadequate Coordination among various institutions and Stakeholders

There are number of institutions involved in the EIA process. These institutions are MoEST, license issuing ministry and department, and local bodies. In the case of hydropower sector, institutions involved are MOWR and DOED as well as other ministries such as Ministry of Forests and Soil Conservation if the proposal will be implemented in the forest areas. Besides, there is a necessity to comply with the provisions of the international treaties and conventions. The EIA approval of the NEA's project namely Jagatpur – Madi 33 kV Transmission Line Project can be cited as an example. It

was affected due to its location in the World Heritage Site - the Chitwan National Park. The local government such as VDC and DDC will also come into picture but the coordination with these organizations is yet to be expanded.

The inter-relationship and linkage among and between MoEST, license issuing ministry and department is though positive, it might have affected the decision-making process of EIA report approval as each ministry has its own role and responsibility. For example, the development projects within the jurisdiction of ministries like Ministry of Forests and Soil Conservation might face difficulty in EIA process and project implementation by complying with the provisions of the Forest Act, 1993 and the National Parks and Wildlife Conservation Act, 1973. . The proponents/developers might suffer because of their roles and responsibilities and their priority and working modality as well. The coordination among them is needed to make the EIA process more effective.

4.6 Public Hearing and Recommendation Letters

In accordance with the provision of the environmental law, the proponents/developers are required to inform the institutions and the public where the project is proposed for implementation by issuing the public notice. The proponent is responsible to organize and conduct the public hearing meeting at project site. Holding a public hearing on the EIA report at the local level, i.e., VDC/Municipality level was found difficult in the near past. Likewise, the proponent is required to submit the recommendation letters of the concerned VDCs and/or municipalities. Getting such letter from the concerned VDCs and/or municipalities might take lot of time. This is also one of the reasons of delay in processing the documents.

Mechanism for Fast Track Approval Process

The present trend of the approval process of the EIA reports revealed that some improvement in the modality, mechanisms and review/evaluation systems are essential to implement in time and for the benefit of the people and environment. Some essential elements are as follows:

5.1 Mechanism for Fast Track Decision-Making

Though the present system of EIA approval process and procedure is not urgent to modify in totality, some changes will be helpful to make the process more efficient. It is necessary to accomplish the work of approval within the timeframe as envisaged in the EPA 1997 and EPR, 1997.

MOEST, Concerned Ministries and Departments should more be a facilitator.

MOEST's action is more related to enforce the environmental laws and to promote sustainable development and ensure the integration of environmental aspects in development process. Development should be the primary concern and environment aspects are important to make the development sustainable. Hence, it has to play the twin roles of facilitator and regulator.

Similarly, the concerned ministries and departments should also facilitate early review and decision to encourage the proponents to comply with the policies and legal provisions and make the proposals environment-friendly.

Decentralize the Authority

Along with capacity building programmes of the officials and institutions responsible, it is necessary to decentralize the authority or delegate power to appropriate institutions. For this, Rule 52 of the EPR, 1997 could be enforced.

In the present system, in case of EIA report the approval decision is vested to MoEST, while for IEE related project, it lies with the concerned Ministry related to the proposal. Considering the time involved in the approval process, the proposals requiring IEE or EIA can be regrouped taking into consideration the investment size, location, and magnitude of adverse impact that project may create. The Ministry instead of handling all types of IEE projects might delegate power to the Department for environmentally benign projects requiring IEE.

One Window Approach

In the EIA approval process, there is more than one institution involved. At the governmental level, besides other, MoEST, concerned Ministries and Departments are involved and they play their specific roles and responsibilities. The proponent or the developer/investor has to respond their queries and comments separately at each stage, which has consumed lot of time. If these institutions can be made to act in the line of *one window concept* it may assist to make decision-making process quick.

Checklist on the Registration Desk

Checklist need to be prepared to check the documents needed for fast process of administrative work. During the registration of Scoping Document, TOR and EIA report, a mechanism should be developed to check the required documents including legal aspects during the registration time.

5.2 Integration at the Early Stage of Project Cycle

The EIA study is generally undertaken after receiving the license for survey. It will save time and money if it could be incorporated in the early stage of project cycle. The pre-feasibility and feasibility is the early stage of project cycle. So there will be time saving if IEE and EIA are integrated with pre-feasibility and feasibility studies respectively.

5.3 Strengthening the EA Section

Some of the development ministries and departments have Environment Section. The MoEST and MFSC have Environment Divisions and Environment Assessment Sections. Other ministries have also Environment Section. However, they are weak and under-staffed. There is a need for human resource development on various subjects and different aspects of EIA for the staffs. Also, priority should be given to appoint the professionals for longer term, who are familiar with the principles of EA and its process.

5.4 EIA Report Suggestion Committee

The EIA Report Suggestion Committee exists as the extended arm of MoEST. Besides ex-officio members, MoEST appoints various experts on the basis of project's nature as members. The member should be quite capable and knowledgeable on EIA, its components and implications.

There are no selection criteria or updated roster. It seems that such appointment of reviewers is generally made on subjective basis. There is no provision for their remuneration/ honorarium. It is better to develop some sort of selection criteria. They should be provided allowances for their quality input. The committee meetings are to be made on regular basis to facilitate for early decision.

There is no provision in EPR, 1997 to constitute IEE Report Review Committee in the concerned ministries. So, such committee hardly exists. It will be useful to constitute such committee to get necessary feedback in the concerned ministries as well. The ministries and departments might need the service of different expertise to look aspects related to different subjects of IEE.

5.5 Arrangement for Early Comments from Stakeholders

Besides government sector stakeholders, there are other actors who are equally important in the EIA process. These stakeholders include VDC/DDC members, users' groups, NGOs and INGOs' and project affected people. Their views and comments are valuable for developing mitigation measures and programmes and making the project environment friendly and sustainable. So, a mechanism should be developed to get early response from the concerned stakeholders.

At present, collection of stakeholders' views, opinions and comments as well as recommendation is time consuming. So, in order to save time, it is necessary to think over to improve the present system of collecting recommendations from VDCs and conduct interaction programmes with stakeholders and public hearing meetings. If such meetings of stakeholders of different VDCs for scoping and EIA study be arranged in one and two centrally located places, it may be convenient and quick.

5.6 Awareness Raising

If the quality of the EIA report particularly Scoping and EIA is good, the approval process will be quick. But, it is reported that the quality of most of the EIA documents are low resulting the need for extra time and labour for modification, revision and correction. Therefore, existing procedural guidelines on EIA should be best used and EIA/IEE manual for report preparation should be developed.

Consultants are the friends, philosophers and guides of the developer/proponents. But majority of the local consultants have very little in-depth knowledge about the EIA/IEE process and procedure. They are not aware of needs of EIA and this has resulted many comments on their reports and has taken more time to improve. It has also caused delay in approval.

Awareness and orientation programmes including seminars and workshops for the developers, consultants, consulting firms and stakeholders need to be organized from time to time to enhance their knowledge and performance. The tailor made courses on conducting EIA study for them should be considered to develop necessary capacity.

5.7 Guidelines, Manual and Checklist

EIA guidelines relating to few major sectors (as mentioned above) have been developed. The manuals will make the job easy. DOED has developed EIA manual for hydropower sector. MFSC has also implemented IEE Manual for Forestry Sector since 2004. But in other sectors, there is a dearth of manual. Therefore, priority should be given to prepare EIA manual for relevant sectors. It will help developers and consulting firms to prepare quality EA reports by complying with policies and laws.

There are different levels of development projects: a) national, b) regional, c) district, and d) local. These are also categorized as mega, large, medium and small on the basis of investment and size/capacity. Each development project, whatever its nature, size and impact has to undergo environmental test. In this context, environmental checklist is to be considered, besides EIA and IEE study. The environmental checklist has not been applied for small and minor projects so far. It is to be developed and applied for small or minor and district or local level development projects having minimal adverse impact. DDC/VDC projects will be benefited from such checklist type of report.

The criteria of screening for EIA and IEE study is to be broad based and its present threshold and norms are to be reviewed for making necessary changes.

5.8 Conclusion

The present system of EIA approval process and procedure is not urgent to modify in totality, but some changes will be helpful to make the process more efficient. It is necessary to accomplish the work of approval within the timeframe as envisaged in the EPA, 1996 and EPR, 1997. Moreover, emphasis should be given to implement capacity building and awareness programme and necessary guidelines required for the preparation of good quality EIA report.

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A Case of the Butwal-Sunauli 132 KV Transmission Line Project

EIA of the Butwal-Sunauli 132 kV Transmission Line (TL) Project is selected to explain the process and practice of EIA and to find out the time involved in each stage of the process as well as role played by different stakeholders.

a) Project Information and Background

The project is related to the Nepal-India power exchange agreement. Considering the excessive energy available in the Nepalese system during the wet season from its hydro-based power plants and power deficit during the winter/dry season, it is considered to be more practical to export power to Indian grid during the wet season and import from eastern grid of India during the dry season. So far, 50 MW of power has been exchanged between Nepal and India. The Sixth India-Nepal Power Exchange Committee Meeting held at Kathmandu in January 2001 agreed to increase the quantum of power exchange from 50 MW to 150 MW and further worked out on schedules to construct three 132 kV interconnection links to make the enhancement possible.

This TL located in Rupandehi District is one among three prioritized 132 kV transmission Line Projects: (a) 67 Km long Butwal (Nepal)-Anandanagar (UP); (b) 60 km long Parwanipur (Nepal)-Mohatari (Bihar); and (c) 83 km long Dhalkebar (Nepali)-Sitamadhi (Bihar).

The 25.39 km long Butwal – Sunauli 132 kV Transmission Line passes through Jogikuti (Butwal) to Pradip nagar- Madarhani- Mirgauliya-Mainahawa-Darkhasawa-Karuwani-Pharsatikar-Materiya-Basantpur-Bagaha-Sunauli Border in addition to Butwal Municipality. It passes through 7 VDCs – Shankar Nagar, Karahiya, Makrahar, Gangoliya, Hatipharsatika, Basantpur and Bagaha. It crosses 9 settlements and 12 village roads. The proposed route mostly runs along the Rohini River.

Regarding its technical feature, there are 80 towers, self-standing lattice tower, double circuit and height of the tower is 31 meter depending upon ground clearance and distance between towers. Size of the conductor is 326.1 mm³ (ACSR, BEAR). The right-way-of-way is 18 meter in urban areas and 30 meter in forest. The total cost of the project is estimated at Rs. 242. 78 million.

b) Project Proponent

The proponent of the project is Transmission Line / Substation Construction Department, Nepal Electricity Authority. NEA entrusted its Soil, Rock and Concrete Laboratory (SRCL) for carrying out the EIA of this project. It hired the Water Resource Consult (P.) Ltd, a private consulting firm for carrying out the detail route survey.

c) Survey License

The survey license for the said project was applied first on 2057/2/13 to MOWR and it was granted on 2057/2/31 for the period from 2057/2/31 to 2057/7/30. Again the NEA applied for the survey license on 2058/12/22 and it was granted on 2059/2/3 for the period from 2059/2/3 to 2059/11/30.

MOWR has issued the survey license twice (later on June 2001) for the investigation of the Butwal-Sunauli 132 kV TL Project. This survey license was further extended till the end of Magh, 2060 (NEA, 2003).

d) Activities undertaken Relating to Scoping and TOR

i) Publication of Public Notice for Scoping

The 15-days public notice for scoping was published on the Gorkhapatra (national daily newspaper)

on 2058-5-1, 2058-06-14 and on 2059-12-08. It was due to changes expected in the number of VDCs and municipalities of the project affected areas.

The notice was pasted in the office of District Development Committee, Rupandehi for the general public as per the request made by NEA through the letter dated 2059/9/1. It was communicated to NEA through the letter dated 2059/9/5

ii) Collection of Public Reaction

The opinions, suggestions and the recommendations relating to the project were communicated along with the public concern to NEA by the following VDCs and Municipalities and other organisations (Table 1.1).

Table 2: Response of DDC/VDCs and other Organizations of Project Affected Area (Rupandehi District, 2058-2060)

S.N.	Name of Organisations	Date of Opinion communicated to NEA	Remarks
1.	Shankar Nagar VDC Office	2058/6/11 & 12	Attached reaction of 62 persons of affected area
2.	Karahiya VDC Office	2058/6/8	Recommended with suggestion not to make adverse impact upon forest of 1-9 wards through letter dated 2060/4/18 Also, recommended on 2060/4/19 in response to NEA's letter of 2060/3/7
3.	Madhawalaya VDC Office	2058/6/	
4.	Basantapur VDC Office	2058/6/8	Recommended on 2060/5/8 in response to NEA's letter of 2060/4/20
5.	Hatipharsatikar VDC Office	2058/6/8	Recommended on 2060/4/16 in response to NEA's letter of 2060/4/11
6.	Padasri VDC Office	2058/6/11	
7.	Bagaha VDC Office	2058/6/8	Recommended on 2060/4/19 in response to NEA's letter of 2060/4/11 with suggestions
8.	District Development Committee Office, Rupandehi	2058/6/10	
9.	Shidhartha Nagar Municipality	2058/6/10	
10.	Shankar Nagar Community Forest users' Group	2058/6/12	Suggested to change alignment form Jogi Kuti and recommended by Shankar nagar VDC through letter dated 2060/4/19. Also recommended on 2060/4/17 in response to NEA's letter of 2060/3/24
11.	Butwal Municipality office	2058/10/4	Received by NEA on 2058/10/8
12.	Makrahar VDC Office	2060/1/21	
13.	Gangabaliya VDC Office	2058/10/4	Received by NEA on 2058/10/8
14.	Department of Forests	2059/4/10	Response to NEA's request for forest land. MFSC decision was made on 2059/3/31 and Department of Forests communicated it on 2059/4/10 and NEA received on 2059/4/20

Source: NEA, 2003.

The above table reveals that 15-days public notice about the project in the national daily newspaper and the notice pasted in the DDC office have informed the public and project affected people had responded well. Of the total responded organization, 9 were VDCs, 1 DDC office, 2 municipalities and one forest user group. DDC, VDCs sent their recommendation with their opinions. The period of receiving opinions and recommendation started from 2058 /6/8 to 2060/5/2. About 2 years took to get the recommendations form the VDCs. Apart from collecting opinions and recommendations, meetings of stakeholders at the sites of the project affected VDCs were also organized during the period of scoping exercise (Table 1.2).

Table 1.2: Meetings of Stakeholders at the Sites of the Project Affected VDCs, 2058

S.N.	Venue of Meeting	Number of participants	Date of meeting	Participants
1	Pudasri VDC, Ward No.3, Khumsa	14 persons	2058/10/3	Teacher, farmers, workers, and shopkeeper
2	Bagaha VDC, Ward No. 4, Bagaha Tole	13 persons	2058/10/3	
3	Bagaha VDC, Ward No. 7, Bargarhi	20 persons	-	Ward chairman, members teacher, farmers, workers and tailor
4	Hati Pharshatikar VDC, Ward No. :3, Naulihawa	22 persons	-	Accountant, ward members, cadastral survey inspector, farmers and businessmen
5	Karahiya VDC, Ward No. 9, 3 No.Tole	25 persons	2058/9/26	Ward chairman, teacher, farmers, chairman and vice-chair of users' group and businessmen
6	Karahiya VDC, Ward No. 8, 3 No.Tole	13 persons	2058/9/28	teacher, farmers, telecom engineer and others
7	Karahiya VDC, Ward No. 5, 3 No.Tole	13 persons	2058/9/28	Ward chairmen and members, school managing committee member, farmers, telecom engineer and others
8	Bagaha VDC, Ward No. 9, Shree Rampur	23 persons	2058/10/1	Ward chairmen and others
9	Basantapur VDC, Ward No. 7, Prashauni	25 persons	2058/10/1	EX-ward chairman and others
10	Gangabaliya VDC, Ward No. 1	7 persons	2058/10/3	PDDP staff and others
11	Karahiya VDC Office building	14 persons	2058/9/29	Ward chairmen vice-chairmen, study team members and others
12	Basantapur VDC, Ward No. 8, Balapur	26 persons	-	Ward chairman and others
13	Padshari VDC, Ward No. 3, Bardihawa tole	22 persons	-	Ward chairman, vice-chairman and members, Undersecretary, and others
14	Hati Pharshatikar, Ward No. 2, Tholu Dumdumwa	13 persons	-	Ward chairman, farmers and others
15	Hati Pharshatikar Office building	27 persons	2058/10/2	Ward chairman, vice-chairman and members, health worker, postal official, PDDP staff and others
16	Madhabaliwa VDC, Ward No. 7, Juda	7 persons	2058/9/29	Ward chairman, vice-chairman and members, and others

From the table above, it is clear that public meetings of stakeholders were conducted at 16 different places from 2058/9/26 to 2058/10/3 in course of preparing scoping document. The total number of participants in the meetings varied from 27 persons to 7 persons. The consultative meetings were conducted after 4 months of issue of public notice in the national daily newspaper.

iii) EIA Report Review Committee and Approval

The application for the approval of Scoping Document and TOR for EIA study was submitted to DOED. The then MOPE received the documents through MOWR on 2059/5/5. The then MOPE constituted the EIA Report Suggestion Committee and called its meetings. The proponent was asked to present the document, which followed the discussion. The proponent improved the document by incorporating the suggestions and comments by the members of the committee. It then submitted the improved TOR for approval to then MOPE on 2059/5/26. The Ministry's decision was communicated to the proponent (it seems directly, not through MOWR and DOED) through its letter c.n. 471 dated 2059/7/15. The NEA had received the letter on 2059/7/22. It took little more than 2 months from the date of submission to then MOPE by MOWR.

e) Activities undertaken Relating to EIA Study

i) Start of EIA study

A team of 11 members carried out the study in line with the approved TOR. The team consisted of 1 socio-economist, 1 statistician/sociologist, 1 environmental engineer, 1 transmission line expert, 2 botanists, 2 electrical engineers, and 2 civil engineers. Field survey and investigation were carried out. It took about 2 years to complete the EIA report from the date of approval of TOR.

ii) Public Hearing Meeting

The draft EIA study report was completed in October 2003 and public hearing was arranged for comments as per requirement of EPR, 1997. The public hearing notice was published in the national daily newspaper "The Gorkhapatra" stating that public hearing on the said project would take place on Saturday, of Poush 6, 2059 (23rd December 2002) 11.30 am at Shree Pasupati Higher Secondary School, Kotihawa, Madhawaliwa VDC-4, Rupandehi. The letter was sent to different organizations including government and political parties.

The meeting commenced with the presentations from the NEA staff, representatives of MOWR, then MOPE, MFSC, and project affected VDC/Municipality. Ex-chairman, secretary, representatives of political parties, students, teachers, intellectuals, government officials and other public attended the meeting. The total number of participants of the meeting was 86 persons. Altogether 14 persons expressed their views.

iii) Submission and Approval of the EIA Report

The proponent submitted the EIA report for approval to then MOPE through the concerned ministry. MOWR sent this report to then MOPE on 2060.7.20 with its comments and suggestions. The then MOPE published a notice on 2060.8.11 in the Gorkhapatra daily to make the report public. The then MOPE organised a meeting of the EIA Report Suggestion Committee on 2060.9.23 and send a letter to MOWR on 2060.10.8 to inform the proponent to submit the revised report by accommodating the suggestions made in the report.

MOWR sent the revised report to the then MOPE on 2061.2.8 and the then MOPE approved the revised EIA report with conditions on 2061.4.11. The decision was communicated to MOWR and the proponent on 2061.4.12.

Conclusion:

The above case study clarifies report preparation and approval process and indicates the time required.

Process for Selection of Hydropower Developer

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List of Persons Interviewed and Consulted

Then Ministry of Population and Environment

1. Mr. Mohan Bahadur Karki, Secretary
2. Mr. Manohar Prasad Khanal, Under-Secretary, EIA Section
3. Mr. Laxman P. Mainali, Under-Secretary, Law Section
4. Mr. Purushottam Kunwar, Under-Secretary, Environment Conservation Fund Management Section
5. Mrs. Neera Pradhan, Ecologist, EIA Section
6. Mr. Bhai Raja Manandhar, Engineer, EIA Section
7. Mrs. Meera Joshi, Engineer, EIA Section

Ministry of Water Resources

8. Mr. Pravin Aryal, Senior Divisional Engineer, Planning Section
9. Mr. Shyam Sundar Shrestha, Under-Secretary, Monitoring and Evaluation Section
10. Mr. Sagar Raj Gautam, Engineer

Department of Electricity Development

11. Mr. Arjun Prasad Shrestha, Director General
12. Mr. Sudesh Kumar Malla, Senior Divisional Engineer

Nepal Electricity Authority, Environment and Social Studies Department

13. Mr. Shiva Chandra Jha, Director
14. Dr. Mohan Dev Joshi, Deputy Director
15. Mr. Rabindra Chaudhari, Assistant Manager
16. Mr. Rajan Rishi Kandel, Sociologist

Consultants and Consulting Firms

17. Mr. Bhupendra Aryal, Director, Water Resources Consult (P.) Ltd.
18. Mr. Biswa Prakash Amatya, Director, Welink Consultant (P.) Ltd.
19. Dr. Toran Sharma, Director, NESS
20. Mr. Nemkul Shrestha, Silt Consultants (P.) Ltd.
21. Mr. Binaya Shah, Director, Integrated Consultants Nepal (P.) Ltd

Experts and Professionals

22. Mr. Surya Man Shakya, General Manager, Solid Waste Management and Resource Mobilisation Centre
23. Mr. Purna Man Shakya, Director, Reliance Law Firm
24. Prof. Upendra Man Malla, Director, New Era